

## 2011 Budget PERFORMANCE Commentary

### INCOME:

In very unusual fashion for this parish, payment of 2011 (line 1 of income) pledges was only at 89%. In the last 25 years it has always ranged from 95% - 97%. The result was an amount of almost \$38,000.00 in unpaid pledges. There are no doubt a variety of reasons for this, but there were only 5 households who contacted us to inform us about financial changes/difficulties in their circumstances, enabling us to account for some \$18,000 of this shortfall. The total shortfall in line 1 of income is the major contributing factor in the parish having an Accounts Payable (AP) of \$27,000 at the end of 2011. The Vestry's guidelines/practice for end of the year AP call for it to be under \$20,000. This is the first year it has been above that number.

For example, AP in the last 10 years has been as follows (rounded to nearest 100):

2000: \$5,500    2001: \$13,600    2002: \$11,600    2003: \$18,100    2004: \$11,600    2005: \$13,000

2006: \$7,500    2007: \$1,300    2008: \$11,500    2009: \$12,000    2010: \$9,400

It is typically accepted practice for any business with a budget the size of ours to carry over these relatively small amounts of AP from year to year.

In order to deal with this 2011 excessive AP, the Vestry and Executive Committee determined that the carryover AP for 2011 will be \$17,500. They have added the additional \$10,000 of 2011 AP bills to the 2012 budget. But instead of cutting that equivalent amount from other places to balance the budget, they have come up with the idea of an "Adopt a 2011 Bill" line item in the income of 2012 budget. Those who are able and so desire can send a check to CGS with the memo comment being: "Toward a 2011 bill". Checks can be in any amount, but are most helpful in \$50 increments. We have already received a check for \$1,500 which has been designated toward these 2011 bills. Please be clear that these donations are to be over and above your 2012 pledge payments.

The 2011 bills that will be paid by this new \$10,000 line item include the following:

\$6,300 - Pastoral Care Center    \$1,000 – Haiti earthquake relief    \$250 – Bridges Domestic Violence  
\$1,000 – Episcopal Relief and Development    \$250 - Manchester Pastoral Counseling Aid Fund  
\$200 - NH Community Loan Fund    \$50 – NH Fund for Choice    \$250 – St. Paul's, Mississippi  
\$210 - Casella Waste Services    \$490 – J. Lawrence Hall for office heating unit repairs

Income in the other line items was typically somewhat over or somewhat under budgeted amounts. Line of Credit was used extensively this year to deal with cash flow problems but paid back in full at the end of December. Almost 20% of our annual income comes in December. The fact that most of our expenses are paid regularly on a monthly basis necessitates the use of the line of credit.

### EXPENSES:

With income down staff worked hard to bring expenses in at, or under, budget. There is little discretionary spending in CGS's budget so this is not an easy task. The following departments all came in under budget: (B) Church Overhead; (F) Worship; (G) Buildings and Grounds; (H) Christian Ed; and (I) Other Programs. Community Action (C) only appears under budget because much of the excess Accounts Payable is in that category. Diocesan Fair Share Assessment was paid in full as it always is.

Over the last several years, as a result of discussions between Odie, the Vestry, and the parish (as represented at the Annual Meeting), efforts have been made to raise Odie's salary to Diocesan minimum standards. The purpose of this was to make sure Odie's pension would not be negatively impacted, since his pension is based on the highest 7 years of salary. Because of the deep recession the past 4 years and the difficulty of adequately funding all of the parishes needs, Odie offered to donate back most or all of these salary increases in each of the last three years. In this way there was minimal impact to the parish expense budget while at the same time helping Odie's future pension, and meeting Diocesan minimums.

Below shows the total salary increase over the last three years as well as the increase in Odie's pledge over the last three years. The \*star below indicates that as of 2011, Odie's salary met Diocesan minimums.

Year	Salary	Odie's pledge
2009	92,525	8,400
2011	*101,286	16,550
Total Increase	8,761	8,150

An additional way that both Odie and Alanna are saving the parish money is to have their families and themselves covered on their spouses Health Insurance instead of the church's – this is currently saving the parish some \$22,000 in Health Insurance premiums.

### **2012 BUDGET COMMENTARY**

#### **INCOME**

The good news is that the total pledge and projected parishioner contributions (first 3 lines of the Income part of the budget) is slightly up (\$426,657 in 2012 vs. \$413,601 in 2011). There was an increase in the number of people pledging in line 1 (up by 14), although not all were new people as some of those came from people formerly in line 3, therefore helpfully reducing that line item, which is an estimate of giving. One of the difficulties in this budget, again this year, is a result of the income we take from the Endowment Funds. Like all people/entities with money invested, our funds were cut in half four years ago with the stock market crash. Over these last few years the amounts withdrawn for the annual budget have gone from \$84,000 to \$25,000. This is to help enable the Endowment Funds return in value to at least the level of the original principle.

