

BUMC Finance Report

January 31, 2016

- Review of 2015
- Budgets for 2016

John Pearce

Finance Committee Report

2015 Update

Trust Fund

Trust Fund 2015 Results

Ministry Grants

Capital Fund

2015 Highlights

SunTrust Term Debt

Sun Trust LOC

2009 Capital Campaign

2011 Capital Campaign

Non – Budget Fund

2015 Giving

Christmas Miracle

Week Day School Fund

Rental Property Fund

Operating Fund

Apportionments

2016 Plan

Pledge Campaign

Concerns

2016 Finance “To Do’s”

Five Year Finance Goals

Budget Process

2016 Budgets:

Rental Property

Week Day School

Capital Budget

Operating Budget

BUMC 2015 FUNDS

<u>FUND:</u>	<u>In-Flows</u>	<u>Out-Flows</u>
• Trust Fund	• \$ 343,612	\$ 251,273
• Capital Fund	• \$ 327,880	\$ 367,887
• Operating Budget	• \$1,462,776	\$1,466,709
• Week Day School	• \$ 768,964	\$ 747,984
• Non-Budget	• \$ 217,103	\$ 202,029
• Rental Property	• \$ 114,515	\$ 114,177
• Totals	• \$3,234,850	\$3,150,059

Trust Fund 2015

1/1/15 Balance	\$2,548,335
Gifts	\$ 343,509
Debt Service	\$ (120,000)
Grant Payments	\$ (128,832)
Earnings	\$ (2,338)
12/31/15 Balance	\$2,640,674
Earned	(0.01)%

Trust Fund 2015 Grants

•Wireless Internet	•\$ 33,343
•Homeplace	•\$ 1,300
•Chapel	•\$ 3,171
•Room In the Inn	•\$ 2,535
•Youth	•\$ 9,199
•Sr. Adults	•\$ 1,995
•Signage	•\$ 7,296
•Check-in System	•\$ 1,393
•Properties	•\$ 68,600

Capital Fund Highlights 2015

- Capital Pledge Collections \$78,880
- Youth Floor Renovation, Parker Hall Archive
- Building Survey, Roof, Gutters, Downspouts
- 3 Store Front Doors, Electrical,
- \$3.1 million term debt (3.4%) on track
- Line of Credit Paid off \$99,801
- Trust Fund Support \$120,000
- Rental Property Support \$108,000
- Principal Reduction (\$215,581.88)

Term Debt

- Closed November 13, 2012
- \$3,100,000 Amount
- Rate 3.4% Fixed
- Interest only through 12/31/12
- 20 year amortization begins 1/1/13
- Matures November 1, 2017 (5 Years)
- Payment required \$213,828/year
- \$120,000 / year from Trust Fund
- \$100,000 +/- year from Rental Property

Line of Credit

- December 22, 2011 closed on \$600,000 non-revolving line of credit with floating rate at Libor plus 2.25 $\frac{1}{4}$ % set up fee (\$1,500), $\frac{1}{4}$ % annual non-use fee, no legal fees or closing costs, draw down as needed, pay back as able, five year term. Maximum amounts outstanding: 600K 12/31/11, 450K 12/31/12, 300K 12/31/13, 150K 12/31/14
- Matures June 30 2015
- SunTrust agreed to be unsecured, requires negative pledge on church property and rental property, BUMC does not move the funds, all loans cross-collateralized and cross-defaulted, \$100,000 per year non debt service maximum spend,
- On first day of LOC, draw enough to pay off 6.9% debt on Vanderbilt Imaging building. Balance was \$154,230. Use cash flow from rental property to continue to pay down this debt.
- Use line of credit to fund repairs to Organ, Sound system, Sanctuary flooring, Chiller, and Stone Work.
- Use line of credit over next five years to help with capital needs, as long as supported by capital pledges.

2009 Capital Campaign

• Total Pledges	• \$824,712
• Collected thru 12/31/11	• 518,612
• Collected 2012	• 108,097
• Collected 2013	• 92,520
• Collected 2014	• 21,866
• Collected 2015	• 12,387
• Uncollected 12/31/15	• 63,687
• 2016 Budgeted	• 0
• Unknown	• 7,543

2011 Capital Campaign

• Total Pledges	• \$589,419
• Collected 2011	• 160,946
• Collected 2012	• 147,733
• Collected 2013	• 67,433
• Collected 2014	• 119,075
• Collected 2015	• 58,594
• 2016 Budgeted	• 25,000
• 2017 Budgeted	• 27,812
• Unknown Balance	• (17,174)

Non-Budget Giving 2015

Memorials	\$41,536
Heifer Project	\$11,175
Lenten Offering	\$3,367
UMCOR	\$7,421
ONE	\$4,750
Golden Triangle	\$10,681
VIM/Malawi	\$15,215
Mexico Missions	\$5,685
Youth	\$7,395
Christmas Miracle	\$33,806
WDS	\$10,775
Other Special Offerings	\$11,494
Other Local Church Projects	\$53,803
Total	\$217,103

