

# Understanding Our Church's Finances

Delmar Presbyterian Church

*September 2015*



## **MISSION STATEMENT**

To be a vibrant congregation, growing in our faith,  
living out the Two Great Commandments,  
energized by God's love.

## **CORE VALUES**

We open our hearts and doors to all people because we are created  
in the image of God.

We devote our resources to helping our neighbors near and far.

We educate ourselves and the community to make relevant the  
teachings of Jesus.

We celebrate our gifts and seek God's guidance in sharing them.

We worship together to expand our faith and deepen our relationship  
with God.



# 2015

# Church Budget

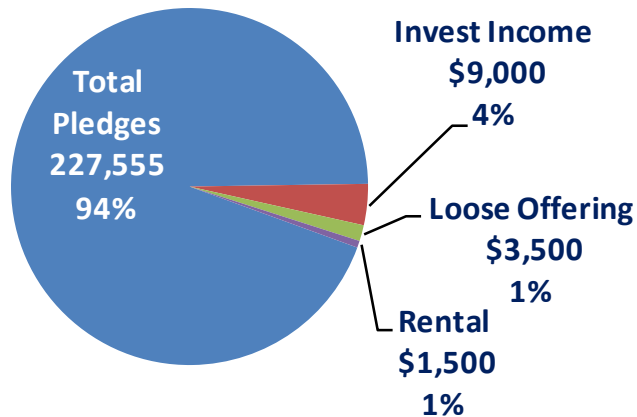
– *Current Year* –



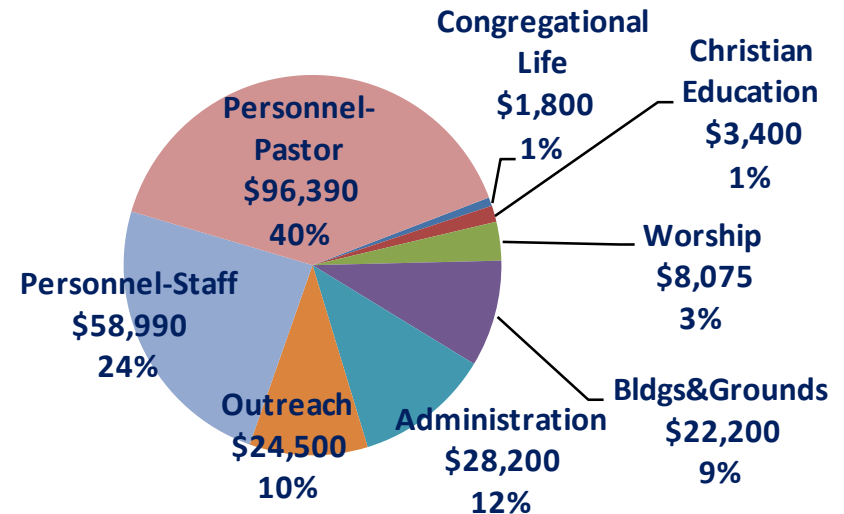
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# The Church Operating Budget (2015)

## Where it comes from: (\$241,555)



## Where it goes: (\$243,555)



*Adopted budget assumes a \$2,000 deficit due to May congregational vote to increase Pastor's auto and personal expense line following review of other churches in the Presbytery by the Personnel Committee.*



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# Another way of thinking about where our expenses go...

## A “missional” budget

Expanding Our Faith and Deepening Our Relationship With God		Building a Vibrant and Caring Church Family		Helping Neighbors Near and Far	
Christian Education	\$3,400	Congregational Life	\$1,800	Outreach	\$24,500
Worship	\$8,075	1/3rd of remaining total		1/3rd of remaining total	
Choir Director	\$15,000	expense	\$63,593	expense	\$63,593
1/3rd of remaining total expense	\$63,593				
<b>Total</b>	<b>\$90,068</b>	<b>Total</b>	<b>\$65,393</b>	<b>Total</b>	<b>\$88,093</b>
<i>37% of Church Budget</i>		<i>27% of Church Budget</i>		<i>36% of Church Budget</i>	

