

# Assessing your Church's Financial Health



## FINANCIAL FOUNDATIONS

# Presented by...



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# Assessing your Church's Financial Health



## FINANCIAL FOUNDATIONS



# **PRESERVATION**

ACTION WILL BE TAKEN TO PREVENT THE NEXT DISASTER  
AS SOON AS POSSIBLE AFTER IT HAS OCCURRED.

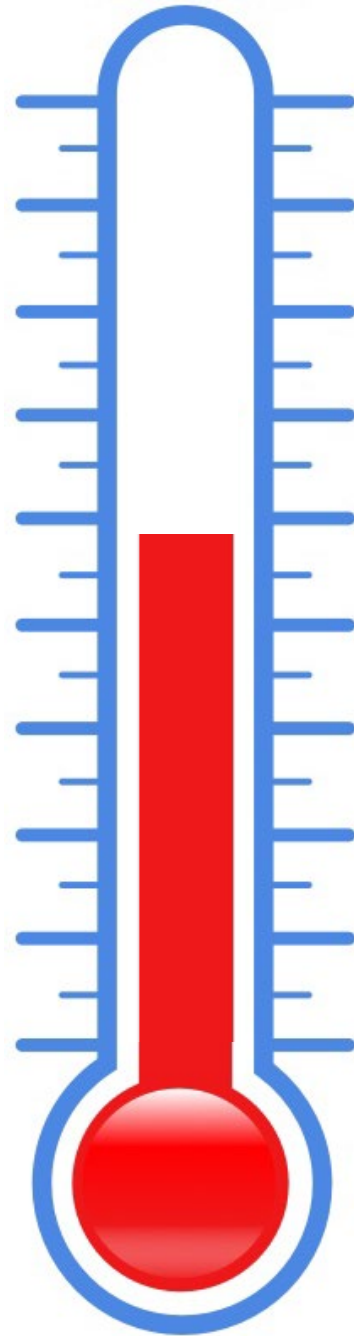
Operating Reserve

# Church Financial Hot Dish

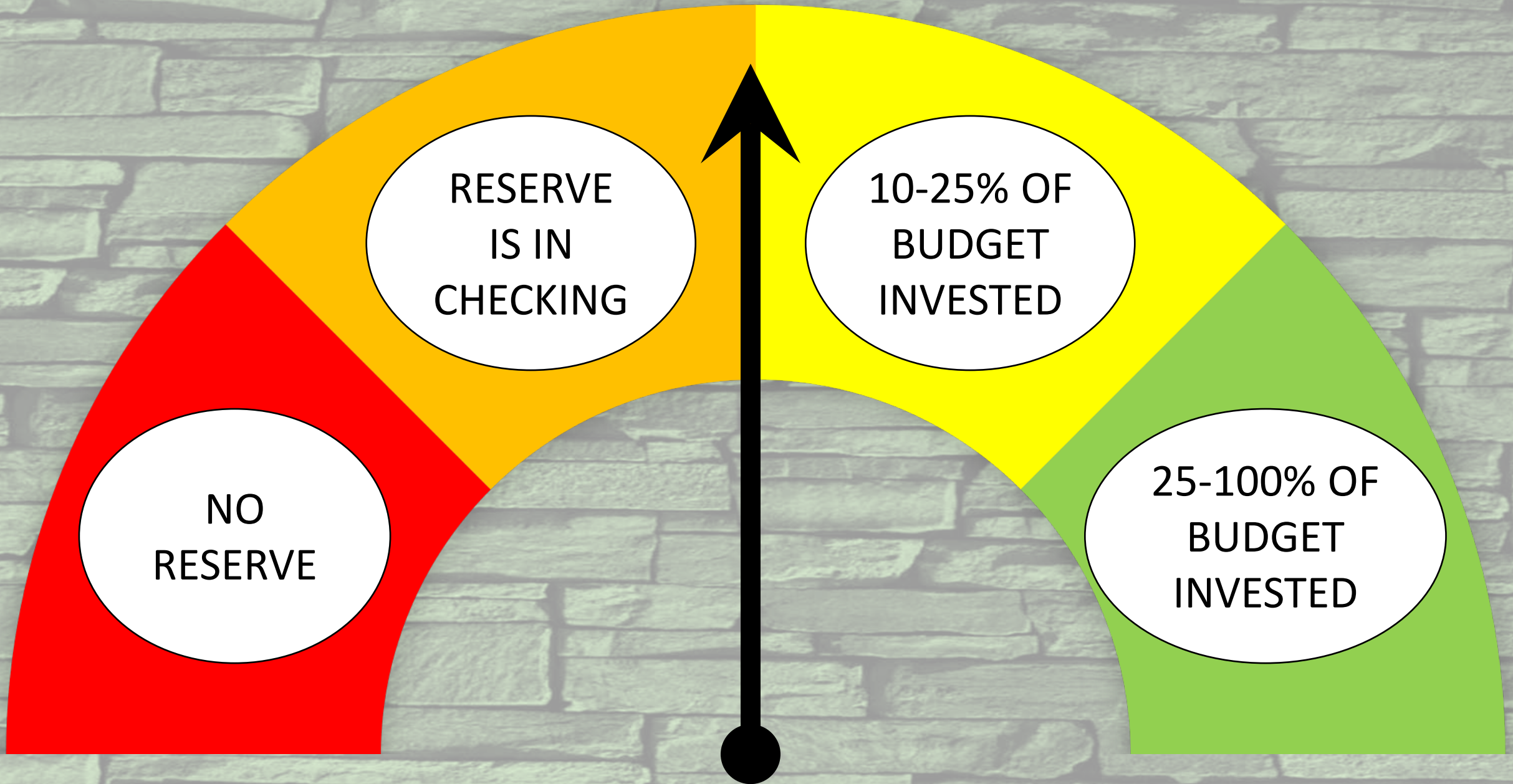


\$100,000

\$25,000



25 – 100%  
of Budget



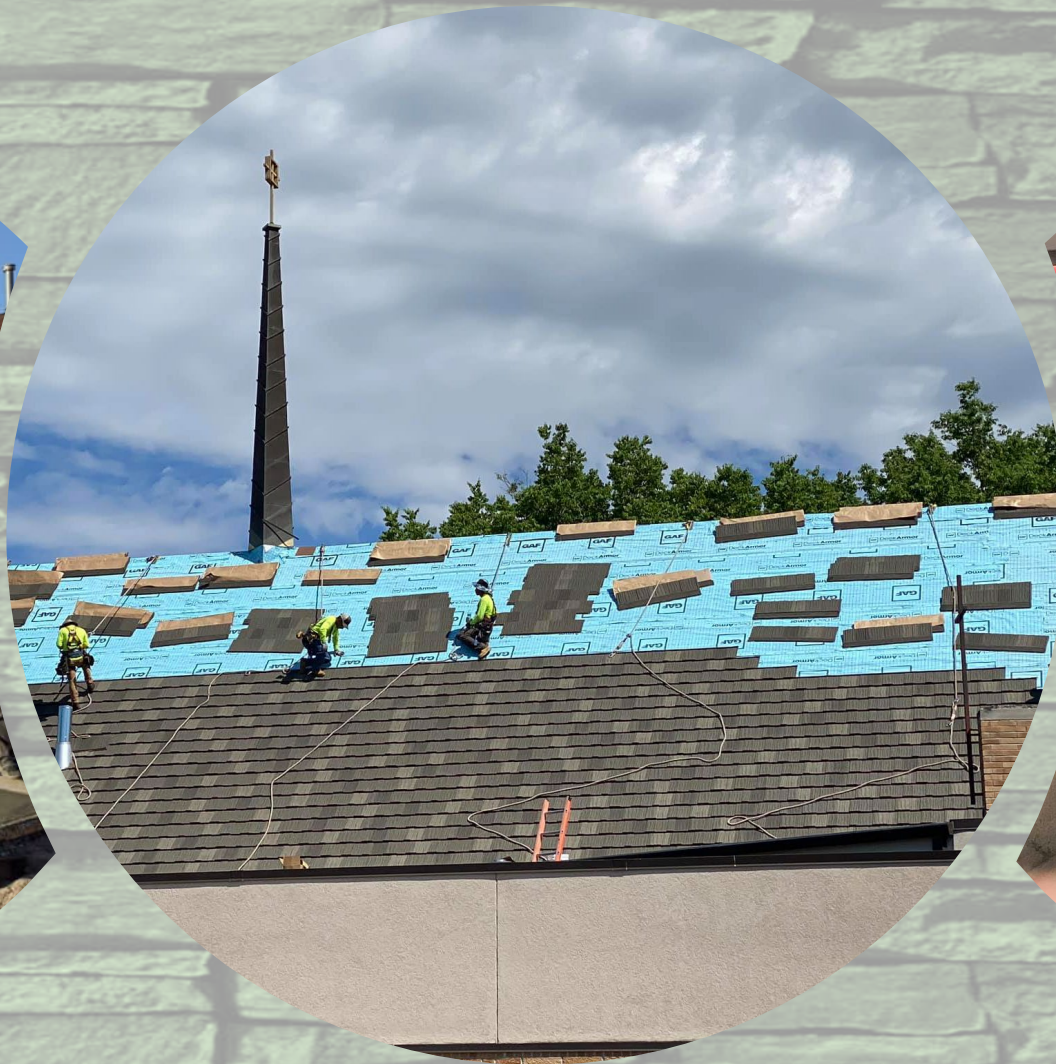
# Capital Reserve



## PROBLEMS

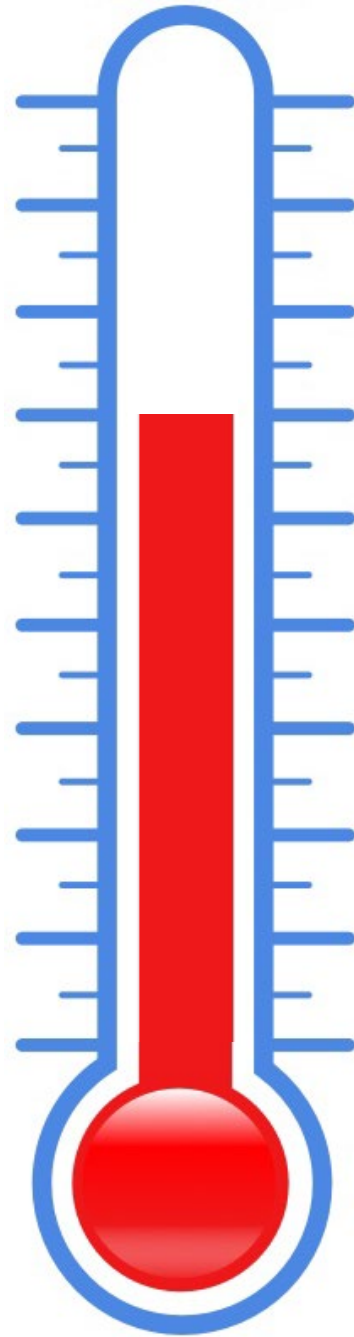
