

Good Morning! Today is the beginning of the Stewardship drive for the 2026 year. Through the next four Sundays you will hear testimonials of Zion from the congregation. The purpose of this is twofold: To share our stories of what inspires us and keeps us coming back to Zion and to begin the process of envisioning what Zion could be in the future without the limitations of the past. To make Zion's future possible we must now begin the investment process to provide the resources to start our Great Reawakening. This means we need to invest more in Zion if we want more to happen at Zion.

After a decade of very unusual challenges, Zion is still here. We have been tested, much like Job and Abraham, even the Israelites. But here survives this warm and bright edifice with freshly painted windows, glorious music, mowed grass, ongoing maintenance projects, but most importantly, a full staff. This is a huge testimony to the congregation and community of Zion. Congratulate yourselves and each other for having the faith and staying power to believe in Zion even when things weren't as they should have been. Our love of Jesus expressed in our dedication to Zion is what keeps us all here. The joy we feel when we all join together for this glorious celebration is the "Why."

Now for the main reason for my talk this morning-to introduce you to the proposed budget for 2026-Zion's plan for an abundant future. Included in your bulletin this morning is an insert for you to follow along while I go over the details. Also, you can expect your pledge cards to arrive to you soon after November 15. The Financial Committee met five times over the past two months and after much deliberation has produced a budget. We have presented it to the Vestry for their acceptance, and it has been approved for delivery to the Stewardship Committee. So, now it is my honor to present it to you. The good news is-it is the first balanced budget to be presented to the congregation in over a decade. The bad news is-The money is out here, still in our pockets.

Since Rev. McCarley left us at the end of 2015 we have experienced a bit of a roller coaster with our pledging. Included in today's bulletin insert on Page 1 is some data we have compiled of the past 16 years. Upon compiling and studying this, I discovered somewhat of a pattern between the presence of a priest and the total dollar amount of pledges. This is both a source of concern and of hope. The jist of it is this:

- Pledge totals have remained fairly constant for the last 10 years
- Total number of pledgers has decreased by 53% in the last 16 years
- Average pledge amount has more than doubled in the last 15 years +116%
- Total income has increased 37%, averaging \$300K
- Total expenses have increased 65%, solidly at the \$400K mark

The bottom line is that our expenses are exceeding our income by close to \$100K. In order to celebrate joyous liturgy in a comfortable, well-maintained building and park-like churchyard, to offer shelter for the Rainbow School, homeless meals and our Thrift Store, these are the real costs to make these facilities available.

If we move on to the Budget details as provided on Page 3 you will see columns on the right for the 2025 Budget, the 2025 Full Year Estimate and our 2026 Budget. On the left side are the detail rows for Income and Expense broken down by categories. We started this year anticipating a loss close to \$40K, assuming no Rector until April 1. Our income appears to be about \$19K under our estimate from the beginning of the year. Our expenses have increased to the tune of \$40K. After negotiating with Rev. Johanna on her contract we discovered we had underestimated a good portion of her compensation components; in particular, her health insurance, which more than doubled from our estimate. This, of course, then changed the calculations for pension and SECA(SS) All in all we underbudgeted by about \$50K for 2025, resulting in a \$90K loss. Looking forward to 2026, we feel we have a better handle on our actual payroll costs and most of our other costs are more predictable.

Now for one of our favorite subjects-PIE'S. If you flip the budget sheet (Page 4) over you will see two pie graphs, like the two up front here; one labeled Income and the other labeled Expenses. These are pertaining to the 2026 Budget and show, by categories, how these are broken down. These are fairly self-explanatory, I hope, as they directly correlate to the budget sheet, specifically the far-right column, The takeaway is, Pledges provide 75% of our income with Fundraising comprising 9%. On the expense side, staff and building expenses total 86% with the Diocesan apportionment adding another 9% to total 95%. It is our hope that, in the future, we will be in a position to fund both our programs and outreach at a higher level. One portion of our expenses that traditionally is not itemized is the portion that goes toward supporting our outreach programs. The actual cost to provide shelter for these services. With the goal for a sustainable financial future for Zion Episcopal Church we have chosen to present a balanced budget to the congregation with the goal of abundantly embracing the joyous gifts and treasures Zion has to offer. This entails increasing our total income by \$100K, whether it be through pledges, donations, fund raising or other methods. This will necessitate increasing our number of pledgers and their average dollar amounts. Reflecting on 210 years of support and service to the community, we believe the words of our Lord through Mathew are timely, "Ask, and it will be given you, seek, and you shall find, knock, and it shall be opened unto you." Today we begin to ask for you to prayerfully consider committing to the success of Zions' future by pledging with gratitude for all of the things we do now and those we hope to do in the future.

