



Financial Presentation

October 2023

- Welcome....we are delighted you are here!
- To minimize background noise, please keep your computer/phone on **mute**.
- Questions & Answers will be conducted at the end of the presentation.

Brief Agenda

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|---|------------------------------------|
| 1. Opening Remarks | George Young, Junior <i>Warden</i> |
| 2. Overview & Financial Status | Philip Gordillo, <i>Treasurer</i> |
| 3. 2024 & Beyond | Philip Gordillo, <i>Treasurer</i> |
| 4. What is God calling you to do? | Andy Thayer, <i>Rector</i> |
| 5. Questions & Answers | |

What Guides Us?

“Trinity will generally manage its ongoing ordinary expenses not to exceed its ongoing ordinary revenue on an annual basis.”

From Trinity’s Financial Guiding Principles

Church Revenue

	2019	2020	2021	2022	2023 Budgeted
Stewardship	\$ 1,683,063	\$ 1,658,243	\$ 1,542,658	\$ 1,612,499	\$1,765,881
Contributions (plate and grants)	\$101,568	\$80,336	\$57,125	\$92,418	\$83,500
Contributions to TEEP and TLF (includes TLF endowment transfer)	\$113,092	\$101,022	\$136,848	\$171,462	\$183,067
Other Revenue (rentals, etc.)	\$186,699	\$113,576	\$139,485	\$154,244	\$140,500
Endowment Transfer	\$776,675	\$744,651	\$767,065	\$828,860	\$807,982
TOTAL	\$ 2,861,097	\$ 2,697,828	\$ 2,643,181	\$ 2,859,483	\$ 2,980,930

