

THE CHRIST CHURCH CONNECTION

THE NEWSPAPER OF THE MOTHER CHURCH OF THE DAKOTAS

BOO!

OCTOBER 2016

CHRIST EPISCOPAL CHURCH FINANCES 101 OR WHY THE CHURCH NEEDS OUR FINANCIAL SUPPORT

My goal is twofold: Outline how our finances are structured and explain why our financial support of the church is needed.

First, the structure. We have six (6) funds that support the ministry of our parish. These funds are monitored on a monthly basis. Briefly, the funds, how they are used and the major source of revenue for each is as follows:

1. **Operation Fund:** This is the main fund of the church. As the name implies, the fund supports the operating expenses of the parish including salaries, utilities, supplies, maintenance, some outreach and the Diocesan pledge. Nearly all (99%) of the revenues are derived from pledges and plate offering.
2. **ECW Fund:** This fund is managed by the Episcopal Church Women. Fund raisers conducted by the members provide all the revenue and the primary use of these funds, currently, is for various outreach ministries. The fund also provides some support for the Operation Fund and, in the past, has funded some major improvement projects such as the new flooring in the Undercroft.
3. **Youth Group Fund:** This small fund supports the activities of the Youth Group. The profits from the annual Shrove Tuesday Pancake Supper go to this fund.
4. **Discretionary Fund:** Fr. Jim and Deacon John use this fund for outreach purposes helping individuals in need. The loose offering received the first Sunday of each month goes to this fund.
5. **Unrestricted Fund:** This is one (1) of the two (2) investment funds the church maintains and, as the name implies, the use of these funds is unrestricted, i.e., they may all be used. This fund is used primarily for capital outlay projects such as the recent roofing and organ renovation projects. These projects are funded by donations and, over the years, as the donations were received and invested prior to payments for the projects, earnings totaling nearly \$45,000 have accumulated that can be used for future projects. Keep in mind, however, that since these earnings are invested in the stock market, the amount on hand any given month is subject to movements in the market.
6. **Restricted Fund:** This investment fund is comprised of twenty-four (24) individual funds resulting primarily from bequests to the church over a long period of time. The fund is restricted to using only the earnings thus preserving the principal to generate future income and these earnings are to be used to support the operation of the parish as needed. Again, keep in mind that these earnings and the accumulation thereof are subject to the movement of the stock market.

Second, as we enter the season of Thanksgiving and begin to consider our level of stewardship for 2017, we need to understand why the parish needs our financial support. To do this, we will focus on two (2) of the six (6) funds discussed above, i.e., the Operations Fund and the Restricted Fund. For many years, pledges and plate offerings were sufficient to support the operating expenses of the parish. In recent years, however, that has not been the case as these sources have steadily trended downward (See "Participation & Giving Trends, Christ Episcopal Church, Yankton, SD" graph.) and, even though we have reduced our annual operating expenditures by \$30,000 since 2011, including reducing our rector's position from full-time to three quarter time, we have not been able to balance the operating budget. As a result, we have had to rely heavily on the accumulated earnings in the Restricted Fund to cover our operating expenses and have used a total of \$114,000 of these earnings to balance the budgets for 2011 – 2015, including \$28,000 last year, and we will transfer \$25,000-30,000 from the Restricted

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Fund to balance our budget this year. As the Vestry begins to consider the budget for 2017, if there are basically no changes in the budget compared to the current budget, i.e., projecting revenues and expenditures to be the same as this year, the proposed budget shows a deficit of nearly \$25,000 (See "Christ Episcopal Church 2017 Proposed Budget-1st Draft" spreadsheet.). Keeping in mind that the accumulated earnings in the Restricted Fund are subject to the whims of the stock market, at this point, we have approximately \$70,000 accumulated earnings remaining that we can use. If we continue to need \$25,000-30,000 a year from Restricted Fund earnings to meet operating expenses going forward, it is readily apparent that the use of these earnings will not be sustainable for more than the next two or three years depending on the stock market.

What are our alternatives? Simply put, we need to increase donations, i.e., pledges and plate offerings, or reduce expenditures or both. Let's look first at our expenditures. As previously indicated, we have already reduced our operating expenses by \$30,000 per year since 2011 and, as a result, outside of two areas, there are not many places left where we can make further adjustments. Utilities, insurance, supplies and program costs are relatively fixed. The only way we can reduce those further is to cease to operate. The two areas that remain are the priest's position/salary and the Diocesan pledge. We may, at some point, have to consider a half-time rector as opposed to the three-quarter time position we have now. The other significant expense is our Diocesan pledge. With one or two exceptions, we have always tried to pay this assessment in full but reducing it, although not very palatable to me at least, is an option. The profound irony here is that our parish, even with the financial challenges we face, is one of the more richly blessed in the Diocese and our pledge to the Diocese goes primarily to the support of some very poor parishes in our Diocese, primarily those on our reservations some of which still don't have indoor plumbing!

