

FINANCIAL STATE OF THE PARISH
ST. PAUL'S EPISCOPAL CHURCH

January 8, 2012

GOOD NEWS

- We are entering 2012 debt free! This will save us over \$7,000 in principal and interest payments.
- We ended 2011 with a surplus of approximately \$7,000, the first in many years (FANTASTIC NEWS!).
 - Revenue less Expenses generated a surplus of nearly \$15,000
 - After reflecting the debt principal payments of almost \$8,000, the net surplus is about \$7,000
- Our current 2012 pledges are much higher than last month because many parishioners responded when we provided a budget status update.
- Many newcomers have pledged for 2012 resulting in an astonishing 27 brand new pledges.

CHALLENGING NEWS

- We did not meet our 2012 Pledge goal, which was originally at \$650,000.
- Our preliminary projection of total revenue for 2012 is almost \$16,000 less than 2011 actual. However, adjusting for the special effort in 2011 for the salary restoration fund, we are projecting higher revenue of about \$15,000.
- The additional spending approved by the Vestry, net of savings elsewhere, results in 2012 expenses being higher by about \$31,000.
- We will need to spend the 2011 surplus to help balance the 2012 budget.
- Before considering any spending cuts, the projected deficit is about \$25,000.
 - It is very likely that the \$25,000 deficit will be less as we finalize the budget, as a result of additional pledges that are likely to be received and, in the end, we intend to pass a balanced budget.

2011 REVENUE RESULTS

				2011 Actual Better/(Worse) vs.	
	<u>2011 Actual</u>	<u>2011 Budget</u>	<u>2010 Actual</u>	<u>2011 Budget</u>	<u>2010 Actual</u>
Current Yr Pledge Payments	\$570,459	\$610,000	\$601,427	(39,541)	(30,968)
Initial Offering	520	500	457	20	63
Non-Pledge Payments	55,150	35,000	37,011	20,150	18,139
Prior Yr Pledge Payments	4,335	5,000	5,130	(665)	(795)
Cash in Offering Plate	12,328	9,000	9,445	3,328	2,883
Special Days	19,375	25,000	28,622	(5,625)	(9,247)
Nursery School Reimbursement	15,646	15,000	15,234	646	412
Weddings / Baptisms / Funerals	520	2,000	2,180	(1,480)	(1,660)
Building Use Reimbursements	8,257	5,200	5,228	3,057	3,029
Salary Restoration Income	30,065	-	-	30,065	30,065
Natalie Ray Revenue	11,492	10,000	15,015	1,492	(3,523)
Misc Revenue	2,323	2,575	2,639	(252)	(316)
Interest Income	<u>593</u>	<u>1,000</u>	<u>871</u>	<u>(407)</u>	<u>(278)</u>
Total Revenues	\$731,063	\$720,275	\$723,259	\$10,788	\$7,804

2011 EXPENSE RESULTS

				2011 Actual Better/(Worse) vs.	
	<u>2011 Actual</u>	<u>2011 Budget</u>	<u>2010 Actual</u>	<u>2011 Budget</u>	<u>2010 Actual</u>
Stewardship Commission	\$2,188	\$2,000	\$1,503	(\$188)	(\$685)
Spiritual Growth Commission	323	1,000	305	677	(18)
Worship	1,215	1,000	511	(215)	(704)
Music	10,344	12,900	15,000	2,556	4,656
Mandated Outreach	83,539	82,529	69,624	(1,010)	(13,915)
Fellowship Commission	1,303	1,000	(792)	(303)	(2,095)
Pastoral Care Commission	967	1,000	607	33	(360)
Communications	2,362	2,000	2,022	(362)	(340)
Utilities	45,969	47,000	47,216	1,031	1,247
Supplies	12,996	16,500	16,123	3,504	3,127
Equipment and Grounds	30,341	31,000	30,887	659	546
Personnel	489,466	472,265	495,891	(17,201)	6,425
Executive	<u>35,371</u>	<u>36,117</u>	<u>38,212</u>	<u>746</u>	<u>2,841</u>
Total Expenses	\$716,386	\$706,311	\$717,108	(\$10,075)	\$722

2011 NET SURPLUS

				2011 Actual Better/(Worse) vs.	
	<u>2011 Actual</u>	<u>2011 Budget</u>	<u>2010 Actual</u>	<u>2011 Budget</u>	<u>2010 Actual</u>
Total Revenue	\$731,063	\$720,275	\$723,259	\$10,788	\$7,804
Total Expenses	<u>716,386</u>	<u>706,311</u>	<u>717,108</u>	<u>(10,075)</u>	<u>722</u>
Net Revenue Over Expenses	14,677	13,964	6,151	713	8,526
Debt Principal	<u>(7,808)</u>	<u>(13,155)</u>	<u>(17,678)</u>	<u>5,347</u>	<u>9,870</u>
Net Surplus/(Deficit)	\$6,869	\$809	(\$11,527)	\$6,060	\$18,396