NO MATTER HOW GREAT AND DESTRUCTIVE YOUR PROBLEMS MAY SEEM NOW,  
REMEMBER, YOU'VE PROBABLY ONLY SEEN THE TIP OF THEM.





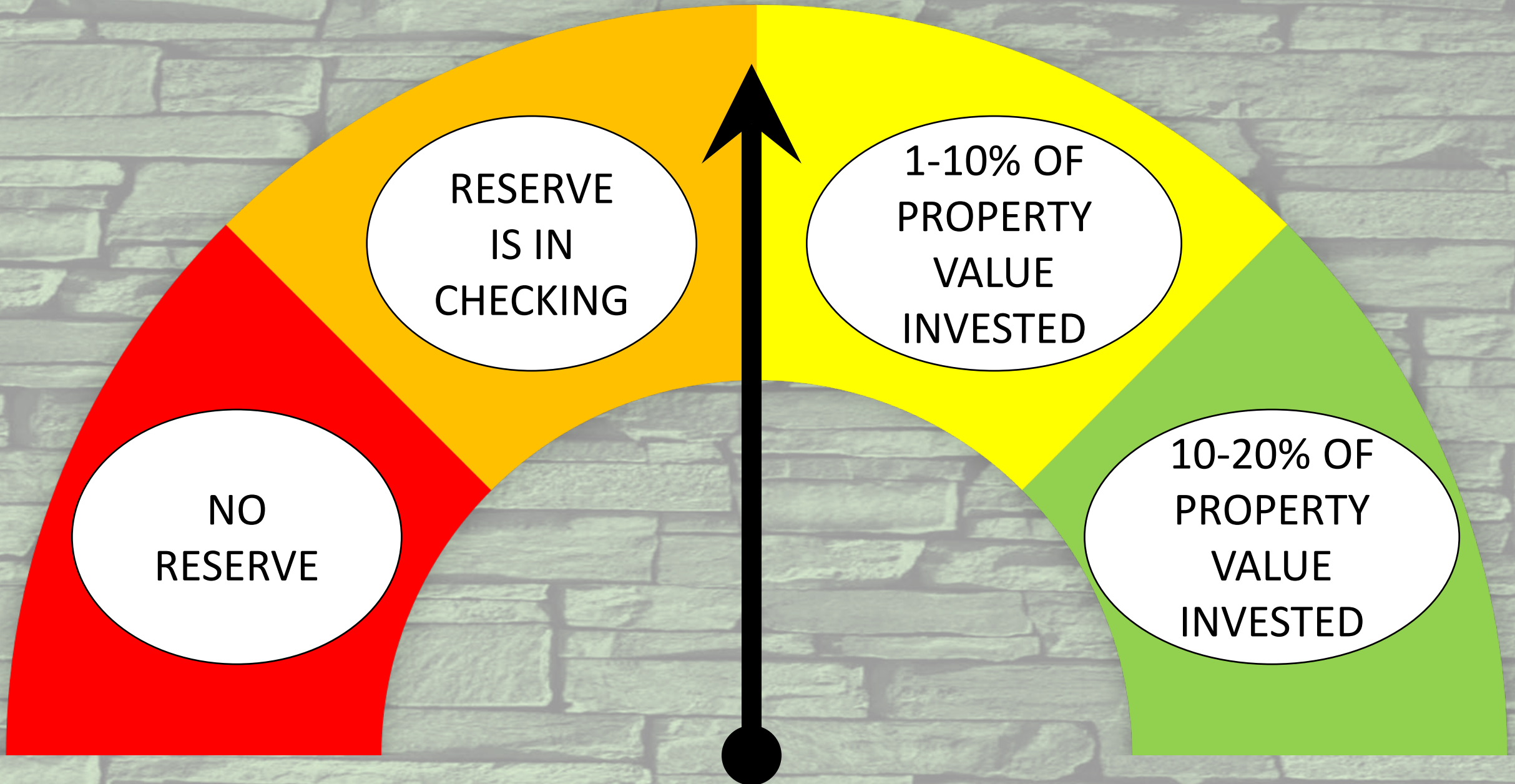
\$200,000

\$100,000



10 – 20%

Insured Value



Debt



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**AGONY**

NOT ALL PAIN IS GAIN.

