



# 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 2017*

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 with questions or additional information on last year's finances or the 2017 Church budget.

2016 was an incredible year in the life of Saint Luke's. We welcomed David Lower, as our new full-time senior pastor, his wonderful family, as well as a host of new members to our congregation. What we witnessed was an active, vibrant and welcoming church committed to sharing the good news of Jesus Christ with each other and with our neighbors both near and far.

We witnessed both existing and new members step in to active leadership roles within the Church and we participated as our pastors cheerfully and lovingly led us forward in God's Word and Spirit. And once again, due to a year-end shortfall in member pledges, we watched as God worked to keep Saint Luke's financially sound.

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### **2016 Financial Performance**

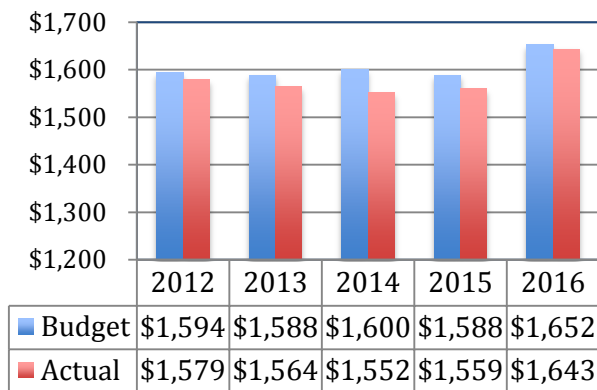
The staff and lay leaders did a good job of controlling expenses throughout the year. However, pledged income was down significantly in November and December. Member-pledged revenue was short for the year by roughly \$41,000. Thankfully, unpledged giving, designated gifts and miscellaneous income were all above the budget. The total net deficit for 2016 is approximately \$15,000. However, due to a special, one-time member gift, Saint Luke's was able to achieve a balanced budget for the year as detailed below.

<b>Source of Funds</b>	<b>2016 Budget (000)</b>	<b>2016 Actual (000)</b>
Member Pledged Giving	\$1,313	\$1,272
Unpledged Giving	200	212
Designated Gifts	44	54
Other	95	105
<b>Total Income</b>	<b>\$1,652</b>	<b>\$1,643</b>

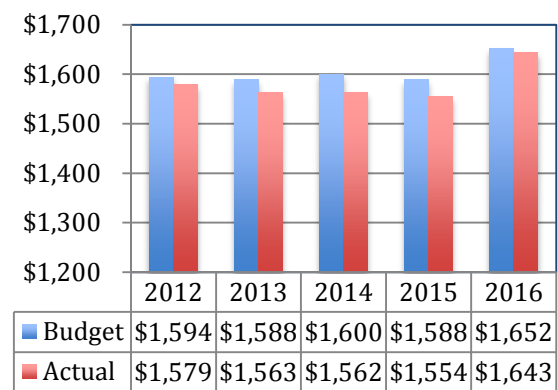
Use of Funds	2016	2016
	Budget (000)	Actual (000)
Mortgage	\$369	\$368
Building & Grounds	258	258
Personnel	742	746
Outreach		
Saint Luke's Little Saints	35	34
Other Outreach	134	129
Sub-Total Outreach & Little Saints	169	163
Programs	56	55
Operating	58	53
<b>Total Expense</b>	<b>\$1,652</b>	<b>\$1,643</b>
<b>Surplus/ (Deficit)</b>	<b>\$0</b>	<b>\$0</b>

The following charts show Budget vs. Actual Income and Expense performance by year from 2012 through 2016. Actual Income has increased in each of the last two years, and 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)**



