

Saint Michael & All Angels Episcopal Church

Financial Report

Town Hall Meeting

January 8, 2006

Financial Report ***SMAA Town Hall Meeting – January 8,2006***

2005 Financial Results

- Preliminary financial results for 2005 not yet available
- Through November, expense control was good and revenues were on budget
- Typically 20% of annual revenue is collected in December, so we are still getting all the gifts logged into the system – plan to have full year results available for the annual meeting in February

Outstanding Debt

- \$250,000 left on Chapel loan – dedicated cash and outstanding pledges cover all but ~\$40,000
- \$3,680,270 mortgage on 8100 Lomo Alto office building – serviced from rents

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2006 Stewardship

- Currently have 1,262 pledges and unpledged gifts totaling \$4,372,165
 - \$129,000 (3%) ahead of this point last year
 - Makeup of Pledges vs. last year
 - 426 Pledges (34% of those received) were increased from 2005
 - Average pledge is \$3,274, up 12.5%
 - 152 new pledges averaging \$1,953
 - 457 people who pledged over \$900,000 last year have not yet pledged!
 - Pledges needed
 - \$300,000+ in additional pledges needed to balance the budget at a minimum level
 - Strategic Plan items add another \$450,000 to pledge need
 - We will finalize the 2006 budget using pledges received by January 22nd
 - If you have made your 2006 pledge – thank you! If not, please do so soon
 - We will gratefully accept any pledge at any time

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2006 Budget

- Like all organizations, we have increasing costs for salaries, benefits, insurance and utilities

- 2006 Special Factors
 - Net Child Development cost down by over \$100,000 due to increased MDO revenue and addition of a 4 year-old class

 - Capital Maintenance – \$1.2 million program (planned \$400,000 per year in 2004 – 2006)
 - Spent \$388,000 in 2004 and budgeted \$238,000 in 2005
 - Targeting up to \$400,000 in 2006
 - Need to replace boiler (a \$300,000+ addition to the \$1.2 million program)
 - Restricted gifts from SMAA Foundation and donor will pay \$65,000 of 2006 cost

 - Financial Reporting and Controls
 - Added a director of accounting in 2005
 - To add a restricted fund accountant in 2006

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SMAA Financial Complexity

- Vestry has fiduciary responsibility for all of the following:

15 Operating Departments

Administration
Adult Education
Child Development
Children & Family Ministry
Community Life
Congregational Care
Congregational Programs
Ministry
Music
Operations
Outreach
Parish Life
Pastoral Care
Pathways
Youth Ministry

Operating Budget

\$6 million+ revenue and offset income
\$1 million+ outreach
\$5 million operating expenses

77 employees
- 61 full time, 16 part time

100+ Restricted Funds

(~\$1 million assets)

Examples:

Angel Run
Angels Among Us Fund
Bolivia Mission Trip
Brotherhood of St. Andrews
Campbell Music Fund
Christmas/Easter Offerings
Columbarium
Confirmation Events
Daughters Of The King
Diocese of Jerusalem
Heart of Giving
Honduras Mission Trip
Hurricane Relief Fund
Music Discretionary Fund
Needy Family Fund
Nursery/Prepaid Tuition
Pathways To Ministry
Ratelle Speaker Series
Rosebud Mission Trip
St. Michael Scholarship Fund
United Thank Offering
Youth Fund

