



SAINT LUKE'S
P R E S B Y T E R I A N C H U R C H

Annual Financial Report
January 2016

To save on paper and postage, the following report is being distributed by email to all church members for whom we have email contact information. Additional copies will be available in the church office. Please contact a member of the Finance Committee for more information.

2015 was a financially challenging year, as we weathered a pastoral transition along with the departure of a number of members. We also welcomed new members throughout the year, as we were lead superbly by our Interim Pastor and spiritual leader, Steve Vance. We witnessed our associate pastors cheerfully and spiritually carry a big burden during the transition, and we saw many Saint Luke's members and staff step up in a big way to keep Saint Luke's financially sound and spiritually strong.

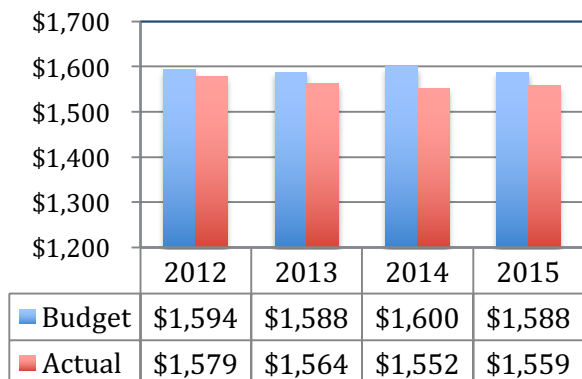
2015 Financial Performance

2015 income of \$1,559,226 fell just short of budget by \$28,774. Expenses were less than planned by \$33,219, resulting in a surplus of \$4,445. The surplus has been carried forward in the 2016 budget.

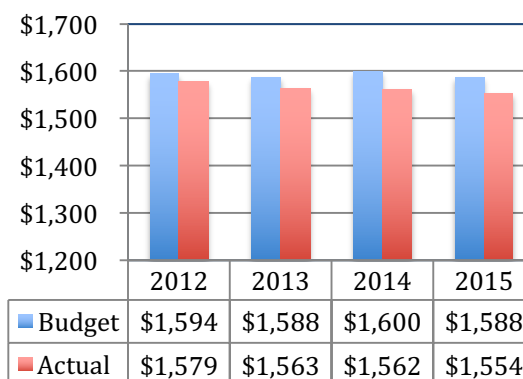
Source of Funds	2015 Budget (000)	2015 Actual (000)
Member Pledged Giving	\$1,296	\$1,262
Unpledged Giving	185	186
Other	107	111
Total Income	\$1,588	\$1,559
Use of Funds		
Mortgage	\$369	\$367
Building & Grounds	258	248
Personnel	664	657
Outreach		
Saint Luke's Little Saints	30	34
Other Outreach	<u>103</u>	<u>92</u>
Sub-Total Outreach & Little Saints	133	126
Programs	87	88
Operating	<u>77</u>	<u>68</u>
Total Expense	\$1,588	\$1,554
Surplus/ (Deficit)	\$0	\$5

The following charts show Budget vs. Actual Income and Expense performance by year from 2012 through 2015. Actual Income has declined slightly each year, but Actual Expenses have been well managed allowing for a balanced budget each year except for 2014 when we carried a \$9,083 deficit forward into 2015. Overall expenses have been held flat even in the face of increases in some areas beyond our control.

INCOME BY YEAR (000)



EXPENSES BY YEAR (000)



2016 Member Commitment

The 2016 Commitment Season was a great success despite the challenges of having fewer member pledges than were received in the prior year. The key to the success was 105 members who responded to the call to increase their pledge by 10% or more to help fully fund the 2016 budget, which includes support for the new Senior Pastor. Thanks to the entire membership, the 2016 budget will allow Saint Luke's to maintain current staff, programs, and outreach while continuing to do God's work. Budgeted income for 2016 exceeds 2015's actual income by \$36,000 thanks to all who pledged, and especially to those who increased their pledge.

Below is key information from the 2016 Commitment Campaign.