2012 PRELIMINARY REVENUE

			2012 Preliminary Budget <u>Better/(Worse)</u>	
	2012 Preliminary Budget	<u>2011 Actual</u>	<u>Dollars</u>	<u>%</u>
Current Yr Pledge Payments	\$581,000	\$570,459	\$10,541	1.8%
Initial Offering	500	520	(20)	(3.8%)
Non-Pledge Payments	55,000	55,150	(150)	(0.3%)
Prior Yr Pledge Payments	5,000	4,335	665	15.3%
Cash in Offering Plate	12,300	12,328	(28)	(0.2%)
Special Days	20,000	19,375	625	3.2%
Nursery School Reimbursement	15,000	15,646	(646)	(4.1%)
Weddings / Baptisms / Funerals	1,000	520	480	92.3%
Building Use Reimbursements	10,000	8,257	1,743	21.1%
Salary Restoration Income	-	30,065	(30,065)	(100.0%)
Natalie Ray Revenue	8,000	11,492	(3,492)	(30.4%)
Misc Revenue	6,950	2,323	4,627	199.2%
Interest Income	<u>600</u>	<u>593</u>	<u>7</u>	1.2%
Total Revenues	\$715,350	\$731,063	(\$15,713)	(2.1%)

Before reviewing the expense projections for 2012, I want to remind you of the additional spending that the Vestry approved (\$59,500):

- Maintenance of current salary levels to avoid last year's cuts - \$32,000
- Refuge service transition from diocesan grants to parish budget - \$9,500
- Restoring Children & Youth expenses to the operating budget - \$3,500 (net of expenses)
- Restoring voluntary Outreach - \$3,000
- Restoring discretionary fund costs - \$2,500
- Restoring clergy continuing education - \$1,500
- Merit increases for staff - \$7,500

2012 PRELIMINARY EXPENSES

	2012 Preliminary Budget	2011 Actual	2012 Preliminary Budget Better/(Worse)	
			Dollars	%
Stewardship Commission	\$2,240	\$2,188	(\$52)	(2.4%)
Spiritual Growth Commission	500	323	(177)	(54.8%)
Worship	10,750	1,215	(9,535)	(784.8%)
Music	10,345	10,344	(1)	(0.0%)
Mandated Outreach	82,880	83,539	659	0.8%
Voluntary Outreach	3,000	-	(3,000)	nm
Fellowship Commission	1,400	1,303	(97)	(7.4%)
Pastoral Care Commission	975	967	(8)	(0.8%)
Children and Youth Commission	1,380	-	(1,380)	nm
Communications	2,375	2,362	(13)	(0.6%)
Utilities	47,900	45,969	(1,931)	(4.2%)
Supplies	13,000	12,996	(4)	(0.0%)
Equipment and Grounds	30,350	30,341	(9)	(0.0%)
Personnel	510,583	489,466	(21,117)	(4.3%)
Executive	<u>29,900</u>	<u>35,371</u>	<u>5,471</u>	15.5%
Total Expenses	\$747,578	\$716,386	(\$31,192)	(4.4%)

2012 NET DEFICIT

			2012 Preliminary Budget Better/(Worse)	
	2012 Preliminary Budget	2011 Actual	Dollars	%
Total Revenue	\$715,350	\$731,063	(\$15,713)	(2.1%)
Total Expenses	<u>747,578</u>	<u>716,386</u>	<u>(31,192)</u>	(4.4%)
Net Revenue Over Expenses	(32,228)	14,677	(46,905)	(319.6%)
Carryover from 2011 Surplus	6,869	-	6,869	nm
Debt Principal	=	<u>(7,808)</u>	<u>7,808</u>	100.0%
Net Surplus/(Deficit)	(\$25,359)	\$6,869	(\$32,228)	(469.2%)

