

Stewardship Message From October 16, 2011

Opening: As many of you remember, last spring we held a number of focus groups to talk about Stewardship as a year-round program here at St. Martin's. One of the key feedback points was the congregation's desire to hear from the Vestry more often. So, here we are! While normally we would say we are opening our "Stewardship Program", this year we have already started that campaign by holding our ministry fair and talking about opportunities for you to apply your time and talents. Today though, will mark the start of our annual "Pledge Campaign". In the next few days you will receive a letter from the vestry asking you to make pledges for the coming year, so that your Vestry can plan for the upcoming year. To help you in your decision-making process, this morning we would like to offer some information about our budget development and needs.

- **Background:**
 - A draft budget is prepared in the Sept –Oct timeframe, but cannot be finalized until the pledge campaign is mostly complete in the Dec-Jan timeframe.
 - In a typical year budget, pledges account for approximately 90% of all income.
 - Therefore, the Treasurer and the Finance Committee must estimate the growth (hopefully) of pledges to develop a yearly budget.
 - In our most recent budgets, mortgage, maintenance, salaries, and administrative costs make up about 85% of the budget. That leaves 15% of the budget for programs and outreach, with our current split about 6% for programs and 9% for outreach.
- **Last Year's Budget:**
 - Last year's preliminary budget was developed hoping for a 6.5% increase in pledges.
 - Instead, we had a 4% reduction in pledges, even though the average pledge rose slightly to approximately \$2580 for the year.
 - This forced the Vestry to revert to the previous year's budget (approximately \$650,000) with no increases in any area.
- **2012 Budget:**
 - As a result of the above, the Vestry provided the following guidance to the Treasurer and Finance Committee for this year's budget:
 - Increase clergy compensation to reach the mid-point of Diocesan guidelines (we currently are below the recommended mid-point on salary to our Rector).
 - Raise the Diocesan Pledge to 10% of the budget (currently at 7%)
 - Increase the amount of money given to Outreach.
 - This year's preliminary budget (approximately \$740,000) has been developed following the above guidance and is based on an estimated 17% increase in pledges.

- This large increase is driven primarily by a requirement to meet new health care guidelines set by the Diocese in which all staff, clergy and lay, must receive equal coverage. It is also driven by the move to move clergy salaries to the Diocesan mid-point, and increase our outreach giving by 10%. (This includes increasing our pledge to the Diocese by 10%.)
- The Treasurer and the Finance Committee will be developing fall-back budgets over the next month in case we do not receive an increase in the pledged amount.

BOTTOM LINE:

The Vestry respectfully asks that those who are currently pledging prayerfully consider increasing your pledge by whatever amount you are comfortable with, and those who are not pledging, to prayerfully consider making that commitment for the coming year. Thank you for your consideration and support for your church .