

**SOUTH GEORGIA CONFERENCE OF
THE UNITED METHODIST CHURCH**

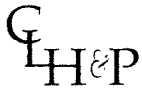
FINANCIAL STATEMENTS

AS OF DECEMBER 31, 2010

SOUTH GEORGIA CONFERENCE OF THE UNITED METHODIST CHURCH

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INDEPENDENT AUDITOR'S REPORT

South Georgia Conference of the
United Methodist Church
Macon, Georgia

Ladies and Gentlemen:

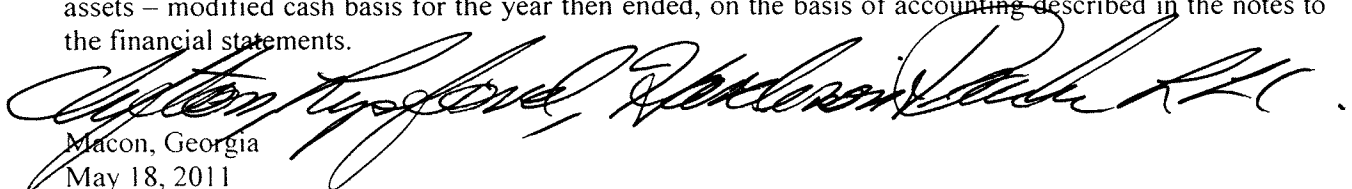
We have audited the accompanying statement of assets, liabilities and net assets – modified cash basis of the South Georgia Conference of the United Methodist Church (a non-profit religious organization) as of December 31, 2010, and the related statement of support and revenue, expenses and changes in net assets – modified cash basis for the year then ended. These financial statements are the responsibility of the Conference's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As described in the notes, these financial statements were prepared on the modified cash basis of accounting, in conformity with the accounting practices permitted by General Conferences of United Methodist Churches, which is a comprehensive basis of accounting other than generally accepted accounting principles. The effects on the financial statements of the variances between the statutory basis of accounting and generally accepted accounting principles, although not reasonably determinable, are presumed to be material.

In our opinion, because of the effects of the matter discussed in the preceding paragraph, the financial statements referred to in the first paragraph do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the Conference as of December 31, 2010 or the changes in its net assets for the year then ended.

However, in our opinion, the financial statements referred to in the first paragraph present fairly, in all material respects, the assets, liabilities and net assets of the South Georgia Conference of the United Methodist Church as of December 31, 2010, and its support and revenue, expenses and changes in net assets – modified cash basis for the year then ended, on the basis of accounting described in the notes to the financial statements.


Macon, Georgia
May 18, 2011

FINANCIAL STATEMENTS

SOUTH GEORGIA CONFERENCE OF THE UNITED METHODIST CHURCH

STATEMENT OF ASSETS, LIABILITIES AND NET ASSETS - MODIFIED CASH BASIS
DECEMBER 31, 2010

ASSETS

Current Assets:

Cash and cash equivalents	\$ 894,051
Investments, at fair value	10,503,209
Apportionments and other receipts receivable	1,193,465
Prepaid expenses	<u>95,690</u>
 Total Current Assets	 <u>12,686,415</u>
 Total Assets	 <u><u>\$ 12,686,415</u></u>

LIABILITIES AND NET ASSETS

Liabilities:

Current Liabilities:

Obligations payable on current year's budget	\$ <u>871,144</u>
 Total Liabilities	 <u>871,144</u>

Net Assets:

Temporarily restricted	8,541,628
Unrestricted	<u>3,273,643</u>
 Total Net Assets	 <u>11,815,271</u>
 Total Liabilities and Net Assets	 <u><u>\$ 12,686,415</u></u>

The accompanying notes are an integral part of the financial statements.

SOUTH GEORGIA CONFERENCE OF THE UNITED METHODIST CHURCH

STATEMENT OF SUPPORT, REVENUE AND EXPENSES - MODIFIED CASH BASIS
FOR THE YEAR ENDED DECEMBER 31, 2010

Support and Revenue:

Budgeted Funds:

World Service and Conference Benevolence	\$ 1,991,829
Congregational Development	880,402
Clergy Support	4,970,057
Administration	1,029,304
Other Apportioned Causes	1,236,858

Total Budgeted Funds	10,108,450
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Nonbudgeted Funds	14,318,886
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Total Support and Revenue	24,427,336
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Expenses:

Budgeted Funds:

World Service and Conference Benevolence	2,060,028
Congregational Development	983,188
Clergy Support	5,626,725
Administration	1,108,981
Other Apportioned Causes	1,236,858

Total Budgeted Funds	11,015,780
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Nonbudgeted Funds	12,949,607
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Total Expenses	23,965,387
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Change in Net Assets	\$ 461,949
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The accompanying notes are an integral part of the financial statements.

