

2009 FINANCIAL SNAPSHOT

“From everyone to whom much has been given, much will be required; and from the one to whom much has been entrusted, even more will be demanded.”

Luke 12:48

THANK YOU!

Thank you for your faithful giving to support the mission and ministry of St. Luke's United Methodist Church. Because of your generosity, together we have changed lives and brought the Gospel message of hope and healing to countless members of our local community and others throughout the world through our United Methodist connection.

GIVING SNAPSHOT

Thank you for your response to our “*God's Gift to Me, My Gift to God*” stewardship emphasis earlier this year. A significant number of our members chose to make a pledge for the first time this year. Thank you for your commitment. While net giving hasn't dropped significantly, it has not risen, either, and the needs of our community have increased exponentially over the last six months. Many of our faithful members are facing financial challenges this year. We are doing our best to respond to that need through ministry priorities while still staying true to our long-term vision.

Some of you opted to make a quarterly rather than an annual pledge. If you're on a quarterly pledge cycle, please let us hear from you about your plans for the remainder of the year. You can either make a new pledge for the second quarter or make a pledge for the remaining three quarters. If you have not yet made a financial commitment, there's still time. You can use a card provided in worship or download an estimate of giving form from our website at www.st.lukes.org/stewardship.

Please consider opting for Electronic Funds Transfer (EFT). With EFT, you can reinforce your commitment to give to God first. One simple step ensures that the church will receive your offerings on a regular basis, even if you are out of town or forget a week. To choose EFT, or to give online, visit our website at www.st.lukes.org/ministries/SupportMinistries/Finance.

Remember, a pledge is an estimate of what you plan to give, and it may be revised at any time by contacting Donna Brisbin, Director of Finance by email (dbrisbin@st.lukes.org) or phone (407-876-4991, ext. 227).

HOW ARE WE DOING?

- We ended last year (April 1, 2008 – March 31, 2009) with a \$100,000 shortfall, which was covered by reserve funds (for more detail, visit our website at www.st.lukes.org/ministries/SupportMinistries/Finance).
- Our forecast for the current fiscal year is for a \$250,000 shortfall, unless changes are made to giving or expenses.
- We plan to cover some – but not all – of that shortfall with reserves.*
- We must either increase giving or reduce expenses by at least \$100,000 in order to stay within our budget and reserve allotment and accomplish all the goals that were originally set for this fiscal year.

WE MUST REDUCE EXPENSES

Tough times require tough choices, therefore some of the services and support we offer our community will be eliminated or reduced to prevent a serious budget shortfall and keep St. Luke's healthy for the long term.

We have time to make adjustments now, to avoid even more severe cuts later. While we'll use some of our reserves to make up for the deficit, our goal is to use no more than \$150,000 of reserves in any one year for operating expenses. Therefore, to reduce expenses by at least \$100,000 we will, effective immediately:

- Close the St. Luke's Central and HopeSpring campuses on five additional days between now and the remainder of the year. (**Staff members will take those days off without pay**). This will result in a cost savings of \$39,000.
- Reduce costs of operating our facilities, resulting in savings of \$28,000. Most of these savings from our Trustees' expenditures will come from the “new equipment” line item. (Improvements from Body Building designated funds, such as covered walkways, will proceed as explained in the Body Building quick-link on the St. Luke's website.)
- Each ministry area is reviewing its budget aiming for a 5% cost reduction by eliminating or reducing programs.

WHAT CAN WE DO?

First and most importantly – please pray for our leaders – both lay and clergy – who are struggling to find answers to these challenges. Please also continue to pray for guidance on what God is calling you to do with your time, talents, treasure and witness. Without faithful sharing of our resources, more painful adjustments will have to be made.

Second – stay informed! Please contact our Executive Director of Support Ministries, Kelly Smith at ksmith@st.lukes.org or Donna Brisbin, Director of Finance at dbrisbin@st.lukes.org, if you have questions about the budget. You are also welcome to attend a Finance, Stewardship or Church Council meeting – those meetings are open to anyone.

Third – even though we are focused on short-term financial issues, please consider a bequest from your will or living trust or another planned gift that will strengthen St. Luke's endowment and provide long-term financial stability for our congregation and enable us to create new and innovative ministries for our community.

Full details of our financial status are available in a handout that you can pick up after worship. Members of the Finance and Stewardship Committees will be on hand to answer any questions. Final decisions regarding the budget will be made by the Church Council once the Finance Committee has presented its recommendation.

*Note: at last month's Church Conference, we voted to use \$600,000 of our reserves for the land purchase; since then, we have renegotiated with the seller and our new purchase price is considerably lower at \$1.5million. This means we will no longer need as much of the reserves for the land purchase. We expect to close on the land in September 2009. (See the Body Building quick-link at www.st.lukes.org.)