ST. BARNABAS EPISCOPAL CHURCH

Financial Update

Third Quarter, 2026

October 25, 2026

Agenda

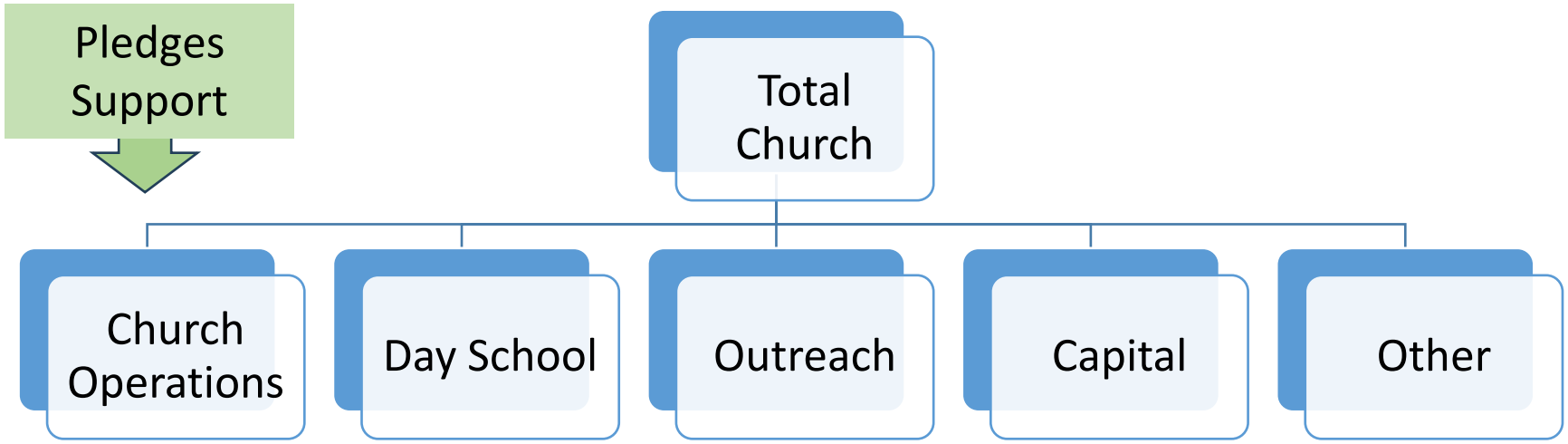
1. Accounting Structure
2. 2026 Financial Performance
3. Giving to St. Barnabas
4. Schedule for financial updates in 2026

Finance Committee:

Kirk Eichenberger, Treasurer
Borgan Anderson, Chair
Emmalyn DeNardi
Phil Fergusson, Vestry liaison

Bookkeeper: Nichole (Niki) Basile, nichole@stbbi.org

Church Accounting Structure



- Church accounting segregates certain activities by fund.
- Church operations includes costs for staff salary and benefits, maintenance of building and grounds, and support for the many ministries of the church.
- “Other” includes many funds (Interrium, Rector’s Discretionary, Close, Music, Altar Guild,…)
- There are also separate investment/endowment funds (Legacy Giving, Hodges, Outreach, Clergy Housing).
- **Our goal every year is to balance the operating budget**

Key Messages

2026 Q3 Highlights:

- Operating surplus as of Q3, exceeding budget
- Year-end forecast continues to rely on a transfer from savings to cover the anticipated operating deficit.
- Elevator feasibility study progressing
- Outreach gifts total $14,558 through September

Q3 Operating Results

$000s	Q3 2025	Q3 2026 Actual	Q3 2026 Budget	Q3 2026 Variance
Operating Revenues				
Pledge	458	466	409	57
Plate	16	15	16	(1)
Hodges & Legacy dist.	58	59	59	-
Investment income	10	6	7	(1)
Other	55	63	76	(13)
Total	597	609	567	42
Operating Expenses				
Salary and benefits	341	338	342	4
Building & Grounds	72	78	75	(3)
Diocesan Assessment	81	75	77	2
Administration	30	30	25	(5)
Other	36	36	38	2
Total	560	557	557	-
Surplus (deficit)	37	52	10	42

