

**2009 BUDGET ANALYSIS**

At its meeting on January 7, 2009, the Session approved a budget for 2009 which anticipates a deficit of \$62,750. (In a business this would be called an operating loss.) Following are some highlights of that budget, compared to 2008:

<b>Acct. #.</b>	<b>2008.</b>	<b>2009.</b>	<b>% Change</b>
1101 Regular Giving. . . . .	122,000. . . . .	112,000. . . . .	-8.2%
1399 Transfer from Investments. . . . .	21,000. . . . .	62,750. . . . .	+198.8%
Total Income. . . . .	169,322. . . . .	190,650. . . . .	+12.6%
2000 Salaries and Personnel Expenses. . . . .	103,067. . . . .	106,263. . . . .	+3.1%
5000 Church Property Expenses. . . . .	27,200. . . . .	46,950. . . . .	+72.6%
5106 Property Maintenance. . . . .	3,000. . . . .	15,000. . . . .	+400.0%
7000 General Mission. . . . .	14,778. . . . .	15,650. . . . .	5.9%
Total Expenses. . . . .	169,070. . . . .	190,640. . . . .	+12.8%

Please note that Account 1399, Transfers from Investments, was increased by 198.8% in order to balance the budget. To some degree, this was necessitated by an anticipated decrease of 8.2% in Regular Giving, mostly as a result of a continuing decline in membership. However, to a much larger degree, an increase in budgeted expenses causes the loss. Property expenses are increased because of an increase in utility expenses, over which we have little control, plus a 400% increase in maintenance expense. In past years, the budgeting philosophy did not anticipate or include large, ongoing maintenance expenses, and Session approved expenditures as required at some later date. (With approval often came withdrawal of funds from our investment accounts.) We changed the budgeting procedure this year to try to more accurately anticipate such expenses and honestly assess their financial impact up front.

After approving this budget, all committee chairs volunteered to look over their areas of responsibility and see if cuts in spending are possible. However, there are three major cost centers in the budget: 1) Personnel; 2) Property; 3) Missions. Further cuts in other areas will not amount to much.

The dilemma stated most simply is this: Without a building and a staff, how can you have a church? Personnel expenses of \$106,263 are 95% of anticipated Regular Giving of 112,000. The age, size, and configuration of our building dictates high costs of utilities and maintenance. If these maintenance items are deferred, they will cost us more or be uncorrectable in the future. General Mission expenditures may be somewhat higher for us than some other comparably-sized congregations. But, as Christians, shouldn't our support of others in need be one of our most important duties?

The monies received from the sale of our rental property last year will allow us to continue with unbalanced budgets for several more years. After that, what? The Stewardship and Finance Committee and the entire Session have not come up with a satisfactory answer for that question. If you have suggestions, please bring them to any serving elder, or the pastor. We need and welcome your input.

– Jerry Fry, Chairperson  
Stewardship and Finance Committee