

## CHURCH OF THE HOLY SPIRIT INCOME/EXPENSE REPORT AS OF JUNE 30, 2018

What a year we had at Holy Spirit – from a new pastor to renovations of the rectory and offices to the changes in the Old Church and Social Hall – we definitely did not let the grass grow under our feet.

I want to first make mention of the debt at Holy Spirit. When I arrived at Holy Spirit in 2014, the balance on the debt was \$836,934. In the time that I have been here, we made substantial headway in reducing this amount. At the beginning of this past fiscal year (July 2017), the debt balance was \$514,083. This year we received a substantial bequest in the amount of \$90,553 designated for payment on the debt. With that and through the generosity of our parishioners, the balance as of May was \$341,683. So from July 2014 to May of 2018 we reduced the debt at Holy Spirit a little more than 59%. As I mentioned in each of the quarterly reports, I watch the numbers closely. The interest on the loan is 5.5% while the interest we are earning in the Diocesan Savings Accounts is 1.5% accrued annually. Looking at the numbers, it is easy to see that we should reduce the interest owed on our loan. With that being said, we examined the savings accounts on hand. The account Capital Campaign Savings had funds that were for any problems that were to arise in regards to the New Church (roof/leaking issues, sinkholes, etc). Since the Diocesan Legal Team/Property & Grounds and our former staff were able to get all the repairs to the New Church leaking issues paid by the original contractors, and the intention of these funds were for the Campaign/Debt, the Finance Committee, Fr Anthony and myself decided to apply the \$131,635 directly onto the debt. At the same time, the Finance Committee recommended that we take money from our General Savings and apply that towards the debt since we did not need to withdraw funds for the renovations. In June, we applied another \$101,115 to the debt, leaving a balance of \$95,000 as of July 1<sup>st</sup>. At the pace we are going, the debt will be paid off this year and Holy Spirit will be debt free – kudos to the all of you who have made this possible. This is definitely exciting news for Holy Spirit. Our 30 year mortgage projected to be paid off in 8 years! You will see this reflected in the stewardship section of the bulletin.

So now after that exciting news, I just want to recap the year financially. We started out with net income which quickly went into the red by the second quarter and stayed in the red through the end of the third quarter. The Diocese allowed us to operate in the red without penalty through May. The beginning of May we received a letter notifying us that we needed to be in the black for the end of the fiscal year. As I keep mentioning, I watch the numbers closely with the goal to end the year in the black without having to withdraw funds. With all of the renovations that we made to the rectory, offices, Old Church, Social Hall, New Church and even outside, we actually did just that. We did not withdraw funds to cover any of the expenses and as we originally anticipated we would need to do. How did we do that? It was the generosity of each and every one of you through your time, talent and treasure. It is not just the monetary increase that helped us this year; rather it was also the time and talent that many of you put in at Holy Spirit to help get things accomplished without us having to use outside vendors. We cannot begin to thank each of you for all that you have done this past year.

Even though budgeted operating income for the year was \$566,775, our actual number was \$783,050 which is a 38.16% increase over budget. Our budgeted operating expenses were \$596,284 compared to our actual of \$602,115 which is almost 1% over budget. If we take into account the Capital Expenditures for the improvements, renovations, furniture, air conditioning units, etc the total budgeted expenses compared to actual is 18% over on expenditures while we see 38.16% over in income.

Each year we are assessed for the Annual Diocesan Lenten Appeal. This past year we had a shortfall of \$133 which we paid in April. Our current assessment for the 2018 year is \$84,000. Currently we have \$84,036 in pledges.

We have been offering online giving and will continue to do so. Your data is private and we cannot access any of your banking information. You can access the online giving at <https://www.parishgiving.org/>. For our Hershey employees, please consider the Matching Gift Program. Anyone who is a current Hershey Employee or has retired from Hershey can donate to Holy Spirit and Hershey will match the donation. If you are already familiar with this program, please consider selecting Holy Spirit for a matching gift. If you are not familiar with this, please check the Finance page of our website for instructions on how to donate.

