

REPORT OF THE LONG RANGE PLANNING COMMITTEE

The Committee was formed in March 2011 and charged with the following assignment

1. Determine how St. Philip's can best meet three of the most important issues identified by our congregation in both the 2007 and 2010 Long Range Planning Reports.

1. Engage the services of an Assistant Priest
2. Eliminate the current mortgage
3. Initiate a capital campaign to fund a new Parish Hall

Note: There was substantial support for providing a maintenance reserve to protect against unknown maintenance related expenses. In view of the fact that the Vestry has already established and funds a reserve account this was not considered further by the Committee.

2. Submit a plan to address the needs identified that provides cost estimates as appropriate as well as proposed schedules for implementation.

FACTS UNCOVERED:

1. We have approximately 650 members of St. Philip's with 317 Giving Units. The average Pledge is \$1700 vs. a National Average closer to \$2300.
2. As many as 30% of our parishioners do not pledge.
3. The 2011 pledges for the operating budget are \$345K with Total Revenue from all sources of \$435K.
4. We have had to borrow between \$25 to \$35K for two years in a row now from the Mortgage Reduction/Building Fund to meet the Annual Budget. That Fund has approximately \$46ak in separate Annual Pledges.
5. After purchase of the Red House/Land, the current mortgage balance is \$396K @ an interest rate of 5.85%. The monthly payment is \$2545 for an annual payment amount of \$30,540. There is a targeted extra mortgage payment of approximately \$21K planned for December 2011 pending revenue receipts and our overall financial position.
6. We have solid assets based on the recent tax appraisal with Land valued at \$1,245,150 and Buildings at \$2,061,913.

All of the above can and should be reviewed and verified as necessary with the Vestry and/or Finance Committee.

PROCESS UTILIZED:

1. The Committee met 3/22, 4/5, 4/12, 4/28 and 5/5/2011.
2. Each Committee Member thoroughly reviewed the priorities and parishioner comments from the 2007 and 2010 Long Range Planning Reports.
3. Finance input was accepted as offered from Vestry persons Bittenbender, Meiners, and Harrelson.
4. After surfacing the Assistant Priest as the Number 1 priority, a meeting was held with Father Barry to discuss and better understand the need and responsibilities envisioned for the Assistant Priest utilizing the Position Description he had already prepared. The possible profiles of several candidate options-i.e., recent seminarian graduate, part time priest, or recently retired priest-were also discussed at some length, yet deferred for future additional deliberation once funding was to become available.

: FINDINGS OF THE COMMITTEE:

1. There is unanimous support from the Committee for the procurement of an Assistant Priest. The recent addition of the Stephen Ministers will help reduce Father Barry's workload to some degree but clearly not enough. Most parishes of 600 would have at least 2 priests and St. Philips would have difficulty finding another future Rector without having at least an assistant.
 - The cost estimate for an Assistant Priest is \$75K per year to cover salary and benefits.
 - Father Barry will be insisting upon a 3 year commitment for any candidate but we need to provide the funding indefinitely.
 - The desired timeframe for availability is Easter 2012 but it is recognized that a more Likely possibility based on available funds would be July to September 2012.
2. There does not appear to be the fullest possible understanding and acceptance by the congregation-at-large of the current financial condition of St. Philips's, specifically as regards the recent 2 year shortfalls in being able to meet the budget without the necessity to borrow from the Mortgage Reduction/Building Fund in the amount of \$25 to \$30K.
3. There does appear to be strong support among the congregation to continue paying down the current mortgage.

4. Suitable and attractive facilities are recognized to be an important part and need of a healthy parish. Unfortunately, the Committee feels that due to current and proposed financial commitments, we are unable to recommend building a Parrish Hall at this time.

RECOMMENDATIONS TO THE VESTRY

1. Provide for an Assistant Priest As Soon as Possible

- Do whatever is necessary through the Finance and Stewardship Committees to raise the additional \$75K to fund the Assistant Priest at least by late Summer 2012. Emphasize Father Barry's unacceptable current workload and the benefits for the entire parish from adding the Assistant.

- Also raise the additional \$25K to eliminate the recurring Annual Budget shortfall.

- Strongly and openly communicate to the Congregation about the current budget shortfall and the hard fact that it will not be possible to provide an Assistant Priest without raising additional funds in the form of increased pledges. A format is suggested that first shows from where we are what amount is needed to just close the current gap and then next shows the additional \$75K that is needed to fund the Assistant.

- Make the next Pledge Drive of the Fall of 2011 "The Future of St. Philips" and make additional funds needed for the Assistant the clear emphasis of the campaign. Do not dilute the need by relegating it to another separate "envelope" or fund.

- The Long Range Planning committee will submit some specific additional thoughts and suggestions to Stewardship on how the next Pledge Drive might be organized but clearly some obvious recurring themes for a possible separate sub-committee might be:

- Grow out existing parishioner base
- Increase all existing pledge amounts
- Again "go after" the non-pledging members
- Visit/regain former lost members after full discussion as to why they left.

- Form a Search Committee with Father Barry by November 2011 once early indications for the 2011/2012 Pledge Drive support the likely availability of funding.

2. Continue to Pay down the Current Mortgage

- Keep the current separate "Mortgage Reduction/Building Fund". Until the parish grows an additional 5 to 10 percent and while we find the funds to provide an Assistant, there's no harm in continuing to allow parishioners to pay down the current mortgage and to provide capital funds for a future new Parish Hall. It is fully anticipated that

having an Assistant Priest will help grow the population to the point where expanded facilities are clearly needed. The existing separate fund appeals to many parishioners as the right thing to do so let them continue to contribute as they will. Yes, they may reduce their giving to this “bucket” if we ask for more for the Assistant and Budget gap, but do not induce them to do so by suspending the fund at this time.

In addition, the existence of this fund may be useful again in the future to cover any temporary pledge shortfall or other emergency need.

3. Start Capital Campaign for New Parrish Hall

The committee suggests that a capital campaign at this time would conflict with increased pledging needed to support the assistant priest objective.

-We do suggest that a building committee be formed by January, 2012 to decide what is the best path to accomplish this goal of building a new Parish Hall.

-Based on the footprint of our “campus” a decision should be made as to what is the most feasible, economical and functional use of our property.

-The Committee proposes that the Vestry budget \$10,000 -15,000 to get professional assistance starting with the 2012 budget to help in the planning and design of the new building along with the price.

Respectfully submitted by the Committee,

John Kelliher

David Forsyth

Norman Wheeler

Ross Irwin

Ruth Smith

Vestry Members,

William Bittenbender

Thomas Harrelson

William Meiners

