



## Treasurer's Report

The Financial Report for the period ending August 31, 2014 and comparatives for the period ended August 31, 2013 and full years 2013 and 2012.

### Conference Giving:

*(in millions \$)*

	August 2014	August 2013	December 2013	December 2012
Mission Giving	4.33	4.72	13.08	14.10
Supplementary Giving	0.02	0.04	0.10	0.06
Designated Giving	0.50	0.54	0.80	0.86
<b>Total Conference Giving</b>	<b>4.85</b>	<b>5.30</b>	<b>13.98</b>	<b>15.02</b>

Conference Giving is down \$439,000 or 8.30% compared to August, 2013. As of August 2014 Mission giving in this category decreased by \$388,000 or 8.22%; in 2014 we introduced the new online platform for district treasurers to submit their remittance to their respective conferences; as of today, more than 50% of district treasurers have their credentials for the new portal; in addition, 55 conference treasurers are using the portal.

- ❖ Supplementary giving decreased by approximately \$20,000 compared to prior year; and
- ❖ Designated giving decreased slightly by \$32,000.

### Interest Income:

*(in millions \$)*

	August 2014	August 2013	December 2013	December 2012
Interest Income from Cash Equivalents	0.00	0.04	0.01	0.01
Investment Income (Net of Fees)	0.99	1.07	1.40	1.63
Bequest, Trusts and Other Long Term Gifts	0.34	0.63	0.94	0.86
Distribution from Endowments	0.00	0.00	0.00	0.00
<b>Total Interest Income</b>	<b>1.33</b>	<b>1.74</b>	<b>2.35</b>	<b>2.50</b>

Total Interest Income decreased by \$418,000 or 24.02% over prior year. Highlights are as follows:

- ❖ Investment Income (Net of Fees); this category reflects the earnings on our investments of \$987,000 for the eight months in 2014; due to change in reported earnings of pension portfolio;
- ❖ Bequests, trusts and other Long term Gifts decreased by \$291,000 or 46.51%;
  - Some of the gifts received this year were from Lucy Ellen Haywood \$40,000 Patricia Eileen Richardson \$59,000, and Lucy Evelyn Beason \$9,000.

### Publications:

*(in millions \$)*

	August 2014	August 2013	December 2013	December 2012
Response Magazine	0.32	0.27	0.39	0.73
PBD/MRC	0.58	0.69	1.33	1.66
<b>Total Publication</b>	<b>0.90</b>	<b>0.96</b>	<b>1.72</b>	<b>2.39</b>

The publications category was down slightly by \$55,000 or 5.76% compared to August, 2013.

**Rental and Service Fee Income:**

*(in millions \$)*

	August 2014	August 2013	December 2013	December 2012
Brooks Howell Home	1.21	1.22	3.36	3.07
Church Center for the United Nations (CCUN)	1.56	1.66	2.55	2.46
Alma Matthews	0.21	0.23	0.32	0.33
<b>Total Rental and Service Fee Income</b>	<b>2.98</b>	<b>3.11</b>	<b>6.23</b>	<b>5.86</b>

Rental and Service Fee Income from BHH, CCUN and Alma Matthews decreased \$133,000 or 4.26% from the 2013 level.

**Other Income:**

*(in millions \$)*

	August 2014	August 2013	December 2013	December 2012
Events, Seminars, Meetings	0.01	0.02	0.02	0.02
AGI	0.00	0.00	0.00	0.18
Benefits Trust	0.39	0.26	0.44	0.43
Miscellaneous Other Income	1.70	0.39	0.71	0.81
<b>Total Other Income</b>	<b>2.10</b>	<b>0.67</b>	<b>1.17</b>	<b>1.44</b>
<b>Total Operating Income</b>	<b>12.16</b>	<b>11.78</b>	<b>25.45</b>	<b>27.21</b>

Other Income increased by \$1,440,000 or 216.36% from 2013, largely due to Assembly held April 2014.

- ❖ Benefits Trust increased by \$133,000 or 51.69% over 2013;
- ❖ Miscellaneous Other Income increased by \$1,312,000 or 337.62% due to registration fees collected for the 2014 Assembly;
- ❖ In Summary, Total Operating Income increased by \$394,000 or 3.35% from the 2013 levels. As outlined above, a decrease in conference giving, a decrease in interest income and an increase in other income were key factors impacting this increase in operating revenue from the 2013 levels.

