

# TREASURER'S REPORT

Charles M. Lang, Jr., Treasurer

St. Margaret's started 2016 with \$115,469.96 in the Operating Checking account and \$47,129.02 in the Designated Savings account and the Vestry approved a balanced budget based on a strong stewardship campaign.

The Vestry anticipated 2016 revenues from all sources of \$963,100 (\$790,000 from pledges). Our actual revenues for the year totaled \$1,004,800.89 (\$794,011.30 from pledges), which was \$41,700 more than budgeted.

On the expenditure side, through the end of December 2016, we expended \$977,546.61 (\$973,747 budgeted), which is \$3,799.61 more than budgeted. The total for the year ending 31 December 2016 shows a net gain of \$27,254.28 (i.e. actual income less actual expenses) from the Operating Budget. The vestry will decide the use of this overage within the first quarter of 2017.

St. Margaret's was able to maintain a surplus in the Operating Checking account over the year due to less income variance than in prior years. Also, transfers from the Operating account to the Formation Building Savings and Designated accounts were made on a monthly basis.

To start the New Year (2017), St. Margaret's had \$257,270.02 in the Operating Checking account.

A successful audit of the church accounts was conducted for the calendar year 2015. The financial results reveal no major changes between the church's financial records and reports from the audit.

The Formation Building construction loan interest payments totaled \$37,832.61 for 2016. During the year two principal payments of \$1,200,000 (Endowment draw) and \$500,000 (Formation Building savings) were made on the loan outstanding balance bringing the current balance to \$609,472.36.

Charles M. Lang, Jr.