The Fund Raisers line item includes income from the Yankee-Red Sox Raffle, NH Charitable Gaming, Harvestfest, Gingerbread Village, the Scrips program, and the TDBank Affinity program.

#### **EXPENSES:**

Almost all expense line items and department totals look very similar to the previous year. It has been the practice of this parish to try to at least give Cost of Living increases to staff, although that has not always happened in years with a difficult economy. Cost of Living this past year is 3.75% and the Vestry and Executive Committee felt strongly about the staff being one of our best assets and keeping in this budget raises of 4% for most of the staff. Odie's increase was agreed upon at 1% since that keeps him above the Diocesan Minimum, and this year he has agreed to donate back 25% of that raise.

Community Action budgeted totals have increased from 8.1% last year to 8.9% for this 2012 budget, as we keep to our commitment of trying to return this section of the budget to the parish's guideline of 10% of our annual income. Obviously the percentage actually contributed often depends upon the actual income for the year, as this is one of the few places in the budget where we have discretionary spending.

As explained above in the 2011 commentary, there are special line items in this budget for both designated gifts to pay 2011 bills, as well as a line item for paying those 2011 bills.

As has the customary practice in this parish since Odie became Rector, the Vestry always presents to you a balanced budget.

**However, making our budget work throughout the year is entirely dependent on everyone contributing 100% of the amount of their pledge for 2012.**

**Thank you for your generous support of the ministries of CGS.**

## CGS - PROPOSED 2012 BUDGET

<u>INCOME</u>	BUDGET 2011	ACTUAL 2011	VESTRY BUDGET 2012
1-COMMITMENT			
Pledges	\$ 357,077.00	\$ 319,125.77	\$ 380,373.00
	\$	\$ 21,605.73	
Undesignated Pledges	15,320.00		\$ 17,610.00
	\$	\$ 41,755.20	
Non-Pledge Givers	41,204.00		\$ 28,674.00
	\$	\$ 14,141.00	
2-SPECIAL COMMITMENT	14,500.00		\$ 15,000.00
(Lent, Easter, Christmas)			
	\$	\$ 10,072.69	
3-LOOSE OFFERING	11,000.00		\$ 11,000.00
	\$	\$ 11,855.00	
4-SPECIAL CONTRIBUTIONS	13,000.00		\$ 13,000.00
(Baptisms, Weddings, Funerals, Counsel, etc.)			
5-ENDOWMENT	\$ 25,000.00	\$ 25,018.33	\$ 25,000.00
6-BUILDING USE	\$ 12,000.00	\$ 12,445.95	\$ 12,000.00
7-FUNDRAISERS	\$ 35,500.00	\$ 34,536.61	\$ 35,000.00
(Altar Guild, Fair, Daughters, Youth, Other)			
8-GIFTS & BEQUESTS	\$ 12,000.00	\$ 18,565.28	\$ 12,000.00
8A-2011 GRANT	\$ -		\$ 5,000.00
9-DESIGNATED GIFTS 2011 BILLS	\$ 1,230.00	\$ 1,100.00	\$ 10,000.00
LINE OF CREDIT	\$ -	\$ 26,500.00	
<b><u>TOTAL INCOME</u></b>	<b>\$ 537,831.00</b>	<b>\$ 536,721.56</b>	<b>\$ 564,657.00</b>
<b>EXPENSES</b>			
<b>A-CLERGY SALARIES</b>			
1-Rector	\$ 101,286.00	\$ 101,286.00	\$ 102,298.00
2-Assist. Rector	\$ 50,756.00	\$ 50,756.16	\$ 52,786.00
Total Clergy Salaries	\$ 152,042.00	\$ 152,042.16	\$ 155,084.00
<b>B-CHURCH OVERHEAD</b>			
1-Staff Social Security	\$ 18,409.10	\$ 18,395.34	\$ 18,884.48
2-Clergy Pensions	\$ 29,461.19	\$ 26,567.69	\$ 30,050.62
3-Staff Pensions	\$ 7,748.71	\$ 6,798.25	\$ 7,593.30
4-WC & Health Ins.	\$ 24,655.00	\$ 22,855.02	\$ 25,255.60
5-Supply Clergy	\$ 3,000.00	\$ 2,205.00	\$ 1,500.00
TOTAL CHURCH OVERHEAD	\$ 83,274.00	\$ 76,821.30	\$ 83,284.00
<b>C-OFFICE OVERHEAD</b>			
1-Telephone & Answering Service	\$ 2,607.00	\$ 3,171.47	\$ 2,600.00
2-Postage	\$ 2,000.00	\$ 2,155.47	\$ 2,000.00
3-Paper Products	\$ 665.00	\$ 562.83	\$ 600.00
4-Miscellaneous Supplies	\$ 4,150.00	\$ 5,960.42	\$ 5,250.00
5-Parish Administrator (pt-25hours/wk)	\$ 19,121.00	\$ 18,990.65	\$ 19,890.00
6-Communications Secretary (pt 16 hrs/wk)	\$ 9,596.00	\$ 9,906.30	\$ 9,604.00
Total Office Overhead	\$ 38,139.00	\$ 40,747.14	\$ 39,944.00