**Operating Expenditures:**

*(in millions \$)*

	August 2014	August 2013	December 2013	December 2012
<b>Program Services:</b>				
<b>Program Administered by UMW:</b>				
National Mission Institutions Network	0.38	0.43	0.67	0.66
National Mission Institution Property Management				
Insurance	0.99	1.13	1.74	1.83
Repairs and Maintenance	0.19	0.39	0.45	1.07
Property Management	0.15	0.22	0.29	0.32
International Mission Work Administration	0.37	0.30	0.50	0.43
UMW Membership and Leadership Development	0.82	1.07	1.79	1.72
Mission Education	1.84	1.81	2.54	2.60
Response Magazine	0.34	0.36	0.54	0.48
Mission Resources	0.98	1.23	1.56	2.40
Christian Social Action	1.17	1.09	1.71	1.67

Deaconess, Home Missioners Office and Network	0.30	0.33	0.52	0.39
Other Programs	1.44	0.00	0.00	0.00
<b>Total Programs Administered by UMW</b>	<b>8.97</b>	<b>8.36</b>	<b>12.31</b>	<b>13.57</b>

Total Program administered by UMW increased from the 2013 levels by \$626,000 or 7.50%. This consists of:

- ❖ Decrease in National Mission Institution Property Insurance of \$132,000 or 11.69% compared to this time last year due to timing difference in payment between years;
- ❖ Decrease in grants made to National Mission Institution for property repairs and maintenance of \$204,000 or 52.37% compared to this time last year, due to a large grant to Brooks Howell in the prior year
- ❖ Decrease in UMW Membership and Leadership Development programs of \$248,000 or 23.26% compared to the same period last year due to changes and timing in the Leadership Development programs;
- ❖ Decrease in Mission Resources expenses of \$251,000 or 20.48%, reflective of the decrease in sales in the publication category above;
- ❖ The increase in Other Programs reflects to the cost incurred in 2014 for the 2014 Assembly.

**Program Administered by Other Organizations:**

*(in millions \$)*

	August 2014	August 2013	December 2013	December 2012
United Methodist Organizations National and International				
National Missions	1.06	1.44	2.12	2.25
International Missions	1.09	1.33	1.63	1.74
Ecumenical Organizations	0.19	0.15	0.22	0.23
Social Action Organizations	0.01	0.01	0.01	0.01
Grants from Designated Funds	2.35	0.85	1.91	1.62
Grants from Funds held for others	0.00	0.00	0.05	0.10
<b>Total Programs Administered by Other Organizations</b>	<b>4.70</b>	<b>3.78</b>	<b>5.94</b>	<b>5.95</b>

Total Program administered by Other Organizations increased from the 2013 levels by \$930,000 or 24.61%. This consists of:

- ❖ National and International Mission decreased by \$606,000 or 21.93% over the prior year numbers due to timing differences of grant releases;
- ❖ Grants from Designated Funds shows an increase of \$1,496,000 or 175.39% in 2014, due to the return of the Elizabeth Bradley Endowment Fund, previously held in a custodial capacity by UMW. This fund was returned to the Western Pennsylvania Conference in the amount of \$1,752,000 to be administered. Other grants were down compared to 2013.

**Program Support:**

*(in millions \$)*

	August 2014	August 2013	December 2013	December 2012
Church Center for the United Nations (CCUN)	1.51	1.67	2.58	2.02
Alma Matthews Hospitality House	0.34	0.33	0.50	0.57
Brooks Howell Retirement Center				
Retired Deaconess, Missionary Home Operations	1.42	1.50	3.68	3.17
Retired Deaconess, Missionary pension and Health Benefits	2.00	2.14	2.29	3.34
Scarritt Bennett Education Center	0.07	0.07	0.10	0.10
Annuity Fund	0.00	0.00	0.01	0.14

Organization-wide Program Support	0.27	0.55	0.58	1.11
<b>Total Program Support</b>	<b>5.61</b>	<b>6.26</b>	<b>9.74</b>	<b>10.45</b>
<b>Total Program Services</b>	<b>19.28</b>	<b>18.40</b>	<b>27.99</b>	<b>29.97</b>

Total Program Support decreased from the 2013 levels by \$650,000 or 10.40%. This consists of:

- ❖ Church Center for the United Nations decreased by \$164,000 or 9.83% due to fire sprinkler system installed in 2013;
- ❖ Retired Deaconess, Missionary Pension and Health Benefits decreased by \$146,000 or 6.81%; on average, this population decreases approximately 13% annually;
- ❖ Organization-wide Program Support decreased by \$283,000 or 27.92% from the 2013 level due to work shifted from Global Ministries, achieved during separation from that agency.