- Surplus as of Q3, exceeding budget by $42,000
- Pledge revenue coming in faster than expected – but no change in total from February increases
- Other revenues includes:
  - $15,000 from Family Ministry Fund
  - $21,150 from Legacy Giving Fund to cover anticipated deficit
- Other revenues shortfall:
  - Commercial Kitchen revenues down: $1,533 vs budget of $9,000
- Expenses tracking close to budget

2026 Forecast Update

$000s	2025	2026		
	Actual	Budget	Forecast	Change
Operating Revenues				
Pledge	542	512	547	35
Plate	22	22	22	-
Hodges & Legacy	58	59	59	-
Investment income	12	9	8	(1)
Other	78	73	60	(13)
Invest. Account Transfer		**65**	**54**	**(11)**
Total	713	740	750	10
Operating Expenses				
Salary and benefits	464	457	463	6
Building & Grounds	112	104	107	3
Diocesan Assessment	99	95	95	-
Administration	46	34	37	3
Other	41	50	48	(2)
Total	761	740	750	10
Surplus (deficit)	**(49)**	-	-	-

- Received increased 2026 pledges totaling $50,000 in Q1 (budget included $15,000 of new pledges)
- Lower Other revenues due to Commercial Kitchen shortfall and Day School will not pay $3,500 support payment (contribution to general fund for housekeeping, utilities, bookkeeping).
- Balancing budget requires transfer of $54,000 from Legacy Giving Fund.

Balance Sheet Highlights

$000s	2025	Q3 2026	Change
Bank & ST Investments			
Bank Accounts	129	117	(12)
Money Market Funds	164	241	77
Certificates of Deposit	92	189	97
Total	385	547	162
Endowment/Investments *			
Legacy Giving Fund	274	277	3
Hodges Fund	1,337	1,350	13
Outreach Fund	393	394	1
Total	2,003	2,021	18
Total Cash & Investments	2,388	2,568	180
* Invested with Diocesan Investment Fund			
Key Fund Balances			
General Fund	36	79	43
Legacy Giving Fund (total)	379	334	(45)
Clergy Housing Fund		102	102
Capital - Elevator Fund		143	143

- Growth in bank accounts and investments due to Q3 operating surplus, gifts and investment gains
- General Fund (unrestricted) up due to Q3 operating surplus
- Legacy Giving Fund uses:
  - Capital expenditures ($30,093 so far)
  - Cover anticipated operating deficit ($21,150 so far)

2026 Capital Improvements - Capital Fund

Figures in $	
Beginning Balance	2,036
Income - Solar Grant 2	105,327
Sale of kitchen ranges	1,000
Transfer from Legacy Giving	30,093
Total income	136,420
Expenditures	134,357
Ending Balance	4,099

Project Expenditures:	
Solar project	103,264
Kitchen stove	12,366
Feasibility Study	13,215
New Parking spaces	5,512
Total expenditures	**134,357**

- Feasibility study for an elevator project underway. Estimated cost is $25,000.
- Adding two new Handicapped parking spaces to upper parking lot
- Vestry approved $6,500 for updating external signage

Outreach Summary

Figures in $	Outreach Endowment
Beginning Balance	392,557
Income	-
Expenses	
Annual Distribution	(16,522)
Special Distribution	-
Total expenses	(16,522)
Net invest. Gain/(loss)	18,437
Ending Balance	394,472

Annual distribution from endowment funds Outreach Committee gifts

Figures in $	Outreach Committee Fund	Outreach Donation Fund	Total
Beginning Balance	386	2,866	3,252
Income			
Outreach Endowment	16,522		16,522
Contributions		2,390	2,390
Total	16,522	2,390	18,912
Expenses			
Outreach gifts	11,558	3,000	14,558
Total	11,558	3,000	14,558
Ending Balance	5,350	2,256	7,606

