

## **75<sup>th</sup> Anniversary Committee**

Good morning, This is your 75<sup>th</sup> Anniversary Committee that has worked hard this past year to put together an exciting calendar of events for our celebration.

Members of the 75<sup>th</sup> Committee who are present this morning, please stand up and be recognized.

These are some of the accomplishments this past year:

Defined our mission "to celebrate our past and prepare for our future". A large audience enjoyed our initial Concert which was a musical sampling from Mozart to Bolling

Established celebration events with project leaders and raised funds to pay expenses like the purchase of a portable display board for the timeline.

Coming up next is our second fundraiser concert which will be an "Introduction to St. Philip's Art Treasures" on 15 April @ 7:30 PM in the Church. There will be a few breaks in the music when some key works of art will be displayed and a short explanation of its history and relation to life at St. Philip's. Featured treasures will include the Dosso Dossi of St. Philip, marble reliefs from the Baptistery, crucifixes, and more. Mozart's Gran Partita Serenade will be the musical glue. A Joesler tour and lunch will be in the Fall.

Our Anniversary Year, 2011, will get a big boost with the visit of our Presiding Bishop, Katharine Jefferts Schori, in early Feb. There will be several other events throughout the year.

This will be our 75<sup>th</sup> Logo

Claude Deniz, chair

## **Mission Discernment Report: Strengthening Mission Support**

As was reported last week, five areas of concentration were identified out of the “dreams” identified during the initial phase of the Mission Discernment Process. You heard about four areas last Sunday: Communications; Outreach; Children, Youth, and Family Ministries; and Response to Needs of New Ministries. This week I am pleased to report about the fifth area, concerning Mission Support.

This project sought to strengthen mission support by hiring a full time professional administrator who could free up clergy and program staff time for their essential roles. A job description was written, the opening was advertised, candidates were identified and interviewed, and in February of 2009, we hired Steve Brong as Parish Administrator. Steve is with us this morning. Steve will be heavily involved in processes seeking to address the parish’s difficult financial position and at the same time work with parish leadership to implement mission, vision, values, and goals.

Bob Breckenridge, Commissioner, Mission Support

## **Building and Grounds Committee**

Our responsibility is the care and maintenance of this beautiful and historic campus. To perform this service, we have a contingent of three architects, an engineer, and several willing and competent workers.

Annually, we update the Long Range Facilities Plan. The 2009 plan called for eleven target items and some works were completed which were not on the plan. The major works attached are as follows:

1: LARGE TREE SERVICE.

- a. My tree report was completed which records and describes 225 trees on campus
- b. \$5,100 was expended to maintain trees.

2. REFURBISH LA MARIPOSA TOILET (teen center)

- a. It was converted from an unsanitary travesty to a modern facility

3. PROGRAM, DESIGN, CONSTRUCT – ARCHIVAL/LARGE ITEM STORAGE

- a. Completed and occupied.

4. REFURBISH La PARROQUIA

- a. Pending

5. REWORK CONDUITS ON THE ROOF

- a. Pending

6. FIRE AND BURGLER ALARM UPGRADE

- a. Pending

7. LOOPING LA PAZ

- a. Pending

8. IRRIGATION SYSTEM UPDATE

- a. All necessary patching was complete.

9. Sanctuary Sound System study

- a. Pending

10. SITE PREP FOR NORTH NEIGHBORS – EASEMENTS

- a. dormant

REBUILDING ANIMAL FOUNTAIN

- a. complete and operating

ADDITIONAL PROJECTS ARE AS FOLLOWS:

## WORKBOOK COMPLETED

Catalogs all contractors and services

## ACCESSABILITY ISSUES ADDRESSED

Two Benches purchased for bus riders

Two electric door operators were installed for toilet access.

## CREDITS

We would like to note that Preservation and Endowment Foundation provided all of the funds for the Teen Toilet and the Archival Storage Vault.

We would also like to make special note that the Gallery Committee paid

For the Animal Fountain rebuilding and a large sum toward the Storage Addition. All works were completed with minimal effect on the church budget.

Submitted by Warren Edminster, AIA Chairman

Board members:

Robert Breckenridge, Finance

Steve Brong, Church Administrator

Carmen Christy, Grants

Donna Cosulich, Green Team

Ed Drager, P&EF Coordinator

Stuart Foote, Jr. Engineer

Georgene Foust, Secretary

Cecilia Aros Hunter, Parish Archivist

Ned Nelson, Architect

Hal Robson, Arborist

Travis Walsh, Architect

Don Zimmerschied, Arts Coordinator

## **Preservation & Endowment Foundation**

Legally, St. Philip's Church and St. Philip's Preservation and Endowment Foundation are totally separate non-profits. The purpose of the P&E Foundation is to preserve the environment which supports the accomplishment of the church's mission. All board members are parishioners. P&E Foundation liaisons participate in all Vestry as well as Buildings and Grounds meetings. We will also have a member on the Campus Master Planning Committee.