**BUDGET**

<b><u>EXPENSES</u></b>	<b>BUDGET 2011</b>	<b>ACTUAL 2011</b>	<b>PROPOSAL 2012</b>
<b>D-DIOCESAN ASSESSMENT</b>	\$ 85,749.00	\$ 85,749.00	\$ 86,037.00
<b>E-COMMUNITY ACTION</b>			
1-Nashua Pastoral CC	\$ 35,000.00	\$ 22,200.00	\$ 35,000.00
2-Seminaries	\$ 2,000.00	\$ 1,750.00	\$ 2,000.00
3-Other Organizations	\$ 7,044.00	\$ 292.00	\$ 10,930.00
<b>TOTAL COMMUNITY ACTION</b>	<b>\$ 44,044.00</b>	<b>\$ 24,242.00</b>	<b>\$ 47,930.00</b>
<b>F-WORSHIP</b>			
1-Music Program	\$ 3,800.00	\$ 1,862.03	\$ 3,800.00
2-Bellringer Program	\$ 450.00	\$ -	\$ 450.00
3-Music Director	\$ 40,423.00	\$ 40,422.96	\$ 42,040.00
4-Bellringer Director salary (pt 120 hrs)	\$ 2,500.00	\$ 2,500.00	\$ 2,600.00
5-Altar Flowers	\$ 900.00	\$ 763.50	\$ 900.00
6-Candles, Bread & Wine	\$ 1,100.00	\$ 1,046.51	\$ 1,100.00
<b>TOTAL WORSHIP</b>	<b>\$ 49,173.00</b>	<b>\$ 46,595.00</b>	<b>\$ 50,890.00</b>
<b>G.- BUILDINGS AND GROUNDS</b>			
1-Property Maintenance	\$ 14,550.00	\$ 12,737.20	\$ 14,500.00
2-Utilities	\$ 25,000.00	\$ 24,088.77	\$ 24,000.00
3-Insurance	\$ 6,000.00	\$ 7,256.25	\$ 7,200.00
4-Sextons	\$ 14,550.00	\$ 14,741.00	\$ 14,550.00
<b>TOTAL BLDG. &amp; GROUNDS</b>	<b>\$ 60,100.00</b>	<b>\$ 58,823.22</b>	<b>\$ 60,250.00</b>
<b>H-CHRISTIAN EDUCATION</b>			
1-Adult	1,000.00	718.56	1,000.00
2-Children	3,800.00	3,815.93	3,800.00
3-Youth	1,250.00	1,574.23	1,500.00
4-Youth Director (1/4 time)	10,840.00	10,840.08	11,273.00
5-Sunday School Coordinator (pt- 300 hours)	6,120.00	6,120.00	6,365.00
<b>TOTAL CHRISTIAN EDUCATION</b>	<b>23,010.00</b>	<b>23,068.80</b>	<b>23,938.00</b>
<b>I-OTHER PROGRAMS &amp; ORGANIZATIONS</b>			
1-Fellowship & Special Events	1,000.00	700.43	1,000.00
2-Stewardship	1,300.00	1,374.09	1,300.00
<b>TOTAL OTHER PROG. &amp; ORG.</b>	<b>2,300.00</b>	<b>2,074.52</b>	<b>2,300.00</b>
<b>J-2011 UNPAID BILLS</b>	0.00	0.00	15,000.00
1-Line of Credit	0.00	27,060.12	0.00
<b><u>TOTAL EXPENDITURES</u></b>	<b>537,831.00</b>	<b>537,223.26</b>	<b>564,657.00</b>
<b>DIFFERENCE</b>	<b>0.00</b>	<b>-501.70</b>	<b>0.00</b>