

2018 Finance Team Input
Towards Stewardship Effort

St. Andrew Finance Team
October 22, 2017

Team Structure and Roles

- **Finance Team**
 - Record all church financial transactions
 - Produce monthly/annual reports to advise Session and Staff
 - Help forecast future year spending
 - Help forecast future year income
 - Combine input from Staff, Personnel, and other Teams to produce Annual Balanced Budget
 - Session approves annual budget
 - Congregation approves Pastor compensation packages
- **Stewardship Team**
 - Execute annual pledge drive to fund church operations
- **Capital Campaign Team**
 - Execute Capital Campaigns outside of normal church operations

Camp Cardinal Financing Summary

- We have given generously!
 - \$1.6MM - Our Place to Grow Capital Campaign
 - \$2.3MM - Our Journey with Christ Capital Campaign
 - \$1.4MM - With our Eyes on Christ Capital Campaign
 - **\$5.3MM Total 2008 to 2019**
 - **Thousands of volunteer hours managing project**
- Our loan is big enough for us to finish paying for the project
- Mortgage payments through June 2019 covered by current Capital Campaign
- Estimate \$4.3MM remaining mortgage June 2019
 - Assumes \$900K additional land sales by then
 - \$283K annual payment over remaining 23 years of mortgage

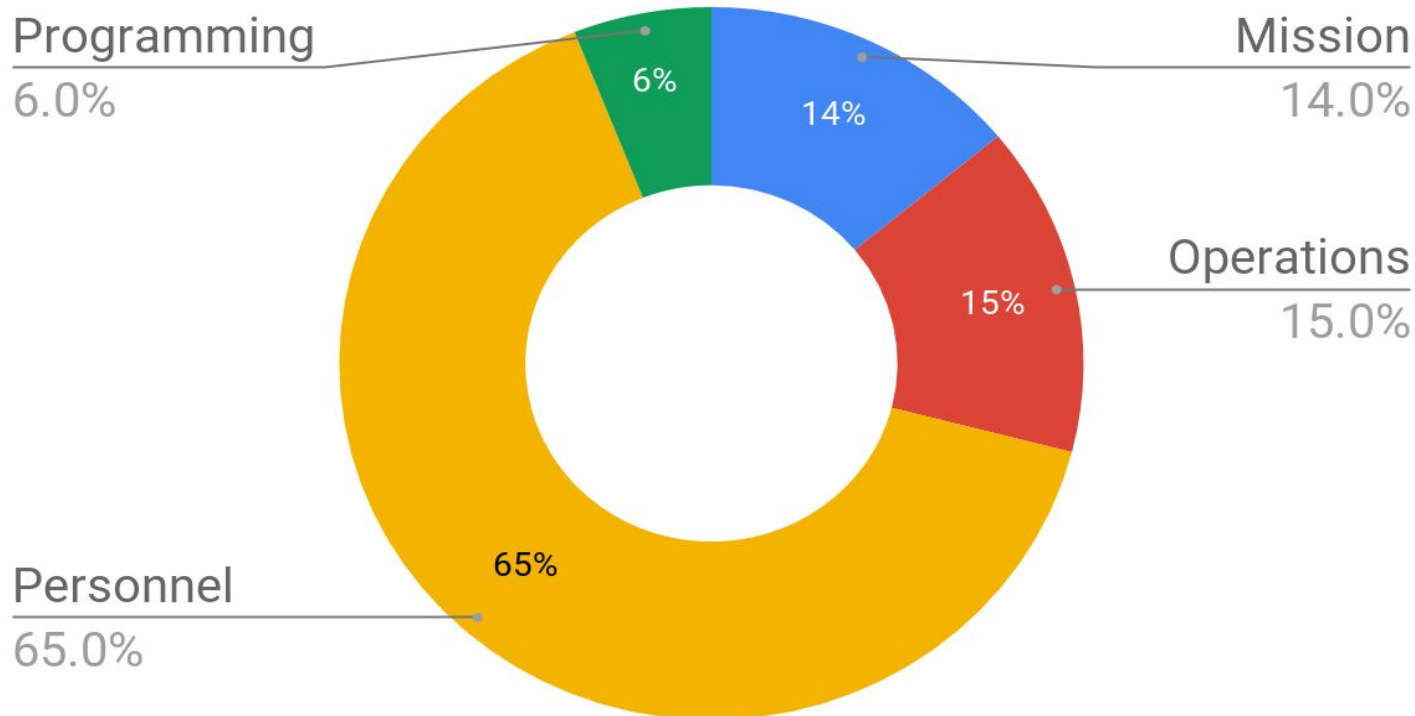
New Building effect on annual Operating Budget

- Larger Space
 - 26,000 (Melrose) vs 55,000 (Camp Cardinal) square feet
 - 111% increase - more than double
- Certain expenses will increase accordingly
 - Lawn, snow, electric, gas, janitorial, water, garbage, maintenance, setups
- Estimate \$75K (Melrose 2015) to become \$160K (Camp Cardinal)
- 2017 budget already includes 5 months for this
- 2018 and beyond will include 12 months of these higher expenses
 - \$50K increase over 2017 budget