SOUTH GEORGIA CONFERENCE OF THE UNITED METHODIST CHURCH

STATEMENT OF CHANGES IN NET ASSETS - MODIFIED CASH BASIS
FOR THE YEAR ENDED DECEMBER 31, 2010

	Temporarily Restricted	Unrestricted	Total
Balance - January 1, 2010	\$ 7,578,784	\$ 3,774,538	\$ 11,353,322
Change in Net Assets	962,844	(500,895)	461,949
Balance - December 31, 2010	<u>\$ 8,541,628</u>	<u>\$ 3,273,643</u>	<u>\$ 11,815,271</u>

The accompanying notes are an integral part of the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

SOUTH GEORGIA CONFERENCE OF THE UNITED METHODIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2010

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

The accompanying financial statements include the assets, liabilities, net assets and financial activities of the South Georgia Conference of The United Methodist Church (the “Conference”), an organization providing services at a level of administration beyond the individual local churches. The Conference is composed of approximately 641 United Methodist local churches, grouped into nine districts, located in the southern half of Georgia. Through the Conference, the membership provides support for programs beyond the local church, such as for United Methodist colleges and universities in Georgia, and for ministerial salary supplements at smaller churches. Support also is provided to the Southeastern Jurisdictional and General Conference of The United Methodist Church, and programs organized and administered by those conferences, such as missionary programs worldwide.

Fund Accounting

To ensure observance of limitations and restrictions placed on the use of resources available to the Conference, the accounts of the Conference are maintained in accordance with the principles of fund accounting. This is the procedure by which resources for various purposes are classified for accounting and reporting purposes into funds established according to their nature and purposes. Separate equity accounts are maintained. In the accompanying financial statements, funds that have similar characteristics have been combined into fund groups. Accordingly, all financial transactions have been recorded and reported by fund group. This fund basis of presentation is not in conformity with generally accepted accounting principles.

Each line item on the Conference’s Statement of Support, Revenue and Expenses – Modified Cash Basis is an individual fund or is a summary of several individual funds. The individual funds are also classified into two types (four groups): (a) budgeted versus nonbudgeted, and (b) restricted versus unrestricted.

Budgeted funds are those for which the Conference adopts an annual formal financial plan (a budget) showing anticipated support and revenue and proposed expenditures for the individual funds, and apportions the estimated revenues to member churches by sending requests for support and contributions. Nonbudgeted funds are those for which no specific dollar amounts of annual revenue or expenditure are estimated, although the programs represented by funds in this group are included in the Conference’s planning process. Funds in either group (budgeted or nonbudgeted) may be restricted or unrestricted.

Restricted funds are those for which unexpended monies at the end of each annual accounting period are carried forward in an individual net asset accounts and in future periods may be expended only for the purposes for which the fund was established. Unrestricted funds are those for which unexpended monies at the end of each annual accounting period are transferred into a common, accumulated net asset account representing claims on assets (monies) which in future periods may be expended for any organizational purpose properly approved by the Conference or its designated representatives. Funds in either group (restricted or unrestricted) may originate as budgeted or nonbudgeted.

SOUTH GEORGIA CONFERENCE OF THE UNITED METHODIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2010
(CONTINUED)

Basis of Accounting

The Conference accounts are maintained on the modified cash basis of accounting; consequently, most apportionments, contributions and related assets are recognized when received rather than earned, and most expenses are recognized when paid rather than when the obligation is incurred. Accordingly, the accompanying financial statements are not intended to present financial position and results of operations in conformity with generally accepted accounting principles.

The preparation of financial statements in conformity with the modified cash basis of accounting requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Cash and Cash Equivalents

The Conference considers cash and cash equivalents to include time deposits, certificates of deposit, sweep accounts, money market funds, and highly liquid debt instruments with maturities of three months or less at the date of their acquisition.

Investments

The Conference has adopted SFAS No. 124 *Accounting for Certain Investments Held by Not-for-Profit Organizations*. Under SFAS No. 124, investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair values in the statement of support and revenue, expenses, and changes in fund balances. Unrealized gains and losses are included in the change in net assets. Realized gains and losses on investments are calculated on a moving cost average.

The Conference's policy is to carry its cash in interest-bearing accounts and to invest cash in excess of immediate operating requirements in income-producing investments. Cash and temporary cash investments of \$894,051 at December 31, 2010, were composed primarily of checking and sweep accounts, and are stated at cost.

Certificates of deposit and other investments are carried at fair value. Interest is accrued for amounts earned but not yet received. Unrealized gains and losses are included in the change in net assets. As of December 31, 2010, the fair value of investments was \$10,503,209.

Interest revenue and gains or losses on transactions in marketable securities, and interest from cash and cash equivalents, are included in support and revenue from nonbudgeted funds.

Apportionments Receivable

To reflect cash receipts and disbursements in the appropriate budget period, the financial statements include certain transactions, which occurred during the first three weeks subsequent to year-end and exclude such transactions for the similar period at the beginning of the year. Such receipts have been classified as Apportionments and Other Receipts Receivable, and the related disbursements have been classified as Obligations Payable on Current Year's Budget, on the Statement of Assets, Liabilities and Fund Balance – Modified Cash Basis. Apportionments

SOUTH GEORGIA CONFERENCE OF THE UNITED METHODIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2010
(CONTINUED)

receivable represent amounts contributed for the period ending December 31, 2010. All apportionments receivable are considered contributed support and are expected to mature in the next fiscal year. Based upon prior experience, management does not consider it necessary to provide an allowance for doubtful accounts.