The other alternative is to increase our pledges and plate offerings since these two sources provide ninety-nine percent (99%) of our operating revenues not including transfers from the Restricted Fund. To balance our budget without using any earnings from the Restricted Fund, we need an average offering of about \$2,300 per Sunday. In July, the average was \$1,420 and in August it was only \$905. The average bounced back to about \$1,850 in September but still short of what we need overall. Unfortunately, our pledge base and pledge amounts have been declining over the past few years and, furthermore, our pledges are heavily skewed toward just a few providing the bulk of the amount pledged (See "Christ Episcopal Church 2016 Pledge Summary" graph.). Our pledge base, i.e., number of written and signed pledges, has dropped from around forty (40) per year a few years ago to just twenty (20) in 2016 and four (4) of those 2016 pledges provide over half (\$28,004) of the total amount (\$54,654) pledged. If one or more of these four (pledges) were substantially reduced or lost completely, the potential negative impact on our operating income is obvious.

In summary, we need, as a parish and as individual members of this faith community, to give serious consideration to who we want to be as a parish going forward and how we are going to provide the necessary financial support for those ministries over the years ahead. Finally, we each need to give prayerful consideration to what we individually can do in 2017 to support Christ Episcopal Church. Our generous financial support is truly needed.

Dick Unruh, Treasurer



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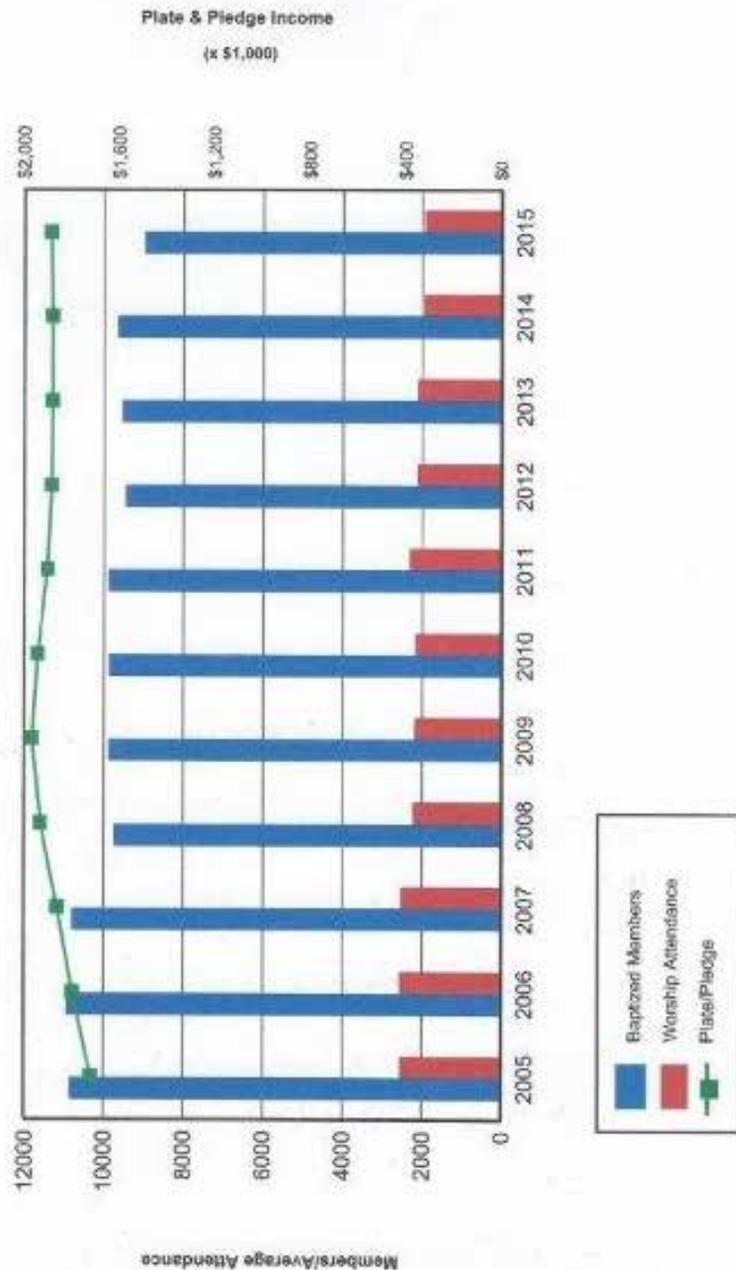
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Participation & Giving Trends
Diocese of South Dakota (2308-4387)



