

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

FINANCIAL STATEMENTS

AS OF DECEMBER 31, 2011

SOUTH GEORGIA CONFERENCE OF THE UNITED METHODIST CHURCH

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Member of
American Institute of
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INDEPENDENT AUDITOR'S REPORT

South Georgia Conference of the
United Methodist Church
Macon, Georgia

Ladies and Gentlemen:

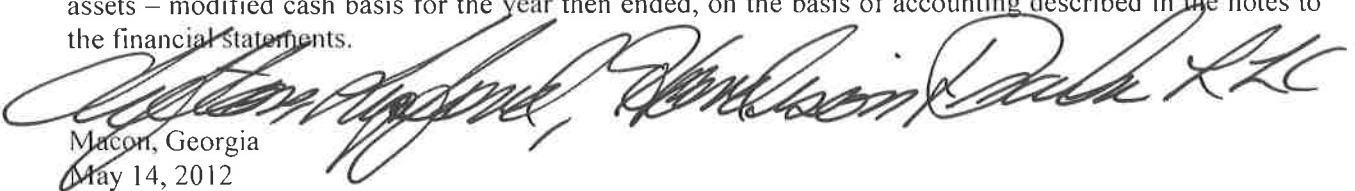
We have audited the accompanying statement of assets, liabilities and net assets – modified cash basis of the South Georgia Conference of the United Methodist Church (a non-profit religious organization) as of December 31, 2011, and the related statement of support and revenue, expenses and changes in 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, 2011 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, 2011, 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 14, 2012

FINANCIAL STATEMENTS

SOUTH GEORGIA CONFERENCE OF THE UNITED METHODIST CHURCH

STATEMENT OF ASSETS, LIABILITIES AND NET ASSETS - MODIFIED CASH BASIS
DECEMBER 31, 2011

ASSETS

Current Assets:

Cash and cash equivalents	\$ 2,571,977
Investments, at fair value	9,063,336
Apportionments and other receipts receivable	1,732,251
Prepaid expenses	<u>96,782</u>
Total Current Assets	<u>13,464,346</u>
Total Assets	<u>\$ 13,464,346</u>

LIABILITIES AND NET ASSETS

Liabilities:

Current Liabilities:

Obligations payable on current year's budget	\$ <u>2,390,344</u>
Total Liabilities	<u>2,390,344</u>

Net Assets:

Temporarily restricted	8,023,570
Unrestricted	<u>3,050,432</u>
Total Net Assets	<u>11,074,002</u>
Total Liabilities and Net Assets	<u>\$ 13,464,346</u>

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

EXHIBIT A

SOUTH GEORGIA CONFERENCE OF THE UNITED METHODIST CHURCH

STATEMENT OF SUPPORT, REVENUE AND EXPENSES - MODIFIED CASH BASIS FOR THE YEAR ENDED DECEMBER 31, 2011

Support and Revenue:

Budgeted Funds:

World Service and Conference Benevolence	\$ 2,003,930
Congregational Development	835,958
Clergy Support	4,864,337
Administration	1,097,405
Other Apportioned Causes	<u>1,219,133</u>
Total Budgeted Funds	<u>10,020,763</u>
Nonbudgeted Funds	<u>13,487,146</u>
Total Support and Revenue	<u>23,507,909</u>

Expenses:

Budgeted Funds:

World Service and Conference Benevolence	1,997,821
Congregational Development	758,867
Clergy Support	5,529,153
Administration	1,122,522
Other Apportioned Causes	<u>1,219,133</u>
Total Budgeted Funds	<u>10,627,496</u>
Nonbudgeted Funds	<u>13,621,682</u>
Total Expenses	<u>24,249,178</u>
Change in Net Assets	<u><u>\$ (741,269)</u></u>

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, 2011

	Temporarily Restricted	Unrestricted	Total
Balance - January 1, 2011	\$ 8,541,628	\$ 3,273,643	\$ 11,815,271
Change in Net Assets	(518,058)	(223,211)	(741,269)
Balance - December 31, 2011	\$ 8,023,570	\$ 3,050,432	\$ 11,074,002

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, 2011

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, 2011

(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 \$2,562,549 at December 31, 2011, 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, 2011, the fair value of investments was \$9,063,336.

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, 2011
(CONTINUED)

receivable represent amounts contributed for the period ending December 31, 2011. 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, 2011.