2012 PRELIMINARY PERSONNEL EXPENSES

	2012 Preliminary Budget	2011 Actual	2012 Preliminary Budget Better/(Worse)	
			Dollars	%
<u>Personnel:</u>				
Clergy Salaries	\$109,600	\$110,349	\$749	0.7%
Clergy Housing Allowance	65,400	63,328	(2,072)	(3.3%)
Pension Payments	47,658	51,028	3,370	6.6%
Medical Insurance	33,198	27,146	(6,052)	(22.3%)
Healthcare Tax Credit	(6,000)	(6,400)	(400)	(6.3%)
Payroll Taxes	34,507	33,971	(536)	(1.6%)
Discretionary Funds	2,500	-	(2,500)	nm
Outside Professional Services	-	634	634	100.0%
Continuing Education	1,500	-	(1,500)	nm
Dental Insurance	2,652	2,255	(397)	(17.6%)
Lay Staff Salaries	212,068	207,155	(4,913)	(2.4%)
Unallocated Merit Increases	<u>7,500</u>	<u>-</u>	<u>(7,500)</u>	<u>nm</u>
Total Personnel	\$510,583	\$489,466	(\$21,117)	(4.3%)

2012 PRELIMINARY EXECUTIVE EXPENSES

			2012 Preliminary Budget Better/(Worse)	
	2012 Preliminary Budget	2011 Actual	Dollars	%
<u>Executive:</u>				
Audit Fees	\$7,000	\$6,928	(\$72)	(1.0%)
Bank Service Charges	1,225	1,220	(5)	(0.4%)
Insurance	13,300	14,735	1,075	7.3%
Long-Term Loan Interest	-	2,220	2,220	100.0%
Office Supplies	3,600	3,607	7	0.2%
Payroll Services	2,000	1,964	(36)	(1.8%)
Postage - General	1,600	1,606	6	0.4%
Professional Expenses	500	502	2	0.4%
Staff Expenses	350	337	(13)	(3.9%)
Loan Prepayment Penalty	-	1,951	1,951	100.0%
Other	<u>325</u>	<u>302</u>	<u>(23)</u>	<u>(7.6%)</u>
Total Executive	\$29,900	\$35,371	\$5,471	15.5%

APPENDIX

2011 EXPENSE DETAILS

2011 PERSONNEL EXPENSE DETAILS

				2011 Actual Better/(Worse) vs.	
	<u>2011 Actual</u>	<u>2011 Budget</u>	<u>2010 Actual</u>	<u>2011 Budget</u>	<u>2010 Actual</u>
<u>Personnel:</u>					
Clergy Salaries	\$101,127	\$102,345	\$113,840	\$1,218	\$12,713
Clergy Housing Allowance	58,513	56,264	61,160	(2,249)	2,647
Pension Payments	47,334	44,030	46,284	(3,304)	(1,050)
Medical Insurance	27,146	29,360	29,410	2,214	2,264
Healthcare Tax Credit	(6,400)	-	-	6,400	6,400
Payroll Taxes	31,574	32,100	34,207	526	2,633
Outside Professional Services	634	-	-	(634)	(634)
Continuing Education	-	-	710	-	710
Dental Insurance	2,255	2,606	2,358	351	103
Lay Staff Salaries	197,218	205,560	207,922	8,342	10,704
Salary Restoration Expense	<u>30,065</u>	=	=	<u>(30,065)</u>	<u>(30,065)</u>
Total Personnel	\$489,466	\$472,265	\$495,891	(\$17,201)	\$6,425

2011 VARIOUS EXPENSE DETAILS

				<u>2011 Actual Better/(Worse) vs.</u>	
	<u>2011 Actual</u>	<u>2011 Budget</u>	<u>2010 Actual</u>	<u>2011 Budget</u>	<u>2010 Actual</u>
<u>Mandated Outreach:</u>					
Diocesan Assessment	\$65,582	\$64,789	\$52,405	(\$793)	(\$13,177)
TEC Assessment	12,492	12,341	11,978	(151)	(514)
Diocesan Growth Fund	<u>5,465</u>	<u>5,399</u>	<u>5,240</u>	<u>(66)</u>	<u>(225)</u>
Total Mandated Outreach	\$83,539	\$82,529	\$69,624	(\$1,010)	(\$13,915)
<u>Utilities:</u>					
Electric	\$15,637	\$15,000	\$14,947	(\$637)	(\$690)
Gas	15,763	20,000	19,742	4,237	3,979
Water & Sewer	4,866	4,200	4,373	(666)	(493)
Telephone and Internet	3,795	3,500	3,694	(295)	(101)
Other	<u>5,908</u>	<u>4,300</u>	<u>4,459</u>	<u>(1,608)</u>	<u>(1,449)</u>
Total Utilities	\$45,969	\$47,000	\$47,216	\$1,031	\$1,247

