

# Finance Committee

The Finance Committee is pleased to report that North finished 2007 in the "black" by \$3,430. Expenditures of \$418,214 were \$42,524 under those budgeted providing the small surplus. Income from pledges was \$42,523 under that budgeted and even under the revised amount provided by Stewardship at the end of April by \$9,215. Total income was \$421,644. The changes in North's investments enacted by Finance last year led to a significant increase of investment income to \$27,163 in 2007, partially offsetting the decline in Pledge income.

The primary activity of the Finance Committee in 2007 was related to the looming deficit. Finance was informed at the end of April about the \$34,000 shortfall in expected Pledge Income for 2007 (the actual decrease in Pledge income from 2006 to 2007 was \$48,233) and informed Session in May that there would probably be an ~\$80,000 budget deficit in 2008.

When Finance requested budgets from the various committees for 2008, two numbers were requested, the "desired budget" and how a 20% reduction would be accommodated by the committees. From Finance's perspective, the responses were inadequate and, in September,

Finance prepared a letter to inform the congregation regarding the financial situation at North. This letter was modified by Session to the one distributed in late October.

As this report is being written, Session is considering how to handle the ~\$110,000 deficit between the approved "asking budget" and the expected income for 2008. The "asking budget" for 2008 is now \$522,000 and the best estimate of expected income is \$412,800. Finance considered this to be too much of a deficit for Finance to address and only provided recommended savings of \$27,110 by holding all committees except Personnel to the average of their last two years actual expenditures. The primary requested increases for 2008 were from Personnel.

Finance has indicated the last couple of years that North must bring Expenditures into line with Income. For 2006 this was accomplished with actual Expenditures and actual Income of ~\$420,000, both substantially under the budgeted amounts. In 2008 and beyond, North needs to bring both Expenditures and Income closer to the budgeted amounts to facilitate tracking by Finance in their monthly reports.

Respectfully submitted,

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Don Boyer  
Rod Bradley, Treasurer  
Bill Clark  
Chris Gunther  
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