2017 Operating Budget Overview

- \$867K Annual Budget in 2017
 - Income and Expenses through September are on track and balanced

2017 Budget Breakdown



2017 vs 2018 Operating Budget Changes

- Known Significant 2018 Budget Changes
 - \$50K - Estimated Larger building Operating Costs (Utilities, Maintenance, Lawn, Snow)
 - \$50K - 5 Month Overlap Matt severance and Interim Pastor starting 1/1/2018
- \$30K (3.5%) Overall Budget Growth For Possible Purposes such as:
 - Staff compensation and training increases
 - Expanded programming budgets to take advantage of new space
- Total \$130K budget increase = **15% increase over 2017 \$867K**
- **Target 2018 Operating Budget \$1,000,000**

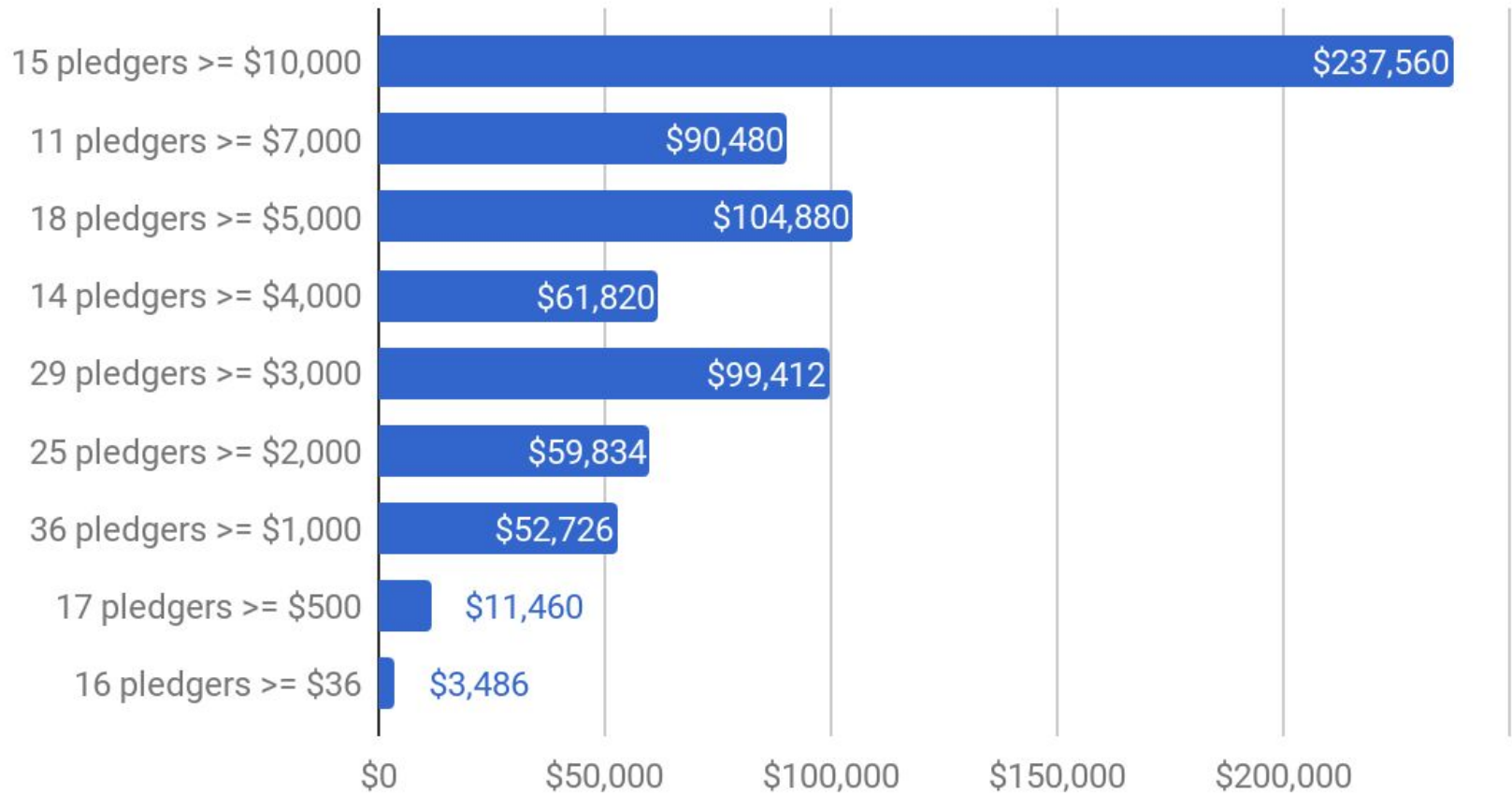
Upcoming Cost “Stair Steps”