Prepaid expense

It is the policy of the Conference to pay certain salaries and other miscellaneous obligations on the first of the month. To accommodate mailing time, January checks are written in December. These disbursements are classified as Prepaid Expenses on the Statement of Certain Assets, Liabilities and Fund Balance – Modified Cash Basis.

Plant Assets and Related Liabilities

Under the modified cash basis of accounting, the costs of property and equipment acquisitions are recorded as operating expenditures at the time of purchase. Property and equipment acquisitions are recorded at cost, estimated cost, or if donated, at fair market value on the date of donation. It is the Conference's policy to capitalize assets costing \$500 or more.

Land, buildings and major items of equipment and furniture purchased by the Conference are not a responsibility of the Conference Council on Finance and Administration. Legal title to these assets is held by the Board of Trustees of the South Georgia Annual Conference of the United Methodist Church, Inc.

The Board of Trustees owns other residence buildings and land throughout the State of Georgia. The underlying mortgages and assets are the responsibility of the Board of Trustees and are not reflected in the accompanying financial statements.

Income Taxes

The Conference is exempt from federal and state income taxes as a religious organization.

NOTE 2 – CONCENTRATIONS OF CREDIT RISK

The Conference maintains its demand deposit accounts in two institutions in Georgia. The Federal Deposit insurance Corporation (FDIC) insures demand deposits of each institution up to \$250,000. The bank balance was not in excess of the FDIC coverage as of December 31, 2010.

SOUTH GEORGIA CONFERENCE OF THE UNITED METHODIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2010
(CONTINUED)

NOTE 3 – INVESTMENTS

Investments as of December 31, 2010 were \$10,503,209 and are summarized as follows:

<u>Description</u>	<u>Fair Value</u>
Suntrust	\$ 5,490,077
Merill Lynch	4,833,006
Georgia United Methodist Foundation	<u>180,126</u>
Total Investments	<u>\$ 10,503,209</u>

As of December 31, 2010, unrealized gains on the Conference's investments were \$323,604.

NOTE 4 – FAIR VALUE MEASUREMENTS

The Conference's investments are reported at fair value in the accompanying statement of assets, liabilities, and net assets. The methods used to measure fair value may produce an amount that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Conference believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date. The fair value measurement establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy are described below:

Basis of Fair Value Measurement

- Level 1 Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets and liabilities;
- Level 2 Quoted prices in markets that are not considered to be active or financial instruments for which all significant inputs are observable, either directly or indirectly;
- Level 3 Prices or valuations that require inputs that are both significant to the fair value measurement and on observable.

A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement.

SOUTH GEORGIA CONFERENCE OF THE UNITED METHODIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2010
(CONTINUED)

The investment assets are classified in their entirety based upon the lowest level that is significant to the fair value measurement. As of December 31, 2010, total plan investment assets classified with level 1 were \$10,503,209.

NOTE 5 – CAPITAL ASSETS

The following is a summary of certain capital assets that were purchased by the Conference and utilized in administration or program services. These assets are carried on the Board of Trustees' books as explained in Note 1. The Conference has compiled a capital asset listings as required by the General Council on Finance and Administration. These assets are stated at cost or management's estimate of cost as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Office of Connectional Ministries:				
Building	\$ 267,929	\$ -	\$ -	\$ 267,929
Furniture and equipment	170,661	13,509	-	184,170
Total	438,590	13,509	-	452,099
Board of Ordained Ministry				
Furniture and equipment	2,023	2,417	-	4,440
Pastoral Counseling				
Furniture and equipment	-	1,228	-	1,228
Episcopal Office:				
Furniture and equipment	47,381	2,950	-	50,331
Episcopal Residence:				
Residence	494,019	-	-	494,019
Furniture and equipment	9,947	-	-	9,947
Land	63,500	-	-	63,500
Total	567,466	-	-	567,466
Conference Center				
Construction in progress	-	122,222	-	122,222
Administrative Services Office:				
Furniture and equipment	110,735	1,584	-	112,319
Arthur J. Moore Museum:				
Furniture and equipment	39,113	4,126	-	43,239
Total	\$ 1,205,308	\$ 148,036	\$ -	\$ 1,353,344

SOUTH GEORGIA CONFERENCE OF THE UNITED METHODIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2010
(CONTINUED)

NOTE 6 – PENSION BENEFIT PLANS

For its ministerial personnel, the Conference participates in pension programs administered by the General Board of Pensions and Health Benefits of The United Methodist Church. Accordingly, responsibility for full disclosures related to the program rests with the General Conference. Contributions are calculated on “pension plan compensation” which is defined as the minister’s taxable salary plus a housing component. When a minister’s status is one that is eligible for pension benefits and contributions are made for the minister, the minister is immediately vested. Benefits for services rendered prior to January 1, 1982, are in a plan called the “Pre-82 Plan”, and annual contributions represent the actuarially determined amount required to fund future pension payments. The unfunded portion of those benefits is unfunded service costs, which is being funded through the conference budget, funds raised in the pension campaign held in the 1980’s, and a bequest left to the Conference by W. I. H. Pitts. The South Georgia Conference is required to fund all past service costs over a 40-year period which ends December 31, 2021. Until this obligation is reached \$ 1,300,000 is included each year in the Conference budget.