We do not have the funds to support routine maintenance. Several years ago the church reported that tree limbs were being lost with every wind storm and requested our support in removing them. This is routine maintenance, so we declined. We did, however, pay for an arborist to do a study. It was determined that, due to neglect, the trees were in declining health, and we were on the verge of losing them. We provided funds to return them to health. A similar situation occurred with individual roof leaks. After investigation, we paid for major repairs to several sections of the roof.

In 2009, Preservation and Endowment paid to renovate the seriously deteriorated bathroom in the teen center. We also bore the total expense of constructing our archival two room complex to protect the church's architectural plans, historic documents, photographs and the art items that are not on display.

For 2010, we approved funding for the final preservation of the trees, after which they should come under routine landscaping expense. We are providing funding as well as compilation and editing expertise to publish a book on the seventy-five year history of the church. The book will be available for purchase in the Little Shop later this year. We are also considering several other projects for 2010 funding.

There are two major issues which will need to be studied this year. There is a structural crack in the Murphy Gallery floor. It must be determined whether this is mainly a cosmetic issue or more extensive and urgent work needs to be done. La Paroquia is in a state of disrepair and has been for decades with "band-aids" being applied as necessary. A study this year will determine the extent of disrepair and whether affordable segments of repair can be scheduled over several years to bring it up to the standard we would all like to see.

In addition to the earnings on our investment portfolio, the Preservation and Endowment Foundation receives funding from parishioners' donations. Checks made out to the Preservation and Endowment Foundation may be placed in collection baskets or the P&E box in the church office. Donations may be made directly to our newly established Socially Responsible Investment portfolio. This currently makes up 20% of our investments and excludes investments in such enterprises as tobacco, alcohol, gaming, firearms, etc. We felt it prudent to start this portfolio out small and grow it.

I am confident that by working together, we can preserve the environment which will fully support the successful accomplishment of the church's mission..

Bill Brinkley, President

## **Treasurer**

I am Jim Prescott-Smith, your Treasurer

Much of the wonderful and inspiring work of St Philips described last week requires dedicated financing and paid staff. Your annual pledge and your special gifts and bequests make this possible.

The Treasurer's Report is printed and available on your seat or at the back table. Rather than reiterate what is written, I want to use my time to tell you about some disturbing financial trends.

As a church, we are living beyond our means.

In 2009, for every \$100 of income, St. Philips spent \$123.

Here is a favorite quote from the 75<sup>th</sup> General Convention. Can you all recite it with me?... "A Church which is Alive..."

This can be either an income problem/solution or an expense problem/solution. For the past several years the Vestry has tried to address the income of the Church, to raise the level of pledges.

This slide shows five years history of declining pledges, shown beside total Church expenses. Pledges are not the only source of income, but they are by far the major source, roughly 70%, on which we must rely. Pledges are down 15% since 2006.

We have been drawing on a limited reserve fund, Budget Support, which is supposed to be our reserve for budget shortfalls, unforeseen expenses and true emergencies. In the last two years we have spent over half of this fund.

Given our diminished reserves, troubled economy and declining pledge levels, the Vestry has now, reluctantly, turned to expense reduction, decreeing a maximum \$133,000 use of reserves in 2010 and a balanced budget in 2011, our 75<sup>th</sup> Anniversary Year.

For those that visualize graphically or in percentages, you will love the following four slides:

This pie chart shows the percentage contribution of each category on the income side in 2009. Look how important pledges are. Look how much of our total "income" was drawn more deeply from our endowments.

This is our expense this last year. 61% for payroll. Only 6% went directly to Mission – direct expenses for Music, Christian Education, Outreach, etc. Of course, many of these mission activities would not be possible without paid staff, our buildings, our office, etc.

But, if we are to address the expense side of our budget, we obviously must look at Payroll.

In just a minute, Bob Breckenridge will address the 2010 budget in more detail. But this is a percentage graph of 2010 budgeted income. Increased reliance on pledges, decreased reliance on reserves.

And this is the expense chart showing that even with significant dollar reductions, payroll will still account for 60% of our total expenses.

I leave you with this thought as I turn over the podium to Bob Breckenridge, Chair of our Budget Committee.

Thank you