



August 26, 2011

Dear St. Andrew's Family,

As part of our effort to provide greater transparency into how the Session and staff are deploying your tithes and offerings, this is the mid-year update of our financial status. Attached you will find a summary balance sheet as of July 31, 2011 and a summary statement of activities for the seven months then ended. What follows is my analysis of the most important points to be derived from the attached statements.

Our year-to-date operating income (offerings) was \$108,000 greater than budget. Most of that excess came from unpledged offerings which exceeded budget by \$270,000. This was offset by pledged offerings that were \$197,000 under budget. Income from tuitions year-to-date was \$37,000 greater than budget as a result of pre-school tuitions exceeding their budget by \$39,000. Altogether, our year-to-date income was 108% of last year's as of July 31.

Our year-to-date expenses were \$69,000 less than budget. The Prepare, Worship and Serve departments all have underspent their budgets through July 31 by an aggregate amount of \$96,000, offset in part by the Core departments spending only 2 percent more than their year-to-date budget. Our year-to-date expenses were 96% of last year's.

Our cash increased \$604,000 from December 31, 2010 to July 31, 2011. This increase was due to several offsetting events. Sources of cash were: \$1,581,000 from the sale of the Haven Street apartments, and we liquidated \$38,000 of our investments. Uses of cash were: \$465,000 in a shared-equity agreement that enabled Pastor Eckelmann to purchase a home close to the church (subsequent to July 31, the Eckelmanns have returned \$100,000 of this investment back to the church); year-to-date operating expenditures exceeded receipts by \$65,000; we paid \$290,000 in excess of contributions against the Building The Future loan; and the various departments drew down \$193,000 more than they took in to their dedicated accounts.

On July 31 we still owed \$11,302,000 on our Building the Future loan. Since December 31, 2010, we have paid down the principal \$91,000; we have paid \$409,000 this year in interest expense.

To conclude, both our receipts and operating expenses continue to be better than anticipated, giving us reason to be cautiously optimistic that we'll not have a deficit in our operating accounts at year-end. This assumes that we once again have a significantly greater contribution rate in the month of December. Although we have seen a large draw-down against our dedicated accounts, our reserves position remains strong for this time of the year. Our only area of weakness continues to be our inability to cover our mortgage payments with contributions to the Building Fund.

We hope this report is helpful, and both Shawn Reilly and I will be happy to answer any questions you may have regarding the financial position of St. Andrew's.

Yours in Christ,

A handwritten signature in black ink, appearing to read "Mike Lewis", with a long horizontal line extending to the right.

Mike Lewis  
Treasurer



## St. Andrew's Presbyterian Church

### Balance Sheet

July 31, 2011

#### Assets:

Cash in Bank	3,948,913
Other Current Assets	52,956
Investments	1,781,474
Properties	26,496,504
Deposits	14,933
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Total Assets	<u>32,294,780</u>

#### Liabilities:

Accounts Payable	49,385
Accrued Expenses	275,371
Loan Payable	11,302,160
Prepaid Tuitions	82,102
Other Prepaid Income	3,250
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Total Liabilities	<u>11,712,268</u>

#### Net Assets:

Operating Equity	16,709,671
Dedicated Accounts	3,959,137
Current Operating Income	(86,296)
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Total Net Assets	20,582,512

Total Liabilities & Net Assets	<u>32,294,780</u>
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**St. Andrew's Presbyterian Church**  
**Statement of Income**  
**For the Period Ended July 31, 2011**

	Year to Date July 31, 2011	YTD Budget July 31, 2011	Annual Budget Year 2011
<b>Income:</b>			
OPERATING	2,634,554	2,564,460	4,992,780
TUITIONS	618,328	581,005	1,007,900
RENTS	3,848	3,700	3,700
<b>Total Income</b>	<u>3,256,730</u>	<u>3,149,165</u>	<u>6,004,380</u>
<b>Expense:</b>			
<b>PREPARE</b>			
Children's Ministries	212,254	214,377	364,921
Student Ministries	206,204	219,245	371,987
Adult Ministries	206,741	215,995	385,964
TOTAL PREPARE	<u>625,199</u>	<u>649,617</u>	<u>1,122,872</u>
WORSHIP	309,103	319,248	547,289
<b>SERVE</b>			
Missions	452,392	511,957	1,024,292
Care Ministries	100,852	102,501	175,708
TOTAL SERVE	<u>553,244</u>	<u>614,458</u>	<u>1,200,000</u>
<b>CORE</b>			
Ministry	248,588	238,402	407,666
Communications	119,455	130,999	225,034
Administration	864,286	850,640	1,458,793
Capital Funds	31,893	12,500	25,000
Hospitality	64,941	64,248	110,496
TOTAL CORE	<u>1,329,163</u>	<u>1,296,789</u>	<u>2,226,989</u>
TUITION PROGRAMS	523,394	528,768	904,230
HAVEN PROPERTY	2,923	3,000	3,000
<b>Total Expense</b>	<u>3,343,026</u>	<u>3,411,880</u>	<u>6,004,380</u>
<b>Net Income from Operations</b>	<u><u>(86,296)</u></u>	<u><u>(262,715)</u></u>	<u><u>0</u></u>