

**STEWARDSHIP AND FINANCE COMMITTEE**

The Stewardship and Finance Committee is responsible for administering the financial affairs of the church, including development of the annual budget, overseeing the General Fund, conducting stewardship promotion, and managing the church investments.

The committee conducted a Stewardship Campaign in the fall to secure estimates of giving for 2012. This campaign produced the following results:

Estimate of Giving Cards Returned (of 85 sent out) . . . . . 42  
Total Estimated Giving for 2012 . . . . . \$78,020

(This compares to 52 cards returned and \$87,100 in estimated giving the preceding year, and 55 cards returned and \$91,990 in estimated giving in the year prior to that.)

The Savings Account at Community Bank remains open with a year-end 12/31/11 balance of \$10,327.05. Memorial Funds are funneled through this account. It also serves as an emergency back-up to our operating account at StellarOne Bank, as well as an interim holding account for investment funds which have matured and/or been transferred, but which are not yet needed in the operating account.

The church maintains Certificates of Deposit at Community Bank funded by proceeds of sale of the rental property in January 2008. Balances on these certificates are as follows:

C/D	Year-End 2010.	Year-End 2011
StellarOne Bank	\$53,599.15	0.00
Community Bank	61,144.41	61,985.33
Community Bank	13,106.42	0.00
Community Bank	0.00	44,092.06

The StellarOne Bank C/D was cashed out on 6/29/11. Part of it was used to replenish the operating account shortfall. The remainder was used to purchase the new Community Bank C/D with the current balance of \$44,092.06. The \$13,106.42 C/D at Community Bank had previously been cashed and deposited in the operating account on 1/3/11.

The year-end balance in the StellarOne operating account was \$6,728.30.

The church’s investment portfolio at Shenandoah Presbytery Corporation saw a gain at year-end 6/30/11 of \$27,869 over year-end 6/30/10. (See attached Report of Invested Funds for details). However, during the months of 8/11 and 9/11 the U.S. stock market suffered mightily due to an S&P downgrade of our sovereign debt as well as continued anxiety over financial difficulties in the European Union. From 10/11 through 12/11 the market recovered somewhat, but our investment account balances are probably still below 6/30/11 levels.

The Thomas Patterson annuity which the church inherited in 2009 continues as a source of income. We receive \$17,250 annually and will continue to do so for 7½ more years.

The 2011 Budget anticipated an operating shortfall of \$33,400.00 to be funded by transfers from investments. We only needed to draw \$24,106, however, because we received \$8,150 in one time gifts from deceased members or their families and other friends of the church:

\$24,106 Transfers from investments  
+ 8,150 Gifts  
32,256 Total transfers to operating account.  
-33,400 Budgeted Shortfall  
<\$1,144> Deviation from Budget

We have budgeted Transfers from Investments for FY 2012 to be \$37,800.00. This amount anticipates some remaining painting to be done on the parapet on the flat roof of the education wing. As our membership, attendance, and offering income continues to fall, we project drawing down our investments will be required all years of the foreseeable future. With investment totals of \$270,000-\$300,000 (not including possible future gains or losses), that translates to 8½ maximum years of available funding at an average annual rate of \$35,000.00.

The 2011 Committee consisted of Jerry Fry (Chair and Treasurer), James Wright and Richard Beard (Assistant Treasurers).

– Jerry Fry, Chairperson