2006

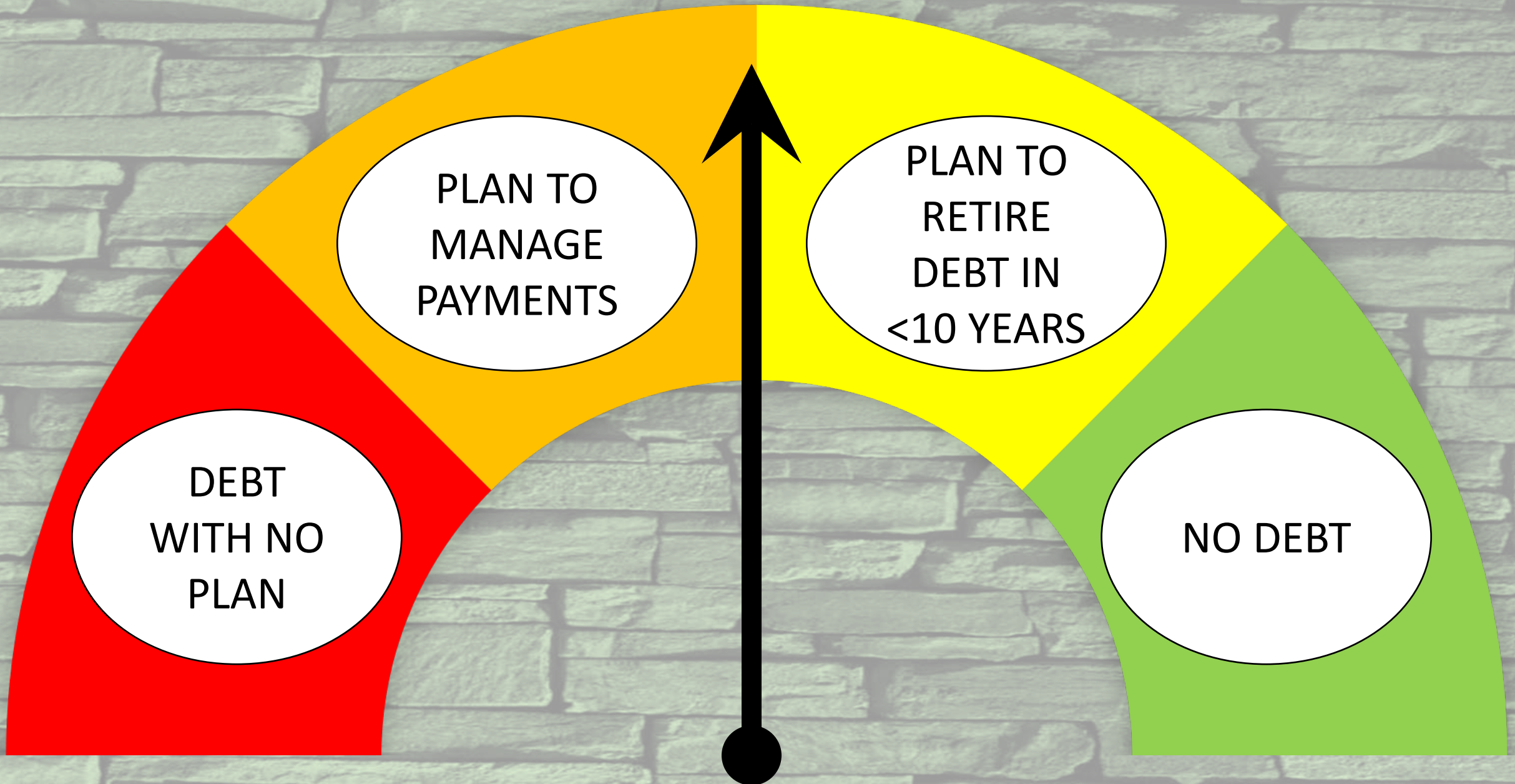
Mortgage



2021

Mortgage





# Budget Accuracy



# CONSISTENCY

IT'S ONLY A VIRTUE IF YOU'RE NOT A SCREWUP.

