

**Town Hall Meeting**  
**Grace House / Zoom**  
**November 24, 2024**

**The Meeting opened at 11:35.**

**Dick F. provided the following information:**

**St. Timothy's Finances**

11/20/2024

**Income, Costs, and Bottom Line – 2022 through 2024**

1. Income is down by 70.5k.
2. Costs are up by 143.3k.

**Conclusions**

1. Income must increase, or...
2. Costs must decrease, or...
3. Both

**Savings and Reserves**

St. Timothy's has sufficient savings and reserves to continue without changes for a couple of years, BUT this is not a viable strategy for the mid-term and beyond.

1. Savings Reserves Summary (as of 10/31/24):
  - a. Bank accounts (including Schwab) = \$895,769.
    - Above includes unrestricted net assets = \$529,063. (net of \$339,947 in ear-marked reserves).
  - b. Endowment = \$1,191,655.

## **Discussion**

Todd and Carleen explained that the loss of income is due to the fact that Saint Timothy's has lost a number of major donors and the new, younger donors are not in a financial position to give as much as those major donors did. It was further explained that the reason for the increased cost is due to inflation and the cost of doing business, but that basically this is a revenue problem.

Dick explained that the above information shows that we need more income. Initially there was a budgeted loss of \$129,000 for 2024. Currently, it can be projected that the loss will be around \$100,000. If we don't want to go into our savings, the deficit could be made up by each member, no matter their pledge amount, increasing their current pledge by \$650, which is about 10-15 percent of our total pledge volume.

Going forward, Saint Timothy's will have maintenance expenditures of \$100,000 for the foreseeable future. Keeping up with covering this cost is an issue and Dick felt that it was important to bring this to the congregation's attention now because of its importance. We have a year and a half to two years to deal with the problem, it is important to make plans to deal with it now.

### **Participant Observations:**

- Carlene K. asked about using the interest income off the endowment to supplement the deficit.
- Mike O encouraged improved communication with the parishioners, informing them of the pledge count, the dollar amount, and how it related to our budget shortfall.
- Jacque C. and Linda C. wanted the congregation to be aware of the impact the potential loss will be to our church life.
- Ohu O. suggested cutting cost by going through a systematic contract review process in which St Timothy's would renegotiate contracts to look for cost savings.
- Karen P suggested using a multitiered approach: cutting costs, using a portion of the principal from the endowment fund, and asking for increased pledges.

Rev. Todd summarized our discussion by suggesting that we focus on:

- Improved communication with the congregation.
- Focusing on the stewardship journey
- Asking for an inflation pledge

**The meeting adjourned at 12:20**