Treasurer

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01/05/17  
Cash Basis

St. Margarets Church  
Profit & Loss Budget Performance  
December 2016

	Dec 16	Budget	Jan - Dec 16	YTD Budget	Annual Budget
<b>Ordinary Income/Expense</b>					
<b>Income</b>					
4002 · Pledges	64,011.72	98,600.00	794,011.30	790,000.00	790,000.00
4003 · Special Offering	11,390.00	7,200.00	26,243.97	15,000.00	15,000.00
4005 · Donations	18,679.57	13,500.00	89,633.03	68,000.00	68,000.00
4006 · Use of Facility	200.00	1,445.00	4,720.76	7,000.00	7,000.00
4007 · Flower Fund	1,159.63	1,085.00	2,719.95	3,200.00	3,200.00
4008 · Cemetary Maint	1,764.00	0.00	1,764.00	2,000.00	2,000.00
4009 · School Receipts (rent, etc)	900.00	900.00	9,900.00	10,800.00	10,800.00
4012 · Wedding - Income/Expense	-700.00	0.00	150.00	0.00	0.00
4018 · Interest Income	0.00	8.00	52.17	100.00	100.00
4022 · SMDS Acctg. Reimbursement	0.00	0.00	3,000.00	3,000.00	3,000.00
4062 · Unrealized Gain/Loss Investment	0.00	0.00	905.71	0.00	0.00
4090 · Transfer to/from Endowment	71,700.00	32,000.00	71,700.00	64,000.00	64,000.00
<b>Total Income</b>	<b>169,104.92</b>	<b>154,738.00</b>	<b>1,004,800.89</b>	<b>963,100.00</b>	<b>963,100.00</b>
<b>Expense</b>					
<b>Building and Grounds</b>					
5020 · Electrical and Heating Utilitie	4,290.84	3,750.00	53,395.46	45,000.00	45,000.00
5025 · Building Maintenance	777.58	400.00	7,446.14	4,600.00	4,600.00
5035 · HVAC Maintenance	1,872.50	600.00	6,037.50	7,200.00	7,200.00
5045 · Contract Grounds Service	0.00	675.00	7,560.00	8,200.00	8,200.00
5050 · General Supplies & Equipment	976.87	300.00	5,557.44	4,000.00	4,000.00
5060 · Landscape Maintenance	2,035.00	0.00	4,446.74	5,000.00	5,000.00
5070 · Snow Removal	0.00	0.00	8,160.00	2,500.00	2,500.00
5075 · Trash Removal	350.30	375.00	4,480.63	4,400.00	4,400.00
5076 · Musical Instrument Maintenance	2,255.00	255.00	3,439.74	3,070.00	3,070.00
5090 · Water/ Testing/ Maintenance	630.27	570.00	4,239.12	3,000.00	3,000.00
5091 · Air Quality Testing	0.00	500.00	0.00	1,900.00	1,900.00
5092 · Formation Bldg New Eq & Supply	0.00	0.00	826.37	800.00	800.00
5099 · Contract Cleaning	2,516.00	2,580.00	31,370.56	31,000.00	31,000.00
5100 · Cemetary Expense	-5,860.00		0.00		
<b>Total Building and Grounds</b>	<b>9,844.36</b>	<b>10,005.00</b>	<b>136,959.70</b>	<b>120,670.00</b>	<b>120,670.00</b>
<b>Christian Formation</b>					
5305 · Adult Education	20.25	37.00	840.53	1,240.00	1,240.00
5314 · Babies & Infants	0.00	0.00	407.88	450.00	450.00
5316 · Pre K -5 grade curr & Sup	5.85	150.00	1,972.00	2,000.00	2,000.00
5318 · Youth Group	140.74	65.00	752.31	1,000.00	1,000.00
5319 · 6 - 12 Curr & Supplies	0.00	500.00	1,196.88	1,300.00	1,300.00
5331 · Youth Mission	0.00	0.00	1,272.07	1,500.00	1,500.00
5335 · Special Projects	0.00	0.00	1,583.26	1,500.00	1,500.00
5336 · Childrens Chapel Supplies	65.94	20.00	231.82	250.00	250.00
5337 · Background Checks	24.00	0.00	433.50	400.00	400.00
5345 · Teacher Training & Appreciation	114.18	0.00	1,091.66	1,200.00	1,200.00
5346 · Vacation Bible School	0.00	0.00	3,222.17	3,500.00	3,500.00
5347 · Forma Costs	1,629.20	275.00	2,505.03	3,200.00	3,200.00
6040 · Dir Family Ministries	4,873.86	3,345.62	40,349.64	40,177.89	40,177.89
6041 · Dir Family Ministries Co.- FICA	372.93	236.68	3,132.83	2,922.96	2,922.96
6044 · Dir Family Ministrie Co Pension	438.63	253.24	3,685.37	3,196.28	3,196.28
6045 · Dir Fami Ministries Co-Mgmt Fun	0.00	120.00	100.00	1,450.00	1,450.00
6047 · Youth Ministry Leader	2,026.86	1,550.00	12,788.46	20,060.00	20,060.00
6048 · Youth Ministry Leader Co-FICA	155.04	120.00	978.43	1,535.00	1,535.00
6049 · Youth Min Leader Co-Mgmt Fund	0.00	110.00	0.00	1,312.00	1,312.00
<b>Total Christian Formation</b>	<b>9,867.48</b>	<b>6,782.54</b>	<b>76,543.84</b>	<b>88,194.13</b>	<b>88,194.13</b>

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St. Margarets Church  
Profit & Loss Budget Performance  
December 2016