### 2017 Member Commitment

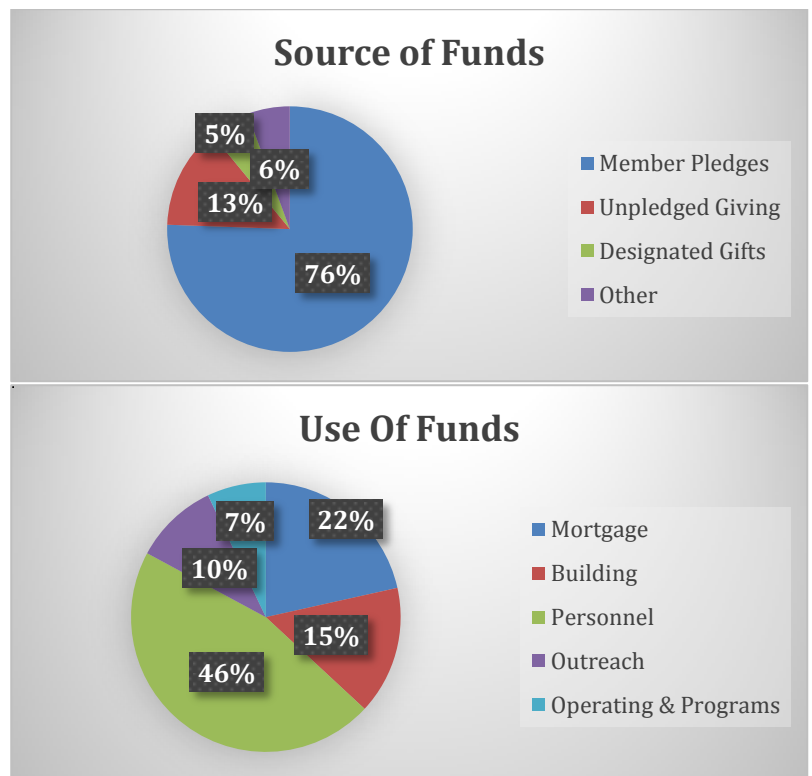
For this year's campaign, Saint Luke's "Celebrated God's Blessings" which culminated with a harvest festival, blue grass band, barbecue lunch, and good fellowship on Commitment Sunday. Thank you to all who have submitted their financial commitments for the upcoming year. To accommodate the expected increases in personnel changes, a goal of \$1,415,000 of Member Pledges was set (roughly a 7% increase over 2016). Final figures have the 2017 Commitment Campaign with 207 Member Pledges totaling \$1,297,000 or roughly 92% of the goal (versus 2016 figures of 238 Member Pledges and \$1,313,000). 92 members (or 45% all of pledges received) increased their pledges in 2017, including 71 who increased 7% or more. The median pledge amount was \$3,500 and the average pledge amount was \$6,325. Due to a special, one-time gift by a Saint Luke's family that helped bridge this deficit, all church programs, personnel and outreach initiatives are fully funded for 2017. Below is a breakdown of the 2017 Campaign results:

Saint Luke's 2017 Pledge Summary				
2017 Pledge Goal - \$1,415,000 Pledge Statistics	Number	Percentage of Pledges	2016 Pledge Dollars	Percentage of Dollars
Pledges Over \$10,000	33	16%	\$755,015	58%
Pledges Between \$5,000 and \$9,999	46	22%	\$284,492	22%
Pledges Between \$2,500 and \$4,999	47	23%	\$160,196	12%
Pledges Between \$1,500 and \$2,499	24	12%	\$46,714	4%
Pledges Below \$1,500	56	27%	\$50,364	4%
Children Pledges	1	.5%	\$300	.02%
Zero Pledges	1	.5%	\$-	0%
<b>2017 Actual Pledge Totals</b>	<b>208</b>	<b>100%</b>	<b>\$1,297,081</b>	<b>100%</b>