2011 EXECUTIVE EXPENSE DETAILS

				2011 Actual Better/(Worse) vs.	
	<u>2011 Actual</u>	<u>2011 Budget</u>	<u>2010 Actual</u>	<u>2011 Budget</u>	<u>2010 Actual</u>
<u>Executive:</u>					
Audit Fees	\$6,928	\$7,000	\$6,932	\$72	\$4
Bank Service Charges	1,220	1,000	1,154	(220)	(66)
Insurance	14,735	13,300	13,204	(1,435)	(1,531)
Long-Term Loan Interest	2,220	1,917	4,498	(303)	2,278
Office Supplies	3,607	5,500	6,219	1,893	2,612
Payroll Services	1,964	1,700	1,637	(264)	(327)
Postage - General	1,606	4,000	3,439	2,394	1,833
Professional Expenses	502	1,000	920	498	418
Staff Expenses	337	200	11	(137)	(326)
Loan Prepayment Penalty	1,951	-	-	(1,951)	(1,951)
Other	<u>302</u>	<u>500</u>	<u>199</u>	<u>198</u>	<u>(103)</u>
Total Executive	\$35,371	\$36,117	\$38,212	\$746	\$2,841

2011 VARIOUS EXPENSE DETAILS

				2011 Actual Better/(Worse) vs.	
	<u>2011 Actual</u>	<u>2011 Budget</u>	<u>2010 Actual</u>	<u>2011 Budget</u>	<u>2010 Actual</u>
<u>Equipment and Grounds:</u>					
Network Expenses	\$3,749	\$4,000	\$3,431	\$251	(\$318)
Services	9,869	6,000	8,293	(3,869)	(1,576)
Repairs and Maintenance	3,458	5,000	7,776	1,542	4,318
Equipment Leasing	6,126	6,000	6,023	(126)	(103)
Equipment Usage	<u>7,141</u>	<u>10,000</u>	<u>5,364</u>	<u>2,859</u>	<u>(1,777)</u>
Total Equipment and Grounds	\$30,341	\$31,000	\$30,887	\$659	\$546
<u>Supplies:</u>					
Property Supplies	\$12,248	\$14,000	\$15,564	\$1,752	\$3,316
Coffee/Coke	<u>748</u>	<u>2,500</u>	<u>559</u>	<u>1,752</u>	<u>(189)</u>
Total Supplies	\$12,996	\$16,500	\$16,123	\$3,504	\$3,127

2011 MUSIC EXPENSE DETAILS

				2011 Actual Better/(Worse) vs.	
	<u>2011 Actual</u>	<u>2011 Budget</u>	<u>2010 Actual</u>	<u>2011 Budget</u>	<u>2010 Actual</u>
<u>Music:</u>					
Instrumental Maintenance	\$1,270	\$1,100	\$1,340	(\$170)	\$70
Scores and Recordings	30	700	414	670	384
Instrumentalists	4,450	5,000	4,625	550	175
Choir Supplies	932	932	818	-	(114)
Professional Dues	262	392	92	130	(170)
Special Music Presentations	1,750	2,776	3,807	1,026	2,057
Personnel Substitutions	657	900	700	243	43
Music Camp	175	280	138	105	(37)
Choral Scholars	-	-	2,247	-	2,247
Licensing	<u>818</u>	<u>820</u>	<u>818</u>	<u>2</u>	<u>-</u>
Total Music	\$10,344	\$12,900	\$15,000	\$2,556	\$4,656

2011 PERSONNEL EXPENSE DETAILS (alt view)

				2011 Actual Better/(Worse) vs.	
	<u>2011 Actual</u>	<u>2011 Budget</u>	<u>2010 Actual</u>	<u>2011 Budget</u>	<u>2010 Actual</u>
<u>Personnel:</u>					
Clergy Salaries	\$110,349	\$102,345	\$113,840	(\$8,004)	\$3,491
Clergy Housing Allowance	63,328	56,264	61,160	(7,064)	(2,168)
Pension Payments	51,028	44,030	46,284	(6,998)	(4,744)
Medical Insurance	27,146	29,360	29,410	2,214	2,264
Healthcare Tax Credit	(6,400)	-	-	6,400	6,400
Payroll Taxes	33,971	32,100	34,207	(1,871)	236
Outside Professional Services	634	-	-	(634)	(634)
Continuing Education	-	-	710	-	710
Dental Insurance	2,255	2,606	2,358	351	103
Lay Staff Salaries	<u>207,155</u>	<u>205,560</u>	<u>207,922</u>	<u>(1,595)</u>	<u>767</u>
Total Personnel	\$489,466	\$472,265	\$495,891	(\$17,201)	\$6,425