OUTREACH GIFTS

Outreach Committee Fund

Organization	Amount
Episcopal Diocese of Jerusalem	1,000
Episcopal Relief & Development	2,000
World Central Kitchen	1,500
Helpline House	1,000
Bainbridge Youth Services	1,000
Fresh Start (Faith Episcopal)	875
Restoration Laos	500
Kitsap Homes of Compassion	1,750
Our Little Roses	1,590
Other	343
Subtotal	11,558

Outreach Donation Fund

Organization	Amount
La Puerta Ministry	500
Helpline House	1,000
Chaplains on the Harbor	1,000
Kitsap Homes of Compassion	180
Episcopal Church DFMS	320
Subtotal	3,000
Total	14,558

Day School and Commercial Kitchen are also major Outreach programs not included here

Day School

Figures in $	2025 Full Year	2025 Q3	2026 Q3	Change
Revenues				
Tuition & fees	70,056	50,500	51,268	768
Fundraising	6,781	-	505	505
Interest income	1,383	1,026	646	(380)
Total	78,220	51,526	52,419	893
Expenses				
Salary & Benefits	73,880	45,193	75,132	29,939
Cost of fundraising	4,033	-	-	-
St. Barnabas support	3,500	3,500	-	(3,500)
Other	644	542	462	(80)
Total	82,057	49,235	75,594	26,359
Surplus (deficit)	(3,837)	2,291	(23,175)	(25,466)

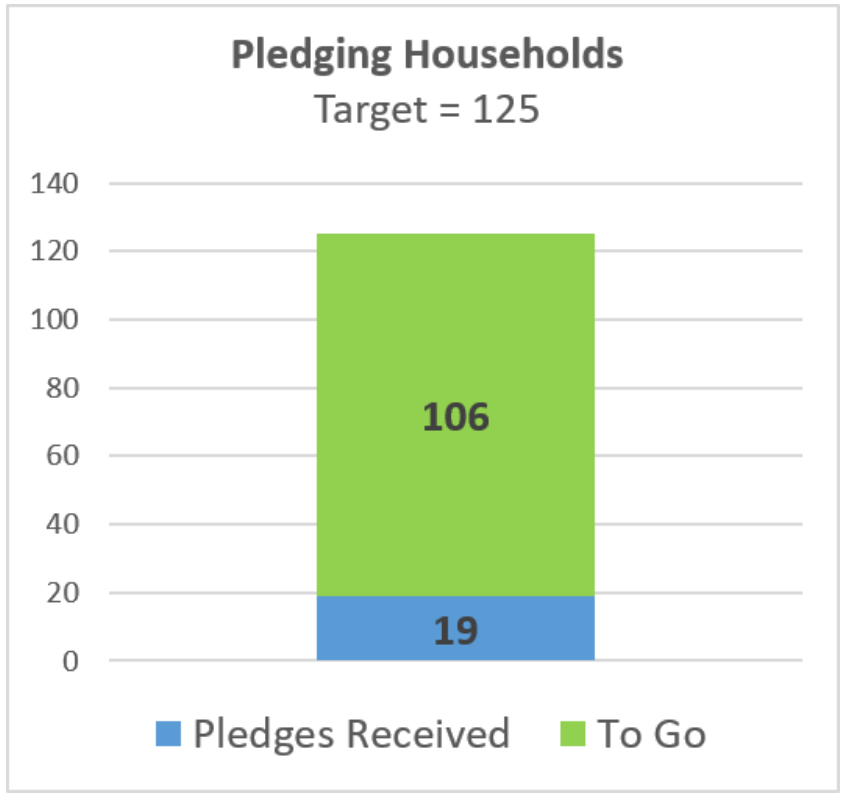
Cash & CDs	**2025**	**Q3 2026**	**Change**
Bank Account	31,300	35,604	4,304
CD	35,841	-	(35,841)
Total	67,141	35,604	(31,537)
Fund Balances			
DS Operating	43,823	15,752	(28,071)
DS Scholarship	10,684	8,259	(2,425)
Total	54,507	24,011	(30,496)