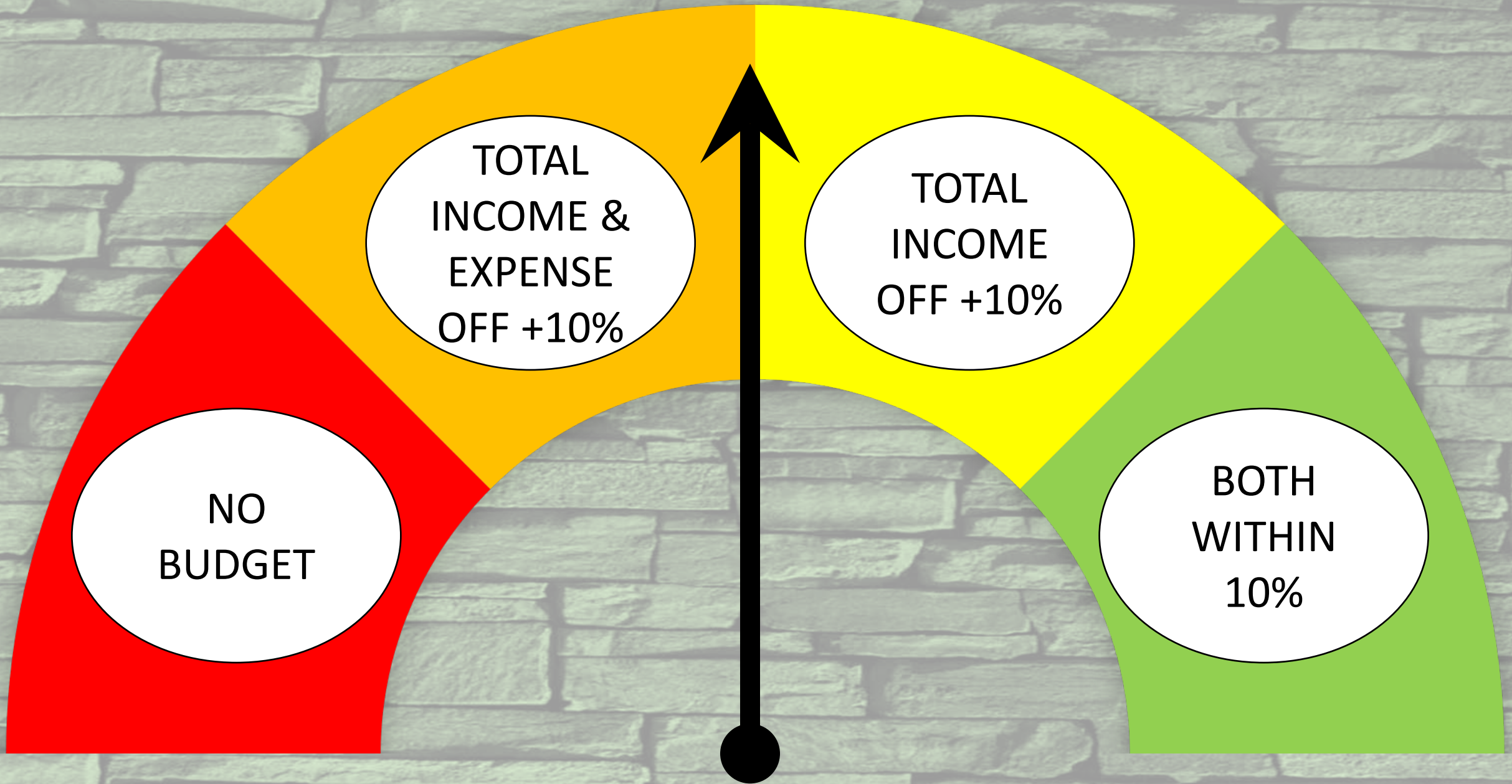


	<b>2020 BUDGET</b>	<b>2020 ACTUAL</b>
<b>OPERATING INCOME</b>	<b>\$100,000</b>	<b>\$98,362</b>
<b>OPERATING EXPENSE</b>	<b>\$100,000</b>	<b>\$102,396</b>

	<b>2020 BUDGET</b>	<b>2020 ACTUAL</b>	<b>ACCURACY</b>
<b>OPERATING INCOME</b>	<b>\$100,000</b>	<b>\$98,362</b>	<b>1.6%</b>
<b>OPERATING EXPENSE</b>	<b>\$100,000</b>	<b>\$102,396</b>	<b>2.4%</b>

	<b>2020 BUDGET</b>	<b>2020 ACTUAL</b>
<b>OPERATING INCOME</b>	<b>\$100,000</b>	<b>\$89,362</b>
<b>OPERATING EXPENSE</b>	<b>\$100,000</b>	<b>\$97,068</b>

	<b>2020 BUDGET</b>	<b>2020 ACTUAL</b>	<b>ACCURACY</b>
<b>OPERATING INCOME</b>	<b>\$100,000</b>	<b>\$89,362</b>	<b>10.6%</b>
<b>OPERATING EXPENSE</b>	<b>\$100,000</b>	<b>\$97,068</b>	<b>2.9%</b>





# ASPIRATION

I HEAR THE CALL TO DO NOTHING AND AM DOING MY BEST TO ANSWER IT.

Stewardship  
Teaching



**The Lord's Prayer**  
Our Father, Who  
Hallowed be thy name  
Thy will be done on earth  
as in heaven  
Give us this day our daily bread  
And forgive us our trespasses  
as we forgive those  
who trespass against us  
Lead us not into temptation  
For thou art the King  
of Kings  
Glory now and forever  
Amen



