

CBTS Treasurers Report, 2014

Feb, 2015

This Treasurer's report provides a financial summary of CBTS end of year financial position, guidelines and processes under which we planned the 2015 collaborative budget, and COD ideas for use and investment of reserve funds during 2015.

Please see the attached documents for detailed budget and balance sheet information about CBTS as we move into 2015.

We value your input on the general guidelines and the specifics on how CBTS funds are and should be used for worship/music, programs, missions, and operations.

Financial Summary, 2014

At the instruction of the congregation, we entered 2014 with less total anticipated income (\$835,499), than anticipated expenses (\$943,227).

Our committee chairs, staff, efficiency committee, and operational needs worked well together as we were able to close the year with expenses of about \$819,000, ensuring our 2014 economic viability:

Our stewardship committee estimated 2014 giving income of \$263,000.

Actual giving was \$281,396 during 2014.

U.I productions, who manages our contract weddings, predicted \$534,850 during 2014.

We closed the year with \$673,775 from U.I.

Income from other sources (e.g. special contributions, interest, offset from costs) contributed about \$34,000

Net 2014 Income of about \$991,000

Net position, 2014: CBTS ended 2014 with a balance sheet increase of approximately \$172,000.

Our percentage of total expenditures from wedding income remains disturbingly high (approximately 70% of the money we spend comes from wedding income).

However, our general use of our money displays a strong sense of responsibility in uses other than our own church family. Our 2014 monies were distributed in this way:

Worship/Music.	18%	(inc guest speakers & musicians, music, music staff)
Pastor salary/expenses	14%	
Global, local missions.	14%	
Education, fellowship	4%	
Operations	50%	(staff costs, utilities, build/grounds maintenance)

Budget Creation Process

Our 2015 budget reflects a careful examination and a lot of cooperation from and meetings with committee chairs, budget class coordinators, staff, and the CBTS finance group. We carefully examined prior budgeted vs actuals over several years and checked coding on expenditures to ensure our records were meaningful. As a result, we have reduced duplication in budgeting for shared items and redundant budgeting for emergencies. We have a much better picture of 2014 expenses and anticipated needs for 2015.

The 2015 budget was developed with the following goals in mind:

- Our full operational budget should be less than anticipated income
- At least 15% of our budget goes to missions
- Staff raises as appropriate, supported by documented, filed evaluations
- Some income from every year goes into reserves to
 - Cover depreciation
 - Fund capital projects to maintain value of buildings/grounds, bring them up to legal/ADA standards and continue our appeal to the wedding market
 - Fund building programs toward replacing deteriorating current facilities
- At years end, all money not needed as retained earnings to begin 2015 will be moved into our conservative, interest bearing reserve bank account outside our operational bank account.

2015 Budget Summary

Our 2015 Budget reflects the CoD decision to hold \$100K as retained earnings for New Year 2015, and up to \$100K to use for updating our 35 year old sanctuary building. Possible updates include: new carpet, improved sanctuary lighting and fans, creating an ADA accessible restroom, adding a hand rail from the sanctuary entrance level to altar level, improving parking lot and ocean front lighting.

Our current financial predictions for 2015 are as follows.

Income

Stewardship Committee	\$264,000
UI Productions (weddings)	700,000
Total Income	\$964,000

Expenses

Budget Expenses	\$915,000
Sanctuary Bldg Upgrades	100,000 (not to exceed)
Total Expenses	\$1,015,000

Expenses over income \$51,000 (if expenses and income are as predicted)

CBTS has made great strides in using technology to help us understand how we are using our money and help us plan for the future. Additionally, many members are demonstrating an interest in providing ideas, extra money, or sweat equity in improving our facilities. It is an exciting time at CBTS.

The CBTS Financial Team

This team includes all of us: committee chairs and leaders, counting committee, ushers, our entire staff, the finance committee (Auditor, Treasurer, and Financial Secretary), those who said “we need to”, and you the contributors and church members. Everyone played a critical part in helping us do more useful management of our resources in 2014 and in planning for 2015. Thank you for your interest and your willingness to help when asked.

Contribution Receipt Process - How does it happen?

- Contributions received from worship services are brought to and placed on the altar as a reminder that they are our way of thanking God for our blessings

- At the end of the service, the ushers put all material from the collection plates into locked money bags, then two ushers take folders to the safe
- The counting team (always two well-trained, CBTS volunteers) opens the locked bags, separates the offering into general and designated, counts and records the various amounts, copies the checks, rechecks everything at least once, prepares bank deposit slips, transports all cash and checks to the bank night-depository. They place check copies and paper trail in the locked financial office. The prayer requests, notes, etc. go to the church administrator's office for appropriate distribution.
- The Financial Secretary (John Keys), documents the individual receipts in a computer system especially designed for maintaining confidential church records by family and for helping create needed non-profit income tax material.
- Our contributions through Simply Giving are received electronically, then added to individual computer records.
- All other checks or donations mailed to the church are documented in appropriate individual records by the Financial Secretary.

The entire team takes your confidentiality, contributions, and financial participation very seriously. All time, monies, and participation are part of your private relationship to God. It is the Treasurer, Finance Committee, and Financial Secretary's job to coordinate the process and ensure it works as you wish.

We have arranged for an internal financial audit during 2015 and an external audit of all CBTS financial processes during 2016.

If you have suggestions, information, or questions, please contact the Treasurer.

Thank you for your support to CBTS financially, with your presence, and with your encouragement.

Respectively Submitted,
Peggy G. Trout. Treasurer