Beginning January 1, 1982, the clergy pension plan was changed to the Ministerial Pension Plan (MPP) with defined contributions into each minister’s account. At the time of a minister’s retirement at least 65% of the balance in the minister’s account is turned into an annuity. Contributions to the Ministerial Pension Plan ended on December 31, 2006.

Beginning January 1, 2007, the Clergy Retirement Security Plan (CRSP) began. This plan has two parts: a defined benefit plan and a defined contribution plan. The benefit from the defined benefit plan is based on 1.25% of the Denominational Average Compensation (DAC) of the year that the minister retires times the number of years of service the minister has in the CRSP plan and is paid to the minister and his / her spouse over their lifetime. The defined contribution plan is a 403(b) plan and this money is available to them at the time of retirement. This plan is directly billed to local churches.

Ministers are encouraged to contribute a portion of their salary into the United Methodist Personal Investment Plan (UMPIP) which is an approved 403(b) plan. This plan is voluntary with the ministers having control over how the funds are invested. Local churches are billed directly by and the money is paid directly to the General Board of Pensions for this plan.

Lay employees of the Conference are eligible to participate in the United Methodist Personal Investment Plan (UMPIP) after working for the Conference for one year. The Conference contributes 9 % of their salary if the lay employee contributes at least 3 % of their salary. Lay employees are immediately vested in this plan.

During the year ended December 31, 2010, the South Georgia Conference contributions to the various pension plans are summarized below:

Pre-82 Plan	Defined Benefit	\$ 1,872,163
CRSP	Defined Benefit	2,569,174
CRSP	Defined Contribution	772,046
UMPIP	Contributions for lay employees	48,234

SOUTH GEORGIA CONFERENCE OF THE UNITED METHODIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2010
(CONTINUED)

NOTE 7 – OTHER BENEFIT PLANS

The Conference sponsors a defined benefit supplemental death benefit plan, which covers substantially all of its active and retired clergy members. The Comprehensive Protection Plan is fully funded each year and is paid through apportionments by the Conference. Due to excess plan reserves, the plan administrator has suspended current year plan contributions. The participants do not make contributions to the plan.

The Annual Conference sponsors a defined benefit post retirement medical plan that covers substantially all of its statutory and common-law employees. The plan is contributory; retiree contributions have been established as a percentage of premium expense, with the percentage being based on years of participation in the Conference health insurance program.

As of January 1, 1993, the provisions of Statement of Financial Accounting Standards (SFAS) No. 106, *Employer's Accounting for Post Retirement Benefits Other Than Pensions*, were adopted. Legal opinion has been obtained that the plans described above are multi-employer plans as that term is defined in Paragraph 79 of SFAS No. 106. Accordingly, the post retirement benefit costs are recognized on a current period basis and were as follows for the period January 1, 2010 to December 31, 2010:

Healthflex benefit plan	\$ 5,236,092
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NOTE 8 – LEASING ARRANGEMENTS

The Conference maintains offices in Macon, Georgia, in a building owned by Middle Georgia Properties. The offices are leased under a three-year operating lease expiring in July 2012 with a three-year renewal option. Rental expense under this lease amounted to \$32,850 in 2010.

NOTE 9 – EVALUATION OF SUBSEQUENT EVENTS

The Conference has evaluated subsequent events through May 18, 2011, the date which the financial statements were available to be issued.

SUPPLEMENTARY INFORMATION

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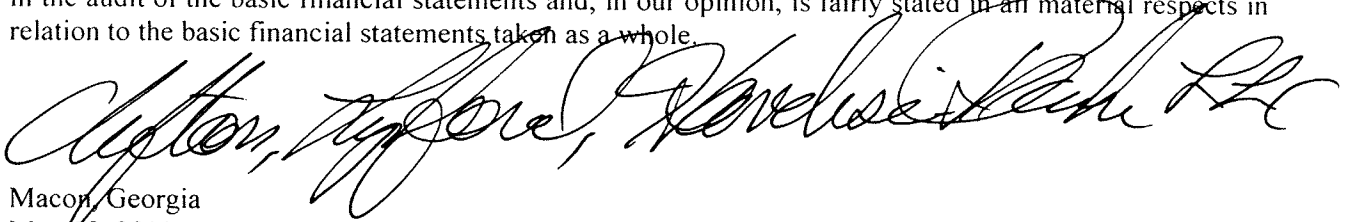
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**INDEPENDENT AUDITOR'S REPORT
ON THE SUPPLEMENTARY INFORMATION**

South Georgia Conference of the
United Methodist Church
Macon, Georgia

Our audit was made for the purpose of forming an opinion on the basic financial statements for the year ended December 31, 2010, taken as a whole. The supplementary information is presented for purposes of additional analysis and is not a required part of the basic financial statements. The supplementary information for the year ended December 31, 2010 has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.