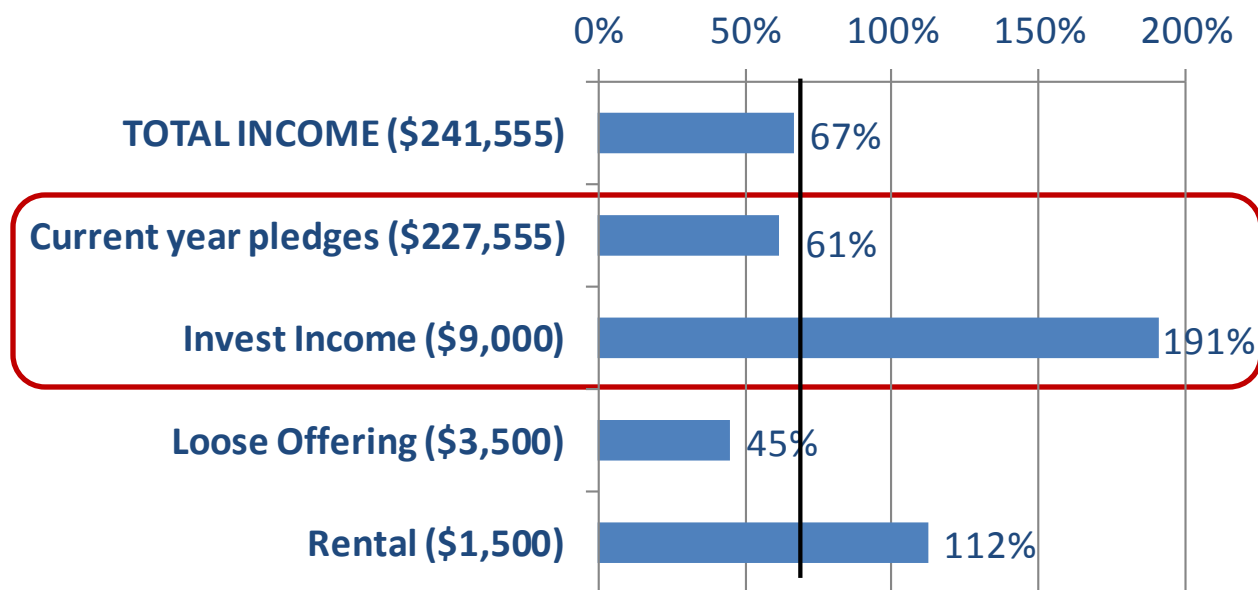


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# How are we doing so far this year?

## ► Income

Income through September  
(8 months, 67% of year)



*If current trends continue, pledges would be \$18,000 short of the budget, other revenues would about \$10,000 above the budget.*



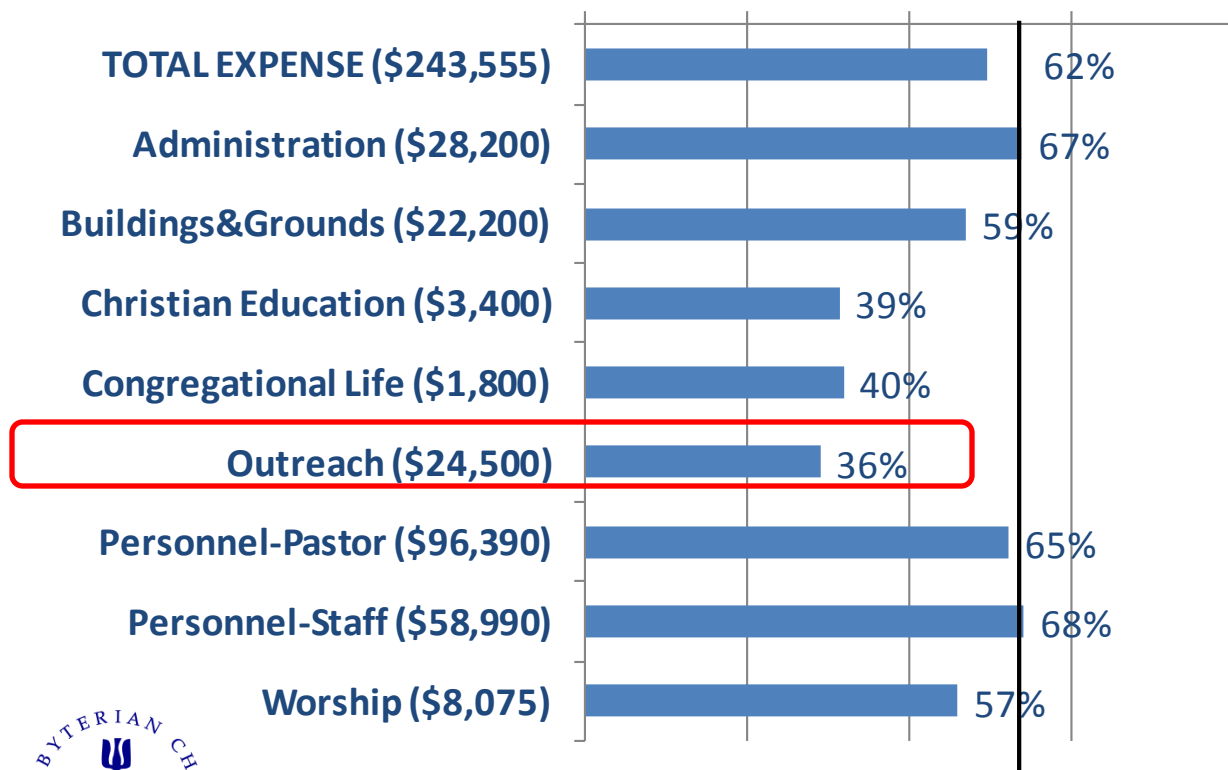
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# How are we doing so far this year?