	Dec 16	Budget	Jan - Dec 16	YTD Budget	Annual Budget
<b>Church Administration Expenses</b>					
Administration Expenses-Other					
6051 · Archive Committee	0.00	0.00	891.96	400.00	400.00
6065 · Bank/Payroll Charges	622.22	400.00	6,813.37	5,000.00	5,000.00
6070 · Copier Expense	858.72	900.00	10,205.70	11,000.00	11,000.00
6080 · Insurance General	0.00	0.00	16,603.50	21,700.00	21,700.00
6090 · Office Supplies & Expenses	703.04	580.00	6,485.88	7,000.00	7,000.00
6092 · Communications	0.00	100.00	1,126.61	1,200.00	1,200.00
6095 · Postage	503.50	1,000.00	2,553.62	4,200.00	4,200.00
6115 · Telephone/Internet	1,026.42	265.00	9,468.22	3,200.00	3,200.00
6120 · Vestry/Convention Expenses	0.00	0.00	3,071.00	1,000.00	1,000.00
6500 · Staff Bonuses	0.00	0.00	4,300.00	4,300.00	4,300.00
<b>Total Administration Expenses-Other</b>	<b>3,713.90</b>	<b>3,245.00</b>	<b>61,519.86</b>	<b>59,000.00</b>	<b>59,000.00</b>
<b>Salary &amp; Fringes</b>					
6019 · Senior Administrator-Contin Ed	0.00	0.00	319.39	250.00	250.00
6021 · Senior Administrator	7,153.86	4,970.00	64,384.74	64,000.00	64,000.00
6022 · Senior Administrator FICA	547.28	385.00	5,078.51	4,896.00	4,896.00
6023 · Senior Administrator Mgmt Fu...	471.10	65.00	513.58	800.00	800.00
6024 · Senior Administrator Pension	643.83	480.00	5,974.47	5,760.00	5,760.00
6029 · Senior Administrator Health Ins	771.00	747.00	9,543.00	8,964.00	8,964.00
6030 · Bookkeeper - Salary	2,560.00	1,300.00	17,360.00	17,040.00	17,040.00
6039 · Bookkeeper - FICA	195.84	100.00	1,358.45	1,304.00	1,304.00
6076 · Print & Digital Editor Salary	4,180.41	2,795.00	37,730.25	36,231.00	36,231.00
6077 · Print & Digital Editor FICA	323.54	215.00	2,906.37	2,772.00	2,772.00
6078 · Print & Digital Edito Insurance	54.08	35.00	326.64	425.00	425.00
6079 · Print & Digital Editor Pension	380.64	272.00	3,419.18	3,261.00	3,261.00
<b>Total Salary &amp; Fringes</b>	<b>17,281.58</b>	<b>11,364.00</b>	<b>148,914.58</b>	<b>145,703.00</b>	<b>145,703.00</b>
6075 · Computer Support/ Software	1,473.50	740.00	9,083.92	8,900.00	8,900.00
<b>Total Church Administration Expenses</b>	<b>22,468.98</b>	<b>15,349.00</b>	<b>219,518.36</b>	<b>213,603.00</b>	<b>213,603.00</b>
<b>Clergy Expenses</b>					
6001 · Rector Salary	10,271.31	6,855.00	92,278.27	89,018.00	89,018.00
6003 · Rector Housing	4,269.24	2,885.00	38,333.68	37,000.00	37,000.00
6004 · Rector Pension	0.00	0.00	22,324.32	22,684.00	22,684.00
6005 · Rector Health Insurance	815.26	747.00	10,578.12	8,964.00	8,964.00
6006 · Rector Travel	117.18	0.00	2,503.47	2,750.00	2,750.00
6007 · Rector Professional	89.99	150.00	1,188.52	1,800.00	1,800.00
6008 · Rector Continuing Ed	0.00	0.00	843.02	750.00	750.00
6126 · Clergy Convention Conference	0.00	0.00	324.00	800.00	800.00
6330 · Associate Rector Salary	4,050.00	2,685.00	36,438.47	35,100.00	35,100.00
6331 · Associate Rector Housing	3,046.14	2,100.00	27,369.11	26,400.00	26,400.00
6332 · Associate Rector Pension	0.00	0.00	10,800.00	11,070.00	11,070.00
6333 · Associate Rector Insurance	800.50	747.00	9,884.50	8,964.00	8,964.00
6334 · Associate Rector Travel	325.34	0.00	1,225.51	1,500.00	1,500.00
6335 · Associate Rector Professional	21.98	0.00	567.40	600.00	600.00
6336 · Associate Rector Cont Ed	0.00	100.00	350.00	350.00	350.00
<b>Total Clergy Expenses</b>	<b>23,806.94</b>	<b>16,269.00</b>	<b>255,008.39</b>	<b>247,750.00</b>	<b>247,750.00</b>
<b>Diocesan Contribution</b>					
5601 · Diocesan Contribution	10,051.52	10,804.00	120,643.00	129,643.00	129,643.00
<b>Total Diocesan Contribution</b>	<b>10,051.52</b>	<b>10,804.00</b>	<b>120,643.00</b>	<b>129,643.00</b>	<b>129,643.00</b>
<b>Finance</b>					
5505 · Audit	0.00	0.00	9,500.00	9,500.00	9,500.00
<b>Total Finance</b>	<b>0.00</b>	<b>0.00</b>	<b>9,500.00</b>	<b>9,500.00</b>	<b>9,500.00</b>