9 Affiliate Organizations

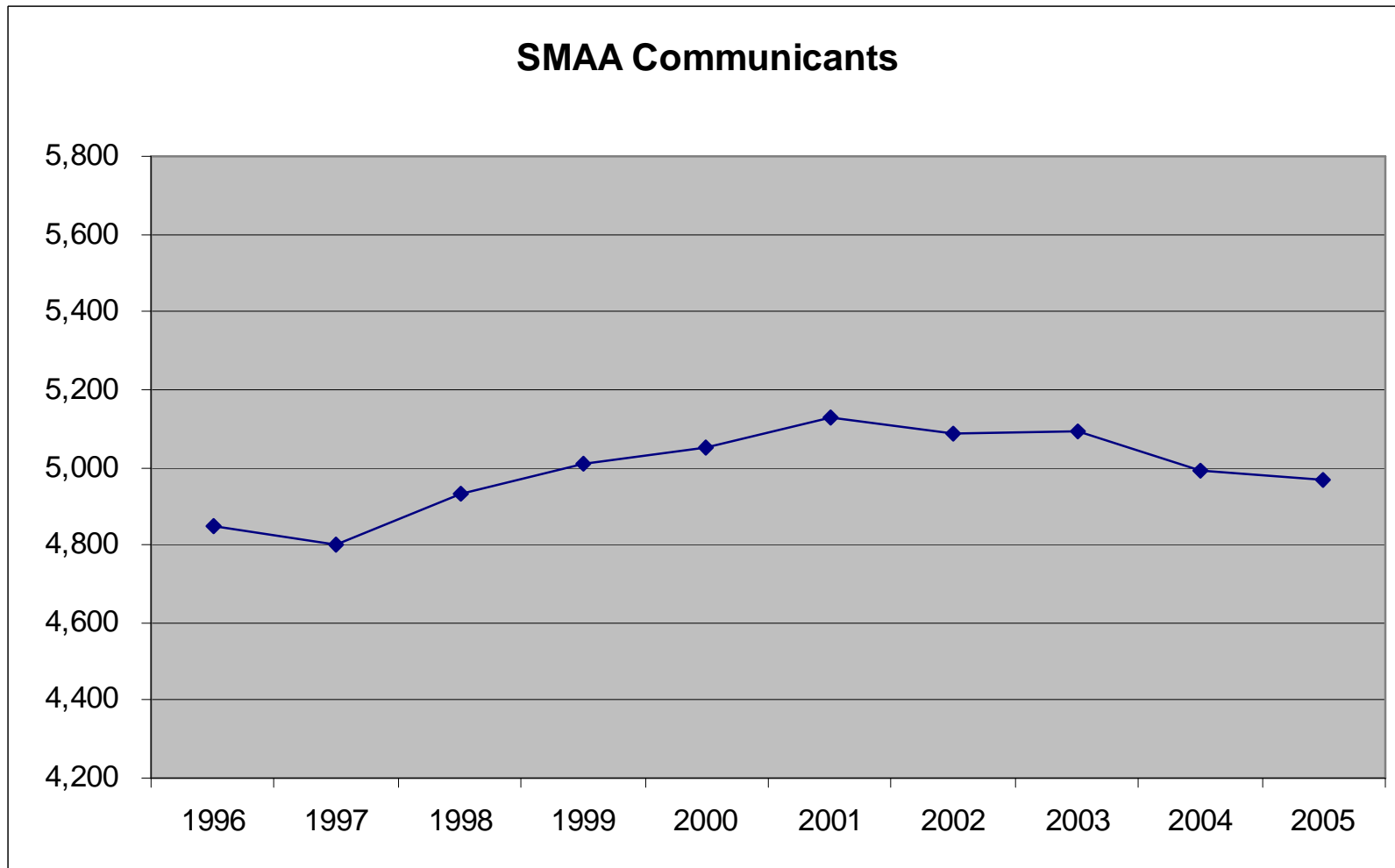
**(7 maintain independent financial statements;
\$1.5 million+ revenue)**

Brotherhood of Saint Andrew
Daughters of the King
Flower Memorial Fund
Men of Saint Michael
Saint Dunstan's Guild
Saint Mary's Guild
Saint Michael Bookshop
Saint Michael Women's Exchange
Women of Saint Michael