Let's talk about Stewardship. As you know, stewardship entails applying our time, talent and treasure toward the support and enhancement of both the physical and spiritual edifice of Zion. The buildings, programs, events and especially our staff require our support to maintain the form and function of our goal of a community spiritual center. Stewardship is the fuel for this engine, or fire, if you will. It determines the outcome of all of our good intentions and dreams. Pledges are the manifestation of the "Treasure" portion of stewardship; certainly, no more important than Time or Talent, but without the treasure portion, we soon run out of fuel. If this is new to you, or unclear, a Pledge to Zion is a commitment to donate a specific amount of money on a repeating interval, be it weekly, monthly or yearly. The goal of the Stewardship drive is to register pledges for the coming year to fund our budget, similar to United Way, Rotary and other community supported organizations. Today, we have an opportunity to commit to creating a future for Zion very similar to the past and building upon that with even greater goals for the future.

To honor those who have spent many hours developing this proposal, I would like to thank the members of the Financial Comm.-Rev. Johanna, Alice Ellis (Chair), Richard Seckinger, Ned Wilson, Ken Floyd and Jim Ruddy. I would also like to thank the Stewardship Comm. Whose members are-Rev. Johanna, Michael Spensley (Chair), Ken Fanelli, Randy Hilton, Jim Ruddy and Linda Work.

We invite you to consider including Zion in your regular giving plan. In the past 5 years we have begun using Tithley and Paypal for electronic donations and receipt of credit cards. Those that are of the age when IRA required distributions occur may want to consider including Zion in your tax reduction plans with the help of your tax professional. Whether it be through regular pledging, electronic pledging, non-pledged donations, occasional gifts or estate endowments, Zion welcomes your treasure and strives to put these gifts to the best use for the community. Feel welcome to reach out to any of us on the Financial or Stewardship committees about any questions or concerns you may have about the proposed budget and the pledging process. . Let us all ask the Lord to move us in a way that propels Zion forward to the future, with service to each other, the community and the Lord.

ZION P&L AND PLEDGES 2010-2025

	2010	2011	2012	2013	2014	2015	2016	2017
Total Inc	213519	439142	256566	220739	203247	246403	213417	259312
Expense	240900	31618	270032	219321	227102	251382	218988	263137
P/L	-27381	122956	-13465	1417	-23855	-4978	-5571	-3825
Pledges	161999	159567	158634	163054	161115	181370	154729	177118
#Pledge:	?	103	89	83	84	91	80	75
Avg		1549	1782	1965	1918	1993	1934	2362

	2018	2019	2020	2021	2022	2023	2024	2025 EST		
Total Inc	359443	361063	297471	363178	293523	292190	290289	280581	32%	32
Expense	372034	363212	277713	347392	34439	299605	249955	372045	55%	55
P/L	-12591	-2149	19758	15785	-51015	-7415	40333	-91464		
Pledges	194823	185023	180488	188966	198990	171607	187665	181176		
#Pledge:	76	74	72	65	70	62	56	54	-53%	
Avg	2563	2500	2507	2907	2843	2768	3351	3355	116%	

Proportional Giving

Why make a proportional gift?

Recently retired Bishop of Olympia, the Rt. Rev. Greg Rickel, stated that the tithe is only the beginning point. As Christians we give one hundred percent of what we have in gratitude for God who gave us everything there is. We're *all in*.