Saint Luke's 2016 Pledge Summary

2016 Pledge Goal - \$1,392,000		Percentage	2016 Pledge	Percentage
Pledge Statistics	Number	of Pledges	Dollars	of Dollars
Pledges Over \$10,000	34	15%	\$732,565	56%
Pledges Between \$5,000 and \$9,999	39	17%	\$259,566	20%
Pledges Between \$2,500 and \$4,999	57	25%	\$201,518	15%
Pledges Between \$1,500 and \$2,499	38	17%	\$74,012	6%
Pledges Below \$1,500	53	23%	\$43,390	3%
Children Pledges	2	1%	\$430	0%
Zero Pledges	5	2%	\$-	0%
2016 Actual Pledge Totals	228	100%	\$1,311,481	100%

Percentage of Pledge Goal Received – 94%

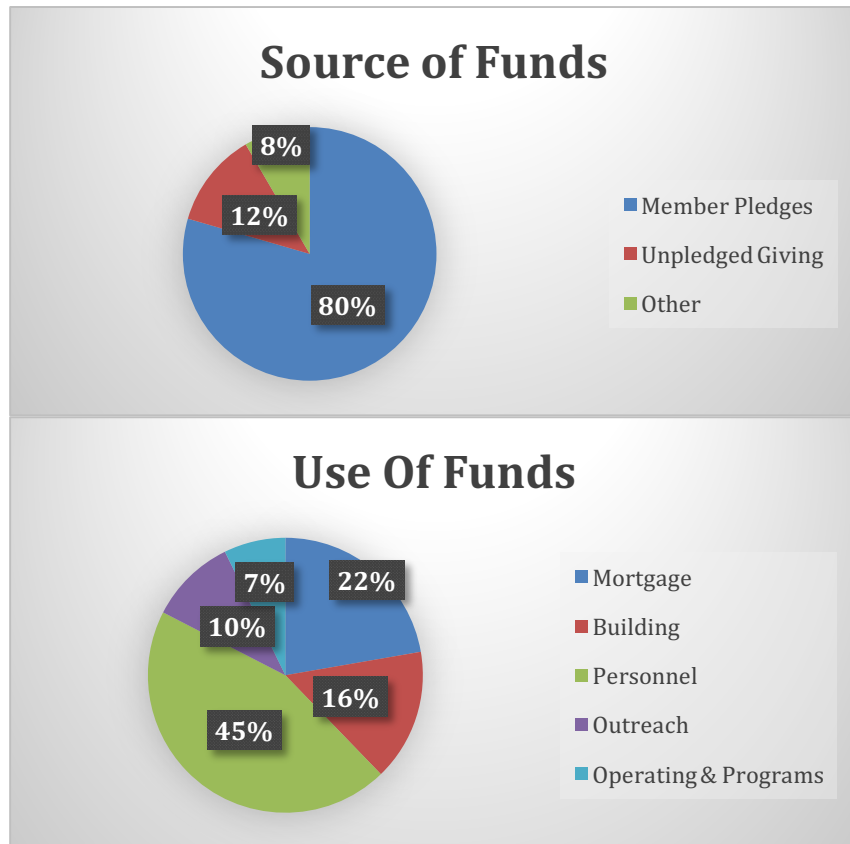
Median Pledge Amount - \$3,000

Average Pledge Amount - \$5,752

2016 Budget

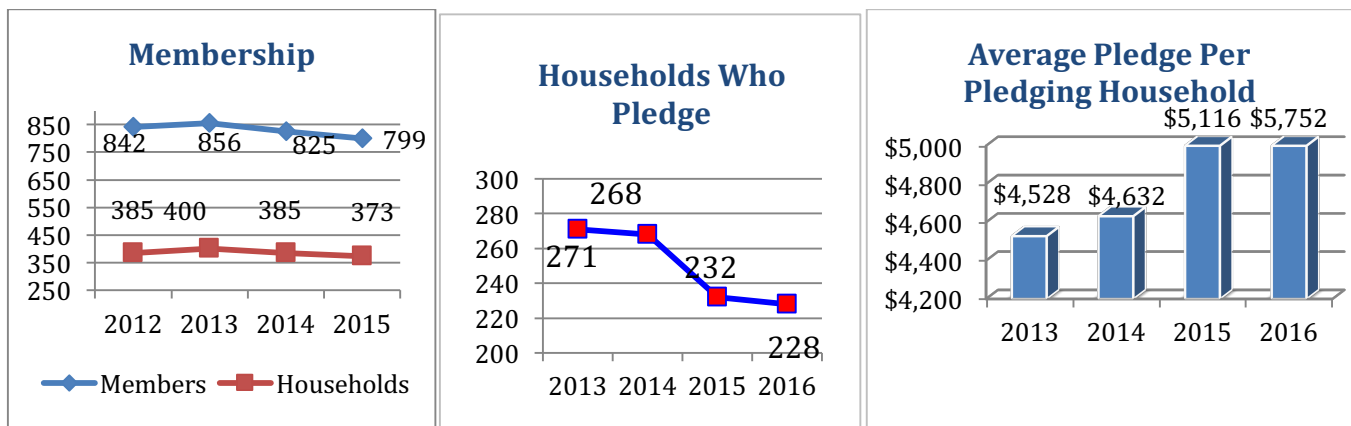
The following charts show the 2016 projected sources of church income and how the funds will be used. Your contributions are put to good use for the glory of God.