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Profit & Loss Budget Performance  
December 2016

	Dec 16	Budget	Jan - Dec 16	YTD Budget	Annual Budget
<b>Lay Pastoral Care</b>					
5815 · Communicare	0.00	0.00	200.90	150.00	150.00
5830 · Prayer Shaw Ministry	43.95	0.00	43.95	50.00	50.00
6034 · Parish Nurse Expenses	0.00	0.00	404.54	500.00	500.00
<b>Total Lay Pastoral Care</b>	<b>43.95</b>	<b>0.00</b>	<b>649.39</b>	<b>700.00</b>	<b>700.00</b>
<b>Mission Commission</b>					
5620 · Missions	310.64	0.00	10,140.47	10,000.00	10,000.00
6009 · Rector Discretionary	632.00	75.00	900.00	900.00	900.00
6320 · Associate Rector Discretionary	0.00	37.00	100.00	450.00	450.00
6321 · Grants Admin Salary / Expenses	1,064.54	500.00	4,591.91	6,000.00	6,000.00
<b>Total Mission Commission</b>	<b>2,007.18</b>	<b>612.00</b>	<b>15,732.38</b>	<b>17,350.00</b>	<b>17,350.00</b>
<b>Parish Life</b>					
5317 · Pick & Mix/ Faith & Fellowship	771.71	213.00	179.25	1,299.00	1,299.00
5730 · Newcomer's Brunch Dinner	35.98	0.00	201.04	200.00	200.00
5910 · Church Picnic	0.00	0.00	311.34	350.00	350.00
5915 · Coffee Hour	409.24	350.00	4,350.34	4,160.00	4,160.00
5923 · Equipment Replacement	35.00	0.00	166.13	500.00	500.00
5925 · General Supplies	254.65	75.00	1,327.93	800.00	800.00
5950 · Special Events & Trips	0.00	0.00	438.96	850.00	850.00
6036 · Nursery Care Salaries	1,626.00	880.00	10,999.59	11,000.00	11,000.00
6110 · Nursery Care - FICA	119.78	67.00	849.83	842.00	842.00
<b>Total Parish Life</b>	<b>3,252.36</b>	<b>1,585.00</b>	<b>18,824.41</b>	<b>20,001.00</b>	<b>20,001.00</b>
<b>Worship</b>					
5105 · Acolytes	0.00	0.00	0.00	400.00	400.00
5110 · Altar Flowers	1,248.71	750.00	2,516.63	3,500.00	3,500.00
5130 · Music Expense	2,650.00	4,325.00	22,284.81	25,490.00	25,490.00
5150 · Altar Guild Supplies	1,175.51	375.00	2,623.02	4,500.00	4,500.00
5155 · Worship	0.00	80.00	1,081.77	1,060.00	1,060.00
6025 · Dir of Music - Salary	8,019.24	5,327.00	72,096.16	69,500.00	69,500.00
6027 · Director of Music - Profess.	250.00	0.00	1,240.00	1,350.00	1,350.00
6037 · Dir of Music - FICA	651.73	408.00	5,572.75	5,317.00	5,317.00
6042 · Dir of Music - Health Ins	824.00	747.00	10,196.00	8,964.00	8,964.00
6056 · Dir of Music - Pension	766.71	520.00	6,556.00	6,255.00	6,255.00
<b>Total Worship</b>	<b>15,585.90</b>	<b>12,532.00</b>	<b>124,167.14</b>	<b>126,336.00</b>	<b>126,336.00</b>
<b>Total Expense</b>	<b>96,928.67</b>	<b>73,938.54</b>	<b>977,546.61</b>	<b>973,747.13</b>	<b>973,747.13</b>
<b>Net Ordinary Income</b>	<b>72,176.25</b>	<b>80,799.46</b>	<b>27,254.28</b>	<b>-10,647.13</b>	<b>-10,647.13</b>
<b>Net Income</b>	<b>72,176.25</b>	<b>80,799.46</b>	<b>27,254.28</b>	<b>-10,647.13</b>	<b>-10,647.13</b>

