



ANNUAL CAMPAIGN FAQ OCTOBER 2022

How did you come up with the budget numbers for 2023?

The Parish Administrator, Treasurer, and Rector looked at spending trends over the last few years and included cost-of-living salary increases and small salary increases in several positions to get them up to a local standard, small increases in several budget line items, and higher utilities and insurance costs. Last year, parishioners pledged \$1,709,734, with the help of a \$400,000 challenge gift. The church also has income of about \$40,000 from the Holy Trinity Foundation, \$17,000 from undesignated plate offerings, \$60,000 in unplanned gifts, and \$17,000 in rental fees and Music School income, bringing the total income to \$1,758,247. However, that technically wasn't enough to fund parish operations because the Vestry approved a 2022 budget of \$1.81 million, with a \$60,000 deficit, knowing there would be some savings in a staff position that wasn't filled until later in the year and some items planned to be under budget. This year's goal of \$1.8 million is basically a hold-the-line budget from 2022.

Speaking of the matching gift last year, where did that money go?

Last fall, when we were partway through the annual campaign, an anonymous parishioner offered \$400,000 in matching funds for new or increased pledges to the annual campaign. The parish rose to the challenge and met the match. That added the \$400,000 from parishioners to the annual campaign and helped us reach \$1.7 million. The donor then gave the \$400,000 matching money to the church. The Vestry elected not to add the matching money to the annual fund since it was a one-time gift which would artificially inflate the operating budget. The donor asked that the matching money be used as seed money for the capital campaign to fix leaks in the sanctuary.

What are the main budget line items, i.e., where do we spend most of our money?

Of last year's \$1.81 million operating budget, the line-item breakdown was: 10% Repairs and Maintenance; 16% Clergy; 26% General and Administration; 34% Programs; and 13% outside the parish.

Did any budget line items greatly increase or decrease from last year?

No. Some items went up slightly, but only for expected things, like increased cost of utilities or insurance. Some line items are trade-offs – for example, the combination of increased giving plus one employee cutting her hours, another retiring, and the communications position being reassigned, allowed us to hire a full-time facilities manager – a much-needed position with our large and aging campus! We've done our best to control costs, but some items have been reduced because, like all of you, we're faced with the realities of inflation.

How much do we need to raise to hire a third priest?

The Diocese of North Carolina has minimum salary guidelines plus we are required to contribute to a pension fund and cover health insurance. To hire someone fresh out of seminary (that is, with no experience), we would need to have at least another \$100,000 in the budget. The Rector and the Vestry feel strongly that the parish needs to consistently meet the pledge goal before we hire a third priest since it would be unfair to hire someone when we may not be able to cover the salary year to year.

Will music at the 9 a.m. service and the 11:15 a.m. service ever be the same?

The different musical offerings at our services were initially due to cost, but many people have come to love the variety. We now have eight paid singers at the 11:15 service, and four at the 9 a.m. with occasional instrumentalists at the 11:15. To have eight paid singers at the 9 a.m. for the full choral experience, we would have to raise an additional \$20,000. This is an area where a large music endowment would take pressure off the budget by providing money from investments to cover that operating line item. If we had \$3 million in a music endowment, it would pay for all of the music budget, including eight singers at two services every Sunday, forever.

Who sees my pledge and the campaign letters?

This year, we have added a component to some campaign letters. If you made a pledge last year, your letter includes the amount you pledged and calculations for percentage increases. The Vestry and campaign committee thought this addition might make pledging easier if you quickly knew what last year's pledge was. Those letters were generated by the Parish Administrator and the Finance Manager and prepared for mail by the Senior Warden. When you return the pledge card or pledge online (whether you are renewing a pledge or yours is a new pledge) only the Finance Manager sees your pledge.

How many people pledge every year?

For 2022, 430 households (less than half of the congregation) pledged \$1.7 million. Pledges ranged from \$50,000 to \$1, and every one of those pledges was important to furthering Holy Trinity's mission.

Do you allow for unpaid pledges?

We know that circumstances change, so every Holy Trinity budget factors in 5% in uncollectible pledges. That's \$85,000 in the 2022 budget and about the same amount in the 2023 budget.

Who's leading the campaign?

A campaign committee will help make calls on parishioners, answer questions, and help host a series of parties where every parishioner will be invited to the Rector's home for a glass of wine, a chance to enjoy each other in a relaxed environment, and the opportunity to ask questions about the annual giving campaign. Stay tuned for an invitation! Committee members are: Will DuBose, Dodson Schenck, Russ Dunn, Bob and Harriette Knox, and Ann Vaughn.

Will the recent capital campaign affect annual giving?

We hope not! There are fundraising pundits who say that a capital campaign will *increase* giving to an annual campaign because people better understand the needs after a capital campaign. The Vestry and Rector believe parishioners will recognize the different goals of each kind of campaign. The Annual Giving Campaign runs in the fall of every year and funds the annual operating budget, which covers the day-to-day expenses associated with running Holy Trinity as well as funding ministries and activities that further our mission. Your faithful annual giving of treasure as well as time and talent, are essential to the vitality of the church. The Second Century Campaign focused efforts to raise funds to make essential repairs to our buildings, which cannot be accomplished through the annual budget.

I've never pledged before. Where do I start to think about what to pledge?

A pledge of any amount is important. Remember the widow's mite and how valuable it was in Jesus' parable (Mark 12:41-44, Luke 21:1-4)? Those who can give more might adopt the spiritual discipline of tithing. The Bible defines a tithe as 10% (of pre- or post-tax income -- we'll let you decide). Perhaps you're somewhere in between. That's good too. Each year you might challenge yourself to work your way toward the Biblical tithe. Sacrificial giving is the discipline of remembering that all that is, is God's anyway, no matter how hard we might work for it. Together our gifts enable us to take on God's mission in ways no individual would be able to tackle.