
St. Anne Orthodox Church
January 31, 2010
Annual Meeting

31 persons were present. It was certified that a quorum was present for the meeting.

Opening Prayer

The meeting convened at 12:25 p.m. with the singing of ‘O Heavenly King.’

Warden’s Report

Lawrence Segrest reported on highlights of the Parish Council’s activities in 2009, with an emphasis on increased compliance with the recently updated Uniform Parish Bylaws, the refinancing of the parish mortgage loan, and the increased role of lay leadership in parish activities. The Warden’s Report is attached.

Treasurer’s Report 2009

Ed Stickle distributed the 2009 Financial Report (attached) and the 2010 proposed budget (attached). He noted that fiscal year 2009 had a net income (income exceeding expenses) of \$5,244.29. Fr. Stephen added that he appreciated the Parish Council’s help in keeping expenses down. It was moved and seconded to accept the Treasurer’s Report. The motion carried by acclamation.

Budget for 2010

Ed Stickle noted that the proposed budget for 2010 has no allocation for the national assessment this year, because the diocese will be covering that expense for churches out of the parish tithes to the diocese. The proposed budget anticipates income of \$137,810 for the year, with expenses of \$137,739. It was moved and seconded to approve the 2010 budget. The motion carried by acclamation.

Rector’s Report

Fr. Stephen reported on his ministry at St. Anne’s in the past year, including his work with the Orthodox Christian Fellowship (OCF) on the UT campus, and his responsibilities as dean. In addition to ministry within the parish, he included outreach ministries undertaken by the parish to missions and to our local community. He emphasized his hopes to begin a project to beautify the temple of St. Anne’s. The project would eventually encompass new church furnishings and front doors, and include plans for the completion of the iconostasis and replacement of our print icons with icons painted by an iconographer. All of these plans would be for improvements that would be permanent to the building we now have or else be movable to a new temple when construction is possible in the future. In answer to a question, he agreed that the windows in the nave could be included in the plan. A motion was made that the parish make a

beginning to the project for the beautification of our temple. The motion was seconded and approved by acclamation. The Rector's Report is attached.

Parish Council

It was moved that, beginning this year (2010), the Parish Council members serve staggered terms of two years each. The Council members will draw straws among themselves to determine which of them will serve one-year terms and which will serve two-year terms, with the one-year terms rotating off in 2011. After this year, all Parish Council members will serve two-year terms from the time of their election. The motion to approve the motion was made, seconded, and approved by acclamation.

Election of Members of Parish Council

The following members of the church were nominated for election to Parish Council for the year 2010:

Iulian Apostoaei
Jeff Romanczuk
Nancy Caldwell
Ted Karas

Marc Lambo
Lawrence Segrest
Ed Stickle

Fr. Stephen asked that Ed Stickle be reappointed as treasurer. The motion to approve the nominations was made, seconded, and approved by acclamation. Fr. Stephen thanked all the members of the Parish Council for their service in 2009.

Nomination of Auditing Committee

The Auditing Committee is composed of three voting parish members who are not on the Parish Council. They will hold office for one year. Those nominated were: Frank Dale, Victoria Karas, and David Caldwell. The motion to approve the nominations was made, seconded, and approved by acclamation.

Nomination of Lay Delegate to Assembly

St. Anne's expects to be eligible to send two lay delegates to the Diocesan Assembly in July 2011, to be held in Atlanta. It was moved that the choice of delegates be referred to Parish Council, with the recommendation that the Warden of Parish Council be supported to attend this year if possible. The motion was seconded and approved by acclamation.

Reports

Volunteer Opportunities

Nancy Caldwell spoke about opportunities for members of the parish to volunteer their time, goods, services and skills that could be of benefit the church. The questionnaires

collected from church members during the last year have helped to form groups of helpers to undertake tasks at church, including Sunday-School teachers, garden workers, cleaning crews and other needed services. She asked that members consider leadership as well as assistance in their area of service.

A Master Calendar has been posted in the parish hall which will allow long-range planning. It will provide a place to sign up for donations for the altar gifts, for coffee hour contributions, for children's food for Church School, and for soup and bread for the Pre-Sanctified Liturgies on Wednesday nights during Lent. With special events coming up in April (including Pascha and a visit from Met. Jonas), clean-up days will be scheduled in March. She asked for volunteers for those work days, as well as for volunteers to sign up for cleaning the church on the regular calendar of activities.

Garden Report

Lynne Attaway reported on the extensive gardening and landscaping projects undertaken in the last year, and asked for members to consider opportunities of volunteering in the garden.

Choir

Fr. Stephen thanked members of the choir and our choir directors for their dedicated service to the worship of the church.

Audit Committee Report

Frank Dale reported on the activity of the Audit Committee in 2009. He explained that the charge of the in-house audit committee is to look for waste, fraud, or abuse, and that the committee found none. Their report includes recommendations to improve efficiency and transparency. The Audit Committee report is attached.

