

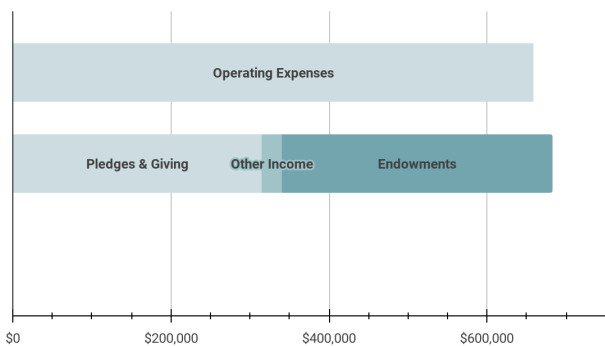
Treasurer's Annual Report for 2023 & Financial Outlook for 2024

Summary

This year saw increased operations as our church family resumed activities long postponed during the height of the pandemic as well as some unexpected changes that impacted our budget. Overall, we ended 2023 with a **small operating budget surplus** (versus a planned deficit) mostly a result of savings in clergy compensation and benefits due to the departure of the Rector.

Pledges, Offerings & Other Gifts	315,225
Endowments	341,352
Other Income	25,581
TOTAL INCOME	682,158
Operating Expenses	(658,936)
NET INCOME	23,222

2023 Summary



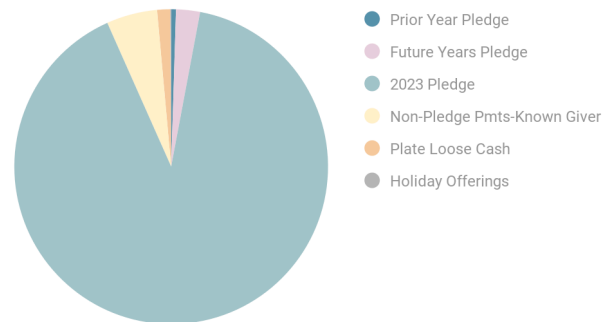
Giving

As a self-supported parish, Holy Communion relies on the generosity of its members. We are grateful for every dollar you contribute!

Pledges and offerings grew slightly by nearly 3% in 2023 with an increase in pledge payments of nearly 8% compared to 2022.

90% of Total Giving was a result of your pledges. Pledging expresses your intention to give and helps us estimate income and complete a budget. **Nearly all (>95%) of the pledges made in 2023 were fulfilled - thank you!**

Pledges & Offerings = \$314,073

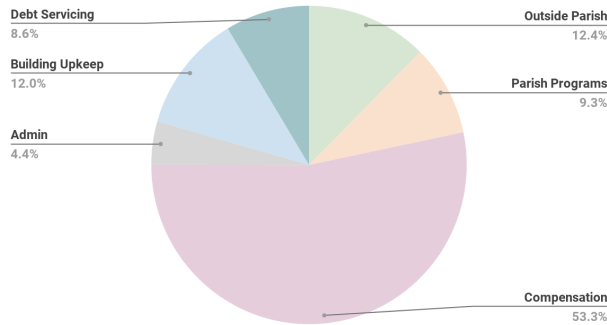


Endowments

Holy Communion is fortunate to have numerous endowment and investment funds that help support our Rector (Robert Fund), music program (Ellicock Fund), adult education (Mitchell Fund), capital improvements (Caskey Fund), and our overall mission. **Invested funds provided ~50% of our total income in 2023.**

Expenses

2023 Expenses



Holy Communion continues its trend of **spending more out in our community than inside our Parish**. Outside Parish expenses include ministries like Laundry Love and the Trinity Feeding Ministry as well as our support for the LGBTQ+ community, the Episcopal City Mission, and Diocesan operations.

Inside our Parish, we fund adult, youth, and children's education, pastoral care, fellowship - including breakfast and Theology on Tap - music, training, and our New Member Ministry.

Our **building upkeep** expenses include utilities, servicing the grounds, and Gannon House maintenance. As a percentage of overall expenses, they are about average compared to similar churches. Our **admin** expenses are reasonable at <5% of total expenses.

Compensation includes clergy and staff salaries, benefits, and related expenses. We aim to compensate our clergy and staff generously within the Church guidelines for compensation.

We **service our debt to the Diocese** for the White Loan which helped fund our Next 150 Capital Campaign. These loan payments total ~\$63k annually at an extremely low interest rate (<2%) through

2029 when we owe a balloon payment of ~\$120k. The White Loan payments impacted our overall cash flow in the last couple years and in 2024, we should make it a priority to discuss restructuring the terms of the loan with the Diocese to de-risk our cash management outlook. The church has no other outstanding debt.

