

ST. MICHAEL'S EPISCOPAL CHURCH

2017 Annual Budget Vestry Narrative

January 21, 2017

- a) Pledge, Non-Pledge and Loose Income – Pledge income is based on 95% of pledged income for 2017. Loose adjusted down due to decrease in parishioner numbers and some added to pledging.
- b) Transfer from reserves – this amount represents the amount from 2016 that we came in over budget that is transferred to 2017 budget to be able to zero out the overall (non-profit) budget.
- c) Payroll, Priest – Father Dan's time (1/3 of F.T.) is 50% spent doing prep for and doing Sunday services, 25% in pastoral care visits, 15% in administration, and 10% in community and diocesan Outreach.
- d) Payroll- Administrator – Includes a \$.50/hour increase. Joyce spends 70% of her time in communications, preparing bulletins, mailing weekly information to those who are homebound, 15% on entering and processing financials and 15% in coordinating and administering various tasks.
- e) Priest supply allocation – the amount Fr. Dan deducts from his pay to pay for a supply priest to be able to take extra time off.
- f) Supply priest expenses – the amount the parish budgets for supply priest.
- g) Continuing education, priest – Amount set aside for Fr. Dan sabbatical.
- h) Altar expenses – from a list supplied by altar guild. Another \$650 will be used from Memorial Fund.
- i) Advertising – reinstated advertising for newspaper for Christmas and Easter.
- j) Diocesan Convention – to be held in Bangor, one day only to cover mileage for our delegates.
- k) Deacon Formation – this category is actually St. Michael's contribution to George Sheats' cost of education for entering the priesthood.

Summary of 2016

While 2016 ended with a positive bottom line in Operations, it was a result of people giving generously, a switch to propane and a warmer than usual winter and lack of snow that boosted it. Also, we did not spend any money on the building maintenance and repairs. The year ended with a surplus of \$10,409.

The Endowments did well in 2016 increasing our basis by 7% with a return of \$25,803. The interest and dividends also paid higher than previously, returning \$11,770. The gains in stocks are subject to economic ups and downs while the interest and dividends are actual earnings.

Pledging History

Total pledging has decreased this year as a result of fewer parishioners. While we have had some pledges reduced, some increased and some new pledges added. The overall net is an increase in the dollars pledged but a decrease in total number of pledges. The result is a net decrease of total pledges of about \$5,000.

We finished 2016 with a net surplus of \$10,000 as a result of substantial savings in heating, plowing and having switched to propane as a fuel for heat. We also did not do much in terms of repairs to our facility. We will use some of this to balance out the budget for 2017.

Our endowments did well in 2016 as the stock market rose all year. While this is good for the amount we have invested, it also bodes well for those investments we have that return interest and dividends.

Thank you all for your financial commitment in 2016.