All in all, as we look back over this past year, we have accomplished many of the goals/plans we set out to undertake. Not only did we increase our giving/income, we were able to renovate and update without withdrawing from our savings. More importantly than any of those is the fact that we are now under \$100,000 for our debt!! Holy Spirit is blessed beyond measure.

I will continue to keep you updated with our financial reports each quarter. My goal is to be as transparent as I possibly can. You can find the previous quarterly reports on our website under the Finance tab.

If you have any questions, please feel free to contact me at [manager@holyspiritpalmyra.com](mailto:manager@holyspiritpalmyra.com).

Janet M. Parks

**CHURCH OF THE HOLY SPIRIT**  
**INCOME/EXPENSE REPORT Fiscal Year ending June 30, 2018**

		2017-18 ACTUAL		2017-18 BUDGET
Opening Balance		\$ 33,792		
<b>OPERATING INCOME</b>				
	ORDINARY INCOME	\$ 722,865		\$ 509,875
	RELIGIOUS EDUCATION INCOME	\$ 14,373	1	\$ 12,400
	FUNDRAISING	\$ 45,812		\$ 44,500
	<b>TOTAL OPERATING INCOME</b>	<b>\$ 783,050</b>		<b>\$ 566,775</b>
<b>OPERATING EXPENDITURES</b>				
	SALARY & BENEFITS (For Pastor & Staff members)	\$ 221,638		\$ 265,810
	PROFESSIONAL SERVICE	\$ 25,875	4	\$ 7,370
	UTILITIES	\$ 43,071		\$ 41,070
	INSURANCE COSTS	\$ 16,977		\$ 16,977
	COMMUNICAITONS	\$ 3,863		\$ 6,920
	SUPPLIES	\$ 61,227	5	\$ 30,975
	BUSINESS EXPENSES	\$ 2,190		\$ 3,920
	CONFERENCES AND DUES	\$ 2,224		\$ 1,500
	FUNDRAISING EXPENSES	\$ 23,483		\$ 25,630
	ASSESSMENTS (support for HS, ELEM & HMC)	\$ 101,561		\$ 107,227
	OTHER EXPENSES	\$ 100,007	6	\$ 88,895
	<b>TOTAL OPERATING EXPENDITURES</b>	<b>\$ 602,116</b>		<b>\$ 596,294</b>
	<b>TOTAL EXPENDITURES</b>	<b>\$ 602,116</b>		<b>\$ 596,294</b>
	<b>TOTAL OPERATING BALANCE INCOME / (LOSS)</b>	<b>\$ 180,934</b>		<b>\$ (29,519)</b>
	<b>Non-Operating Income</b>	<b>\$ 338,289</b>	<b>2</b>	<b>\$ 69,519</b>
	<b>Non-Operating Expenditures</b>	<b>\$ 546,895</b>	<b>3</b>	<b>\$ 40,000</b>
	<b>TOTAL NON-OPERATING BALANCE INCOME / (LOSS)</b>	<b>\$ (208,606)</b>		<b>\$ 29,519</b>
	<b>ENDING CASH BALANCE INCOME / (LOSS)</b>	<b>\$ 6,120</b>		<b>\$ -</b>
1 - Includes a \$3,000 Focus Grant for Catechesis of the Good Shepherd (\$2,000 moved to next year's budget)				
2 - Includes money from the Debt Reduction envelope and Withdraw from Savings applied to the Debt				
3 - Includes Payment on the Debt of \$419,068 plus Capital Expenditures				
4 - Includes Program Expenses (Ministries), Contracted Labor, online giving and/or bank fees incurred.				
5 - Includes building supplies for some of the renovations as well as Religious Supplies & Materials offset by income				
6 - Includes Computer, Furnishings & Equipment, KeyFob system, etc for New Church and Offices				
<b>Savings Account - Church of the Holy Spirit General Savings</b>		<b>\$ 131,056.34</b>		