We are ok!

Cash Position. Although we dipped into our cash savings to cover a portion of the loan payments, we ended the year with \$343,759 in cash (down ~\$36k from the start of 2023). Our cash is split between a checking account and a high interest money market account which we opened in 2023. We have additional liquidity with ~\$180k invested through the Diocese in the Caskey Fund.

Audit. The audit of our 2022 financials is ongoing by our outside accounting firm of Schmersahl Treloar & Co. We continue to employ a professional outside bookkeeper and do not expect any significant issues from the audit.

Opportunities in 2024

Space Use. We benefited from tenant relationships with St Patrick Center (for the Gannon House) and Women's Voices. Both of these relationships are expected to end in 2024 with a net impact to our income of ~\$(15,000). **Please contact the Vestry if you would like to volunteer to help us build new partnerships for use of our facilities.**

Staff Changes. In 2023, we reopened our Nursery and began paying Child Care Providers - something we plan to continue through 2024. We obviously had notable savings from not having a Rector for

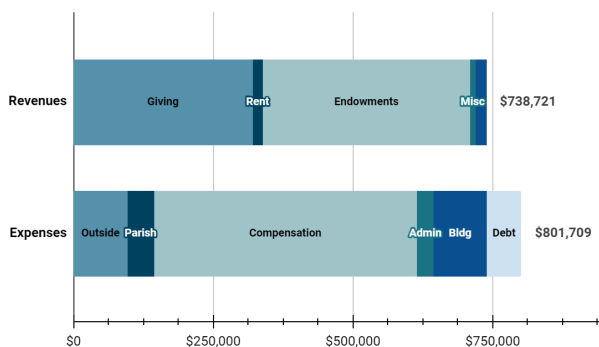
several months and also currently have an open position for Sexton which we would like to fill soon so we can reduce the contracted cleaning services costs. In 2024, we have budgeted for our Interim Rector and a full time Organist.

Grants. We received a \$20k Diocesan grant for Grace Gatherings. We expect a final year of this grant in 2024 at a reduced rate of \$10-15k. **If you would like to volunteer to re-organize the Grant Committee or help us apply for new 2024 Diocesan Grants, please contact the Treasurer.** Even a small grant would have a significant impact on our overall financial outlook next year.

2024 Budget

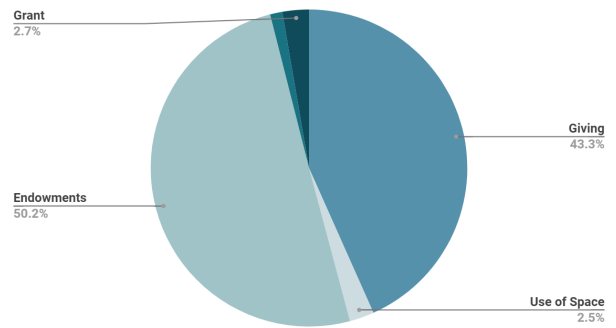
The Vestry committed to a balanced operating budget in 2024. This is an important goal as we work to stabilize our financial outlook post-COVID and demonstrate our commitment to spend within our means while repaying our debts. **Our Giving budget in 2024 is largely dependent on pledges totaling \$300,000 - a modest increase over 2023.** **We can do this!**

2024 Budget

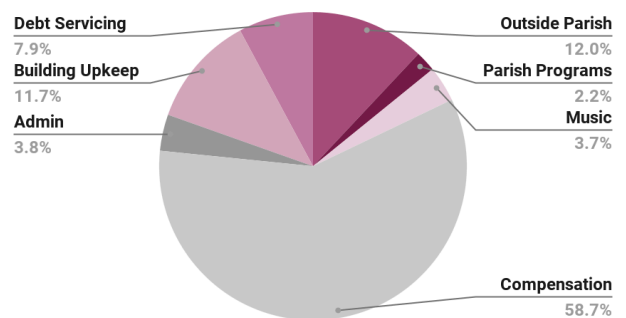


Estimated cash flow is \$(62,988) including the White Loan payments to the Diocese.

2024 Budget - Revenues



2024 Budget - Expenses



Conclusion

It has been a privilege to serve the people of Holy Communion during this season of change. A special thank you to Rev Julie, Deacon Chester, Elizabeth Hines, Hannah Shanks, Jim Kern, the members of the Finance Committee, our amazing Stewardship Committee, the Wednesday Bible Study group, and my fellow Vestry members for your steadfast support and guidance this past year.

Please contact me at treasurer@holychommunion.net or reach out to any member of the Vestry if you have questions or are willing to serve on a committee - I promise it will be fun!

Peace,
Kellie