



Covenant Conversations Financial Overview

October 21, 2018



Introductions

- Your Finance Committee
 - John Drake, Committee Chair, Member of Board
 - Grafton Balko, Chair of Stewardship Committee
 - Jack Leonard, Treasurer, Member of Board
 - Sheri Sullivan
 - Kevin Dempsey
 - Joel Hand
 - David Dunn
 - Don Nelson
- Ex-Officio, Non-Voting Members
 - Darren Cushman-Wood, Pastor
 - Josh Jordan, Finance Director

6 p.m. third Tuesday of the month
Open to all members of North

Agenda

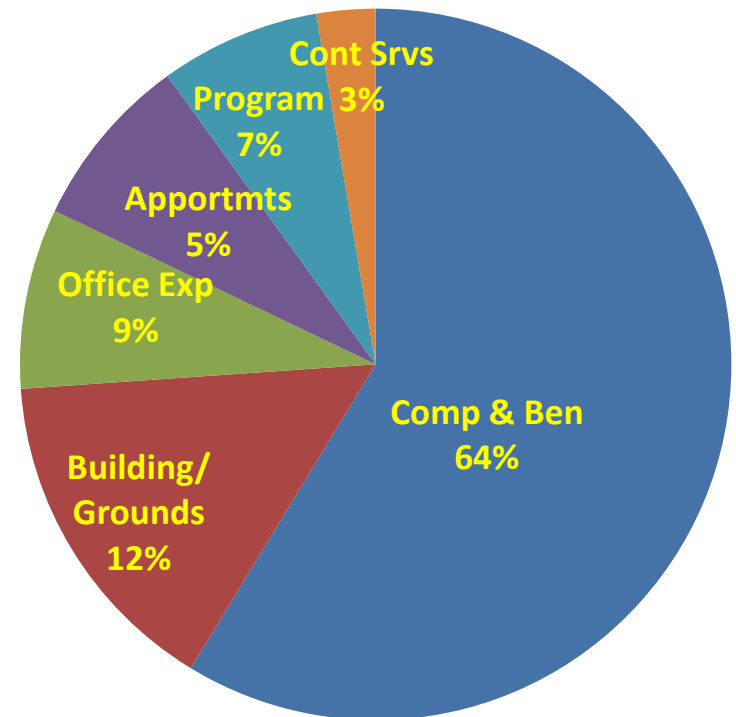
- Generosity
- How we are doing this year (2018)?
 - Expenses
 - Revenue
- What has been done to manage the budget.
- Preliminary Budget for 2019
- Stewardship Committee
- Q & A

Benefits of Generosity

- Positive Mental Outlook
- More Energy
- More Money
- Social Connections

Budget/Expenses

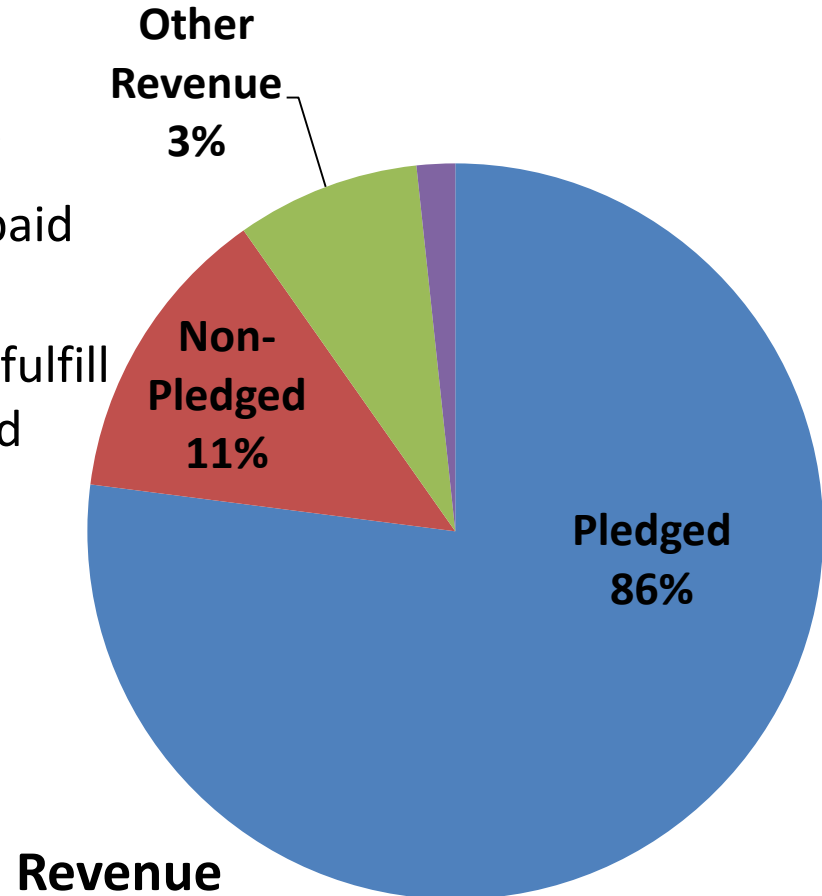
- **Compensation and Benefits** – salaries, health care, retirement, taxes, housing, etc.
- **Building Expenses** – utilities, repairs, grounds upkeep, janitorial supplies, etc.
- **Office Expenses** – computers, books, phone, legal fees, postage, etc.
- **Program Expenses** – ministry supplies, meals, curriculum, lodging, scholarships, etc.
- **Apportionments** – conference and district
- **Contracted Services** – security, accounting services



