

St. Peter's Episcopal Church
Charlotte, NC

Treasurer's Report – August 2011 Financial Statements

Summary:

August was a very quiet month in a good way: Revenues, especially pledge donations, were favorable to plan, and every expense category was favorable to plan for the month. We generated a surplus of revenues over expenses of \$4,695 for the month and have a surplus of \$36,881 for the year to date (versus a budgeted deficit of \$50,165).

While some of this good fortune may be in timing (i.e. members paying their pledges early, or maintenance expenses to be incurred late in the year), it does appear that 2011 is turning out better than anticipated.

We have now completed four full years of capital campaign pledge receipts, and most of the original pledges were for a five year period. We have collected 78.2% of the total pledges, which appears to mean that we are on schedule. While receipts are \$42,060 less than last year at this time, they continue to be fairly healthy and our loan balance with BB&T stood at \$478,511 at the end of August (versus \$907,267 of unpaid pledges). Prospects remain good that the loan will be repaid in full prior to the summer of 2012 and that we will begin to accumulate the Outreach Tithe. The Sept-Dec period has typically been a period of strong pledge payments. We should schedule a detailed review of the capital campaign status in January, 2012. To my knowledge, we have received no response from Kirkegaard to our challenge of his invoice for the project.

Revenues:

- Pledge receipts were \$6,439 favorable in August and are a surprisingly \$57,223 favorable for the year to date (17% higher than budgeted).
- Loose offerings were \$508 unfavorable in August, but are \$6,537 favorable for the year.
- Parking lot and building lease revenues are all on schedule.
- Facilities Use Fees (primarily wedding fees) are \$1,726 favorable for the year.
- Total revenues were \$3,136 favorable for August and are \$66,584 favorable for the year.

Expenses:

- CLERGY PERSONNEL: Favorable by \$297 in August due to the lack of supply clergy usage. This category is favorable by \$5,355 for the year due to limited Rector travel expense and also because there was a gap in time between the departure of Fr. Pittman and the arrival of Fr. Raasch.
- LAY PERSONNEL: \$118 unfavorable in August due to Choir Section Leader expense, and \$1,780 unfavorable for the year due primarily to the same reason, plus an overage on Asst. Organist Continuing Education.
- ADMINISTRATIVE: \$791 favorable for August and \$1,408 unfavorable for the year. The overage for the year is in the category of Choir School printing expense, which has already exceeded the full-year estimate. Otherwise, Administrative expenses have been very well managed and uneventful thus far in 2011.
- PARISH MAINTENANCE: \$418 favorable for August and \$18,394 favorable for the year. We have been extremely lucky with maintenance issues in 2011. However, we are soon to incur approximately \$4,000 in expenses to solve air conditioning problems in the Parish Hall. We still expect to be in a favorable position for this category of expenses. We have also been pleasantly surprised with utility bills for heating and cooling in 2011.
- YOUTH: \$722 favorable for August and \$2,042 favorable for the year.
- CHILDREN: \$167 favorable for August and \$1,333 favorable for the year.
- MUSIC: \$420 favorable for August. Most of the expense for the month was for instrument maintenance. Music is unfavorable by \$3,515 for the year. \$2,415 is in Choir Retreat, which should be repaid by members. Another \$1,905 is in Guest Musicians. Music appears to be trending higher than budgeted, especially when combined with the overages for Section Leaders and Choir School Printing. It is the only area of the Parish that is operating significantly outside its budget.

- CHURCH PROGRAMS: \$133 favorable for August, though \$1,366 unfavorable for the year. The unfavorable areas are Holy Chow, which should correct itself in the fall, and the expense of paying for dishwashing services on Sundays, which we hoped could be reduced.
- TOTAL EXPENSES: \$2,982 favorable for August and \$20,462 favorable for the year, primarily due to low Parish Maintenance expenses.

Designated/Restricted Funds:

- It was a very quiet month in the Designated Funds. The only significant item was the donation of \$2,000 to a new fund - the St. Francis Fund.
- The Parish controls \$289,515 in funds for which the use is designated for specific purposes. Of this amounts, \$97,475 are Vestry-controlled reserve accounts, \$58,302 is in the Augustine Project Fund, and \$43,795 are in the Endowment Grant and Outreach Carryover funds, both of which are dedicated to outreach purposes. Those three major groupings of Designated/Restricted funds total \$199,572, or almost 70% of the total. The remainder is scattered over 35 other funds.

Capital Campaign:

- \$14,095 was received in August. We have received \$264,932 for the year compared to \$306,991 at the same time in 2010, and \$173,429 at the same time in 2009. Receipts continue to appear healthy. We have now collected \$3,257,362 (or 78%) of the \$4,164,629 in total pledges, including the Endowment matching gift. We have collected \$2,207,362 (or 71%) of the \$3,114,629 of individual member pledges. \$907,267 of uncollected member pledges remain outstanding approximately four years into the campaign.
- There is still \$55,819 of the project budget yet to be spent. \$26,218 has been set aside for Kirkegaard, though that invoice has been challenged. Another \$21,350 is set aside for interest expense on the BB&T loan. Another \$8,250 is earmarked for donor plaques and for a donation to the Police. It is quite possible that the budget for Kirkegaard will never be spent.
- The BB&T loan stood at \$478,511 and will be paid down further in September. It is my hope that this loan can be paid off in the Spring of 2012, and that further donations after that point will be used to build the Outreach Tithe.

CPA Audit

- It was my intention to present the CPA Audit to the Vestry in September, but I am unable to attend the meeting in person as I will be traveling out of town. I will plan to present the report in October. There were no issues with the report.

Search Committee Expenses:

- While we do not have a remaining budget for Search Committee expenses for 2011, I recommend that the \$1,000 estimated expense be accommodated as an approved overage. It appears that our budget situation is healthy enough to handle such an expense, and we will be sure to set up an appropriate budget for 2012.

David C. Lavoie
Treasurer