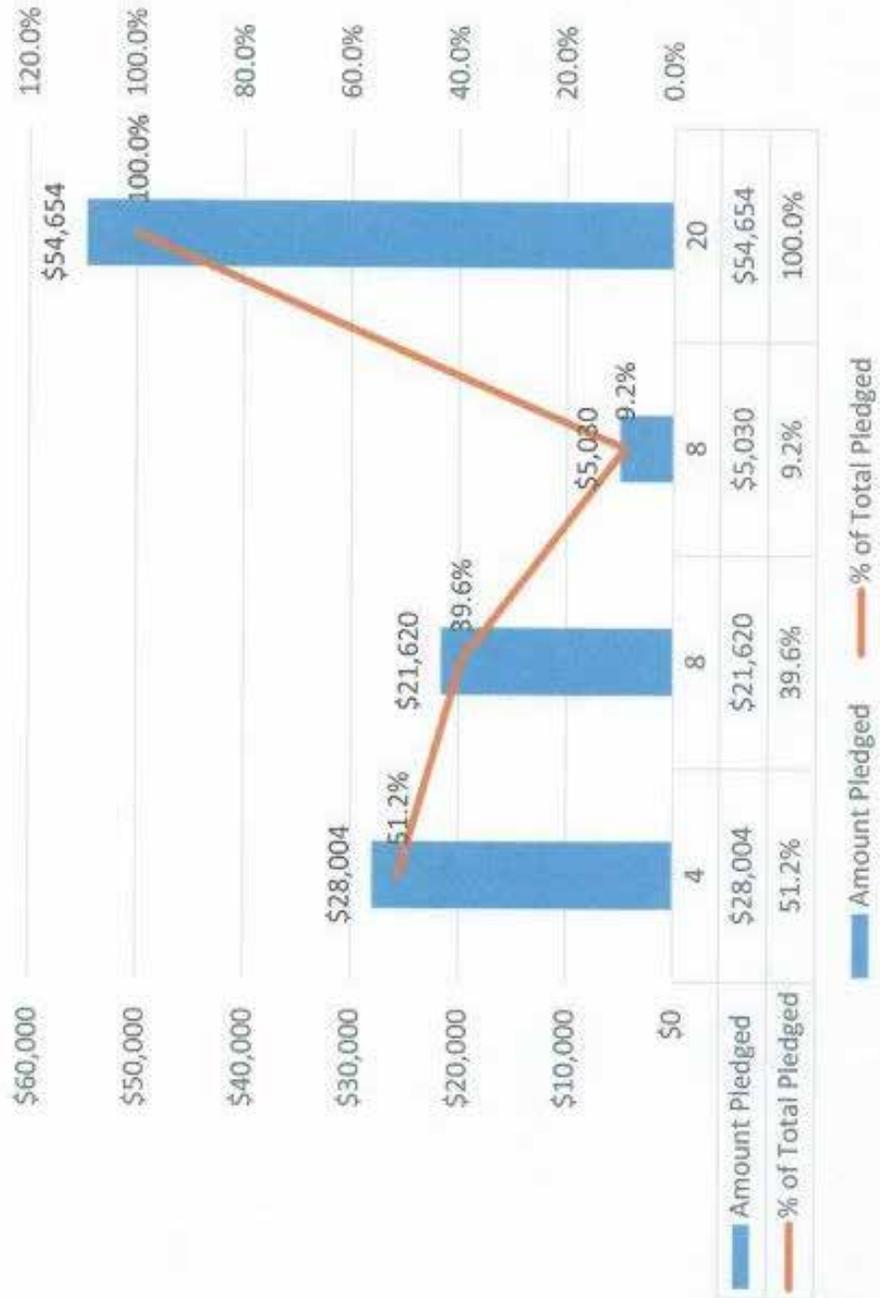
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Christ Episcopal Church 2016 Pledge Summary



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BANQUET 2016

On Thursday, September 8, 2016, Christ Episcopal Church had the opportunity and privilege to serve a record number of guests at The Banquet. We have always had a large gathering partake in the chicken dinner we serve, but on this particular Thursday



evening we broke records for both total served and the number of children served. There were 326 people served, which included 72 children and our 22 volunteers. Our volunteers were kept busy the entire evening preparing food, serving, assisting, and visiting with guests. It was a blessing to be part of this experience.

A heartfelt thank you to all of our wonderful volunteers who helped us provide this meal for such a worthwhile cause. Whether you were there to set up, serve, or clean-up-- or if you helped to provide some of the delicious bars, cookies or cupcakes-- or if you were able to provide a monetary donation to assist with the cost of the chicken, it was all greatly appreciated. Thanks also to Pizza Ranch who always provides the delicious chicken, coleslaw and biscuits at a generous discount.