**North's budget is dominated by people and facilities – 76%.
 Other expenses are much smaller by comparison.**

Revenue/Income

- Source of revenue/income
 - Pledge – pledges made that are paid during the year
 - Non-pledged - not being paid to fulfill a pledge - funds that are collected each Sunday
 - Designated contributions
 - Fees, sales, rental, interest
- 97% of all funds come from contributions



North relies almost completely on pledges and donations to pay for staff, mission, services and facilities

2018 Finances – As of September

- 2018 budget \$1,317,560
 - Board approved unusual of sources of funds to cover the expected shortfall - **if needed.**
- Expenses have been managed tightly and are below budget so far.
 - Compensation and Benefits are below budget.
 - Copier Expense are below.
 - Maintenance and repairs are under budget.
- Total Revenue is **61,000 below budget.**
 - Pledged income is **58,000 below budget.**
 - **Current rate is of payment on pledge is 92%.**
 - **Non-pledged Contributions are** tracking below budget –
 - Fourth quarters are strong for Pledge and Non-Pledge income.
- We expect a traditionally strong December.

If pledge payments return to 95%, North may not need to use one-time sources of funds.



What has been done to manage the budget?

- Contracted Services.
- Farmers Market Coordinator out of budget.
- Property Liability Insurance lower.
- Overall expenses have been below budget for several years.

Looking ahead to 2019

- 2019 Preliminary budget
- Link to Stewardship Campaign

2019 Preliminary Budget

- Preliminary expense budget approximately \$1,364,000.
- Preliminary income budget approximately \$1,200,000.
 - Assumes current staffing levels, partial restoration of apportionment payments, prudent fiscal management and no further budget cuts.
 - Deficit depends on \$ amount of pledges.
- Revenue Assumptions
 - Continue to assume that members will pay 95%.

Expense Key Assumptions

- Wages – No wage increase so far.
- Contracted Services – Reduced (13,500) due to switching provider of security
- Conference/District Apportionment – Assumes a restoration from 50% to 75% (91,000) to Conference and (13,000) to District.

Budget Adjustment Options

- Reducing North's conference/district apportionment obligation payment – back to 25% **(saves \$33,000)**.
- Other budget adjustments as needed based on Stewardship Campaign.

Stewardship Results

- Pledging Dollars by Year

2018 – 976,421

2017 – 1,002,243

2016 – 998,432

10 Things to help North Grow

- Help create the buzz – Tell others about North
- Evites – send invitation for church events
- Wear your North Church clothing to events
- Mix your friends – invite non-church friends to events with church friends
- Share events on Facebook and Twitter

*Celebrating
our
life
together*

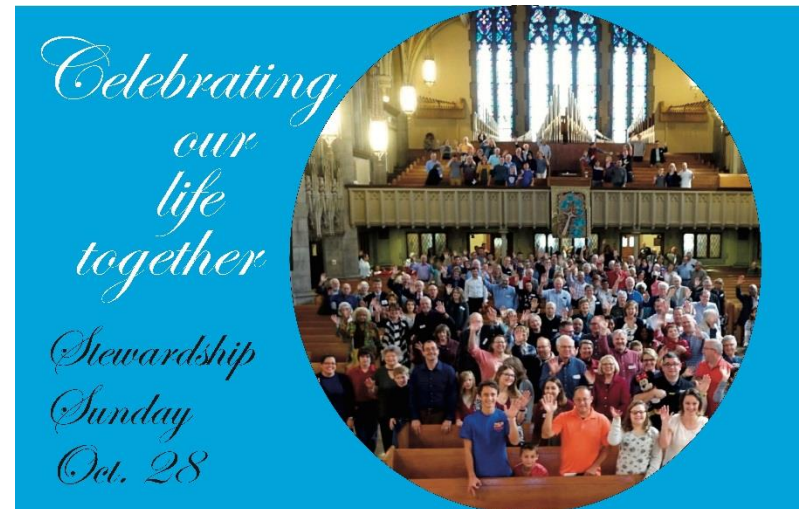
*Stewardship
Sunday
Oct. 28*



**GRAFTON BALKO
STEWARDSHIP CHAIR**

2019 Goal

- \$1.2 million in pledges for 2019
- Get started paying for 2018/2019 today
- Join us for service or stay and discuss some options with John, Josh, and Tom.
- Thank you for your interest in continuing your life's mission of service.



The End

- Questions??
- Close in prayer