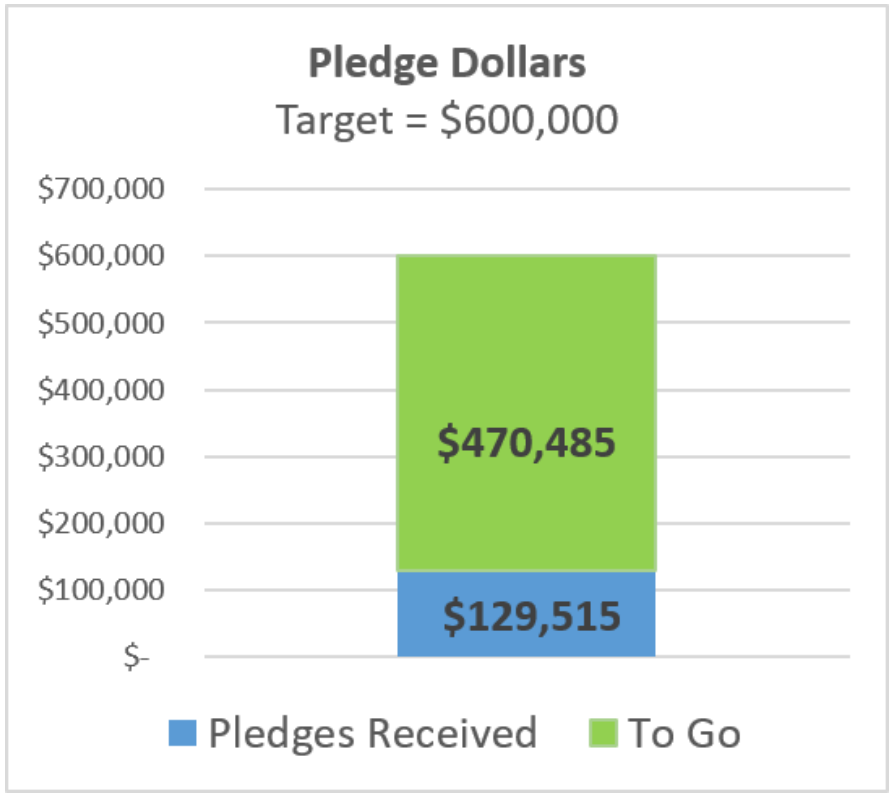
- Revenues up slightly compared to 2025
- Increased payroll costs driving the 2026 deficit
  - 2026 salary & benefits include $5,406 in retroactive payroll increases relating to 2025
- Adding programs to increase revenues and attract more students
- Aiming for financial sustainability

Giving to St. Barnabas

- Please pledge for 2027 – Go to web site or fill out form and submit
- As a reminder, you may change your pledge amount during the year (up or down). Contact Niki Basile, St. Barnabas Bookkeeper, if you want to make a change: nichole@stbbi.org
- You may make gifts at any time to the following funds by noting the fund name on your check or online payment:
  - Altar Guild Flower Fund
  - Music Fund
  - St. Barnabas Day School
  - Rector's Discretionary Fund
  - Legacy Giving Fund
  - Clergy Housing Fund
  - Elevator Fund
- Any gift to St. Barnabas that is undesignated goes to the General Fund

Status of 2027 Pledge Appeal (as of 10/23)





Schedule for 2026 Finance Updates

Date	Event
April 15	Q1 Update – no presentation email only
July 26	Q2 Update at Bridge
September 13	2027 Annual Giving Preview at Bridge
October 25	Q3 Update at Bridge
Jan/Feb 2027 TBD	Annual Meeting; 2026 Financial results, 2027 Budget

Finance committee presentations will be distributed as a link to Friday News email.