Please mark Thursday, September 14, 2017 on your calendar as our next opportunity to serve at The Banquet.



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**The Episcopal
Church Women**

October 1st we were vendors at the “Meridian Market” on a beautiful Saturday morning.

Our yearly budget includes several community/volunteer entities we want to continue to support, and therefore we need to raise funds. Through the generous effort and talent of about fifteen from our parish family, our sale included the best baked goods, stained glass, produce, note cards, bean soup mix, cutlery, pounds of pecans..... an amazing array! And equally amazingly we raised about \$745 !

Thank You! Your donations and the great support of our customers made it work.



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TODAY'S HALLOWEEN TRADITIONS

The American Halloween tradition of “trick-or-treating” probably dates back to the early All Souls’ Day parades in England. During the festivities, poor citizens would beg for food and families would give them pastries called “soul cakes” in return for their promise to pray for the family’s dead relatives. The distribution of soul cakes was encouraged by the church as a way to replace the ancient practice of leaving food and wine for roaming spirits. The practice, which was referred to as “going a-souling” was eventually taken up by children who would visit the houses in their neighborhood and be given ale, food, and money.

The tradition of dressing in costume for Halloween has both European and Celtic roots. Hundreds of years ago, winter was an uncertain and frightening time. Food supplies often ran low and, for the many people afraid of the dark, the short days of winter were full of constant worry. On Halloween, when it was believed that ghosts came back to the earthly world, people thought that they would encounter ghosts if they left their homes. To avoid being recognized by these ghosts, people would wear masks when they left their homes after dark so that the ghosts would mistake them for fellow spirits. On Halloween, to keep ghosts away from their houses, people would place bowls of food outside their homes to appease the ghosts and prevent them from attempting to enter.



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OCTOBER 2016

Celebrating
Birthdays

HAPPY
ANNIVERSARY

October

- 1 Tre Hayes
- 2 Letrell Hayes
Mary Ann Anderson
Tonya Lambertz
- 8 Edward Meng, Sr.
- 10 Sandy Cope
- 12 Father Jim Pearson
- 13 Agnes Eide
Barbara Lyle
Jackie LaCroix
- 23 Lisa Newland
- 27 Lavonne Lorenzen

October

- 8 Norm & Kathy Wright
- 21 Rex & Diana Hausman

Celebrate!



*If your birthday or anniversary was left off our list,
please contact Somer Bares at 665.2456 or email churchsec@iw.net*



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Prayers of the People

I ask for your prayers for:

Brett, Daphne, Drew, Bev Ann, Pat, Gladys
and her family, Kay, Jon, Bob Hoxie and for
the victims of violence
and their loved ones



Happy Halloween





October 2016

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
2 9 am Serenity 10 am Holy Eucharist & Sunday School	3 10:30 am Centering Prayer (Olde Rectory)	4 5 pm Fermenting Faith @ Ben's 1-5 pm Somer	5 7 pm Meditation	6 1-5 pm Somer	7 1-3 Office Somer	8
9 9 am Serenity 10 am Morning Prayer & Sunday School	10 10:30 am Centering Prayer (Olde Rectory)	11 5 pm Fermenting Faith @ Ben's 1-5 pm Office Fr. Jim & Somer	12 7 pm Meditation 1-5 pm Office Fr. Jim	13 3:30 pm Holy Communion @ Sr. James 1-5 pm Office Fr. Jim & Somer	14 1-3 Office Somer	15
16 9 am Serenity 10 am Holy Eucharist. Sunday School, Healing Prayer & Potluck 1-3pm Christ Church Singers	17 10:30 am Centering Prayer (Olde Rectory)	18 5 pm Fermenting Faith @ Ben's 1-5 pm Office Fr Jim & Somer	19 5:30 pm Youth Group 7 pm Meditation 1-5 pm Office Fr. Jim	20 1-5 pm Office Somer	21 1-3 Office Somer	22
23 9 am Serenity 10 am Morning Prayer & Sunday School	24 10:30 am Centering Prayer 5 pm Vestry Meeting 1-5 pm Office Fr. Jim	25 5 pm Fermenting Faith @ Ben's 1-5 pm Office Somer	26 7 pm Meditation 1-5 pm Office Fr. Jim	27 1-5 pm Office Fr. Jim & Somer	28 1-3 Office Somer	29
30 9 am Serenity 10 am Holy Eucharist & Sunday School	31 10:30 am Centering Prayer 1-5 pm Office Fr. Jim	Happy Halloween				