	2017	2018	2019	2020
2017 Operating Budget (Our baseline)	\$867K	\$867K	\$867K	\$867K
Increased Operating expenses of larger space		\$50K	\$50K	\$50K
Overlapping Severance and Interim Pastor		\$50K		
Possible Other Programming/Staff Increases		\$30K	\$30K	\$30K
Inflation 3% (exclude Mortgage)			\$30K	\$30K
Mortgage not covered by current Capital Campaign			\$141K	\$283K
Total Annual Budget	\$867K	\$997K	\$1,118K	\$1,260K
Year over Year Increase		\$130K	\$121K	\$142K
Year over Year Increase		15%	12%	13%

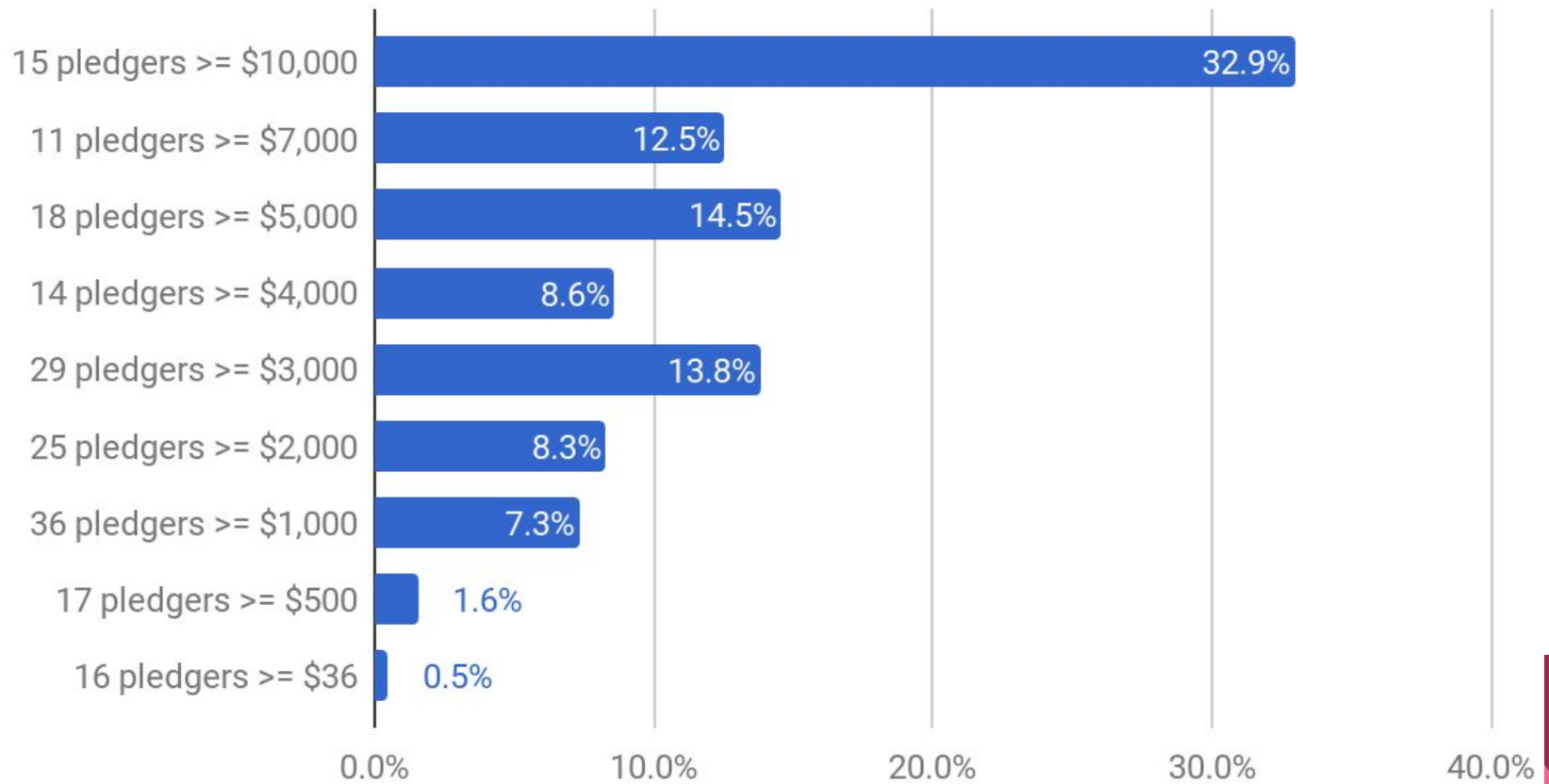
2017 Giving Summary

- 181 Current Pledging Units
 - May be households or individuals
- \$721K Pledged out of \$867K Total Giving
 - 83% from Pledges
 - 17% from non-Pledges
- **Making a Pledge greatly aids us in predicting income**
- **Please consider making a formal Pledge for 2018**

2017 Pledge Groups (Dollars)



2017 Pledge Groups (Percentage)



Summary

- **Pledge in 2018** even if you've given in the past without a pledge
 - Greatly aids in predicting future giving
- We need 15% overall increase in giving in 2018
- Actual 2018 pledges will determine 2018 budget