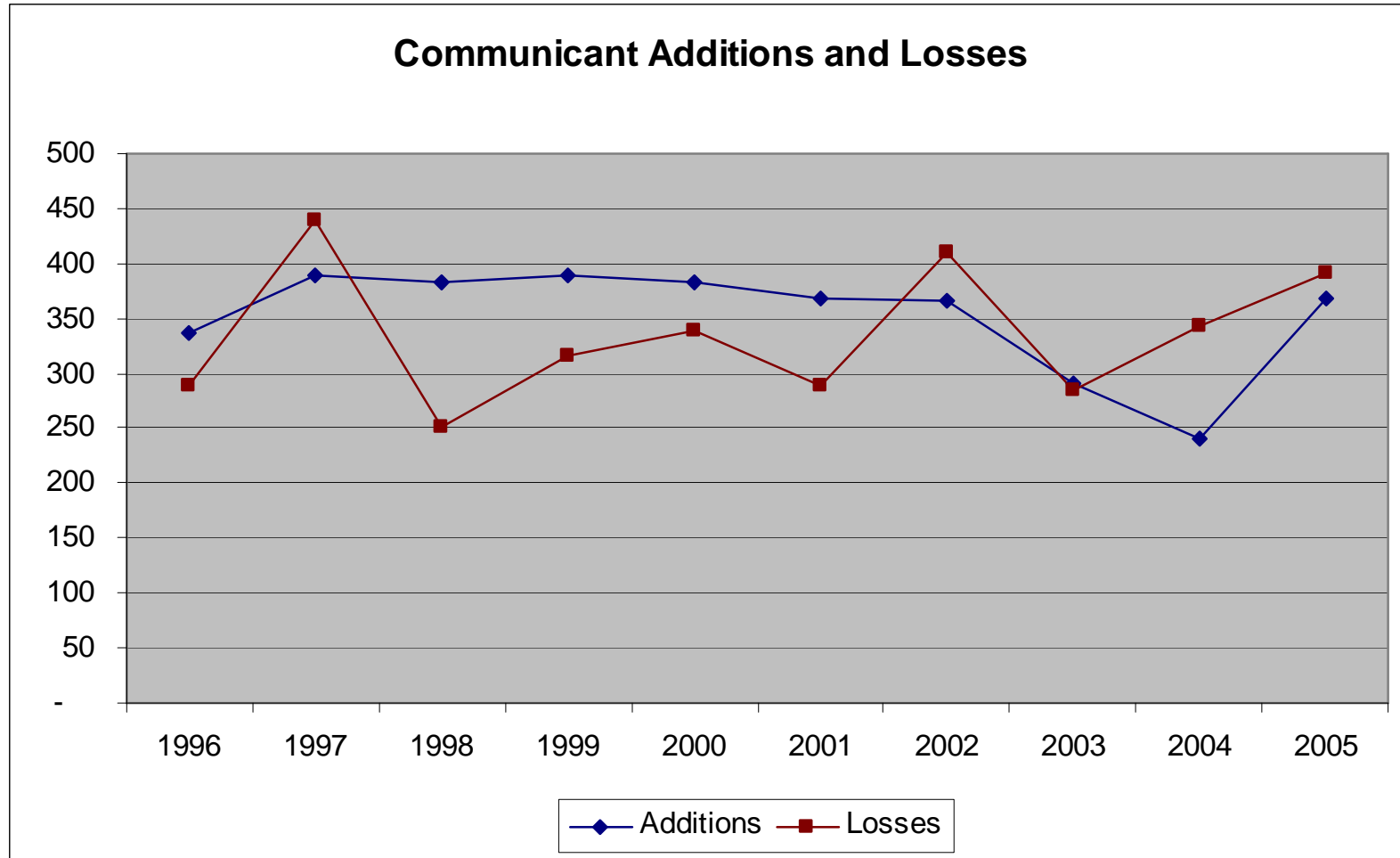
2 Wholly-Owned Subsidiaries

Fredericks Square Title Holding Company
- 8100 Lomo Alto office building
Douglas Square Title Holding Company
- Apartment property north of Church