SOUTH GEORGIA CONFERENCE OF THE UNITED METHODIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2011
(CONTINUED)

NOTE 3 – INVESTMENTS

Investments as of December 31, 2011 were \$9,063,336 and are summarized as follows:

Description	Fair Value
Suntrust	\$ 4,799,259
Merill Lynch	4,074,062
Georgia United Methodist Foundation	<u>190,015</u>
Total Investments	<u><u>\$ 9,063,336</u></u>

As of December 31, 2011, unrealized gains on the Conference's investments were \$282,252.

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, 2011 (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, 2011, total plan investment assets classified with level 1 were \$9,063,336.

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 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	184,170	4,738	-	188,908
Total	452,099	4,738	-	456,837
Board of Ordained Ministry				
Furniture and equipment	4,440	1,487	-	5,927
Pastoral Counseling				
Furniture and equipment	1,228	500	-	1,728
Episcopal Office:				
Furniture and equipment	50,331	366	-	50,697
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	112,319	7,659	-	119,978
Arthur J. Moore Museum:				
Furniture and equipment	43,239	2,252	-	45,491
Total	\$ 1,353,344	\$ 17,002	\$ -	\$ 1,370,346

SOUTH GEORGIA CONFERENCE OF THE UNITED METHODIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2011
(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, 2011, the South Georgia Conference contributions to the various pension plans are summarized below:

Pre-82 Plan	Defined Benefit	\$ 2,644,833
CRSP	Defined Benefit	2,855,758
CRSP	Defined Contribution	760,976
MPP	Ministerial Pension Plan	535,142
UMPIP	Contributions for lay employees	55,063

SOUTH GEORGIA CONFERENCE OF THE UNITED METHODIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2011
(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, 2011 to December 31, 2011:

Healthflex benefit plan	\$ 5,686,591
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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 2011.

NOTE 9 – EVALUATION OF SUBSEQUENT EVENTS

The Conference has evaluated subsequent events through May 14, 2012, the date which the financial statements were available to be issued.

SUPPLEMENTARY INFORMATION



J. Russell Lipford, Jr., CPA
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Truman W. Clifton (1902-1989)

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, 2011, 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, 2011 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 14, 2012

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, 2011

		Actual			
	Budget	Support and Revenue	Expenses	Transfers	Change in Net Assets
<u>BUDGETED FUNDS</u>					
<u>World Service and Conference Benevolence</u>					
World Service Apportionment	\$ 1,354,761	\$ 1,062,852	\$ 1,062,852	\$ -	\$ -
Conference Benevolences					
Office of Connectional Ministries					
Council Staff and Office	911,598	604,320	661,883	-	(57,563)
Travel	-	1,240	-	-	1,240
Executive Committee	-	827	1,292	-	(465)
South Georgia Advocate	53,440	44,190	128	-	44,062
Mission and Ministry Programs	-	136,439	105,699	-	30,740
Mission Agency Support	-	56,230	55,500	-	730
Total Office of Connectional Ministries	965,038	843,246	824,502	-	18,744
Arthur J. Moore Museum	107,607	92,250	106,649	-	(14,399)
Board of Laity	6,251	5,582	3,818	-	1,764
Total World Service and Conference Benevolence	2,433,657	2,003,930	1,997,821	-	6,109
<u>Congregational Development</u>					
Congregational Development					
New Congregational Development	408,643	465,269	390,187	-	75,082
Hispanic Ministries	425,000	370,689	368,680	-	2,009
Total Congregational Development	833,643	835,958	758,867	-	77,091
<u>Clergy Support</u>					
Episcopal Area Funds					
Episcopal South Georgia Area Office	42,294	34,059	34,059	-	-
Area Residence	26,800	21,528	21,528	-	-
Special Episcopal Account	5,000	4,016	5,000	-	(984)
Total Episcopal Area Funds	74,094	59,603	60,587	-	(984)
Pensions, Benefits and Health Insurance					
Pre-1982 Pensions	1,357,000	1,088,145	1,347,146	-	(259,001)
Comprehensive Protection Plan	725,000	573,243	585,216	-	(11,973)
Healthflex Retiree	990,371	790,355	790,355	-	-
Healthflex Disability	200,000	163,118	170,804	-	(7,686)
Benefits Underpayment	80,000	132,261	80,000	-	52,261
Total Pension, Benefits and Insurance	3,352,371	2,747,122	2,973,521	-	(226,399)
District Superintendent	1,354,120	1,104,735	1,289,713	-	(184,978)
Equitable Compensation	568,367	338,178	568,367	-	(230,189)
Pastoral Counseling Services	179,840	162,015	179,840	-	(17,825)
Comprehensive School Clergy	2,000	1,607	-	-	1,607
Conf Board of Ordained Ministry	179,096	162,901	168,949	-	(6,048)
Episcopal General Church	380,288	288,176	288,176	-	-
Total Clergy Support	\$ 6,090,176	\$ 4,864,337	\$ 5,529,153	\$ -	\$ (664,816)