	2015	2016	2017
	<u>Annual Budget</u>	<u>Annual Budget</u>	<u>Annual Budget</u>
<b>Ordinary Income/Expense</b>			
<b>Income</b>			
4002 · Pledges (net of uncollectible pledges)	740,000	790,000	845,000
40XX · Uncollected Pledges			-21,000
4003 · Special Offering	15,000	15,000	15,000
4005 · Donations	68,000	68,000	68,000
40YY · Family Ministry Events (Advent/Easter/Lent)			2,000
40ZZ · Faith & Fellowship			2,000
4006 · Use of Facility	4,200	7,000	6,500
4007 · Flower Fund	3,200	3,200	3,200
4008 · Cemetery Maint	2,000	2,000	0
4009 · School Receipts (rent, etc)	8,400	10,800	10,800
4018 · Interest Income	100	100	100
4022 · SMDS Acctg. Reimbursement	3,000	3,000	3,000
4090 · Transfer from Endowment	69,000	64,000	44,000
<b>Total Income</b>	<b>912,900</b>	<b>963,100</b>	<b>978,600</b>
<b>Expense</b>			
<b>Building and Grounds</b>			
5020 · Electrical and Heating Utilities	35,000	45,000	54,000
5025 · Building Maintenance	4,000	4,600	4,600
5035 · HVAC Maintenance	6,000	7,200	6,000
5045 · Contract Grounds Service	8,200	8,200	5,500
50XX · Contract Building services (fire, alarm, elevator, security)			9,000
50YY · Annual building inspections			800
5050 · General Supplies & Equipment	4,000	4,000	4,000
5060 · Landscape Maintenance	5,000	5,000	4,500
5070 · Snow Removal	2,000	2,500	3,200
5075 · Trash Removal	3,900	4,400	3,900
5076 · Musical Instrument Maintenance	0	3,070	1,600
5090 · Water/ Testing/ Maintenance	3,000	3,000	3,000
5091 · Air Quality Testing	0	1,900	1,900
5092 · Formation Bldg New Eq & Supply	0	800	800
5099 · Contract Cleaning	20,300	31,000	31,000
5095 - Sexton Salary	24,000	0	0
5096 - Sexton FICA	1,836	0	0
5097 - Sexton Insurance	5,688	0	0
5098 - Sexton Pension	2,160	0	0
<b>Total Building and Grounds</b>	<b>125,084</b>	<b>120,670</b>	<b>133,800</b>
<b>Christian Formation</b>			
5305 · Adult Education	450	450	600
5314 · Babies & Infants	450	450	450
5316 · PreK-5th Curriculum and Supplies	1,800	2,000	1,800
5318 · Youth Group	750	1,000	1,000
5319 · 6th-12th Curriculum and Supplies	900	1,300	1,000
5331 · Youth Mission	900	1,500	1,500
5335 · Special Projects	450	1,500	1,500
5336 · Childrens Chapel Supplies	0	250	100
5337 · Background Checks	0	400	400
5345 · Teacher Training & Appreciation	900	1,200	1,200
5346 · Vacation Bible School	0	3,500	3,000
5347 · Forma Costs	0	3,200	3,200
6040 · Children's Ministries Coordinator	7,660	32,952	44,000
6041 · Children's Ministries Co.- FICA	590	2,521	3,366