When you make a proportional gift:

- You set aside your first fruits, dedicating a portion of your wealth, works, and wisdom to God. This is a sacred act.
- Your financial gift rises and falls with your income – it is right-sized to your household.

Giving back to God is a life-time journey; setting a percentage allows you to step up your giving over time.

Annual Income	Weekly Income	Beyond the Tithe		Tithe	Proportional Giving								
		15%	12%	10%	9%	8%	7%	6%	5%	4%	3%	2%	1%
\$20,000	\$385	\$58	\$46	\$38	\$35	\$31	\$27	\$23	\$19	\$15	\$12	\$8	\$4
\$25,000	\$481	\$72	\$58	\$48	\$43	\$38	\$34	\$29	\$24	\$19	\$14	\$10	\$5
\$30,000	\$577	\$87	\$69	\$58	\$52	\$46	\$40	\$35	\$29	\$23	\$17	\$12	\$6
\$40,000	\$769	\$115	\$92	\$77	\$69	\$62	\$54	\$46	\$38	\$31	\$23	\$15	\$8
\$50,000	\$962	\$144	\$115	\$96	\$87	\$77	\$67	\$58	\$48	\$38	\$29	\$19	\$10
\$60,000	\$1,154	\$173	\$138	\$115	\$104	\$92	\$81	\$69	\$58	\$46	\$35	\$23	\$12
\$70,000	\$1,346	\$202	\$162	\$135	\$121	\$108	\$94	\$81	\$67	\$54	\$40	\$27	\$13
\$80,000	\$1,538	\$231	\$185	\$154	\$138	\$123	\$108	\$92	\$77	\$62	\$46	\$31	\$15
\$90,000	\$1,731	\$260	\$208	\$173	\$156	\$138	\$121	\$104	\$87	\$69	\$52	\$35	\$17
\$100,000	\$1,923	\$288	\$231	\$192	\$173	\$154	\$135	\$115	\$96	\$77	\$58	\$38	\$19
\$120,000	\$2,308	\$346	\$277	\$231	\$208	\$185	\$162	\$138	\$115	\$92	\$69	\$46	\$23
\$150,000	\$2,885	\$433	\$346	\$288	\$260	\$231	\$202	\$173	\$144	\$115	\$87	\$58	\$29

ZION 2026 BUDGET

INCOME	2025 Budget	2025 Full Year Est.	2026 Budget
Donations	12456	14,346	15000
Plate Offering	6900	6,697	7000
Pledges	212080	193,000	293268
Special Offerings	3197	2,429	4000
Facility Rent	5400	7,400	10000
Fundraising (NET)	34886	34,090	34744
From investments(Maint)	18000	18,000	18000
Other Income(Design.)		4,619	11404
	292,919	280,581	393416
EXPENSES			
Staff			
Clergy compensation	104100	121,381	150021
Lay salaries	53600	55,396	72000
Payroll taxes/benefits	5000	11,593	5500
Substitutes	5000	3,560	2000
Payroll Support	3500		4200
Total Staff expenses	171200	191,930	233721
Building expenses			
Insurance	26000	23,377	26500
Utilities	51858	56,260	56657
Maintenance	28866	41,775	18000
Office	9154	10,055	8000
Outreach Adjustment			-8331
Subtotal	115878	131,467	100826
Programs & parish expenses			
Diocesan Assessment	39053	39,053	39053
Vestry Contingencies	300	200	300
Convention Expenses	1225	1,225	1225
Christian Education	74		500
Congregational Life	1000	482	1000
Church Supplies	41		41
Music	598	518	1000
Stewardship	300	500	300
Designated Funds Expenses	0	3,100	4719
Search	2000	1,837	0
Subtotal	44591	46,915	9085
Outreach			
Community Facility Use			8331
MMM		1,050	2400
Outreach	500	683	0
Subtotal	500	1,733	10731
Total Expenses	332,169	372,045	393416
	(39,250) \$	(91,464)	0.00