2015 Christmas Miracle Offering

Actual	\$33,806
Goal	\$20,000

Open Table Nashville

Benevolence Fund 2015

- 1/1/2015 Balance • \$ 775
- Receipts • \$ 17,194
- Disbursements • (\$14,682)
- 12/31/15 Balance • \$ 3,287

2015 Week Day School Results

- \$712,273 Tuition
- \$56,691 Other Income
- \$693,084 Salaries, taxes, and benefits
- \$54,900 Other Costs
- \$20,980 Operating Surplus for 2015
- Surplus used to create “Rainy day Fund”

2015 Rental Property Results

- \$114,504 rental income
- \$10 Other income
- \$6,178 property taxes
- \$108,000 surplus to capital fund
- \$26,767 ending cash balance
- \$337.56 Surplus for 2015

2015 Operating Budget Highlights

- Pledges Collected \$1,235,541 (\$59,187 over budget)
- Loose Offering \$137,119 (\$15,881 under budget)
- Gifts that Change The World \$41,106 (\$8,894 under budget)

- Properties \$18,534 Over Budget
- Admin \$5,074 Over Budget
- Staff \$13,052 Under Budget
- Program Ministry \$15,086 Under Budget
- Paid 100% of Fair Share of Conference Budget

BUMC Apportionment History

Year	Paid	Percentage	Short
• 2004	220,521	• 100%	0
• 2005	240,956	• 100 %	0
• 2006	250,985	• 100%	0
• 2007	259,744	• 100%	0
• 2008	259,316	• 100%	0
• 2009	258,069	• 96.7%	8,891
• 2010	240,600	• 94.7%	13,465
• 2011	247,876	• 95.7%	11,272
• 2012	256,399	• 100%	0
• 2013	254,789	• 100%	0
• 2014	246,797	• 100%	0
• 2015	228,685	• 100%	0
• TOTAL	2,964,737	• 98.87%	33,628

2016 Operating Campaign

As of January 19, 2016

- | | |
|--------------------|----------------|
| • 315 pledges | • \$ 1,248,929 |
| • 28 Decrease | • \$(37,455) |
| • 37 new pledges | • \$97,612 |
| • 140 increases | • \$62,555 |
| • 36 Lost | • \$(50,138) |
| • 110 Same as 2015 | • \$0 |
| • Net Versus 2015 | • \$72,574 |

Concerns

- Week Day School
- This Old Building and Deferred Maintenance

BUMC: Financial To Do's 2016

- Conduct 2017 Operating Budget Campaign
- Initiate This Old Building Fund
- 2016 Christmas Miracle Offering
- 2016 Finish Year Strong
- 2016 Pay 100% of Apportionments
- Reconcile 2016 Operating Budget
- Gifts that Change the World \$50,000 Goal
- Collect 2009 Capital Pledges
- Collect 2011 Capital Pledges
- Pay SunTrust On \$3,000,000 Term Loan
- Trust fund corpus growth
- Web site, communication, electronic giving, etc.
- Find Ways to Reach Gen Y Members for Financial Support
- Expand & Improve Electronic Giving

BUMC: Financial To Do's 2016

- Special/Communion Offerings
- Implement Non-Budget Policy
- Reach new members and active non-givers
- Direct Solicitation Policy
- Implement Gift Policy
- Finance Communication Plan
- Five year Finance Goals
- Collect operating budget pledges
- Update Memorials Policy
- Quarterly Review of Six Funds: Operating, Capital, Rental, Trust Fund, WDS, & Non-Budget

Five Year Finance Goals

2013 - 2017

- Support the long range strategic plan with resources
- Maintain a Trust Fund that is active in the ministry of BUMC and maintains a balance of at least \$2,500,000
- Pay 100% of our share of conference askings each year
- Maintain an effective Capital Fund that supports the capital needs of our facilities
- Increase funding of ministry through the operating fund by 2.5% per year. (\$1,458K in 2012 to \$1,650K in 2017)
- Pay down debt balance in accordance with terms of note with a target balance of \$2,500,000 by 12/31/17.
- Have in place internet and other electronic payment options that are widely and effectively used.

2016 Budget Process

- Staff
- Admin
- Property
- Ministry Council
- Apportionment
- WeekDay School
- Rental Property
- Capital
- Staff Parish
- RSJ/JOP
- NN/RSJ/JOP
- Ministry Council
- TN Conference
- NN/WDS Staff
- JOP
- JOP

2016 Budgets

- 2016 Rental Property
- 2016 Week Day School
- 2016 Capital Fund
- 2016 Operating Fund