6044 · Children's Ministries Co Pension	0	2,066	2,060
6045 · Children's Ministries Co-Mgmt Fun	0	1,450	1,684
6047 · Youth Ministries Coordinator	1,620	20,060	17,600
6048 · Youth Ministries Co-FICA	130	1,535	1,347
6049 · Youth Ministries Co-Mgmt Fund	0	1,312	
<b>Total Christian Formation</b>	<b>16,600</b>	<b>79,546</b>	<b>87,707</b>
<b>Church Administration Expenses</b>			
<b>Administration Expenses-Other</b>			
6051 · Archive Committee	400	400	500
6065 · Bank/Payroll Charges	5,000	5,000	5,000
6070 · Copier Expense	11,000	11,000	11,000
6080 · Insurance General	23,000	21,700	21,700
6090 · Office Supplies & Expenses	7,000	7,000	6,700
6091 · Miscellaneous expenses	400	0	3,200
6092 · Communications	0	1,200	3,100
6095 · Postage	5,500	5,500	3,500
6115 · Telephone/Internet	3,200	3,200	3,200
6120 · Vestry/Convention Expenses	2,000	1,000	1,000
<b>Total Administration Expenses-Other</b>	<b>57,500</b>	<b>56,000</b>	<b>58,900</b>
<b>Salary &amp; Fringes</b>			
6019 · Senior Administrator-Continuing Ed	250	250	250
6021 · Senior Administrator Salary	23,850	64,000	64,860
6022 · Senior Administrator FICA	1,825	4,896	4,962
6023 · Senior Administrator Mgmt Fund	0	800	800
6024 · Senior Administrator Pension	0	5,760	5,839
6029 · Senior Administrator Health Ins	4,060	8,964	9,612
6030 · Bookkeeper - Salary	10,880	17,040	17,472
6039 · Bookkeeper - FICA	832	1,304	1,337
6076 · Print & Digital Editor Salary	35,175	36,231	37,318
6077 · Print & Digital Editor FICA	2,673	2,772	2,855
6078 · Print & Digital Editor Insurance	65	425	420
6079 · Print & Digital Editor Pension	3,166	3,261	3,359
<b>Total Salary &amp; Fringes</b>	<b>82,776</b>	<b>145,703</b>	<b>149,084</b>
6075 · Computer Support/ Software	6,500	8,900	7,200
<b>Total Church Administration Expenses</b>	<b>146,776</b>	<b>210,603</b>	<b>215,184</b>
<b>Clergy Expenses</b>			
6001 · Rector Salary	88,024	89,018	92,680
6003 · Rector Housing	36,000	37,000	37,000
6004 · Rector Pension	22,414	22,684	23,343
6005 · Rector Health Insurance	8,886	8,964	9,612
6006 · Rector Travel	2,750	2,750	2,750
6007 · Rector Professional	1,800	1,800	1,800
6008 · Rector Continuing Ed	750	750	750
6018 · Rector SMDS Tuition	3,341	0	0
6126 · Clergy Convention Conference	800	800	800
6330 · Associate Rector Salary	34,800	35,100	37,153
6331 · Associate Rector Housing	25,200	26,400	26,400
6332 · Associate Rector Pension	10,800	11,070	11,440
6333 · Associate Rector Insurance	8,886	8,964	9,612
6334 · Associate Rector Travel	1,500	1,500	1,500
6335 · Associate Rector Professional	600	600	600
6336 · Associate Rector Continuing Ed	350	350	350
<b>Total Clergy Expenses</b>	<b>246,901</b>	<b>247,750</b>	<b>255,790</b>