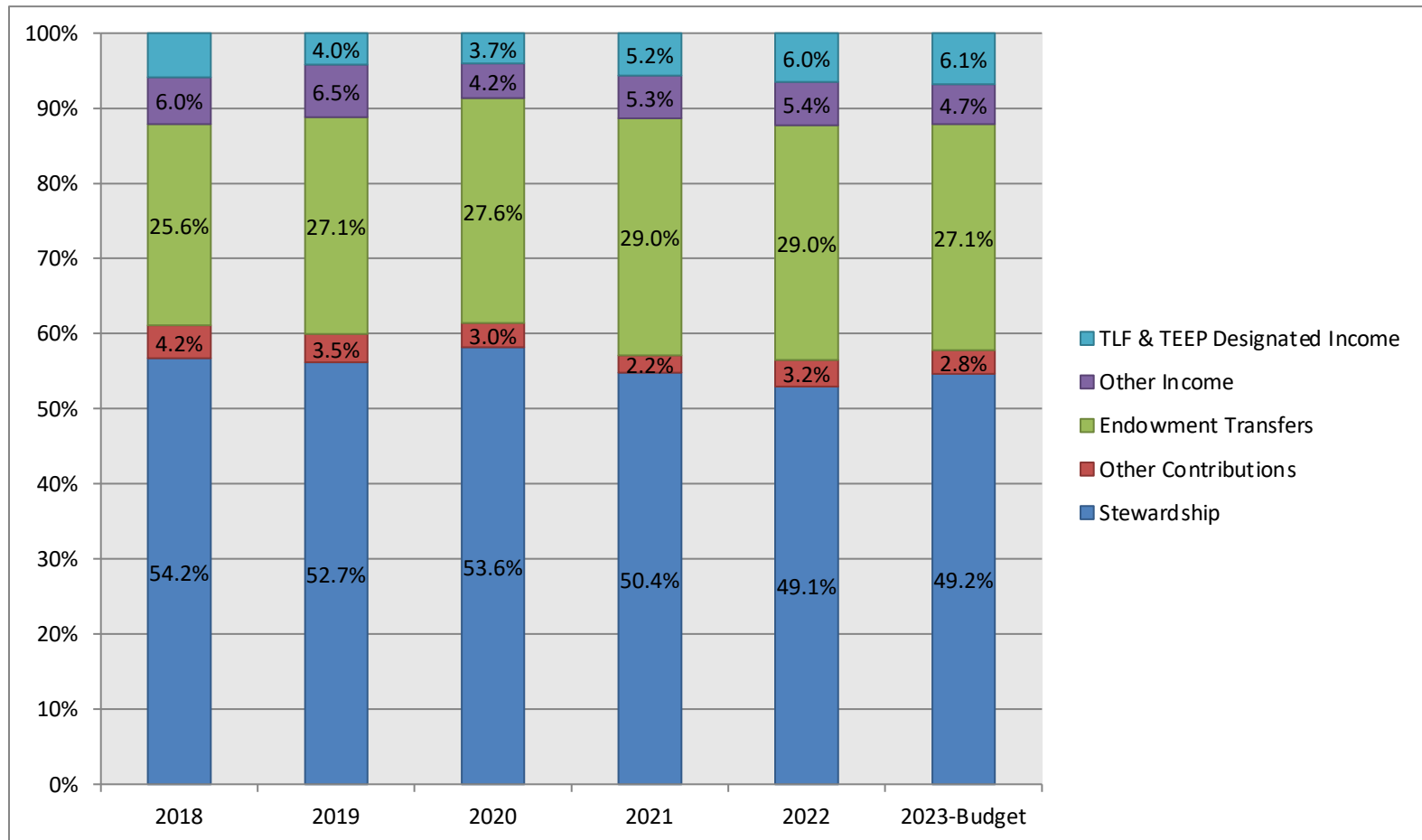
Stewardship Pledges

Stewardship Results 2018 – 2023

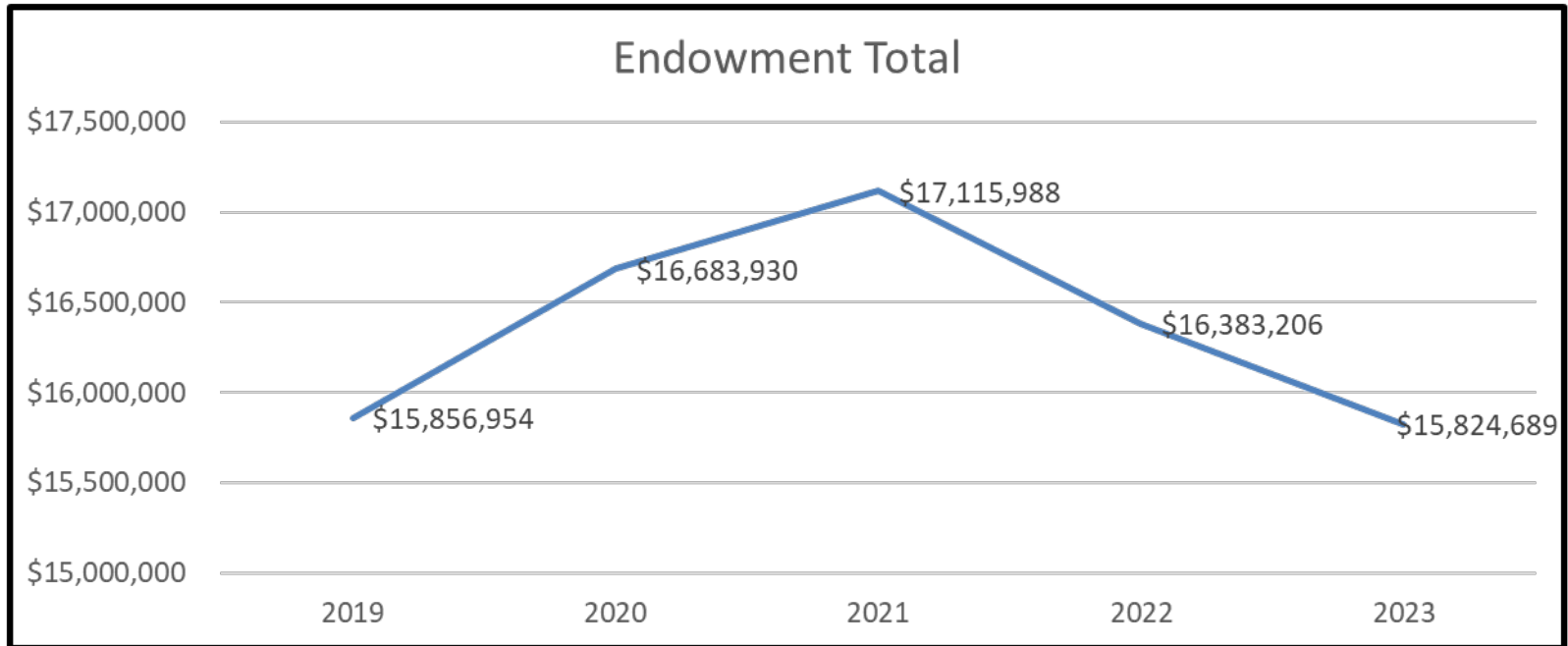
Campaign Year	2018	2019	2020	2021	2022	2023
Number of Households	935	989	969	997	1054	1038
Number of Pledges	458	469	482	403	382	408
Total Amount Pledged	\$1,377,251	\$1,525,206	\$1,540,651	\$1,314,596	\$1,360,296	\$1,404,223