Source of Funds	2016 Budget \$(000)
Member Pledges	\$1,313
Unpledged Giving	\$200
Other	\$139
Total Income	\$1,652
Use of Funds	
Mortgage	\$369
Building	\$257
Personnel	\$742
Outreach	\$169
Programs	\$62
Operating	\$58
Total Expense	\$1,657
2015 Carryover	\$5
Net	\$0



MEMBERSHIP & GIVING TRENDS

Total membership as of January 1, 2016 stands at 784 **members** representing 383 **households**. For 2016, 228 of the 383 households (60%) have submitted their pledge. The following charts show that while the number of households who have pledged has decreased, the average pledge has increased allowing Saint Luke's to maintain a budget comparable to prior years.



CASH RESERVES

Monthly expenses are fairly consistent throughout the year, but income fluctuates, with December always being the largest giving month of the year. Cash Reserves are used to fund the operating account when expenses exceed income during any given month. The Foundation for the Future capital campaign funded Saint Luke's Cash Reserve account which has allowed us to use internal funds instead of borrowing from a line of credit account at Regions Bank, and having to pay interest on borrowed funds. The cash reserve account is fully funded at \$253,837 as of December 31, 2015.

FOUNDATION FOR THE FUTURE

The Foundation for the Future capital campaign was initiated in 2013 to raise capital to make significant repairs to the building facility, to refurbish the organ, and to fund a cash reserve. Saint Luke's members overwhelmingly responded with pledges in the amount of \$753,000 to be paid over a three-year period. Over 95% of the pledges were fulfilled and additional contributions were received which has brought the total Foundation for the Future contributions to \$805,000. The funds have been used to:

- Repair the main church roof.
- Replace the sanctuary windows.
- Resurface the parking lot.
- Refurbish the sanctuary organ.
- Complete other major building and kitchen repairs.
- Fund the Cash Reserve.

In addition to the \$253,837 in Cash Reserves, there is \$80,550 remaining in the Foundation Building account as of December 31, 2015.

SAINT LUKE'S ENDOWMENT

The Saint Luke's Presbyterian Church Endowment is separate from the operating budget and is managed by the Endowment Committee. The funds in the Endowment are invested through the investment company, Investment Research & Advisory Group, Inc. Contributions to the Endowment are maintained in perpetuity. At the discretion of the Endowment Committee earnings from the Endowment may be used to support the annual operating budget so long as the principle amount given is preserved. Following is the status of the Endowment Fund:

Beginning Value as of January 1, 2015	\$212,000
+ Earnings from Investments	-\$3,000
+ Gifts received during 2015	\$59,000
- <u>Distribution to the operating budgets</u>	<u>\$0</u>
Ending balance as of December 31, 2015	\$268,000

Thank you to all members, staff, and friends of Saint Luke's for your stewardship and your continued contributions of time and talent. As brothers and sisters in Christ, we have all pledged to continue together in 2016 to do God's work at Saint Luke's.

Finance Committee:

Rich Crutchfield – Chairman
Buddy Brown
Steve Cashwell
Don Dill

John Eagar
Dan Joyce
Mary Martin
Dave McKenney

Gary Phipps
Mark Rogers
Pete Shelton