

Asheville Friends Meeting - Finance Committee Report

Period covered 2020-01-01 through 2020-12-31 (preliminary)
Activity reported Basic Operating Activity, Restricted Activity

Please refer to the attached activity report for additional detail.

Overview

Now that we have reached the end of the budget year for 2020, the finance committee provides this preliminary report on operating activity for the year 2020. We hope this report is useful for Meeting for Business to discern how much to spend on outreach.

Once the outreach spending amounts have been decided, we will provide a final report.

Operating Activity for 2020

Through the end of 2020, Meeting has recorded income-plus-transfers of approximately \$26,385, against expenditures-plus-transfers of approximately \$21,700. This leaves a surplus of approximately \$4,675. *Please note that Meeting has temporarily withheld \$6,000 in outreach spending that was budgeted for the year, so this surplus is preliminary and subject to change.*

As mentioned in an earlier report, the Outreach portion of the budget includes four groups of recipients. Two of the four have been fully spent, whereas the other two (Racial Justice and General Outreach) are on hold until Meeting decides how to proceed.

The Meeting has cash and certificates of deposit worth \$62,189 as of December 31, 2020. Meeting has no outstanding liabilities.

Special Spending in 2020

In 2020, Meeting spent from reserves for a number of projects.

Paid out of ***restricted funds***:

- \$605 for Covid-19 relief to local organizations

This was part of a fundraising effort where Meeting collected \$5,650, for a total of \$6,225 that was given to six local groups to assist in their own Covid-19 relief efforts.

Paid out of ***general reserves***:

- \$5,211 for a new furnace for the meeting house
- \$7,185 to paint the exterior of the meeting house and seal the recently constructed back deck and stairs
- \$1,577 to offset a deficit in the Meeting House Improvement Fund

Operating Budget for 2021

The second portion of this report concerns the development of the operating activity budget for 2021. The current Treasurer uses the term "version zero" for the starting point of the budget. The budgeted amounts are intended as recommendations or minimum amounts, which are usually based on prior/current year results. Readers should expect that the final budget may be substantially different than what is in the "version zero" budget.

Income is tentatively budgeted at \$22,935 for 2021.

For 2021, the contribution income and the rental income items have been highlighted. The budgeted amounts are \$22,800 and \$zero, respectively. Current times make difficult the planning of contributions during the second year of the coronavirus pandemic. The amount for contributions is constrained by the prior year's level (\$22,869). Offering the meeting house and grounds for rent as in past years will prove difficult.

Expenditures are tentatively budgeted at \$29,030 for 2021.

Expenditures are organized into four categories: transfers to restricted funds (10-15% of total), the Meeting House (30%), Meeting Support (15%), and Outreach (40-45%).

The line items that are highlighted are based on committee clerks' budget requests. Items not explicitly budgeted have been included at their 2020 levels to begin the planning process.

This leaves a projected deficit of <\$6,095> to be addressed.

Many approaches can be taken to eliminate the projected budget deficit. We have provided one example: each budget item absorbs a proportional amount of the deficit. (Items that cannot be reduced – insurance, meeting house utilities, payroll taxes – have been exempted from the pro-rata calculation.)

Caveats and disclaimers

What is included in the Operating Activity report?

We know about it: The Operating Activity report only includes activity that has been reported to the finance committee and/or treasurer. If anyone has personally paid for budget expenses related to Meeting but has not submitted a request for reimbursement, those expense are understandably not included.

We do it regularly and budget for it: The Operating Activity report includes activity that is related to ongoing activities of the Meeting, such as monthly house utilities or financial outreach to a local community group.

Not included in the basic operating activity report:

- Expenditures for “capital projects” such as the installation of a new furnace. These are reported elsewhere.
- Restricted activity such as one-time fundraising for coronavirus pandemic outreach, where the amount raised usually equals the amount paid out.