## ► Expense

Expense through August  
(8 months, 67% of year)

0% 25% 50% 75% 100%



*The Outreach Committee usually spends its whole budget by the end of the year. Total spending appears to be on target.*



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# Administration

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ADMINISTRATION	2015 Budget
aAdvertising	\$300
aComputer	\$800
aCopier	\$2,000
aEcclesiastical Apportionment	\$8,100
aInsurance	\$8,000
aMisc.-admin	\$300
aOffice Supplies	\$4,000
aPostage-Printing	\$750
aSelf-Insurance Reserve	\$0
aService Charges	\$0
aTelephone/Internet	\$3,950
<b>TOTAL</b>	<b>\$28,200</b>

CRITICAL OBJECTIVE: The Administration Committee plans, implements and maintains policies and procedures for organizational operation of the church. The Administration Committee offers support for the church office and develops and supports technology... It acts as Session liaison in negotiating rental agreements for requests for use of the church property and reviewing permit applications for intermittent use.

CHAIR: Edward Taft



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# Buildings & Grounds

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<b>BUILDINGS &amp; GROUNDS</b>	<b>2015 Budget</b>
bMaintenance	\$12,000
bTaxes	\$1,400
bUtilities	\$8,500
bWater Usage	\$300
<b>TOTAL</b>	<b>\$22,200</b>

**CRITICAL OBJECTIVE:** To provide adequate physical resources to meet the needs and commitments of the church and its activities.

**STEPS:**

- A. Maintain existing facilities; negotiate contracts for maintenance activities.
- B. Conduct annual evaluation for adequacy of physical plant, and prepare recommendations for improvements.
- C. Recommend the appointment of and supervise the church custodian.
- D. Prepare annual budget.
- E. Review and approve any changes to physical plant and environs.

**CHAIR:** Nate Cady



# Christian Education

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CHRISTIAN EDUCATION	2015 Budget
cAdult Education	\$500
cChurch School	\$1,800
cConfirmation	\$200
cEnrichment	\$300
cMSPYs	\$600
cRPM's	\$0
<b>TOTAL</b>	<b>\$3,400</b>

**CRITICAL OBJECTIVE:** To encourage growth in the Christian faith through educational programs for all people of the church and the community.

**STANDARDS:**

- A. Review annually Christian Education curriculum.
- B. Provide innovative and appropriate educational programs for Pre-K through adulthood.
- C. Provide training programs for Christian Education teachers.
- D. Solicit Presbytery assistance in providing updated techniques and curricula
- E. Communicate with all church members and friends and solicit involvement in educational programs.

**CHAIR:** James Finke



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# Congregational Life

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CONGREGATIONAL LIFE	2015 Budget
d-Retirement	\$0
dFellowship	\$900
dMembership	\$0
dWelcoming	\$900
<b>TOTAL</b>	<b>\$1,800</b>

CRITICAL OBJECTIVE: To assist in the assimilation, inclusion, and nurturing of all members of the congregation.

