

Report on the Financial Health of our Presbytery

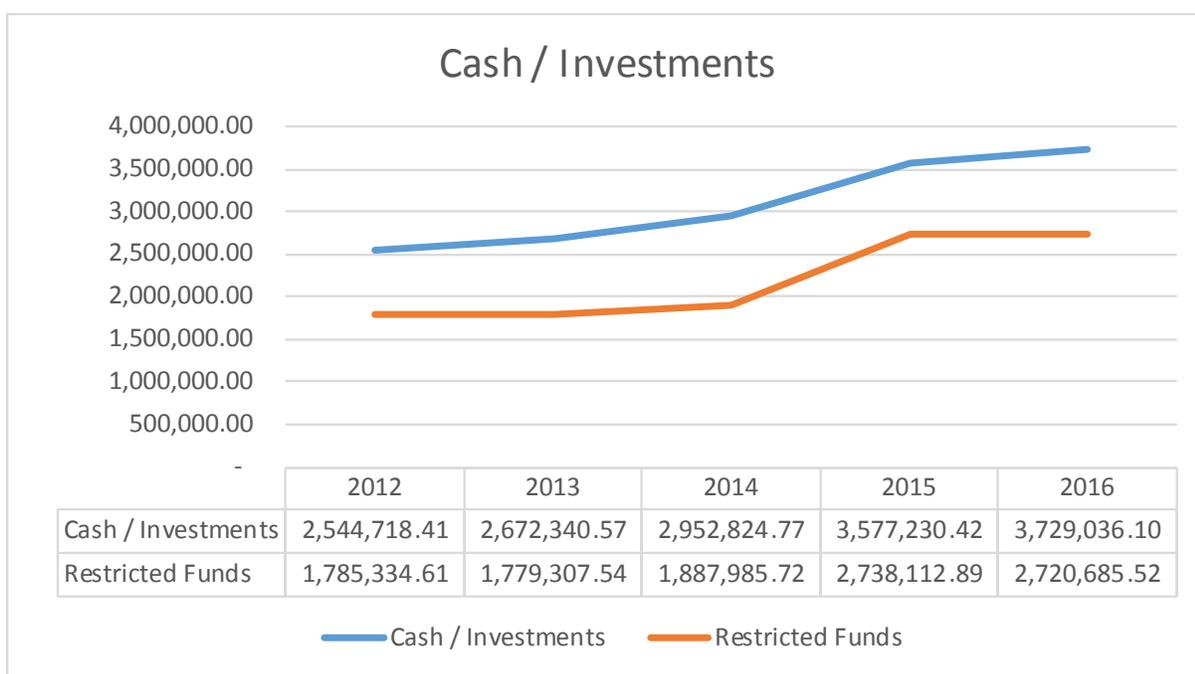
April 2, 2016

Presbytery of Grand Canyon

Barbara Zubler, Treasurer

Preface

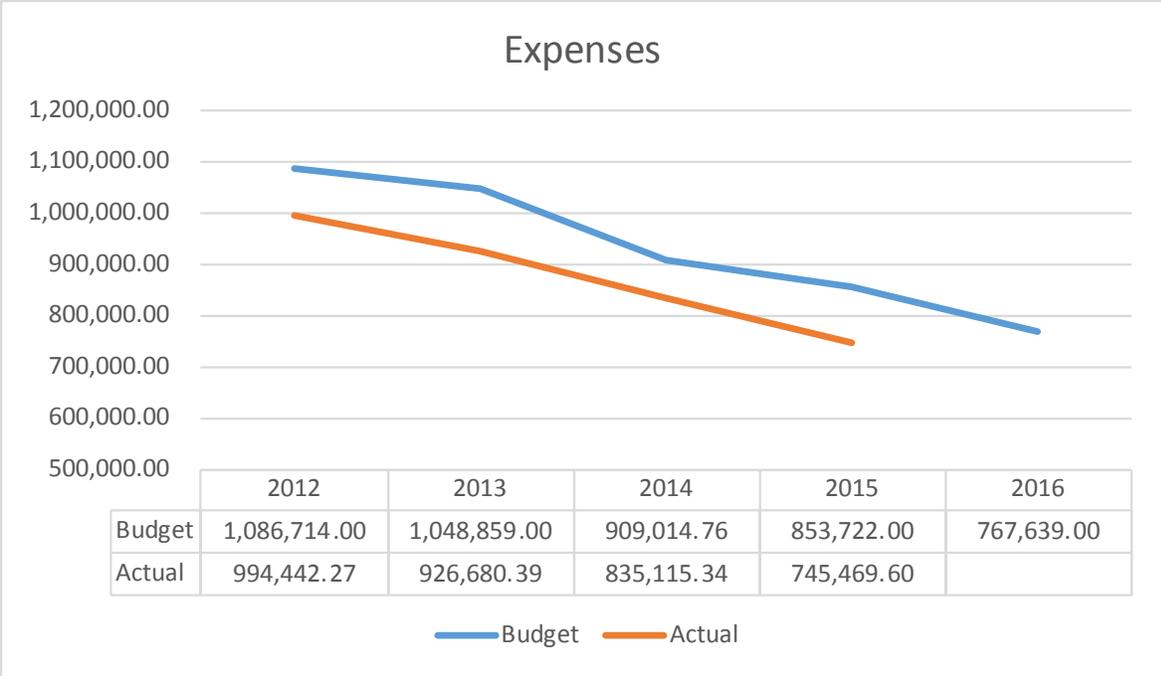
Our presbytery is blessed financially. We enjoy the ability to fund mission work through our local churches and our denomination, as well as directly support a number of our congregations with a cheerful, willing heart. If we are so blessed, then why should we consider a period of adaptive budget change? If nothing is broken, why fix it? In order to obtain an objective view of our finances, I have compiled our financial data from 2012 to present. Each of the charts below tells only part of the story; my conclusions will follow.