Macon, Georgia
May 18, 2011

SOUTH GEORGIA CONFERENCE OF THE UNITED METHODIST CHURCH

SCHEDULE OF SUPPORT, REVENUE AND EXPENSES
AND CHANGES IN NET ASSETS - MODIFIED CASH BASIS
FOR THE YEAR ENDED DECEMBER 31, 2010

	Budget	Actual			Change in Net Assets
		Support and Revenue	Expenses	Transfers	
<u>BUDGETED FUNDS</u>					
<u>World Service and Conference Benevolence</u>					
World Service Apportionment	\$ 1,329,989	\$ 1,085,090	\$ 1,085,090	\$ -	\$ -
Conference Benevolences					
Office of Connectional Ministries					
Council Staff and Office	973,618	614,752	682,149	-	(67,397)
Travel	-	2,434	-	-	2,434
Executive Committee	-	1,623	-	-	1,623
South Georgia Advocate	30,000	-	760	-	(760)
Mission and Ministry Programs	-	141,988	127,029	-	14,959
Mission Agency Support	-	53,549	54,241	-	(692)
Total Office of Connectional Ministries	1,003,618	814,346	864,179	-	(49,833)
Arthur J. Moore Museum	107,124	86,916	106,307	-	(19,391)
Board of Laity	6,750	5,477	4,452	-	1,025
Total World Service and Conference Benevolence	2,447,481	1,991,829	2,060,028	-	(68,199)
<u>Congregational Development</u>					
Congregational Development					
New Congregational Development	582,587	466,925	582,587	-	(115,662)
Hispanic Ministries	515,900	413,477	400,601	-	12,876
Total Congregational Development	1,098,487	880,402	983,188	-	(102,786)
<u>Clergy Support</u>					
Episcopal Area Funds					
Episcopal South Georgia Area Office	42,400	33,903	33,903	-	-
Area Residence	26,800	21,429	21,429	-	-
Special Episcopal Account	5,000	3,998	3,998	-	-
Total Episcopal Area Funds	74,200	59,330	59,330	-	-
Pensions, Benefits and Health Insurance					
Pre-1982 Pensions	1,364,450	1,091,316	1,344,850	-	(253,534)
Comprehensive Protection Plan	725,000	676,012	697,546	-	(21,534)
Healthflex Retiree	1,075,000	861,673	861,673	-	-
Healthflex Disability	199,584	164,237	161,720	-	2,517
Benefits Underpayment	165,000	131,971	33,770	-	98,201
Total Pension, Benefits and Insurance	3,529,034	2,925,209	3,099,559	-	(174,350)
District Superintendent	1,357,668	1,085,575	1,278,546	-	(192,971)
Equitable Compensation	400,000	319,835	501,155	-	(181,320)
Pastoral Counseling Services	158,355	126,746	181,312	-	(54,566)
Comprehensive School Clergy	4,000	3,198	4,000	-	(802)
Conf Board of Ordained Ministry	188,600	160,202	212,861	-	(52,659)
Episcopal General Church	365,827	289,962	289,962	-	-
Total Clergy Support	\$ 6,077,684	\$ 4,970,057	\$ 5,626,725	\$ -	\$ (656,668)

SOUTH GEORGIA CONFERENCE OF THE UNITED METHODIST CHURCH

SCHEDULE OF SUPPORT, REVENUE AND EXPENSES
AND CHANGES IN NET ASSETS - MODIFIED CASH BASIS
FOR THE YEAR ENDED DECEMBER 31, 2010

	Budget	Actual			Change in Net Assets
		Support and Revenue	Expenses	Transfers	
<u>BUDGETED FUNDS</u>					
<u>Administration</u>					
Annual Conference					
Annual Conference Session Expense	\$ 67,750	\$ 62,634	\$ 58,678	\$ -	\$ 3,956
Annual Conference Business Expense	24,800	26,632	24,744	-	1,888
Annual Conference Expenses for Retired Ministers	28,000	21,942	18,200	-	3,742
At Large Lay Annual Conference	28,000	21,942	31,495	-	(9,553)
Total Annual Conference	148,550	133,150	133,117	-	33
Council on Finance and Administration	9,500	7,445	7,269	-	176
Conference Treasurer/Administrator	644,082	504,799	581,473	-	(76,674)
Conference Secretary Expense	3,500	2,743	1,757	-	986
Conference Journal	13,000	10,187	13,000	-	(2,813)
Committee on Memoirs	700	549	434	-	115
Conference Trustee	35,300	27,663	27,129	-	534
Worker's Compensation Insurance	9,500	7,445	11,745	-	(4,300)
Leadership Forum	7,000	5,486	3,589	-	1,897
Local Church Treasurer's Bond	8,750	6,857	7,151	-	(294)
Nominations Committee	1,000	784	870	-	(86)
Episcopal Committee	1,800	1,411	-	-	1,411
SEJ Mission and Ministry	115,207	92,307	92,307	-	-
Administrative General Church	144,106	115,632	115,632	-	-
Legal Fees	24,000	18,808	18,808	-	-
Contingency	120,000	94,038	94,700	-	(662)
Total Administration	1,285,995	1,029,304	1,108,981	-	(79,677)
<u>Other Apportioned Causes</u>					
State Cooperative Funds					
Christian Higher Education	803,412	630,982	630,982	-	-
Georgia Christian Council	18,500	15,108	15,108	-	-
Georgia Council on Moral and Civic Concerns	19,000	15,517	15,517	-	-
Georgia's Pastors' School	3,184	2,600	2,600	-	-
Total State Cooperative Funds	844,096	664,207	664,207	-	-
Black College Fund	181,634	144,452	144,452	-	-
Africa University	40,651	33,042	33,042	-	-
Ministerial Education Fund	455,292	366,850	366,850	-	-
Interdenominational Cooperation Fund	35,435	28,307	28,307	-	-
Total Other Apportioned	1,557,108	1,236,858	1,236,858	-	-
Total Budgeted Funds	\$ 12,466,755	\$ 10,108,450	\$ 11,015,780	\$ -	\$ (907,330)