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, 2011

		Actual			
	Budget	Support and Revenue	Expenses	Transfers	Change in Net Assets
<u>BUDGETED FUNDS</u>					
<u>Administration</u>					
Annual Conference					
Annual Conference Session Expense	\$ 67,750	\$ 69,801	\$ 77,772	\$ -	\$ (7,971)
Annual Conference Business Expense	35,500	28,253	31,159	-	(2,906)
Annual Conference Expenses for Retired Ministers	28,000	22,284	20,670	-	1,614
At Large Lay Annual Conference	28,000	22,284	28,000	-	(5,716)
Total Annual Conference	159,250	142,622	157,601	-	(14,979)
Council on Finance and Administration	8,344	7,561	8,344	-	(783)
Conference Treasurer/Administrator	608,910	517,305	557,643	-	(40,338)
Conference Secretary Expense	3,500	2,785	2,760	-	25
Conference Journal	13,000	10,346	2,428	-	7,918
Committee on Memoirs	700	557	-	-	557
Conference Trustee	34,336	28,094	34,336	-	(6,242)
Worker's Compensation Insurance	16,500	13,132	16,500	-	(3,368)
Leadership Forum	5,564	5,571	4,936	-	635
Local Church Treasurer's Bond	8,750	6,964	7,151	-	(187)
Nominations Committee	1,200	955	216	-	739
Episcopal Committee	1,800	1,433	351	-	1,082
SEJ Mission and Ministry	115,207	90,774	90,774	-	-
Administrative General Church	147,832	114,910	114,910	-	-
Legal Fees	24,000	19,101	21,206	-	(2,105)
Contingency	170,000	135,295	103,366	-	31,929
Total Administration	1,318,893	1,097,405	1,122,522	-	(25,117)
<u>Other Apportioned Causes</u>					
State Cooperative Funds					
Christian Higher Education	819,480	620,798	620,798	-	-
Georgia Christian Council	19,000	15,158	15,158	-	-
Georgia Council on Moral and Civic Concerns	19,000	15,158	15,158	-	-
Georgia's Pastors' School	3,500	2,792	2,792	-	-
Total State Cooperative Funds	860,980	653,906	653,906	-	-
Black College Fund	182,557	139,959	139,959	-	-
Africa University	40,858	32,148	32,148	-	-
Ministerial Education Fund	475,671	365,063	365,063	-	-
Interdenominational Cooperation Fund	35,664	28,057	28,057	-	-
Total Other Apportioned	1,595,730	1,219,133	1,219,133	-	-
Total Budgeted Funds	\$ 12,272,099	\$ 10,020,763	\$ 10,627,496	\$ -	\$ (606,733)