Diocesan Contribution			
5601 · Diocesan Contribution	118,000	129,643	121,416
Total Diocesan Contribution	118,000	129,643	121,416
Finance			
5505 · Audit	9,500	9,500	9,500
Total Finance	9,500	9,500	9,500
Lay Pastoral Care			
5815 · Communicare	150	150	150
5830 · Prayer Shaw Ministry	50	50	50
6034 · Parish Nurse Expenses	2,050	1,000	500
6035 · Parish Nurse Salary	11,355	0	0
6038 · Parish Nurse FICA	869	0	0
Total Lay Pastoral Care	14,474	1,200	700
Mission Commission			
5620 · Missions	5,000	10,000	10,000
6009 · Rector Discretionary	900	900	900
6319 · Youth Associate Discretionary	450	0	0
6320 · Asst. Mission & Outreach Discre	450	450	450
6321 · Grants Coordinator Salary/Expenses	6,000	6,000	
Total Mission Commission	12,800	17,350	11,350
Parish Life			
5317 · Pick & Mix/ Faith & Fellowship	1,150	1,100	2,100
5730 · Newcomer's Brunch Dinner/Foyers	200	200	300
5910 · Church Picnic	350	350	450
5915 · Coffee Hour	4,160	4,160	4,160
5923 · Equipment Replacement	500	500	500
5925 · General Supplies	800	800	800
5950 · Special Events, Activities & Trips	850	450	500
6036 · Nursery Care Salaries	11,000	11,000	12,853
6110 · Nursery Care - FICA	800	842	983
Total Parish Life	18,660	19,402	22,646
Worship			
5105 · Acolytes	600	600	600
5110 · Altar Flowers	2,500	3,000	3,000
5130 · Music Expense	14,000	27,000	17,900
5150 · Altar Guild Supplies	4,500	4,500	4,500
5155 · Worship	950	950	850
6025 · Dir of Music - Salary	67,500	69,500	70,890
6027 · Director of Music - Profess.	1,350	1,350	1,350
6037 · Dir of Music - FICA	5,130	5,317	5,424
6042 · Dir of Music - Health Ins	8,542	8,964	9,612
6056 · Dir of Music - Pension	6,075	6,255	6,381
Total Worship	111,147	127,436	120,507
Total Expense	819,942	963,100	978,600
Net Ordinary Income	92,958	0.00	0.00

## 2016 ENDOWMENT COMMITTEE REPORT

The St. Margaret's Church Endowment Funds had a total Market Value of **\$3,850,624.91** as of **12/29/16**, compared to a total Market Value of **\$5,001,863.37** at 12/31/15. The overall Market Value of the Endowment declined by **\$1,151,238.46** during 2016, a drop of 23.2%.

BB&T continues to manage the Endowment, housed in four sub-accounts: the General Endowment Fund, the Cemetery Fund, the Capital Maintenance Account and the Special Assets Account. The Special Assets Account was created in 2014 to house assets that are not actively traded. Specifically these Special Assets consist of the rental home property and a long-term note receivable that is paying as agreed. Prior to 2014, these assets were held in the General Endowment Fund.

The balances of the sub-accounts at 12/29/16 were as follows: General Endowment: \$3,181,045.66; Cemetery: \$143,906.37; Capital Maintenance: \$105,171.49; Special Assets: \$420,501.39. These accounts, with the exception of the Special Assets account, are currently pledged as collateral against any outstanding balances under SMC's financing arrangements with BB&T on the Formation Building. To date, the collateral requirements have not restricted the Church in its usual and customary endowment draws and overall endowment management practices, and are not anticipated to do so.

The Endowment Decline of \$1,151,238.46 in 2016 is due to several significant distributions out of the General Endowment portfolio during the year, driven primarily by the Formation Building project and the Church's Mission outreach. **Total Endowment Draws in 2016 were \$1,421,533.** The primary Endowment Draw from the General Endowment was a payment of \$1,200,000 in June 2016 against the BB&T mortgage loan. Additional material Draws included \$85,000 in grants paid to 13 Missions Commission recipients, \$56,000 for Church Operations, and \$37,832 for interest on the BB&T loan. Other usual and customary draws of less significant amounts were for purposes such as SMDS scholarships and some capital maintenance items.

In early 2016 the Endowment Committee met with BB&T to review the portfolio's 2015 performance, to discuss anticipated endowment draw needs in 2016, and to review possible Socially Responsible Investment options. The Endowment Committee selected the Dana Socially Responsible Equity Strategy Fund as a socially responsible investment vehicle for the Large Cap stocks in the SMC Endowment. The manager integrates Environmental, Social and Governance (ESG) factors with financial metrics. The Endowment Committee will review the performance of this new manager and the overall portfolio when it meets with BB&T in February 2017.

Respectfully submitted,

John S. Goldthwait, Jr.  
January 23, 2017