### 2017 Budget

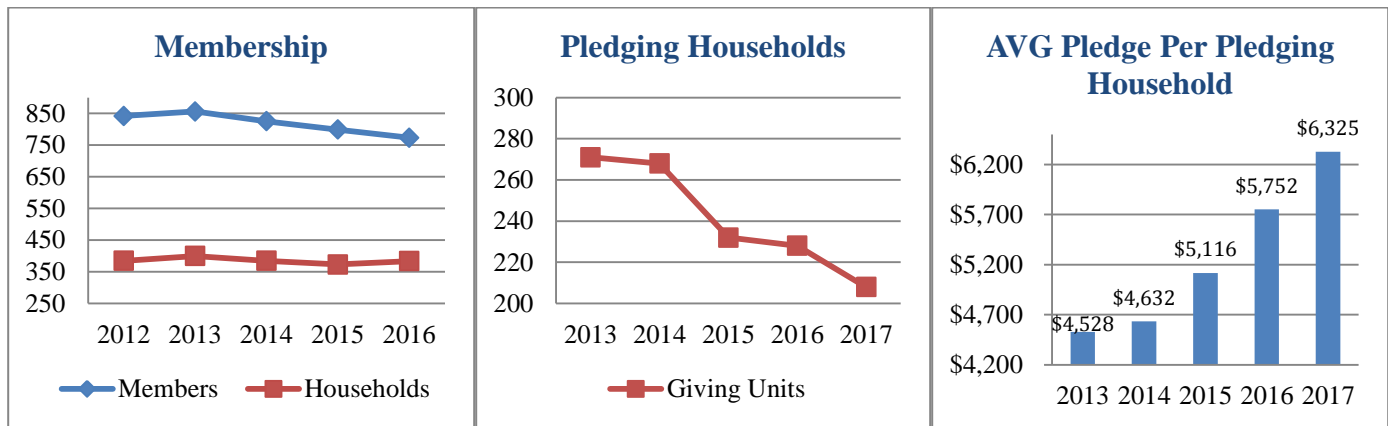
The following charts show the 2017 projected sources of church income and how the funds will be used. Your contributions directly enable Saint Luke's to be a beacon of faith, hope and love in the world.

Source of Funds	2017 Budget \$(000)
Member Pledges	\$1,297
Unpledged Giving	\$230
Designated Gifts	\$92
Other	\$96
<b>Total Income</b>	<b>\$1,715</b>
Use of Funds	
Mortgage	\$369
Building	\$264
Personnel	\$788
Outreach	\$173
Programs	\$60
Operating	\$61
<b>Total Expense</b>	<b>\$1,715</b>
<b>Net</b>	<b>\$0</b>



### MEMBERSHIP & GIVING TRENDS

Total membership as of January 1, 2017 stands at 773 **members** representing 380 **households**. For 2017, 208 of the 380 households (54%) have submitted their pledge. The following charts show that while the number of households who have pledged has decreased, the members pledging have consistently increased their pledge driving the pledge average up allowing Saint Luke's to maintain a budget comparable to prior years. Essentially less are doing more and we pray that all members will feel inspired to do their part.



## CASH RESERVES

Monthly expenses are fairly consistent throughout the year, but income fluctuates, historically 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 and paying interest on borrowed funds. The cash reserve account is fully funded at \$254,000 as of December 31, 2016.

## 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. The summary below details the good news of incredible growth of the endowment fund through the generosity of our members and by the cell tower lease sale which closed in 2016.

Endowment Summary	2015	2016	2017*
Beginning Value as of January 1	\$212,000	\$268,000	\$707,000
+ Earnings from investments	-\$3,000	\$62,000	TBD
+ Gifts received during year	\$59,000	\$377,000	\$150,000
- Distribution to the operating budgets	\$0	\$0	\$17,300
<b>Ending balance as of December 31</b>	<b>\$268,000</b>	<b>\$707,000</b>	<b>\$839,700</b>

\* 2017 on-going; Investment results and total gifts unknown.

## CELEBRATING GOD'S BLESSINGS

Thank you to all members, staff, and friends of Saint Luke's for your stewardship and your continued contributions of time and talent to your church. Without you, the programs we all love, the pastors that guide and minister to us every day, the outreach which is relied upon by so many and the sanctuary that centers our lives and provides us with a place to worship would not exist. Through Christ and His blessings, you are what enables Saint Luke's to be a beacon of faith, hope and love in the world. On behalf of the Church Session and the Finance Committee, we are grateful for your service and sacrifice.

### Finance Committee:

Pete Shelton – Chair	Steve Cashwell	Rich Crutchfield	Don Dill	John Eagar	Dan Joyce
David Lower	Mary Martin	Dave McKenney	Rob Price	Mark Rogers	Chip Williams