

THE EPISCOPAL CHURCH OF THE HOLY SPIRIT



ANNUAL PARISH MEETING – TREASURY REPORT

Bruce Zavitz | Treasurer | January 15, 2016

2016 Review:

What an incredible year! We completed our building, traveled through a sabbatical, had a constantly moving preschool, attempted to grow grass in a drought and got beautiful new front doors, twice. And in the end, with prayer, hard work and the generosity of our parishioners, we ended up strengthening our financial position.

- Overall, Income was up 13.6% over the prior year.
 - Total income was up 12.5% over what was budgeted for the year.
 - Pledged income ended the year 17.7% over 2015 and 6.5% higher than budget.
- Expenses ran 17% over 2015. Expenses for the year were up primarily due the interest expense on the construction loan and higher Building and Grounds expenses associated with the building expansion.
 - Expenses ran only 3.5 over what was budgeted which is a testament to good management and hard work, given the ever-expanding regulations we had to meet.
 - Of note is the income and expense for the preschool. Due to regulations and delays in constructions, the Preschool spent much of the year operating in remote locations. Through excellent management by the staff, expenses were kept to only 8.8% over budget.
- The end result was a \$20,406.06 surplus for the year when the budget was anticipating a small deficit. The surplus for the year will be added to our unrestricted reserve fund.

2017 Budget:

There is an obvious challenge for the Vestry in the 2017 budget, as it reveals a deficit for the year. We are fortunate that the deficit can be covered by the Restricted Reserve.

Areas to note:

- Current pledged figure is \$325,000 which is a decline of 7.7% from our 2016 actual figure. As of today, the number of pledging members is 107 or 9 less than last year.
- Member Non-Pledging also shows a decline. It is difficult to forecast this area as it swings significantly from year to year so our approach is to be conservative. But it is always a blessing for ECOHS.
- Expenses are forecasted to be 3.3% higher for the year.
 - The Vestry has added a line this year for Outreach which is set at 2% of our pledged amount. In the past, outreach has been funded through contributions and fund raising events along with funds from our restricted reserve. This will continue but given our expanding community it was felt that we needed to focus specific resources for this purpose. It is hoped that we can increase the percentage in the coming years.
- If the outreach amount and the amount for our Diocesan Pledge are removed from the expense line our expenses for 2017 are forecasted only 1.2% higher than 2016.

ECOHS 2016 Financial Review & 2017 Forecast:

	<u>2015 Actual</u>	<u>2016 Actual</u>	<u>Change</u>	<u>2017 Budget</u>	<u>Change</u>
Operational Income	\$ 448,360.32	\$ 496,059.25	\$ 47,698.93	\$ 451,050.00	\$ (45,009.25)
Contributions	\$ 396,938.48	\$ 450,866.04	\$ 53,927.56	\$ 403,450.00	\$ (47,416.04)
Plate	\$ 6,187.39	\$ 5,509.48	\$ (677.91)	\$ 6,500.00	\$ 990.52
Visitors	\$ 2,775.00	\$ 6,136.25	\$ 3,361.25	\$ 7,000.00	\$ 863.75
Member Pledge	\$ 299,199.00	\$ 352,266.00	\$ 53,067.00	\$ 325,000.00	\$ (27,266.00)
Member Non-Pledge	\$ 74,700.00	\$ 71,525.25	\$ (3,174.75)	\$ 49,000.00	\$ (22,525.25)
Prior Year Pledge	\$ 2,725.00	\$ 1,840.00	\$ (885.00)	\$ 500.00	\$ (1,340.00)
Special Contributions	\$ 11,352.09	\$ 13,589.06	\$ 2,236.97	\$ 15,450.00	\$ 1,860.94
Other Income	\$ 2,212.84	\$ 3,283.40	\$ 1,070.56	\$ 2,800.00	\$ (483.40)
Preschool	\$ 32,576.75	\$ 33,300.84	\$ 724.09	\$ 36,600.00	\$ 3,299.16
Discretionary	\$ 2,207.61	\$ 1,494.57	\$ (713.04)	\$ 2,000.00	\$ 505.43
Programs	\$ 14,424.64	\$ 7,114.40	\$ (7,310.24)	\$ 6,200.00	\$ (914.40)
Operational Expense	\$ 406,559.70	\$ 475,653.19	\$ 69,093.49	\$ 491,371.12	\$ 15,717.93
Ministry	\$ 190,595.11	\$ 207,811.06	\$ 17,215.95	\$ 210,311.12	\$ 2,500.06
Administration	\$ 54,880.63	\$ 90,054.67	\$ 35,174.04	\$ 93,285.00	\$ 3,230.33
Building & Grounds	\$ 37,717.90	\$ 54,345.90	\$ 16,628.00	\$ 55,060.00	\$ 714.10
Diocesan Pledge	\$ 36,606.00	\$ 43,467.00	\$ 6,861.00	\$ 46,790.00	\$ 3,323.00
Outreach			\$ -	\$ 6,500.00	\$ 6,500.00
Preschool	\$ 41,144.84	\$ 45,600.14	\$ 4,455.30	\$ 44,275.00	\$ (1,325.14)
Worship Service	\$ 14,084.10	\$ 12,510.40	\$ (1,573.70)	\$ 13,200.00	\$ 689.60
Programs	\$ 31,531.12	\$ 21,864.02	\$ (9,667.10)	\$ 21,950.00	\$ 85.98
Net to Reserve	\$ 41,800.62	\$ 20,406.06	\$ (21,394.56)	\$ (40,321.12)	\$ (60,727.18)
Restricted Reserve					
Beginning Balance	\$ 165,500.00	\$ 132,300.00	\$ (33,200.00)	\$ 140,206.00	\$ 7,906.00
Personnel Reserve	\$ (60,000.00)				
Outreach	\$ (15,000.00)	\$ (9,000.00)			
Parish Retreat		\$ (3,500.00)			
Net from Operations	\$ 41,800.00	\$ 20,406.00			
Ending Balance	\$ 132,300.00	\$ 140,206.00			

I hope this report provides some understanding of the many facets of our lives here at ECOHS along with some of the complexities of our missions. I will be happy to answer any questions or go over any area in more detail. We are truly blessed with a vibrant parish and 2017 promises to be exciting as we continue to serve our expanding community.

And a special thanks to Cathy Schlecht for all her efforts.

Blessings,

Bruce
ECOHS Treasurer