Cash / Investments

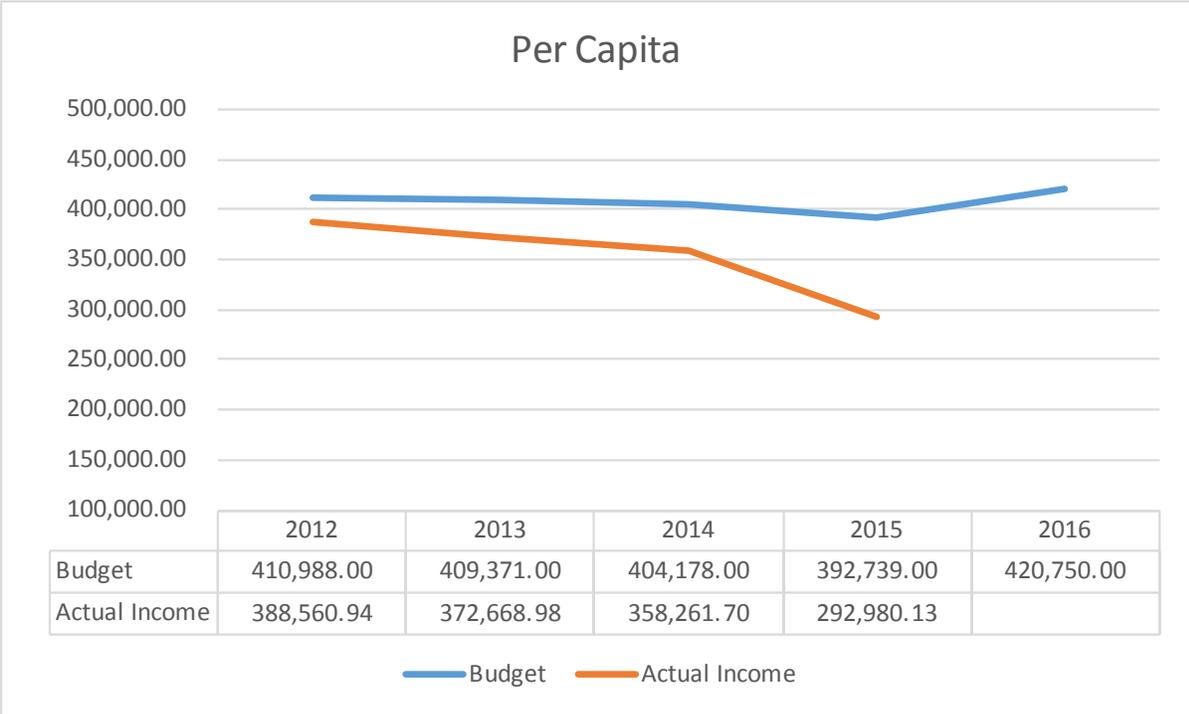
As of March 1, we hold approximately 3.7 million in cash and investments. Of that, 2.7 million is in restricted funds. These balances do not reflect the assets of our newest jewel, Urban Connect (formerly Historic First PC). Growth reflected here is from the following events:

