

Dear St. John's Family,

Our Church Board committed to communicating on a more frequent basis with you. This letter is your update on the current financial state of our church.

In mid summer this year, an enthusiastic group under the leadership of Katryn H. accepted the task of raising funds for our building so that we could deal with some of the major maintenance required over the next few years. This group called itself the Loaves and Fishes Crew and reported directly to the Board.

Loaves and Fishes Crew

As you know, the Loaves and Fishes Crew recently did a series of presentations to outline upcoming needs for our building, and encourage you to donate to the Building Fund so that we have the money on hand when large projects and expenditures come around. There are even three videos if you didn't get enough of the 'Loving Our Church' song! Check them out here:

July 21 – Paint the Church - <https://youtu.be/1XjRNxtwW-k>

Aug 11 – Essentials for the Church Building - <https://youtu.be/6x5nfWnwr2s>

Sept 15 – What Our Church Needs - <https://youtu.be/jBuv0C3eNTs>

Thanks to you, this campaign has been wildly successful.

We will need \$70,000 for the building over the next 3-4 years, and so far you have pledged and/or donated \$57,000 – which is a huge amount for a congregation of our size! Cash received so far is a little over \$20,000, and 41 households in all pledged towards the campaign, with an average pledge of \$1,212, which is amazing! If you still want to make a pledge, just email Katryn OR put a pledge card in her mail slot in the church hallway. If you want to donate directly, please write 'building fund' on your envelope with the donation (in the Other category).

The flooding of our Lower Level brought us some unexpected blessings. We now have new, industrial strength linoleum flooring throughout the lower level, with non-skid flooring in both downstairs bathrooms and the kitchen at no extra cost (a savings of about \$1,000). Your quick response and early generosity for the Building Fund allowed us to get the downstairs bathrooms painted and have up-to-code handicapped toilets installed while plumbers were already onsite for flood recovery (which also saved us installation costs on the toilets and money on the painting). We also have cash on hand to pay our \$2,500 insurance deductible without taking it out of Memorial Funds.

Keeping the Lights On

As the Loaves and Fishes Crew pointed out, the Building Reserve Fund is totally separate from revenue needed for the budgeted operations of the church, such as:

- staff salaries
- insurance
- routine maintenance of our building & grounds
- hydro & water
- telephone & internet
- supplies for our various teams and staff

The Keeping the Lights On (KLO) Team monitors our progress against the 2019 annual budget on a monthly basis. Here's a brief update on the operations side of the house through the end of September.

Our overall revenue from offerings through PAR, envelopes and open collections was under budget by **\$6,249**. Note, however, that Mission and Service is currently over target, and you generously gave \$2,250 to the Cyclone Idai relief efforts, as well as almost \$1,000 to First United and great donations to the Food bank, so giving is not down overall; it's simply the Operational Budget giving that is lower than planned. Revenue from community use of the building was also under budget by **\$2,550**. Some of this may be due to unavailability of space due to the flooding and necessary recovery work. Total budgeted operating revenue to the end of September was: \$112,767 and we currently sit at \$105,594, so we are under budget by **\$7,174** for revenue.

For expenses, most of our working teams (including KLO) are running under budget in their overall expenditures, but a few categories are over budget. In particular, we are running over budget by \$2,657 for employee benefits due to increases in benefits that weren't known when the 2019 budget was created. Our total expenses at the end of September were at \$114,461 rather than the budgeted \$116,163.

The combination of lower revenue and slightly higher expenses means that we begin the 4th Quarter with an operating deficit of **\$8,868** rather than the predicted deficit of **\$3,396** at this point in the year.

We've been here before, and St. John's has never failed to maintain its image as the 'little church that could' when it comes to meeting year-end challenges. Let's all do what we can to share our blessings as a family of faith.