SOUTH GEORGIA CONFERENCE OF THE UNITED METHODIST CHURCH

SCHEDULE OF SUPPORT, REVENUE AND EXPENSES
AND CHANGES IN NET ASSETS - MODIFIED CASH BASIS
FOR THE YEAR ENDED DECEMBER 31, 2010

	Actual			Change in Net Assets
	Support and Revenue	Expenses	Transfers	
<u>NONBUDGET FUNDS</u>				
<u>World Service and Conference Benevolence</u>				
Ethnic Local Church Concerns	\$ 401	\$ 3,784	\$ -	\$ (3,383)
Communications Council	6,168	10,822	-	(4,654)
Arthur J. Moore Museum	5,184	-	-	5,184
South Georgia Historical Society	16,725	-	-	16,725
Office of Connectional Ministries				
Bishop's Initiative on Child Poverty	86	-	-	86
Confirmation Retreat Join Journey	43,922	61,467	-	(17,545)
VIM South Georgia	4,954	5,000	-	(46)
Committee on Missions	941	-	-	941
Online Registrations	76,384	76,384	-	-
CCOM Office Administration	412	2,784	-	(2,372)
CCOM Housing / Maintenance	11,983	2,271	-	9,712
Schools for Christian Mission	-	172	-	(172)
Pathways to a Healthy Church	9,677	11,519	-	(1,842)
Conference Youth Ministries	11,334	16,607	-	(5,273)
Junior High Camp	17,689	17,689	-	-
Junior High Camp II	30,875	30,875	-	-
Leadership Team	66,858	66,858	-	-
Youth Celebration	43,545	43,545	-	-
Youth Service Fund	-	169	-	(169)
Safe Sanctuaries	-	416	-	(416)
Conference Children's Ministries	26,715	12,091	-	14,624
Elementary Camp I	27,922	27,922	-	-
Elementary Camp II	18,766	18,766	-	-
Elementary Camp III	23,309	23,309	-	-
Older Adult Ministries	4,743	4,246	-	497
SG Partnership / East Africa	12,216	5,605	-	6,611
Humble Place Capital	1,747	1,747	-	-
Humble Place Program	28,277	52,000	-	(23,723)
Black Church Summit	4,332	86	-	4,246
Kidz Quest	79,448	79,448	-	-
South Georgia Storm Recovery	3,462	1,064	-	2,398
Africa Hope for Children's Choir	459	-	-	459
Natural Church Development	11,302	9,524	-	1,778
Total Office of Connectional Ministries	561,358	571,564	-	(10,206)
Total World Service and Conference Benevolence	\$ 589,836	\$ 586,170	\$ -	\$ 3,666

SOUTH GEORGIA CONFERENCE OF THE UNITED METHODIST CHURCH

SCHEDULE OF SUPPORT, REVENUE AND EXPENSES
AND CHANGES IN NET ASSETS - MODIFIED CASH BASIS
FOR THE YEAR ENDED DECEMBER 31, 2010