- Fellowship Subcommittee
- Welcoming Subcommittee
- Membership Subcommittee

CHAIR: Gail Chase



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# Outreach

OUTREACH	Budget
eDesignated Mission	\$10,500
eGeneral Benevolences	\$14,000
eMiscellaneous	\$0
<b>TOTAL</b>	<b>\$24,500</b>

**CRITICAL OBJECTIVE:** To ensure the active involvement of this congregation in loving witness to Christ through outreach to neighbors in need, in this community and around the world.

## STANDARDS AND PROGRAM STEPS:

- A. Invite and encourage participation of members in committee planning and work.
- B. Provide information regarding outreach activities and programs on a regular basis, using a variety of media.
- C. Participate in, initiate, and cooperate in local and area community outreach activities, including ecumenical services to those in need.
- D. Encourage this community of faith to actively support the mission programs of the Presbyterian Church (USA) through general benevolence giving, based on guidelines of Albany Presbytery, the Synod of the Northeast, and PCUSA.
- E. Provide opportunities for the congregation to participate in special outreach giving for designated needs, including ongoing food and clothing collections, Minute for Mission requests, and special offerings such as the annual One Great Hour of Sharing.
- F. Be responsible for disbursement of budgeted Outreach Committee funds, as appropriate, to meet area needs through established agencies.

**CHAIR:** Susan Killgallon



# Personnel

PERSONNEL	2015 Budget
fAuto & Professional Exp	\$3,500
fContinuing Education	\$1,700
fHousing Allowan	\$17,510
fMedical	\$750
fPension-Medical	\$23,090
fSalary	\$45,000
fSocial Security	\$4,840
gOther staff salaries	\$45,405
gPayroll Service Fee	\$935
gPayroll Taxes	\$3,650
gRPMs	\$7,600
gStaff Development	\$1,000
gPersonnel-Staff - Other	\$400
<b>TOTAL</b>	<b>\$155,380</b>

**CRITICAL OBJECTIVE:** To insure that personnel policies for hiring and support of paid staff are maintained. To provide opportunities for objective evaluation and dialogue between staff, appropriate committee

**STANDARDS:**

- A. Develop standard policies for salary, vacation and sick leave for all paid staff.
- B. Prepare job descriptions in conjunction with the Pastor and appropriate committees for each staff position.
- C. Develop and maintain hiring policies.
- D. Ensure that bi-directional consultation occurs between paid staff and appropriate committee chair annually.
- E. Provide opportunity for grievance resolution.
- F. In coordination with Administration Committee, insure maintenance of appropriate personnel insurance.
- G. Review annually the above objectives and standards.

**CHAIR:** Linda Krzykowski



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# Worship

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WORSHIP	2015 Budget
hChurch Supplies	\$1,000
hMaintenance	\$2,575
hMisc	\$80
hMusic- Handbells	\$420
hMusic-Choir	\$800
hSupply-Staff	\$3,200
<b>TOTAL</b>	<b>\$8,075</b>

**CRITICAL OBJECTIVE:** To support the pastor and session in providing an opportunity to worship God.

**STANDARDS:**

- A. To assist the pastor in planning worship services or portions of services.
- B. To provide youth an opportunity to worship regularly.
- C. To oversee the music program of the church.
- D. To oversee the provision of art and seasonal decoration of the church to enhance worship experience.
- E. To ensure that elements of Communion are prepared for each service of the Lord's Supper.
- F. To support the incorporation of worship with prayer in regular meetings of groups.
- G. To recommend to the session annual adoption of budget to support the Worship Committee
- H. To plan and provide for study of worship through appropriate materials.
- I. To review annually these objectives and standards.