**EARN.**



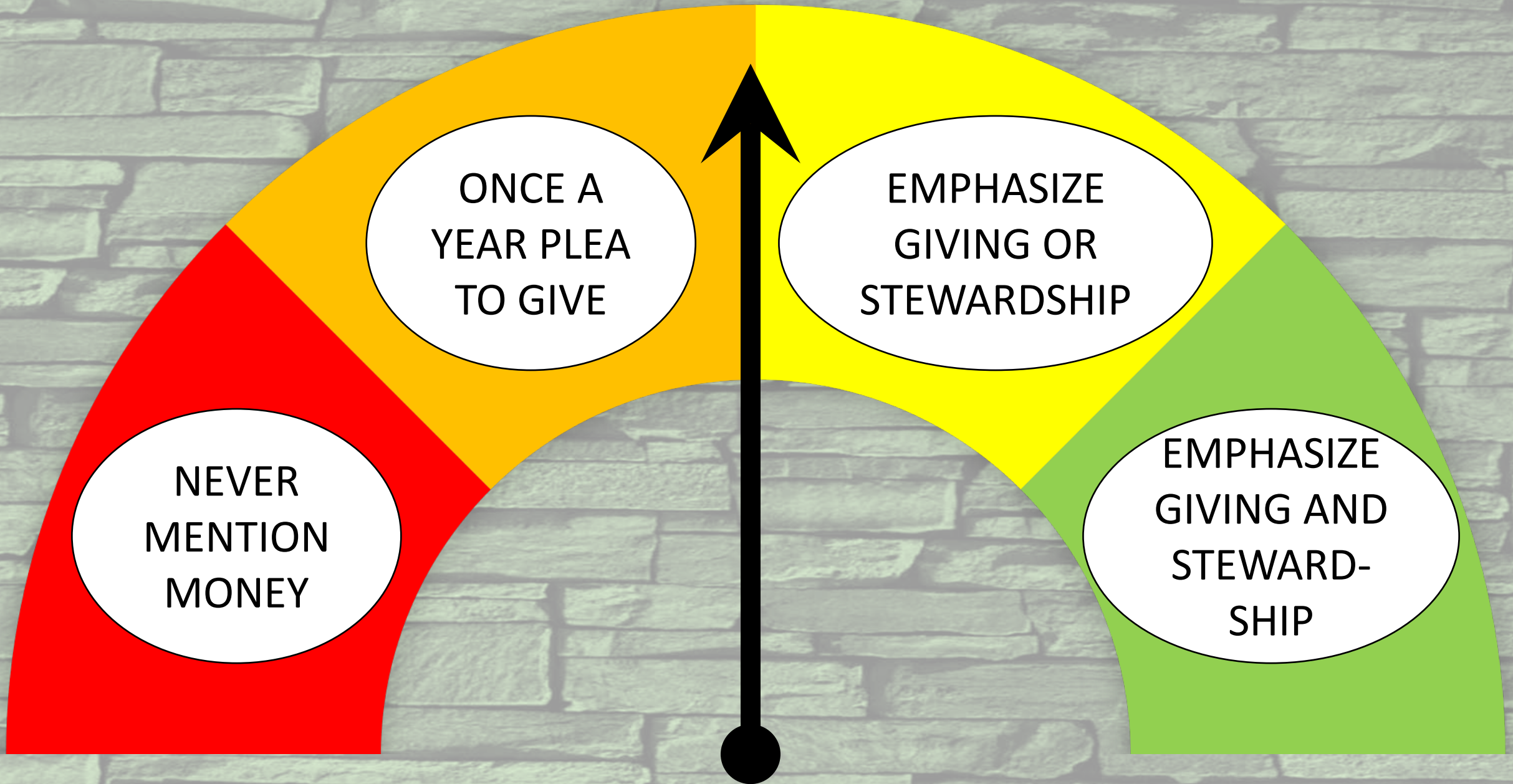
**SAVE.**



**GIVE.**

*a Wesleyan study of stewardship*





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# COMMITTEES

JUST LIKE TEAMWORK. ONLY WITHOUT THE WORK.