Desert Hills Settlement	\$ 757,000.00
Covenant Property Sale	\$ 382,000.00
4424 N 24 th St Sale	\$ 56,000.00
Peoria North Dissolution	\$ 32,000.00
Kingman PC Settlement	<u>\$ 54,000.00</u>
Total	\$1,281,000.00



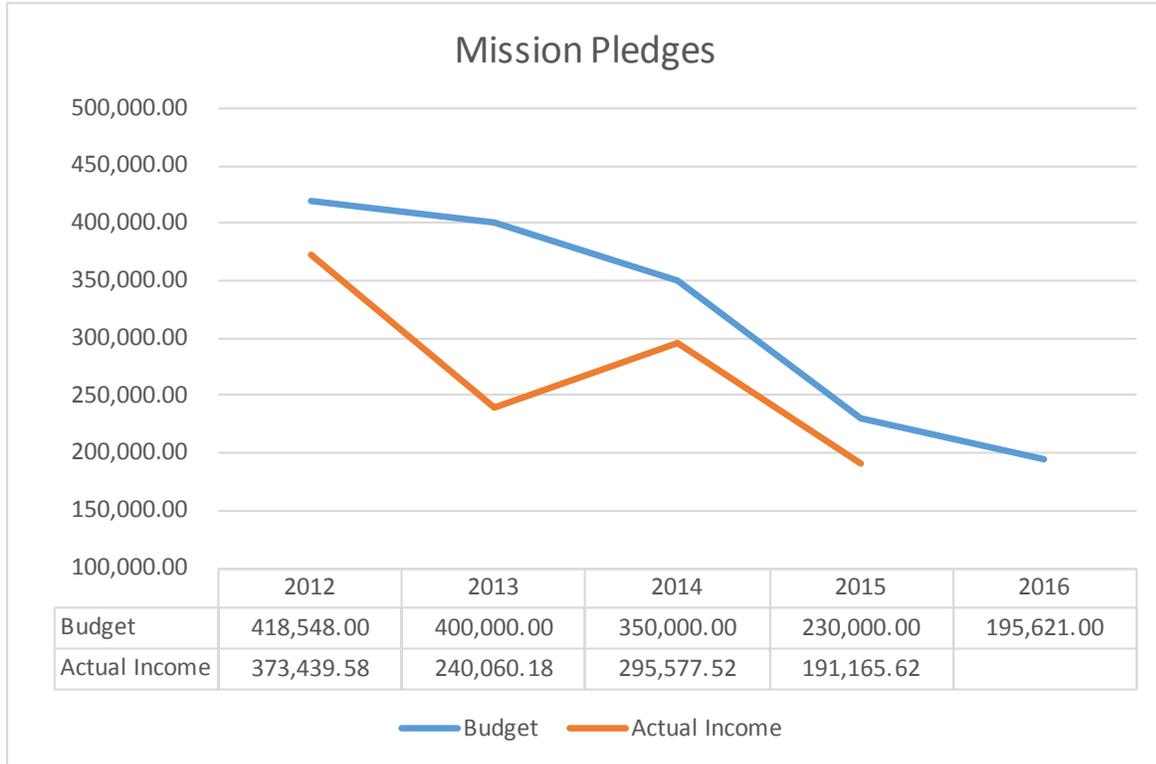
Expenses

We are doing a phenomenal job containing our expenses. All our bills are paid on time. We are running an efficient office with minimal staff. This achievement would be impossible without the high level of competency and professionalism found in every one of our staff members.



Per Capita(chart on previous page)

We do not collect 100% of per capita income from our congregations, although in 2012 we achieved a record 95% compliance rate. Our collection rate for 2015 was 75%. Since our budgets are based on 100% receipt of these funds, we have to make up the difference elsewhere.



Mission Pledges

These funds are used for our direct mission work, and this includes church support for 29 of our own congregations. This year, 2016, is the first year we do not have enough in mission pledges to cover the budget commitments we made. Since we do not collect 100% of the funds pledged each year, we have to make up the difference from other sources.

Conclusions

Our presbytery has been abundantly blessed by God with talented people and treasures to be used to further His work. Our inability to collect 100% of funds in the areas of per capita and mission pledges, as expected by our budgets in the past, has led us to depend on emergency reserves, investment income and settlement assets to fulfil our financial obligations. This course is not sustainable.

May a period of reflection and serious consideration of adaptive change lead us to find sustainable solutions for our presbytery financial situation. It is my hope that God will show us, through our people, how to become excellent stewards of our resources for years to come.