**CHAIR:** Claiborne Walthall



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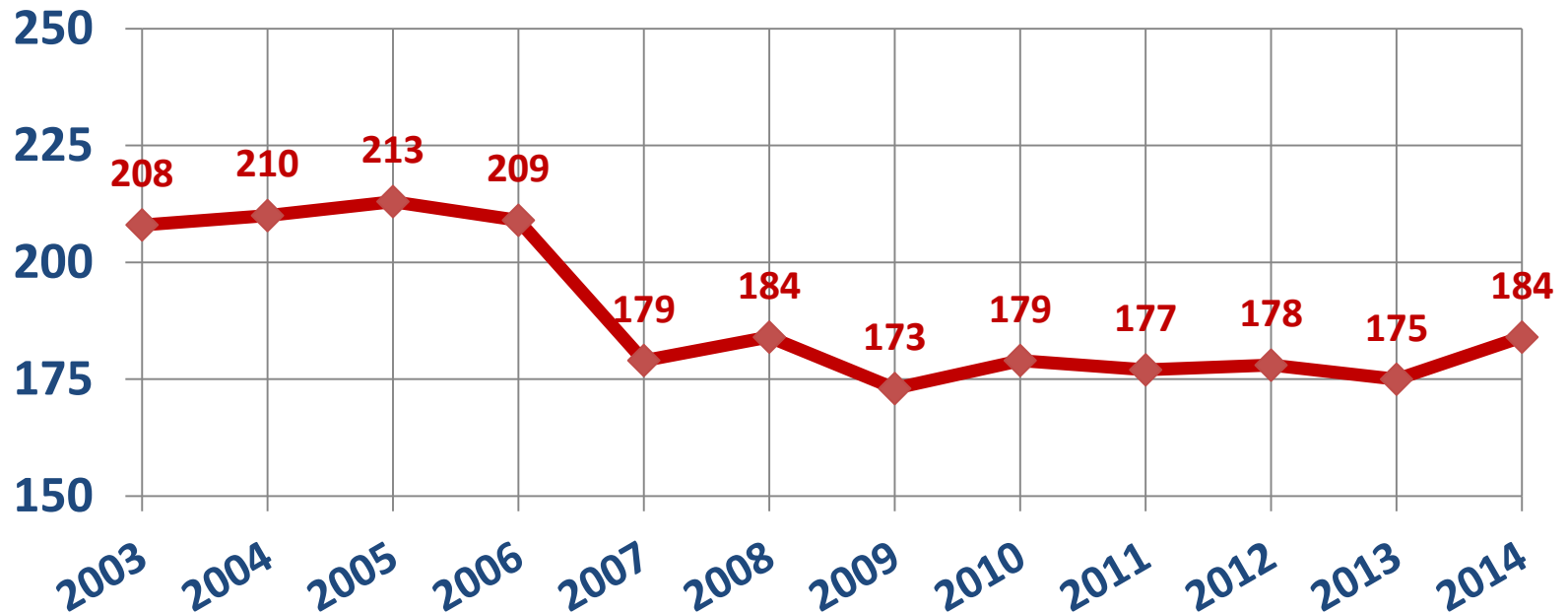
# History



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# Church membership, 2003 to 2013