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, 2011

	Actual			Change in
	Support and Revenue	Expenses	Transfers	Net Assets
<u>NONBUDGET FUNDS</u>				
<u>World Service and Conference Benevolence</u>				
Ethnic Local Church Concerns	\$ 306	\$ -	\$ -	\$ 306
Communications Council	548	-	-	548
Arthur J. Moore Museum	4,712	1,892	-	2,820
South Georgia Historical Society	312	17,037	-	(16,725)
Office of Connectional Ministries				
Bishop's Initiative on Child Poverty	101	-	-	101
Confirmation Retreat Join Journey	50,608	50,113	-	495
VIM South Georgia	3,182	4,550	-	(1,368)
Committee on Missions	857	62	-	795
Online Registrations	92,953	92,953	-	-
CCOM Office Administration	20	(420)	-	440
CCOM Housing / Maintenance	11,816	9,748	-	2,068
Schools for Christian Mission	-	255	-	(255)
Pathways to a Healthy Church	9,290	7,709	-	1,581
Conference Youth Ministries	5,655	9,195	-	(3,540)
Junior High Camp	16,827	16,827	-	-
Junior High Camp II	20,209	20,209	-	-
Leadership Team	64,106	64,106	-	-
Youth Celebration	29,557	29,557	-	-
Youth Service Fund	-	250	-	(250)
Tom Curtis	125	-	-	125
Safe Sanctuaries	-	203	-	(203)
Conference Children's Ministries	24,520	12,860	-	11,660
Elementary Camp I	27,392	27,392	-	-
Elementary Camp II	16,429	16,429	-	-
Elementary Camp III	33,268	33,268	-	-
Older Adult Ministries	2,936	2,234	-	702
SG Partnership / East Africa	9,802	2,576	-	7,226
Humble Place Capital	6,183	-	-	6,183
Humble Place Program	19,970	36,512	-	(16,542)
Black Church Summitt	452	-	-	452
Dave Hanson Scholarship Fund	(563)	-	-	(563)
Kidz Quest	66,491	66,491	-	-
South Georgia Storm Recovery	2,991	935	-	2,056
Natural Church Development	1,600	1,250	-	350
Total Office of Connectional Ministries	516,777	505,264	-	11,513
Total World Service and Conference Benevolence	\$ 522,655	\$ 524,193	\$ -	\$ (1,538)

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, 2011

	Actual			Change in
	Support and Revenue	Expenses	Transfers	Net Assets
<u>NONBUDGET FUNDS</u>				
<u>Clergy Support</u>				
Episcopal Funds				
Episcopal Special Reserve	\$ -	\$ 470	\$ -	\$ (470)
Total Episcopal Funds	-	470	-	(470)
Pensions, Benefits and Health Insurance				
Pre-1982 Pension	21,420	125,000	-	(103,580)
WIH Pitts Memorial	498,879	504,500	-	(5,621)
Comprehensive Protection Plan	103,756	103,756	-	-
Clergy Retirement Security Program	3,459,557	3,464,520	-	(4,963)
Pensions	-	1,851	-	(1,851)
Central Conference Pension Initiative	2,328	-	-	2,328
Healthflex	5,353,144	5,722,864	-	(369,720)
Total Pensions, Benefits and Health Insurance	9,439,084	9,922,491	-	(483,407)
Comprehensive School Clergy	331	-	-	331
Total Clergy Support	9,439,415	9,922,961	-	(483,546)
<u>Administration</u>				
Conference Journal	15,286	14,253	-	1,033
Miscellaneous Activity	61,624	58,877	-	2,747
Legal Fees Reserves	530	5,000	-	(4,470)
Discretionary Funds	4,300	5,081	-	(781)
Total Administration	81,740	83,211	-	(1,471)
<u>New and Revitalized Congregational Development</u>				
Church Extension	7,147	88,454	-	(81,307)
SGA Investment Fund	7,436	102,662	-	(95,226)
Kingdom Builders Club	31,944	8,467	-	23,477
New Congregational Supporters	5,770	47	-	5,723
Vision Promoters	3,975	1,246	-	2,729
New Congregation Planters	5,011	2,421	-	2,590
New Church Builders Fund	3,630	219,527	-	(215,897)
New Covenant UMC - Savannah	3,846	130,370	-	(126,524)
IOH - New Church Savannah	3,500	4,900	-	(1,400)
Land Sale	28,122	1,997	-	26,125
Conference Trustee's Gift	2,361	-	-	2,361
Hispanic Ministries	7,978	2,692	-	5,286
Macon District Property	242,112	-	-	242,112
Total New and Revitalized Congregational Development	352,832	562,783	-	(209,951)