	Actual			Change in Net Assets
	Support and Revenue	Expenses	Transfers	
<u>NONBUDGET FUNDS</u>				
<u>Clergy Support</u>				
Episcopal Funds				
Episcopal Special Reserve	\$ 1,243	\$ 399	\$ -	\$ 844
Total Episcopal Funds	1,243	399	-	844
Pensions, Benefits and Health Insurance				
Pre-1982 Pension	25,151	-	-	25,151
WIH Pitts Memorial	558,120	-	-	558,120
Clergy Retirement Security Program	3,359,840	3,309,159	-	50,681
Central Conference Pension Initiative	14,423	14,423	-	-
Healthflex	5,273,141	5,274,029	-	(888)
Total Pensions, Benefits and Health Insurance	9,230,675	8,597,611	-	633,064
Comprehensive School Clergy	1,895	954	-	941
Total Clergy Support	9,233,813	8,598,964	-	634,849
<u>Administration</u>				
Conference Journal	13,826	896	-	12,930
Miscellaneous Activity	40,357	43,104	-	(2,747)
Legal Fees Reserves	2,956	-	-	2,956
Discretionary Funds	3,333	2,552	-	781
Total Administration	60,472	46,552	-	13,920
<u>New and Revitalized Congregational Development</u>				
Church Extension	9,411	4,960	-	4,451
SGA Investment Fund	27,168	2,934	-	24,234
Kingdom Builders Club	56,514	193,098	-	(136,584)
New Congregational Supporters	5,929	3,551	-	2,378
Vision Promoters	6,106	242	-	5,864
New Congregation Planters	9,220	1,351	-	7,869
New Church Builders Fund	12,332	57,347	-	(45,015)
New Covenant UMC - Savannah	327,830	150,000	-	177,830
IOH - New Church Savannah	7,000	5,600	-	1,400
Land Sale	332,441	152,049	-	180,392
IOH - Savannah District Minister	7,000	-	-	7,000
Conference Trustee's Gift	2,565	-	-	2,565
Hispanic Ministries	1,647	114	-	1,533
Total New and Revitalized Congregational Development	\$ 805,163	\$ 571,246	\$ -	\$ 233,917

SOUTH GEORGIA CONFERENCE OF THE UNITED METHODIST CHURCH

SCHEDULE OF SUPPORT, REVENUE AND EXPENSES
AND CHANGES IN NET ASSETS - MODIFIED CASH BASIS
FOR THE YEAR ENDED DECEMBER 31, 2010

	Actual			Change in Net Assets
	Support and Revenue	Expenses	Transfers	
<u>NONBUDGET FUNDS</u>				
<u>Other Causes</u>				
Ministerial Education	\$ 2,849	\$ 18,417	\$ -	\$ (15,568)
South Georgia Conference Offices	221,574	125,424	-	96,150
Christian Education Sunday	1,629	-	-	1,629
Peace with Justice on Sunday	1,794	4,238	-	(2,444)
Golden Cross	6,121	13,579	-	(7,458)
Conference Advance Special	1,234,586	1,237,141	-	(2,555)
General Advance Special	764,508	761,105	-	3,403
Human Relations	2,412	2,412	-	-
Methodist Student Day	2,473	2,473	-	-
Discipleship Covenant Conference	1,175	3,095	-	(1,920)
One Great Hour of Sharing	10,219	10,219	-	-
Trustees Gift	145,012	141,840	-	3,172
District Operational and Program Fund	555,422	557,667	-	(2,245)
Native American Awareness	2,535	1,198	-	1,337
Relief Association	21,363	19,095	-	2,268
South Georgia Special Relief	7,156	8,500	-	(1,344)
World Communion Offering	4,692	4,692	-	-
Appointment Transition Event	3,559	1,492	-	2,067
Investment Income	640,523	234,088	-	406,435
Total Other Causes	3,629,602	3,146,675	-	482,927
Total Nonbudget Funds	14,318,886	12,949,607	-	1,369,279
Total All Funds	\$ 24,427,336	\$ 23,965,387	\$ -	\$ 461,949

SOUTH GEORGIA CONFERENCE OF THE UNITED METHODIST CHURCH

SCHEDULE OF CHANGES IN NET ASSETS
MODIFIED CASH BASIS
FOR THE YEAR ENDED DECEMBER 31, 2010

	Net Assets Jan. 1, 2010	Change in Net Assets		Net Assets Dec. 31, 2010
		Budget Funds	Nonbudget Funds	
<u>TEMPORARILY RESTRICTED NET ASSETS</u>				
<u>World Service and Conference Benevolence</u>				
Ethnic Local Church Concerns	\$ 16,243	\$ -	\$ (3,383)	\$ 12,860
Communications Office	27,693	-	(4,654)	23,039
Arthur J. Moore Museum	6,945	-	5,184	12,129
South Georgia Historical Society	-	-	16,725	16,725
Office of Connectional Ministries:				
Bishop's Initiative on Child Poverty	2,239	-	86	2,325
Confirmation Retreat Join Journey	18,618	-	(17,545)	1,073
VIM South Georgia	14,567	-	(46)	14,521
Special New Missions	1,418	-	-	1,418
Mission Admin Global Gathering	2,702	-	-	2,702
Committee on Missions	9,441	-	941	10,382
CCOM Office Administration	5,099	-	(2,372)	2,727
CCOM Housing / Maintenance	-	-	9,712	9,712
Leadership/Program Resources	5,847	-	-	5,847
Global Ministries Secretary	161	-	-	161
Russia Mission Work Team	514	-	-	514
Schools for Christian Mission	568	-	(172)	396
Pathways to a Healthy Church	4,444	-	(1,842)	2,602
Conference Youth Ministries	11,612	-	(5,273)	6,339
Youth Service Fund	1,000	-	(169)	831
Safe Sanctuaries	5,136	-	(416)	4,720
Laos	3,658	-	-	3,658
Conference Children's Ministries	6,805	-	14,624	21,429
Older Adult Ministries	2,007	-	497	2,504
SG Partnership / East Africa	71,264	-	6,611	77,875
Humble Place Program	64,592	-	(23,723)	40,869
Black Church Summit	14,814	-	4,246	19,060
Dave Hanson Scholarship Fund	635	-	-	635
South GA Storm Recovery	111,157	-	2,398	113,555
Africa Hope for Children's Choir	-	-	459	459
Natural Church Development	(746)	-	1,778	1,032
Total Office of Connectional Ministries	357,552	-	(10,206)	347,346
Total World Service and Conference Benevolence	\$ 408,433	\$ -	\$ 3,666	\$ 412,099