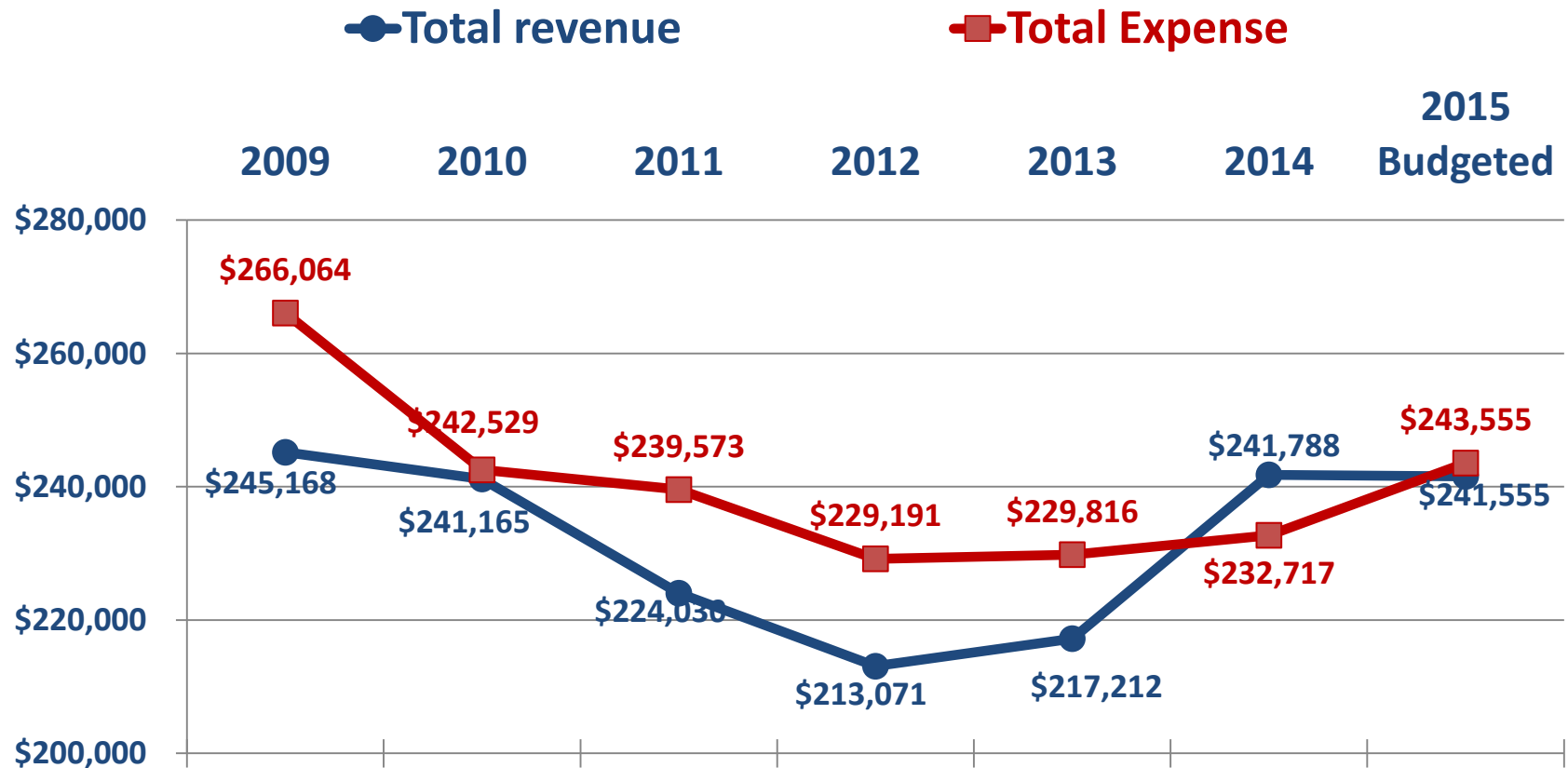
## Presently Active Church Membership



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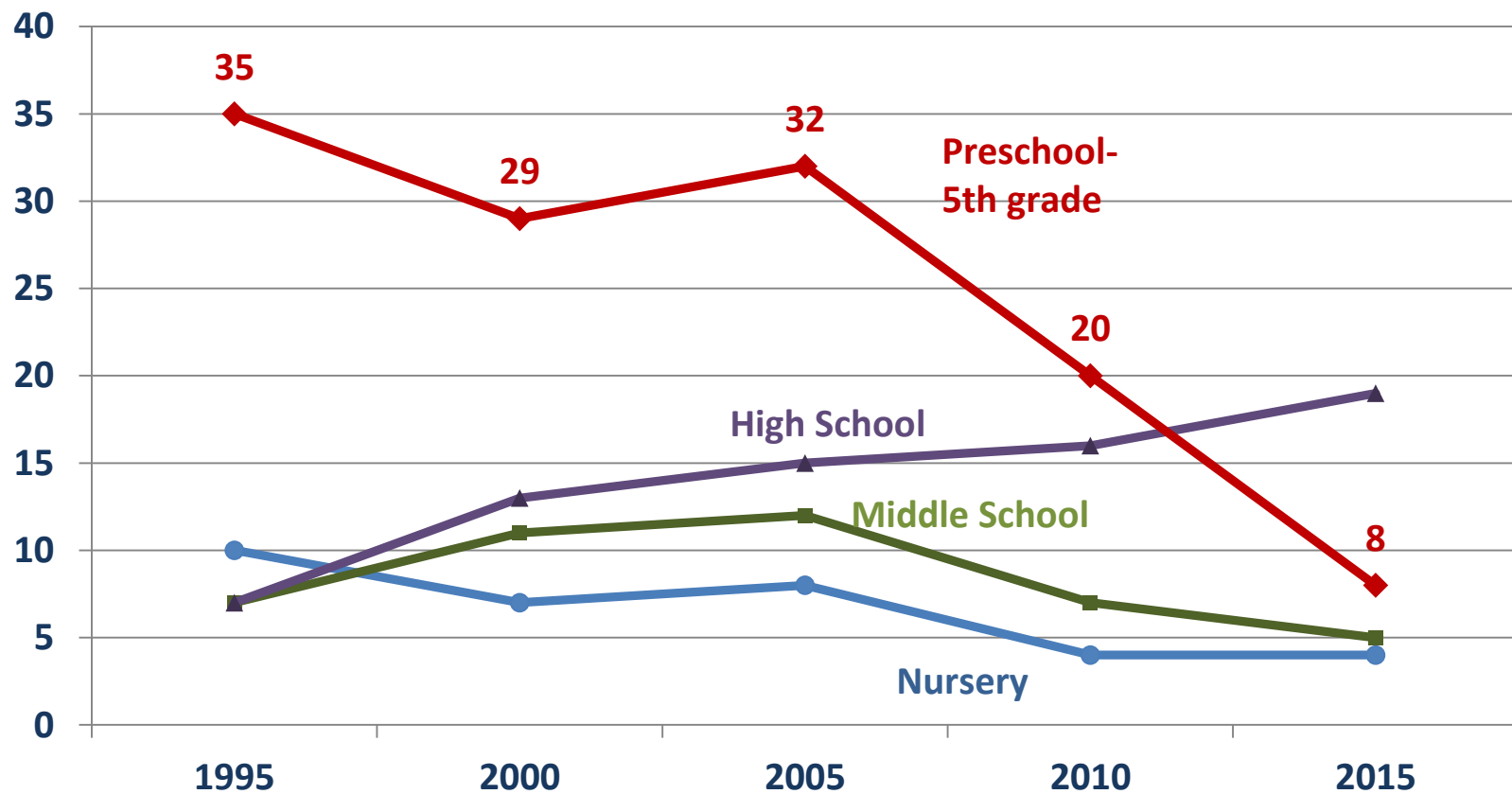


