

St. Peter's Episcopal Church  
Charlotte, NC

### **Treasurer's Report – December 2011 Financial Statements**

#### Revenues:

- Pledge Revenues totaled \$594,903 for the year, \$25,746 higher than budgeted. Receipts actually exceeded the original Pledge total, indicating very good payment of pledges and new pledges being received throughout the year. It was an excellent result. December itself was actually weak compared to the budget, showing an unfavorable variance of \$35,043. It is possible that many parishioners had paid their pledges early.
- Loose Offerings recovered from a slow start to finish \$2,022 favorable to the budget. December, however, was \$2,943 unfavorable.
- Miscellaneous Income, which includes parking lot fees, wedding fees, kitchen and office lease income, finished the year \$2,368 favorable. The summary of Revenues and Expenses will show a \$23,450 unfavorable variance for Miscellaneous Income only because the 2011 Surplus of \$25,867 was expensed to a Carryover Reserve fund (i.e. Vestry-controlled reserves).
- Total Revenues were \$30,135 favorable to Budget for the year prior to moving the surplus to reserves.

#### Expenses:

- **CLERGY PERSONNEL:** On budget for the month. A small \$934 unfavorable variance for the year was due to Clergy Search Expenses.
- **LAY PERSONNEL:** As of November, this category of expense was carrying an unfavorable variance of \$1,338 due to Section Leader expenses. In December the Vestry approved staff bonuses that drove the unfavorable variance to \$10,972 for the month and \$12,310 for the year. These bonuses were not approved until the Parish felt certain of an annual surplus being available, much of which was due to excellent cost controls on the part of the staff.
- **PAYROLL FEES:** Finished the year \$1,392 favorable to budget. December was \$672 unfavorable.
- **ADMINISTRATIVE EXPENSE:** Virtually on budget for both the month and the year. We were unfavorable in printing/postage and online payment fees, but offset by favorable variances in computer repairs/equipment. We had a very fortunate year with our computer equipment, and will need to take care with expense controls and budgeting for other administrative expenses in 2012.
- **PARISH MAINTENANCE:** We had some significant HVAC repair expenses in December that put the month \$9,052 unfavorable, but still managed to finish the year with a favorable variance of \$6,523. Repairs and Maintenance Contracts were very pleasant surprises in 2011 and allowed the Parish to fund unbudgeted Security Services of \$4,509 for the year. Repairs were heavy in 2010, which may have set the stage for a quieter year in 2011.
- **YOUTH:** Favorable for the year by \$1,187.
- **CHILDREN:** Favorable for the year by \$997. All the expenses for Catechesis took place in the month of December.
- **MUSIC:** This Department was favorable in December due to Choir Retreat reimbursements. However, there was an unfavorable variance of \$854 for the full year. Supplies and Music drove the variance rather than Guest Musicians, which has typically been the most volatile category.

- PROGRAMS: Parish functions and Convention expenses were incurred in December, but this area of expense finished within \$86 of the annual budget. Of note, Holy Chow finished \$619 in “the red” when it usually exceeds its costs. I am told that the program has made the appropriate adjustments.
- TOTAL EXPENSES: December was heavy in expenses, primarily due to HVAC repairs and the Staff Bonuses. Including the bonuses, total expenses finished the year with an unfavorable variance to budget of \$4,194. The bonuses were only possible because of good expense control throughout the year and due to stronger than expected pledge revenues.

Surplus/Deficit:

- The Parish finished 2011 with a Surplus of \$25,867 which was expensed and moved into Carryover Reserves as of December 31. That surplus existed after the payment of staff bonuses and was due to excellent cost controls throughout the year and also due to strong pledge payments.

Designated & Restricted Funds:

- As of December 31, 2011, the Parish maintained \$310,578 of specific purpose funds exclusive of the Capital Campaign. The largest such funds are as follows:

Vestry Reserves	\$123,342
Augustine Project	\$ 68,189
Prepaid 2012 Pledges	\$ 24,708

- Another \$94,339 is maintained in 37 separate funds (with average balances of \$2,550). Funds are allocated to the specific purposes to which the donations were given.
- Outreach Funds were expended in the month of December, totaling \$60,795.
- The Augustine Fund increased by \$13,661 in December due to strong contributions.
- Notable donations were received into funds for Music Reserves, Nets for Life, Youth Pilgrimage, Inner City Garden, and Client Assistance Funds.
- Prepaid 2012 pledges will be taken into General Fund income monthly during the upcoming year.

Capital Campaign:

- December was a very good month for pledge payments, totaling \$85,006, comparable to previous Decembers.
- Receipts have been received over the past four years as follows:

2008	\$727,917
2009	\$449,476
2010	\$563,921
2011	\$377,007

- We are entering the fifth year of the campaign, and most of the original pledges were made over a five year period. \$795,191 of pledges remain to be paid, and it is likely that some organized effort will be necessary to assess the likelihood of payment for those outstanding pledges. Very few pledges have had zero payments made.
- Budgeted expenditures of \$50,743 remain to be paid, primarily for Kirkegaard (which is in dispute), Interest Reserves, and Administrative Expenses for memorial plaques. Money for these budgeted expenses was drawn from the BB&T loan and is maintained in cash because further draws from the BB&T loan are no longer allowed.

- The BB&T loan stood at \$437,007 on December 31, 2011, but a reduction of \$85,051 will be made in January reducing the balance to approximately \$351,956. The remaining loan balance is 44% of remaining unpaid pledges. 81% of pledges have been paid.
- The BB&T loan will begin to amortize with estimated monthly Principal + Interest payments of \$1,685 on September 5, 2012 (based on a 20-year repayment schedule). The loan matures on August 5, 2014.

I would like to thank the Vestry for allowing me to serve as Treasurer for the last 2 ½ years. It has been an honor and a pleasure.

David C. Lavoie  
Treasurer