SOUTH GEORGIA CONFERENCE OF THE UNITED METHODIST CHURCH

SCHEDULE OF CHANGES IN NET ASSETS
MODIFIED CASH BASIS
FOR THE YEAR ENDED DECEMBER 31, 2010

	Net Assets Jan. 1, 2010	Change in Net Assets		Net Assets Dec. 31, 2010
		Budget Funds	Nonbudget Funds	
<u>TEMPORARILY RESTRICTED NET ASSETS</u>				
<u>Clergy Support</u>				
Episcopal Funds				
Special Episcopal Reserve Account	\$ 3,909	\$ -	\$ 844	\$ 4,753
Total Episcopal Funds	3,909	-	844	4,753
Pensions, Benefits and Health Insurance				
Pre-1982 Pension	243,584	-	25,151	268,735
WIH Pitts Memorial	3,990,118	-	558,120	4,548,238
Clergy Retirement Security Program	172,900	-	50,681	223,581
Pensions	1,851	-	-	1,851
Healthflex	44,152	-	(888)	43,264
Total Pensions, Benefits and Health Insurance	4,452,605	-	633,064	5,085,669
Comprehensive School Clergy	13,021	-	941	13,962
Total Clergy Support	4,469,535	-	634,849	5,104,384
<u>Administration</u>				
Conference Journal	(12,930)	-	12,930	-
Miscellaneous Activity	-	-	(2,747)	(2,747)
Legal Fees Reserves	20,431	-	2,956	23,387
Discretionary Funds	-	-	781	781
Total Administration	7,501	-	13,920	21,421
<u>New and Revitalized Congregational Development</u>				
Church Extension	239,948	-	4,451	244,399
SGA Investment Fund	458,639	-	24,234	482,873
Kingdom Builders Club	136,584	-	(136,584)	-
New Congregational Supporters	22,194	-	2,378	24,572
Vision Promoters	18,212	-	5,864	24,076
New Congregation Planters	34,213	-	7,869	42,082
New Church Builders Fund	334,404	-	(45,015)	289,389
New Covenant UMC - Savannah	70,320	-	177,830	248,150
IOH - New Church Savannah	-	-	1,400	1,400
Land Sale	905,420	-	180,392	1,085,812
IOH - Savannah District Minister	-	-	7,000	7,000
Conference Trustee's Gift	96,898	-	2,565	99,463
Hispanic Ministries	43,581	-	1,533	45,114
Total New and Revitalized Congregational Development	\$ 2,360,413	\$ -	\$ 233,917	\$ 2,594,330

SOUTH GEORGIA CONFERENCE OF THE UNITED METHODIST CHURCH

SCHEDULE OF CHANGES IN NET ASSETS
MODIFIED CASH BASIS
FOR THE YEAR ENDED DECEMBER 31, 2010

	Net Assets Jan. 1, 2010	Change in Net Assets		Net Assets Dec. 31, 2010
		Budget Funds	Nonbudget Funds	
<u>TEMPORARILY RESTRICTED NET ASSETS</u>				
<u>Other Causes</u>				
Ministerial Education	\$ 15,843	\$ -	\$ (15,568)	\$ 275
South Georgia Conference Offices	13,464	-	96,150	109,614
Christian Education Sunday	17,206	-	1,629	18,835
Peace with Justice on Sunday	15,697	-	(2,444)	13,253
Golden Cross	84,311	-	(7,458)	76,853
Conference Advance Special	(60,662)	-	(2,555)	(63,217)
General Advance Special	36,144	-	3,403	39,547
Discipleship Covenant Conference	-	-	(1,920)	(1,920)
Trustees Gift	10,129	-	3,172	13,301
District Operational and Program Fund	16,893	-	(2,245)	14,648
Native American Awareness	9,367	-	1,337	10,704
Strategic Ministry Fund	2,149	-	-	2,149
Faith Sharing	5,304	-	-	5,304
Relief Association	144,406	-	2,268	146,674
South Georgia Special Relief	15,651	-	(1,344)	14,307
AC 70 Club	7,000	-	-	7,000
Appointment Transition Event	-	-	2,067	2,067
Total Other Causes	2,693,315	-	310,409	3,003,724
Total Temporarily Restricted Net Assets	7,578,784	-	962,844	8,541,628
<u>UNRESTRICTED NET ASSETS</u>	3,774,538	(907,330)	406,435	3,273,643
TOTAL NET ASSETS	\$ 11,353,322	\$ (907,330)	\$ 1,369,279	\$ 11,815,271