

Treasurer's Report

This is my first report to the congregation as Treasurer, having officially taken over the position last September. Fortunate for me, compared to 2010, the year 2011 was a somewhat easier year to endure. The difficult choices that were made in 2010 helped pave the way for a more successful 2011. In this transition year, I want to express my thanks to outgoing treasurer Jim Perrin. Jim's help in making this a much less difficult process than it would have otherwise been.

When the 2011 budget was prepared, there was a \$4,497 deficit projected which was to be funded by transfers from our operating account reserve. The actual 2011 result was a surplus of \$8,600, which is after \$17,000 expended for a much-needed piano. This result was realized because a number of positive factors that occurred during the year. On the income side, the 2011 pledges actually received, net of the 2012 pledges received in 2011, were in excess of the amount budgeted by 8% or \$29,000. The loose offering received in 2011 was also significantly in excess of the amount budgeted. Under the fundraiser category, Oktoberfest was a great success this year, contributing almost \$12,000 to the Parish income, which was the result of the hard work and creativity of Skip Slauson and the Oktoberfest committee. Another significant development was the Grace Church Thrift Shop, which was initiated by Nancy Young. The Thrift Shop contributed \$3,800 to the operating account in addition to contributions going directly to the Rector's Discretionary Fund.

For the year 2012, we are fortunate so far to have received 199 pledges totaling \$396,003. At this time last year we had received 190 pledges totaling \$365,022. This represents a dollar increase of almost \$31,000, or 8.5% ahead of 2011. We are also encouraged to have received 40 new pledges in 2012. On the negative side, we have continued to lose a number of pledges. There were 31 individuals or families who so far have not made a 2012 pledge. Of these, 6 have either died or have moved away from the area. The overall result of the 2012 pledge campaign however is positive; this is especially striking in view of the continued poor economy and the resulting adverse affects on the Grace Church community. We therefore want to express our heartfelt appreciation for everyone who has submitted a pledge and to the Stewardship Committee for this result.

A major issue that will have to be dealt with in 2012 is the loss of a major portion of our space rental fees, which had been a significant part of our revenue stream in prior years. This was the result of the unanticipated departure of a long-term tenant, the music school. For 2012, our budgeted rental income was reduced by \$20,000 as a result. However, even to meet this reduced target, it will be necessary to mount an aggressive campaign in order to attract new tenants.

Concerning the budgeted 2012 Diocese Fair Share pledge, the Parish was able to budget an increase of its contribution of \$9,500. Even with this increase, as was the case in 2011, our contribution to the diocese is not a tithe nor does it equal the fair share requested by the diocese. It is important to note, however, that an additional contribution to our 2011 Fair Share pledge was made that is not reflected in the Income and Expense Summary. This additional contribution was the result of generous additional contributions made by vestry members, which were designated for specific purposes, including the Fair Share. In addition, it is the plan that a portion of the 2011 operating fund surplus will be designated as a contribution to the Diocese Fair Share.

Concerning rector and staff, salary increases were kept at 2%, in accordance with the minimum salary increases as specified by the Diocese. In 2011, we were fortunate enough to find a replacement for Bill Lowden, our organist and choirmaster who retired this past June. Bill Lowden's successor is Matthew Robertson, an accomplished musician and choirmaster. With the hiring of Mathew, this resulted in changes in the salary structure and compensation arrangements, which was not fully anticipated. This resulted in the 2011 Music expenditures exceeding the budgeted amount by \$12,000.

Another important development in 2011 was the formation of an Investment Committee, formed by Rob Gallo. This committee was formed under a resolution of the Vestry and has been in operation since June. I refer the reader to the Investment Committee report, which is contained separately in this Annual Report.

In closing I want to thank assistant treasurer Al Schmidt and Jim Perrin who also has fortunately agreed to serve as an assistant treasurer and Lorraine Winyard for serving as our financial secretary. I could not do all of the work involved in the treasurer's job without them. . I also want to thank Father Close for his help and cooperation and the ladies of the office, Sue Getz, Kate Myers and Gretchen Poliero for theirs.

Finally, I want to express my thanks to Dave Sommerville and Bill Radcliff who had worked with me in the two financial reviews of Grace Church for 2007 to 2009 and hope that they will continue to engage in this unenviable task for 2010 – 2011 cycle.

Respectfully submitted,
Bill Sweeney
Treasurer