



St. James's Episcopal Church

2007 Budget Summary – January 2007

“Not to be served...but to serve”

“Welcome to St. James’s Episcopal Church!” These are the words that we are accustomed to hearing every week as we worship together. As we progress from the advent season to the New Year, we are faced again with one of the most important tasks we confront annually: creation of the 2007 budget.


A budget is, in its simplest form, *a reflection of the values of an organization*. It describes – both in a narrative and a numeric form – the services, programs and commitments of a parish. The 2007 budget for St. James’s is no different. This budget has been prepared in an effort to make decision-making as easy as possible while understanding how the parish plans for and spends its resources in service of the Lord.

Summary: The 2007 Budget proposes a deficit of **\$23,425**. This deficit is attributed to many different factors, but is primarily driven by decreased income - both congregational giving and dramatically reduced rental income.

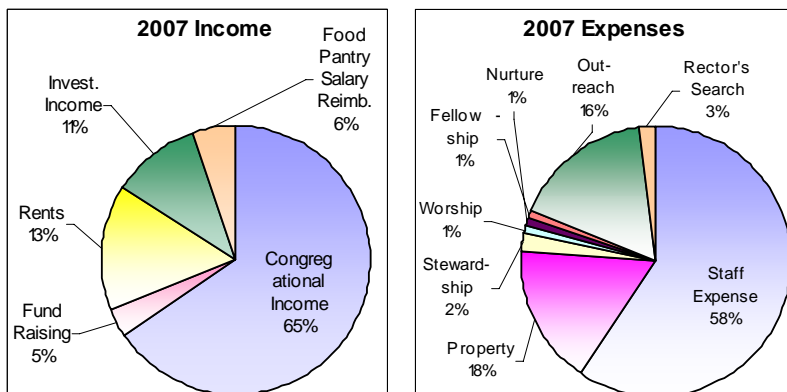
	2006 Budget	2007 Budget	Difference
Income	\$ 348,400	\$ 331,592	\$ (16,808) -4.8%
Expenses	\$ 374,220	\$ 355,017	\$ (19,203) -5.1%
Surplus / (Deficit)	\$ (25,821)	\$ (23,425)	\$ 2,396

More information on expenses and revenues can be found on the reverse of this document.

We know we to keep working to reduce our deficit. The vestry has approved this budget on January 16, 2007 but it will review the budget again in March, May and July 2007 to see how revenues and expenses are shaping up in 2007.

 **What can we do?** We must reflect, pray, tithe and personally search to determine how much financial value we place on our community to determine what level of services we can provide as we move forward.

Where the money comes from? | Where does our money go?



St. James's Capital Update

Rebuilding a
LANDMARK...
Preparing for the **FUTURE**

- Masonry work will begin in late winter and continue through early spring
- Pledges totaling more than \$312,000 have been received through January 2007 – out of \$472,000 pledges from the congregation – **Thank you for your support!**
- Vestry has approved a five-year capital plan to highlight other capital needs.



St. James's Episcopal Church - 2007 Budget Summary



Income: Income is proposed to decrease 4.82% or \$16,808 compared to the 2006 budget. The bulk of this income decrease is proposed to come from three areas:

Income	2006 Budget	2007 Budget	Difference	
Total Congregational Income	\$ 222,111	\$ 217,020	\$ (5,091)	-2.3%
Total Fund Raising	\$ 14,370	\$ 11,870	\$ (2,500)	-17.4%
Total Rents	\$ 65,728	\$ 50,253	\$ (15,475)	-23.5%
Total Investment Income	\$ 28,870	\$ 34,695	\$ 5,825	20.2%
FP Salary Reimbursement	\$ 17,322	\$ 17,755	\$ 433	2.5%
TOTAL ORDINARY INCOME	\$ 348,400	\$ 331,592	\$ (16,808)	-4.8%

- Decrease in Congregational Income. Pledging units (number of pledges) have decreased between 2004 thru 2006, and the total congregational giving for 2007 consists of decreased pledges, open plate and special offerings. This trend has been reflected thru current financial statements. A one-time stewardship appeal is planned for early 2007.
- Decrease in Rental Income. The loss of our tenant Agape has placed a huge strain on the ability of St. James's to collect sufficient revenue to operate. This will be partially offset by the addition of a new part-time Mental Health Drop-In Center during the week. Discussions with realtors are underway to seek new tenants.
- Decrease in Fundraising. The Christmas Fair did not perform as well as was estimated for the budget. Total fundraising has been reduced by \$2500 to account for more realistic collections from the fair.
- Increase in Investment Income. Given the large endowment of the parish and higher interest rates, increased dividends are anticipated in 2007. The 2007 budget assumes a 23.38% increase in investment income over 2006.



Expenses: Expenses for 2007 are forecast to

decrease 5.13% or \$19,203 from the 2006 budget. Major expenses for 2007 include:

Expense	2006 Budget	2007 Budget	Difference	
Total Staff Expense	\$ 210,318	\$ 210,816	\$ 498	0.2%
Total Property Expense	\$ 70,242	\$ 59,590	\$ (10,653)	-15.2%
Total Stewardship Expenses	\$ 13,400	\$ 7,900	\$ (5,500)	-41.0%
Total Worship	\$ 3,600	\$ 3,240	\$ (360)	-10.0%
Total Nurture	\$ 4,020	\$ 3,172	\$ (848)	-21.1%
Total Fellowship	\$ 3,850	\$ 3,610	\$ (240)	-6.2%
Total Outreach	\$ 68,790	\$ 59,689	\$ (9,101)	-13.2%
Total Rector's Search	\$ -	\$ 7,000	\$ 7,000	100.0%
TOTAL ORDINARY EXPENSE	\$ 374,220	\$ 355,017	\$ (19,203)	-5.1%

- Personnel: The 2007 staff budget is essentially level-funded. The only increases built-in are for 2.5% COLA's (Cost-of-Living

Adjustments) for the Music Director and Sexton and the diocesan TCC adjustment for a new rector. 6 months of a full-time rector have been budgeted for 2007; consequently 6 months of an interim rector have been budgeted as well.

- Property: The 2007 property budget is decreasing by 15.17% or \$10,653. This decrease is chiefly responsible to the changing of insurance providers between 2006 and 2007. The parish is returning to the Church Insurance Group, a subsidiary of the Episcopal Church of The USA's Church Pension Fund.
- Office: Office expenses are set to decrease by 42.97% or \$5,500. No copier purchase is planned for 2007.
- Outreach: The Outreach expenses for 2007 are set to decrease by 13.23% or \$9,101. The largest component of this decrease is a lower Diocesan Assessment.
- Rector's Search: \$7,000 has been budgeted to pay for search related expenses in the pursuit of a new rector.



St. James's Episcopal Church is a member of the Episcopal Diocese of
Massachusetts & the Episcopal Church USA