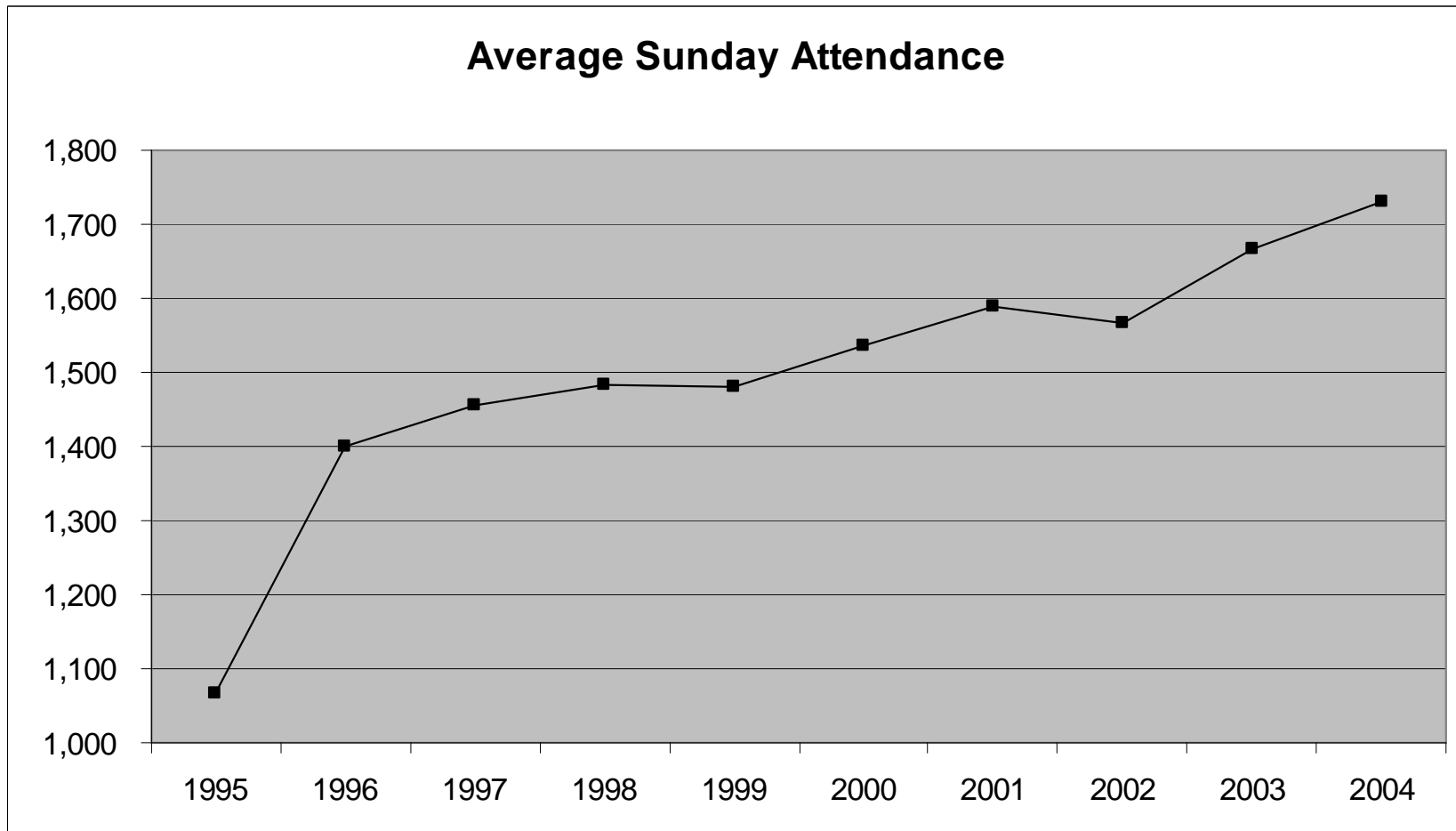
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