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, 2011

	Actual			
	Support and Revenue	Expenses	Transfers	Change in Net Assets
<u>NONBUDGET FUNDS</u>				
<u>Other Causes</u>				
Ministerial Education	\$ 19,005	\$ 3,217	\$ -	\$ 15,788
South Georgia Conference Offices	158,747	17,390	-	141,357
Christian Education Sunday	1,649	-	-	1,649
Peace with Justice on Sunday	1,809	3,545	-	(1,736)
Golden Cross	5,188	5,020	-	168
Conference Advance Special	1,069,644	1,075,375	-	(5,731)
General Advance Special	527,687	527,687	-	-
Human Relations	2,612	2,612	-	-
Methodist Student Day	2,656	2,656	-	-
Discipleship Covenant Conference	61,440	38,367	-	23,073
One Great Hour of Sharing	14,210	14,210	-	-
Trustees Gift	3,646	13,302	-	(9,656)
District Operational and Program Fund	565,133	557,218	-	7,915
Native American Awareness	1,900	819	-	1,081
Strategic Ministry Fund	-	2,149	-	(2,149)
Relief Association	19,531	21,517	-	(1,986)
South Georgia Special Relief	9,318	3,500	-	5,818
Sexual Ethics Workshop	2,835	-	-	2,835
Pastoral Counseling Donations	1,000	-	-	1,000
World Communion Offering	4,593	4,593	-	-
Appointment Transition Event	245	1,223	-	(978)
Investment Income	617,656	234,134	-	383,522
Total Other Causes	3,090,504	2,528,534	-	561,970
Total Nonbudget Funds	13,487,146	13,621,682	-	(134,536)
Total All Funds	\$ 23,507,909	\$ 24,249,178	\$ -	\$ (741,269)

SOUTH GEORGIA CONFERENCE OF THE UNITED METHODIST CHURCH

SCHEDULE OF CHANGES IN NET ASSETS
MODIFIED CASH BASIS
FOR THE YEAR ENDED DECEMBER 31, 2011

Net Assets Jan. 1, 2011	Change in Net Assets		Net Assets Dec. 31, 2011
	Budget Funds	Nonbudget Funds	

TEMPORARILY RESTRICTED NET ASSETS

World Service and Conference Benevolence

Ethnic Local Church Concerns	\$ 12,860	\$ -	\$ 306	\$ 13,166
Communications Office	23,039	-	548	23,587
Arthur J. Moore Museum	12,129	-	2,820	14,949
South Georgia Historical Society	16,725	-	(16,725)	-
Office of Connectional Ministries:				
Bishop's Initiative on Child Poverty	2,325	-	101	2,426
Confirmation Retreat Join Journey	1,073	-	495	1,568
VIM South Georgia	14,521	-	(1,368)	13,153
Special New Missions	1,418	-	-	1,418
Mission Admin Global Gathering	2,702	-	-	2,702
Committee on Missions	10,382	-	795	11,177
CCOM Office Administration	2,727	-	440	3,167
CCOM Housing / Maintenance	9,712	-	2,068	11,780
Leadership/Program Resources	5,847	-	-	5,847
Global Ministries Secretary	161	-	-	161
Russia Mission Work Team	514	-	-	514
Schools for Christian Mission	396	-	(255)	141
Pathways to a Healthy Church	2,602	-	1,581	4,183
Conference Youth Ministries	6,339	-	(3,540)	2,799
Youth Service Fund	831	-	(250)	581
Tom Curtis	-	-	125	125
Safe Sanctuaries	4,720	-	(203)	4,517
Laos	3,658	-	-	3,658
Conference Children's Ministries	21,429	-	11,660	33,089
Older Adult Ministries	2,504	-	702	3,206
SG Partnership / East Africa	77,875	-	7,226	85,101
Humble Place Capital	-	-	6,183	6,183
Humble Place Program	40,869	-	(16,542)	24,327
Black Church Summit	19,060	-	452	19,512
Dave Hanson Scholarship Fund	635	-	(563)	72
South GA Storm Recovery	113,555	-	2,056	115,611
Africa Hope for Children's Choir	459	-	-	459
Natural Church Development	1,032	-	350	1,382
Total Office of Connectional Ministries	347,346	-	11,513	358,859
Total World Service and Conference Benevolence	\$ 412,099	\$ -	\$ (1,538)	\$ 410,561

