

## SENIOR WARDEN MESSAGE

*2018 Yearly Celebration*

Good morning. Yet again, our Rector has given us another inspiring sermon on our mission and vision as a faithful community of Episcopalians and disciples of Christ.

As I did last year at this time, I want to provide you with some financial information that is relevant for the future of Saint Barnabas. I am doing this in church so that as many of our congregation as possible can receive this information. Our Rector, your Vestry, the Junior Warden and I want to be open and transparent with you about our finances and our plan for how we intend to allocate our resources to provide the ministry we feel we are called to do.

Last year, I told you the following:

1. We faced a significant financial challenge,
2. We needed to change our approach to financial stewardship and the annual pledge campaign,
3. We were developing a new, multi-year strategy and plan for increasing our financial giving in support of the spiritual vision and mission of the parish, and
4. We would share details of this strategy and plan with you when it was ready.

In regard to the final three items I just mentioned, we achieved these in 2017. We changed our approach to financial stewardship and the annual pledge campaign. We developed a new multi-year strategy and plan for increasing our financial giving in support of the spiritual vision and mission of the parish. Jeff Bell, our Junior Warden shared those details with you during the past 6 months.

Before I go on, I want to say a word about the stewardship values at Saint Barnabas.

We believe that "stewardship" includes our "response to God" ... and ... our faithful and careful use of financial resources in our "budgeting" process. Both aspects are the work of disciples who are faithful stewards. Our pledge campaign is not about funding a budget. It is about responding to God's goodness and abundance in our lives. Our budgeting process is then about the prayerful, considered and strategic use of the resources we have been given to do the work God is asking us to do. As your senior warden, it is humbling to be part of the leadership team praying and discerning how the Holy Spirit is leading us to do Jesus' work at Saint Barnabas. Thank you for your generosity, and thank you for the privilege of serving you and our Lord in this way.

So where do we stand today in regard to the financial challenge? I am pleased to advise that your generous response to our recent pledge campaign has been wonderful - the anticipated dollars pledged for 2018 increased by almost \$115,000 from 2017. This represents a net increase of over 7%. We also received a number of new, large gifts. Thank you for this blessed response to God's abundance in our lives. Let us celebrate this!

This past year, we made several staffing changes that reduced our personnel costs. We went from a 4 priest church to a 3 priest church. We reduced one full-time staff position to part-time. Through careful administration by our staff, we reduced a number of operating expenses. On the other hand, some of our costs increased, significantly the cost of health insurance for our employees. The net result of these changes reduced our total expenditure by \$90,000.

In spite of these changes, we are trying to maintain the same level of ministry as we did in 2016, but it's a struggle. Our clergy and staff are dedicated to our mission and they are selfless in what they give to Saint Barnabas. Some of them are working more than they should and we need to address this. We are still seeking the right balance between pursuing the ministry we want to do and maintaining the health and well-being of our clergy and staff. To achieve this balance, we will need to add some additional staff support in 2018.

While your recent financial response is wonderful, our recurring income is still not sufficient to enable a sustainable future. We continue to rely on large gifts to ensure our financial health and your Rector and Vestry do not feel this is a prudent strategy. Thus, we continue to face a financial challenge albeit we have made good progress this past year towards addressing it. Last year, I advised that to support a 4-priest church, by 2019 our collective pledge and plate giving needed to increase by 25%. Today and based on remaining a 3-priest church, that goal is now 5% a year for the next 3 years.

I want to address an issue that may not be apparent to you and that is important financially to understand. The issue is the amount of available gifts. Please take a look at the insert in your bulletin now and let's start with the financial statement side of the insert.

Regarding available gifts, we were blessed with several recent, large gifts - thanks be to God for those that are able to support Saint Barnabas in this way! You can see that we have \$878,000 in "Other Gifts" to support our financial future. In 2017, we spent approximately \$300,000 in available gifts. This year we are again forecasting the need to spend almost \$300,000 of these gifts and we will use even more of these gifts as we add more staff and/or clergy this year. With this large gift balance available, it is easy to feel that we have no financial needs. Your Rector, your Vestry, your Junior Warden and I however feel it is imprudent to

overly rely on this level of one-off gifts for the foreseeable future. Indeed, our entire approach to financial stewardship is not “what gap do we need to fill” but instead “what should my response be to God’s goodness in my life?” In our view, a sustainable future is built upon recurring, pledge income and our financial strategy is based upon nurturing all of us to grow toward tithing.

Our call is to make disciples. Our financial stewardship is part of that call. On the other side of the bulletin insert, you will find our Ministry-Based Budget for 2018. This diagram illustrates how our Rector and your Vestry propose to allocate our financial resources in pursuit of making disciples. As you can, take a minute to review this during the rest of the service and consider where you find yourself in this picture.

Finally, let me invite all of you to join us for our annual meeting in Hutton Hall today, following the 10:15 service. At that time, you can ask any questions you may have about my comments this morning. Our Rector will be providing us with an outlook on the mission, vision and strategy for Saint Barnabas. In addition, we will review the financial statements for 2017, the budget for 2018 and elect new Vestry members and convention delegates.

We have a wonderful, vibrant church and you are a welcoming and loving people. As I did last year, I reiterate my confidence in our future and my gratitude for all that you do for Saint Barnabas. Thank you.