# Church revenues & expense, 2009 to 2015



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# One aspect of our membership: Church School enrollment:



*Drop in preschool-grade 5 enrollment is a major concern for the future*



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# Endowment & Other Assets



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# Assets, as of August 31, 2015:

Current Assets -- Checking & Savings	77,0328
Stewardship Fund	73,088
Capital Replacement	140,100
Manse Replacement	182,144*
Endowment	570,805
Stout Fund	6,213
Money Market	11,109
Capital District Revolving Loan Fund	5,065
NW Mutual Policy	21,013
Schwab Stocks	984
<b>Total Assets</b>	<b>1,087,553</b>

***Invested with New Covenant***

***Total assets have roughly doubled since 2009:***

- ***Capital Campaign***
- ***Bequests***
- ***Investment Earnings***

***Some funds are restricted in how they may be used.***



*\* The Church is required to own a manse, or maintain a reserve to purchase one.*

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# The Stewardship Fund

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In May, the Session approved a new policy:

1. Established the “Stewardship Fund” to support projects to strengthen the Church for the long-term.
  - *Projects must be recommended by a Committee and be approved by a 2/3rds vote of the Session. They should avoid creating financially unsustainable commitments for the Church.*
2. For the future, unless otherwise directed by the donor, 50% of any bequest will be placed in the Stewardship Fund and 50% in the Permanent Endowment.
3. This “50/50” split was applied to \$230,000 in undesignated bequests received in 2014.



# The Stewardship Fund, *continued*

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4. Interest and dividend checks will no longer be used to support the Church operating budget and will instead be reinvested into the Permanent Endowment.
5. A portion of any growth in the value of the Permanent Endowment may be used to support the Stewardship Fund, Operating Budget, or a combination of the two:
  - If the average rate of return for the previous 12 quarters (3 years) is greater than zero, then a sum equal to the lesser of 5% or the actual rate may be used.
  - If the average rate of return is zero or less, then no proceeds from the Permanent Endowment may be used.



# The Stewardship Fund, *continued*

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## Example:

- The average rate of return for the three years ending June 30, 2015 was 8.48%.
- The value of the Permanent Endowment on that date was \$477,600.

$$5\% \times \$477,600 = \$23,880$$

- Therefore, \$23,880 would be available to support the Stewardship Fund, Operating Budget or a combination of the two.



# Projects funded in the last year:

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Project	Amount	Source
Window replacement	\$51,610	Capital Replacement Fund
New sound system	\$41,110	Capital Replacement Fund
New playground	\$41,567	Stewardship Fund



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# Next Steps...



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# *Answering the Call*

*The Stewardship Campaign for Delmar  
Presbyterian*



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# *Questions or concerns..*

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