A Focused Team

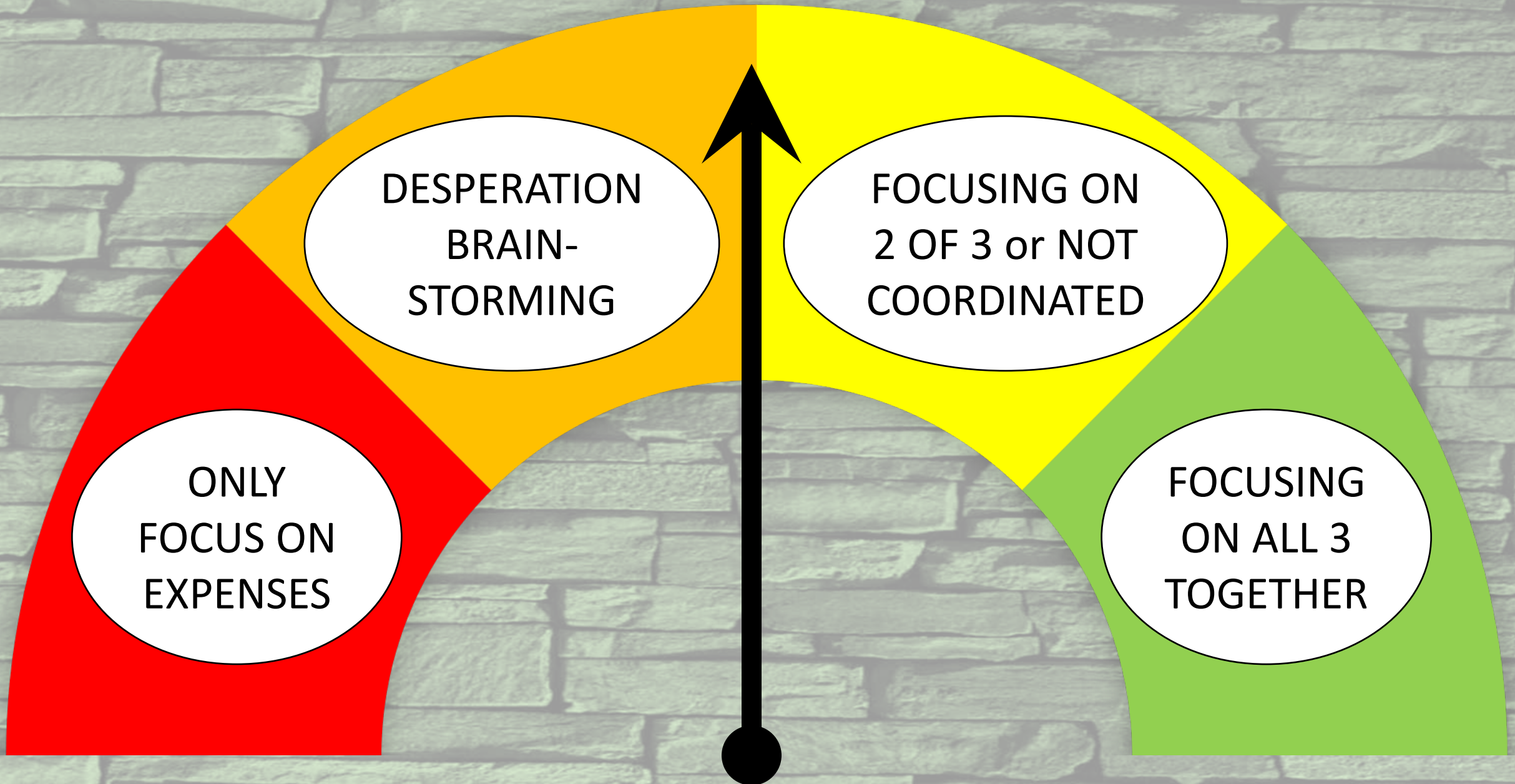


The image features three overlapping yellow circles arranged in a triangular pattern against a background of a grey stone wall. The top circle contains the text 'Watch Spending', the bottom-left circle contains 'Manage Reserves', and the bottom-right circle contains 'Grow Giving'.

**Watch  
Spending**

**Manage  
Reserves**

**Grow  
Giving**



# Invested Leaders



# **DISTINCTION**

LOOKING SHARP IS EASY WHEN YOU HAVEN'T DONE ANY WORK.