- Stewardship is picking up but is still not where it was pre-COVID
- Expenses have increased so more revenue is required
- Less than half our “households” pledge – leaving fewer members covering more of the costs

Operating Budget Revenue Sources



Church Endowment

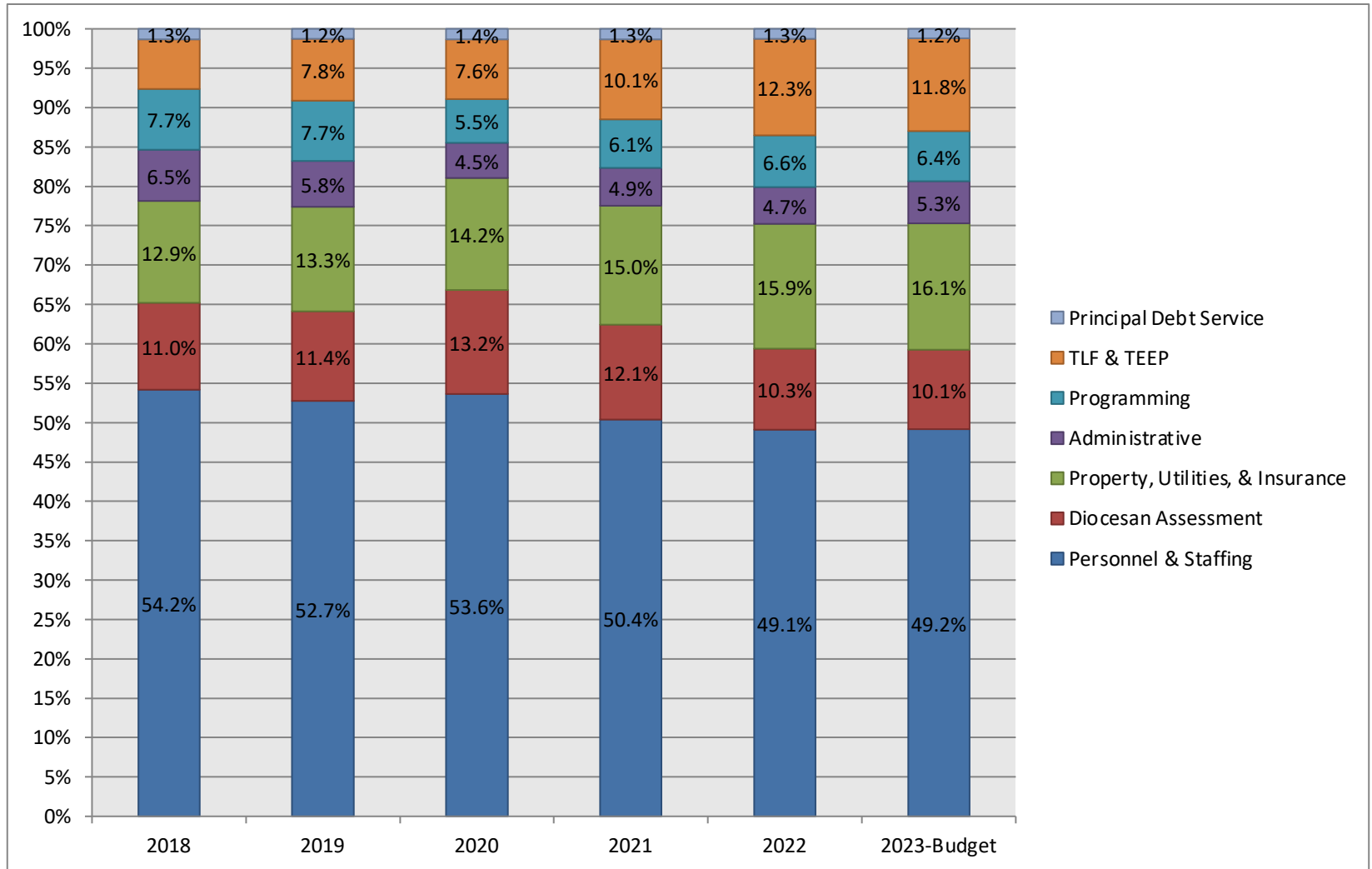


- 5 Year Growth rate is currently about 2.5%
- Policy is to withdraw 5% a year for revenue
- Corpus funds are intended to last in perpetuity.
- Policy and precedent allow for “Rainy Day” withdraws for exceptional expenses – NOT to cover operating costs
- Recent withdrawal was made to repay church repair debt.

Church Expenses

Expense Category	2023 Calendar Year Budget
Total Income	\$ 2,980,930
Expenses	
Total Staffing Expenses	\$1,466,910
Diocesan Assessment	\$300,000
Plant Expenses	\$ 479,772
Administrative Expenses (includes interest payments)	\$ 195,638
Less: Admin Charge to TLF/TEEP	(37,478)
Program Expenses	\$189,695
Program Expense - Trinity Loaves & Fishes	\$158,755
Admin & Overhead - Trinity Loaves & Fishes	\$33,988
Program Expense - TEEP	\$115,000
Admin & Overhead - TEEP	\$ 43,786
Total Expenses	\$ 2,946,066
Net from Budgeted Annual Operations	\$ 34,864
Less: Principal Repayments on Long Term Note	(36,672)
Net from Ordinary Operations	\$ (1,808)

Operating Budget Expenses



Revenues	% Change
Stewardship Receipts	8.5%
Contributions & Grant Income	-28.4%
Other Operating Revenue	-14.9%
Endowment Transfers	-0.8%
Total Revenue	2.9%

Expenses	% Change
Total Staffing Expenses	1.0%
Diocesan Assessment	-1.0%
Plant Expenses	34.8%
Administrative Expenses	8.8%
Principle debt service	0.0%
Program Expenses	-10.4%
Total Expenses	5.0%

Revenue & Expense Changes
2023 budget compared to 2018
actual *without TEEP & TLF Income & Expenses*

Debt Obligations

- Ida Repairs cost about \$6M. The Church's portion of this total is about \$2.1M with the remainder being paid by a combination of Capital Campaign contributions, Trinity School contributions, and tax credits.
- Trinity Church also held about \$738,474 in bank debt resulting from deficit spending years prior to the adoption of the Financial Guiding Principles.
- This left the Church with approximately \$2.8M in bank debt in a high interest rate environment.
- In September 2023, the Vestry elected to make a special withdrawal from the endowment to pay off all church debt.

Budget Environment – 2024 & Beyond

- Breakeven is our goal.
- Staffing Expense
 - Staff receives a modest cost-of-living adjustment, usually less than inflation.
 - Medical Insurance costs continue to rise.
- Plant Expenses have increased 35% over the last five years.
 - Property Insurance increased 150% in March 2022.
 - Recent repair work should help annual maintenance costs, but much still needs to be done.
 - Goal to create a sufficient reserve for major repairs.
- Administrative Expense
 - Pressure on technology and communications --- we want to do more!
 - Debt payment relieves the budget from rising interest expenses related to the high-rate environment.
- Annual operating funds from the Endowments will be less due to debt payments.
 - Annual amounts available for operations are based on a 12 quarter average.
 - Major withdrawal for the debt payment decreases the amount available for annual operations. This will take full affect over the next four years.
 - Planned giving will help replenish the endowment fund.
- Stewardship will need to increase by approximately 11% in 2024 in order to achieve breakeven results.

What is God calling you to do?

Andy Thayer, Rector

Questions?

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