

Finance Overview

George DeFilippi
Treasurer

Agenda

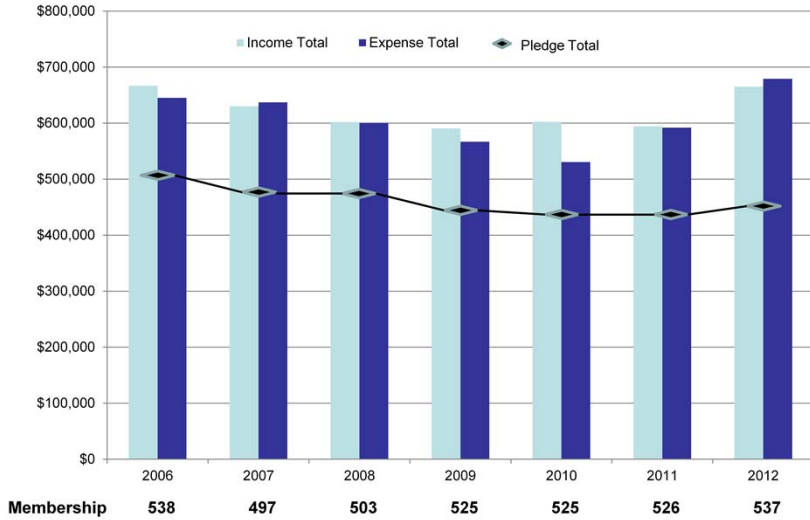
Saint George's
EPISCOPAL CHURCH

- Historical Data
- Year 2013 Review
- 2014 Budget Planning & Timeline
 - Other items

The agenda for the discussion: a bit of historical data; a review of where we are as of 30 Sep for 2013 budget; some planning inputs for the 2014 budget and timeline for the various milestones.

Finance & Membership History

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Note that our membership is back up to 2006 levels after a decline during the transition of rectors – retirement of Ron Crocker and Philip Wiehe as interim. With the call of Rev Williams membership, attendance and enthusiasm are on the rise. Pledge giving is also on the increase with members making a significant increase in 2013 – almost \$50,000 increase over 2012. Note that in 2009 and 2010, there were significant surpluses that have been carried forward to help with 2013.

Year 2013 Review

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- End of September (3/4 year) Results
 - Operating Fund Balance: -\$7,904 [Cum: \$88,502]
 - 2013 pledge commitments \$515,243
 - \$385,308 given (75% of funds pledged)
 - Loose Plate offerings – typically large increase at end of year
 - \$20,251 contributed (~40% of anticipated giving)
 - Operating fund expenses currently \$73,880 below 2013 budget
 - Anticipate ending year ~\$60,000 below budgeted expenses
 - Altar & Special Funds (St. G's Investment Accounts)
 - Sep 2013 balance: \$609,337
 - Planned A&SF transfer to Operations: \$62,419
 - Used as of end of Sep: \$30,525
 - Cash on hand: \$119,610

Here's where we are as of the end of September – ¾ through the year. St. George's does have a year-to-date deficit of just under \$8,000. In the bracket's you'll notice that our cumulative surplus on Sep 30 was just over \$88,500. The Vestry did approve a deficit budget for 2013 in order to call a full time associate rector and continue/expand the programming St. George's offers. Both of these have enabled St. George's to reach out further in the community and attract new people to our services and programs.

St. Georgians have continued to support the Church through their pledges. Pledges were up almost \$50,000 over 2012 pledge giving...and St. Georgians have completed and even exceeded pledge giving. Pledge giving is on track – 75% of pledge commitments completed with 75% of the year completed.

Loose plate giving typically spikes at the end of the year, with an increase in visitors for Christmas services and parishioners giving extra at Christmas or for tax purposes.

Operating expenses have been running below our budgeted amounts...and it looks like we're on a track to be about \$60,000 below projected expenses at year's end. The two biggest dollar categories of expenses are Buildings & Grounds (B&G) and Administration. For B&G, maintenance has been down this year and some special projects not started due to Building Possibilities work; for Admin, our new Associate started at the half-year point.

Altar & Special Funds (A&SF) are the investment funds of St. George's. These funds reside in two places – about 2/3 of the funds are invested in the Diocese of Virginia's portfolio, called the Trustee of the Fund; the other third are in 4 Schwab funds, one of which is a cash account to provide ready access. St Georgians donate to these funds, especially the Music and Building Maintenance Special Funds. We typically use between \$30,000 and \$60,000 of our A&SF for operations purposes – some examples are holiday altar flowers, instrumentalists, Shrine Mont scholarships, and transportation (taxi vouchers).

2014 Budget Planning

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- Planning Desires:
 - Maintain Diocesan pledge at 10%
 - Provide COLA increase for clergy & staff
 - Fund all ministry areas at requested levels
 - Continue robust programs to invigorate members & attract newcomers
 - Continue Building Possibilities work
 - Architectural drawings, planning, fundraising
 - Fund part-time administrative assistant
- Budget needs:
 - Potential expenses: \$750,000 – 775,000
 - A&SF for operations: \$58,000 – 65,000
 - Non-pledge income sources: \$125,000 – 130,000
 - Pledge total for balanced budget: \$565,000 – 580,000
 - 5% increase of 2013 pledge level: ~\$540,000

In planning for the 2014 budget, we've asked the ministry areas to provide their inputs (or "wish list"). Some of the planning factors for the 2014 budget are: maintaining our Diocesan pledge at 10% (St. George's tithes to the Diocese); providing a cost of living salary adjustment to our excellent staff; funding the ministry areas to continue the robust programming that is enriching our congregation and drawing newcomers; continue to fund the Building Possibilities work; and if possible, hire a part-time admin assistant to free up our Parish Administrator to do more creative work.

We are considering several budget options that would result in total expenses of between \$750,000 and \$775,000. To fund those expenses, we envision using between \$58,000 and \$65,000 of our A&SF for operating needs. Non-pledge income (parking, building use, rectory rental, loose plate and special offerings) is expected to be between \$125,000 and \$130,000. So for a balanced budget, we would need pledge income of between \$565,000 and \$580,000. This year's stewardship goal is for a 6% increase over 2013 giving – about \$540,000. That would leave us with a deficit 2014 budget of between \$25,000 and \$40,000.

2014 Budget Timeline

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- Nov 7: Finance Committee finalizes draft budget options
- Nov 20: Vestry reviews draft budget and proposes changes
 - Preliminary Stewardship campaign results considered
- Dec 5: Finance Committee revises budget
- Dec 18: Vestry reviews and approves 2014 Budget
 - Stewardship campaign results incorporated
- 2014 Annual Meeting: Present 2014 Budget to congregation

This chart lists the timeline for the Financial Management Committee (FMC) development of propose budget and Vestry review/approval.

On the Horizon

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- Financial info to Congregation in *Dragon Bytes*
- Stewardship Campaign gatherings

On the horizon, I plan to provide periodic financial updates in Dragon Bites.

Your Finance Committee

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- George DeFilippi – Vestry Liaison & Treasurer
- Wendy Chan – Ass't Treasurer & Finance Committee Chair
- Very Rev. Shearon Sykes Williams – Rector
- Loretta Goodwin – Senior Warden
- Bob Panfil – Budget Chair
- Norine Florian – Contributions Manager
- Bob Stone – Bookkeeper & staff liaison
- Tomas Saucedo – Head Counter
- Clayton Garrett, David Crockett, Mike Teague & Vivian Chen – Mbrs

We have a great group of people serving the financial interests of St. George's – they are listed here.

Questions?