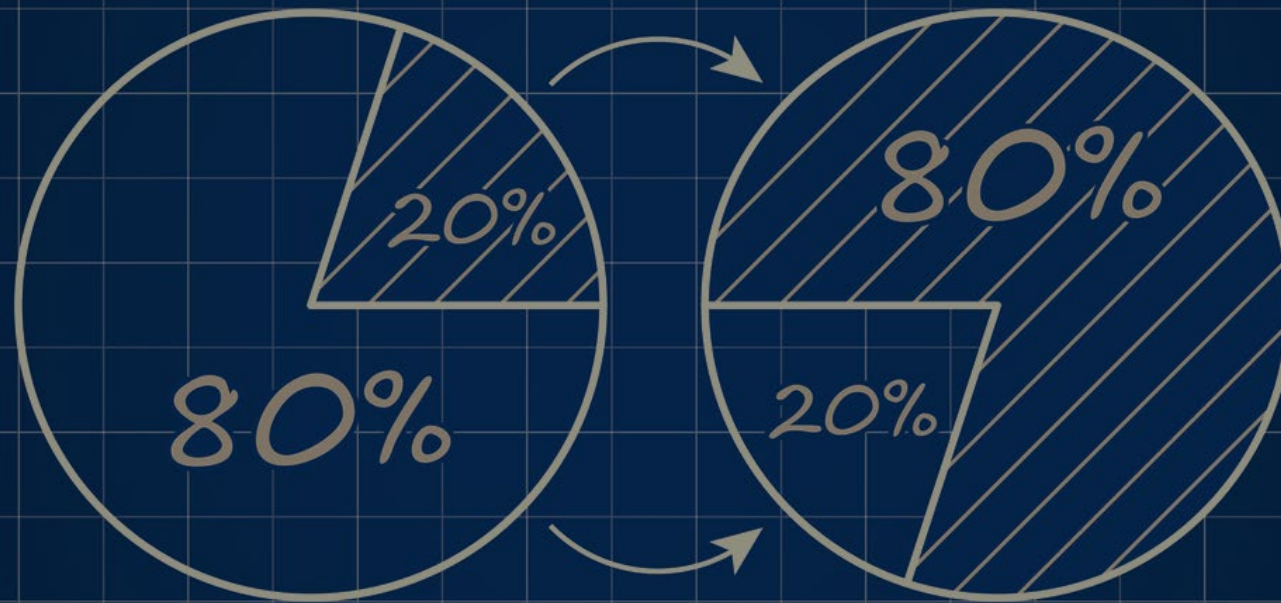
Forearm Forklift®

Forearm Forklift®

# Pareto's Law

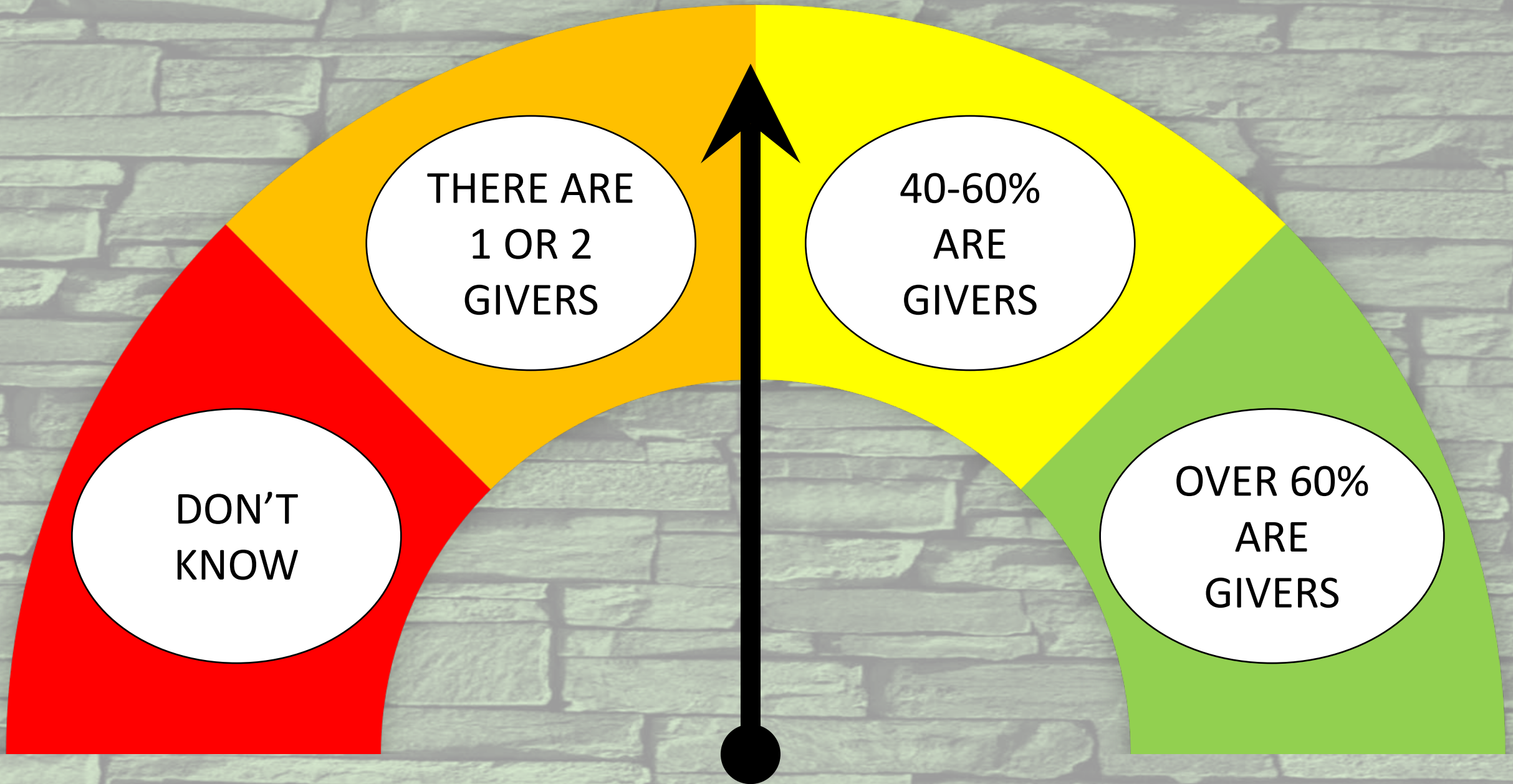
Effort

Result



Roughly 80% of the results  
come from 20% of the efforts







# Financial Health Assessment

• Financially Fit: 16 – 21

• Normal: 11 – 15

• Urgent Care: 6 – 10

• Emergency: 0 – 5

# Priority

- 1) Invested Leaders
- 2) Focused Team
- 3) Stewardship Training
- 4) Budget Accuracy
- 5) Debt
- 6) Capital Reserve
- 7) Operating Reserve

# Contact us anytime...



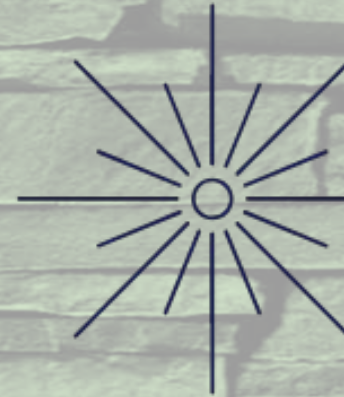
## Dakotas Conference

The United Methodist Church



Grow. Reach. Heal.

[www.dakotasumc.org](http://www.dakotasumc.org)



## Dakotas & Minnesota

METHODIST FOUNDATIONS

[www.dakotasumf.org](http://www.dakotasumf.org)

[www.mnumf.org](http://www.mnumf.org)