**Supporting Services:**

*(in millions \$)*

	August 2014	August 2013	December 2013	December 2012
<b>Management and General</b>				
Leadership and Management	1.96	2.16	3.42	3.46
<b>Total Management and General</b>	<b>1.96</b>	<b>2.16</b>	<b>3.42</b>	<b>3.46</b>
<b>Fundraising</b>				
Development Office	0.07	0.04	0.05	0.02
Fundraising Programs – SMR’s	0.08	0.11	0.21	0.15
<b>Total Fundraising</b>	<b>0.15</b>	<b>0.15</b>	<b>0.26</b>	<b>0.17</b>
<b>Total Supporting Services</b>	<b>2.11</b>	<b>2.31</b>	<b>3.68</b>	<b>3.63</b>
<b>Total Operating Expenses</b>	<b>21.39</b>	<b>20.71</b>	<b>31.67</b>	<b>33.60</b>

Operating expenditures for the period ended August 31, 2014 increased by \$708,000 compared to August 31, 2013. This is primarily the result of shifting and timing in the categories below:

- ❖ Programs Administered by UMW increased by \$626,000.
- ❖ Programs Administered by Other Organizations Increased by \$930,000.
- ❖ Program Support decreased by \$650,000.
- ❖ Support Services decreased by \$198,000.

**Effects on Net Assets:**

*(in millions \$)*

	August 2014	August 2013	December 2013	December 2012
Operating Deficit	(9.23)	(8.92)	(6.22)	(6.37)
Appreciation/(Depreciation) in Investments	3.83	3.64	9.36	6.89
Endowment/Sale of Properties	3.22	0.06	0.20	(0.03)
<b>Increase/(Decrease) in Net Assets</b>	<b>(2.18)</b>	<b>(5.22)</b>	<b>3.34</b>	<b>0.49</b>

Operating expenditures of \$21.39 million for the period ended August 31, 2014 exceeded the Operating income of \$12.16 million for the period ended August of 2014; creating an operating deficit of \$9.23 million due to the giving pattern; 40% of giving is received in the fourth quarter.

- ❖ Appreciation/(Depreciation) in Investments for the period ended August 31, 2014, UMW’s investments appreciated \$3,832,000; this is a 4.94% increase on our

investments portfolios due to positive change in the stock market.

- ❖ Endowment, Sale of Properties, increased by \$3,155,000 due to the sale of Sue Bennett \$2,006K; a reversionary interest from National College of 800K; and residual funds from Robincroft Retirement Home of \$379K.

**Net Assets:**

*(in millions \$)*

	<b>August 2014</b>	<b>August 2013</b>	<b>December 2013</b>	<b>December 2012</b>
General Fund Undesignated	4.15	2.29	10.41	11.88
Designated	13.59	8.91	9.79	7.28
<b>Total Unrestricted</b>	<b>17.74</b>	<b>11.20</b>	<b>20.20</b>	<b>19.16</b>
Total Temporarily Restricted	28.47	28.75	28.17	26.09
Total Permanently Restricted	15.18	15.04	15.17	14.98
<b>Total Net Assets</b>	<b>61.39</b>	<b>54.99</b>	<b>63.54</b>	<b>60.23</b>

Total Net Assets for August 31, 2014 increased over August 31, 2013 by \$6.38 million. The following summary explains the increase:

- ❖ Total Unrestricted increased by \$6.53 million due to property sales and appreciation in our retirement funds;
- ❖ Total Temporarily Restricted decreased by \$.28 million over August 2013 due to the distribution of the Elizabeth Bradley fund;
- ❖ Total Permanently Restricted increased by \$.13 million over 2013 due to additions to the endowment fund.

We are grateful to the United Methodist Women members who give so much of themselves every day. We give thanks for the staff dedicated to balancing giving with the needs of women, children, and youth. We are appreciative of the board of directors, which provides counsel and oversight for this work.

Let us continue to grow in our faith, hope, and love as we serve in God's mission together.

**August 31, 2014**

**Treasurer**

*Martha S. Knight*