SOUTH GEORGIA CONFERENCE OF THE UNITED METHODIST CHURCH

SCHEDULE OF CHANGES IN NET ASSETS
MODIFIED CASH BASIS
FOR THE YEAR ENDED DECEMBER 31, 2011

	Net Assets Jan. 1, 2011	Change in Net Assets		Net Assets Dec. 31, 2011
		Budget Funds	Nonbudget Funds	
<u>TEMPORARILY RESTRICTED NET ASSETS</u>				
<u>Clergy Support</u>				
Episcopal Funds				
Special Episcopal Reserve Account	\$ 4,753	\$ -	\$ (470)	\$ 4,283
Total Episcopal Funds	4,753	-	(470)	4,283
Pensions, Benefits and Health Insurance				
Pre-1982 Pension	268,735	-	(103,580)	165,155
WIH Pitts Memorial	4,548,238	-	(5,621)	4,542,617
Clergy Retirement Security Program	223,581	-	(4,963)	218,618
Pensions	1,851	-	(1,851)	-
Central Conference Pension Initiative	-	-	2,328	2,328
Healthflex	43,264	-	(369,720)	(326,456)
Total Pensions, Benefits and Health Insurance	5,085,669	-	(483,407)	4,602,262
Comprehensive School Clergy	13,962	-	331	14,293
Total Clergy Support	5,104,384	-	(483,546)	4,620,838
<u>Administration</u>				
Conference Journal	-	-	1,033	1,033
Miscellaneous Activity	(2,747)	-	2,747	-
Legal Fees Reserves	23,387	-	(4,470)	18,917
Discretionary Funds	781	-	(781)	-
Total Administration	21,421	-	(1,471)	19,950
<u>New and Revitalized Congregational Development</u>				
Church Extension	244,399	-	(81,307)	163,092
SGA Investment Fund	482,873	-	(95,226)	387,647
Kingdom Builders Club	-	-	23,477	23,477
New Congregational Supporters	24,572	-	5,723	30,295
Vision Promoters	24,076	-	2,729	26,805
New Congregation Planters	42,082	-	2,590	44,672
New Church Builders Fund	289,389	-	(215,897)	73,492
New Covenant UMC - Savannah	248,150	-	(126,524)	121,626
IOH - New Church Savannah	1,400	-	(1,400)	-
Land Sale	1,085,812	-	26,125	1,111,937
IOH - Savannah District Minister	7,000	-	-	7,000
Conference Trustee's Gift	99,463	-	2,361	101,824
Hispanic Ministries	45,114	-	5,286	50,400
Macon District Property	-	-	242,112	242,112
Total New and Revitalized Congregational Development	\$ 2,594,330	\$ -	\$ (209,951)	\$ 2,384,379

SOUTH GEORGIA CONFERENCE OF THE UNITED METHODIST CHURCH

SCHEDULE OF CHANGES IN NET ASSETS
MODIFIED CASH BASIS
FOR THE YEAR ENDED DECEMBER 31, 2011

	Net Assets Jan. 1, 2011	Change in Net Assets		Net Assets Dec. 31, 2011
		Budget Funds	Nonbudget Funds	
<u>TEMPORARILY RESTRICTED NET ASSETS</u>				
<u>Other Causes</u>				
Ministerial Education	\$ 275	\$ -	\$ 15,788	\$ 16,063
South Georgia Conference Offices	109,614	-	141,357	250,971
Christian Education Sunday	18,835	-	1,649	20,484
Peace with Justice on Sunday	13,253	-	(1,736)	11,517
Golden Cross	76,853	-	168	77,021
Conference Advance Special	(63,217)	-	(5,731)	(68,948)
General Advance Special	39,547	-	-	39,547
Discipleship Covenant Conference	(1,920)	-	23,073	21,153
Trustees Gift	13,301	-	(9,656)	3,645
District Operational and Program Fund	14,648	-	7,915	22,563
Native American Awareness	10,704	-	1,081	11,785
Strategic Ministry Fund	2,149	-	(2,149)	-
Faith Sharing	5,304	-	-	5,304
Relief Association	146,674	-	(1,986)	144,688
South Georgia Special Relief	14,307	-	5,818	20,125
Sexual Ethics Workshop	-	-	2,835	2,835
AC 70 Club	7,000	-	-	7,000
Pastoral Counseling Donations	-	-	1,000	1,000
Appointment Transition Event	2,067	-	(978)	1,089
Total Other Causes	3,003,724	-	(31,503)	2,972,221
Total Temporarily Restricted Net Assets	8,541,628	-	(518,058)	8,023,570
<u>UNRESTRICTED NET ASSETS</u>	3,273,643	(606,733)	383,522	3,050,432
TOTAL NET ASSETS	\$ 11,815,271	\$ (606,733)	\$ (134,536)	\$ 11,074,002