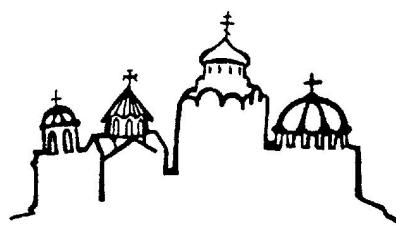
Bookstore Report

Beth Stickle reported on the St. Anne's Bookstore. She reported that she and Dolly Fox are now managing the store, having inherited the position from Ed Krieg, who left the store in a very good financial position. She encouraged everyone to come in and see the books and materials currently available for Lent.

The meeting was adjourned with singing 'It is truly meet.'

Respectfully submitted,

M. Beth Freeman, Recording Secretary



Rector's Report: January 2010

By the grace and mercy of God, I will mark 11 years of priesthood in March of this year. I began my ministry at St. Anne as the Lay Pastor in February of 1998, being ordained Deacon in November of that year. For nearly the first three years of my ministry at St. Anne I worked full time as a Chaplain for Covenant Hospice. Those years were formative for me - with a very steep learning curve. In many ways the learning curve, though not so steep, has never evened out - and I doubt that it ever will.

When St. Anne was founded in 1997-1998, the area that now comprises the Appalachian Deanery was part of the Deanery of the Southeast. The area of our Deanery had three parishes or missions in 1998 (including St. Anne). Today that number of parishes, missions and mission stations is 11, soon to be 12 (with the work of Fr. Deacon Kevin Rigdon launching a mission in Cleveland, TN and the beginnings of a mission in the Southwest Virginia area.)

The creation of our Deanery in 2004 was also the occasion for my being appointed Dean. I think about what God has done in blessing our life at St. Anne - from our first services in homes of parishioners in '97 and early '98, to the Warehouse in Knoxville, to the Storefront here in Oak Ridge, to this building in 2003 (now joined by the property - the vacant lot - next door). God has us blessed materially and in many other ways. And though only a few of us have stories to tell of the Warehouse (or earlier) it is a story rich in blessing.

This past year we weathered a downturn in the economy - according to published figures - perhaps the worst economic conditions in 50 or more years. At one point in the year the Treasurer was projecting a sizable deficit. That the year ended around \$5,000 in the black, is a testimony to the merciful provision of God and the generosity of our members. I give thanks to God.

We continue to be a growing Church. Some years our growth has come with large numbers of converts. Other years our growth has been marked by Orthodox people moving into our community. Another factor in our growth in the past number of years has come through the natural growth in our young families. We have grown in all of these ways this past year. I am confident of strong growth again this year as well.

In 1998 and the first few years of St. Anne, children were a minor presence. Today they seem to account for half our congregation - a blessed half. I am deeply grateful for the ministries (such as Sunday School) that are doing such a wonderful job of providing quality Christian education for our children. Additionally, we have a growing number of young boys being trained and serving in the altar. All of us who serve are very pleased with this growing ministry. In the coming year, we plan to offer training and incorporation of more adult men in the altar as well.

The OCF ministry at UT has been an important part of my ministry this year. It is my "Thursday." We have one person from our OCF community currently doing an MA degree at St. Vladimir's (a non-seminary degree) and another who is in the process of applying for a similar degree. These are future professional ministries of the Church. OCF is consistently one of the common sources of new catechumens in the Church. We expect 2 baptisms before Pascha this year from our OCF group.

Through the OCF work, I had opportunity, to assist Fr. John Kostas of St. George in Knoxville in a presentation on icons at the UT International House, and to make a presentation on the subject of the Orthodox Church in Eastern Europe a few weeks later in the same setting. I also served as a moderator for a panel on Christianity in the Middle East, in which Fr. Paul Tarazi of St. Vladimir's Seminary was featured speaker. Last Spring we hosted an "Evening with A Priest, A Rabbi and An Imam" for the University that was a great success, with hundreds of students attending. These events, are great opportunities for Evangelism and help raise an accurate awareness of Orthodoxy within a population that exceeds 30,000.

In my other work at UT I participate in the Campus Chaplain's group and simply spend time on campus talking to students (of all backgrounds). It is a wonderful place for ministry.

St. Anne's acted as host for several ORICL (Oak Ridge Institute of Continued Learning - sponsored by Roane State) classes this past year - an opportunity to invite the general public into our parish and an opportunity to share some aspect of the Orthodox faith with those who might be interested. I will probably host another class this coming Autumn. I frequently encounter people around Oak Ridge who have attended one of these classes and find them enthusiastic and hoping for more. J.C. and Eva Glover are two members of our parish you came to us through the ORICL program.

As one of the six deans of the diocese, I have been serving on the "Episcopal Selection Committee." Our task has been to interview and propose one or more names for the Diocese to nominate to the Holy Synod for election as the next bishop of the South. I have made several plane trips to attend such meetings - as well as attended meetings that were scheduled to coincide with other events. The total number of meetings has been around 8-10. I pray God that we complete this task in the present year. I am very pleased with the process and its progress. At the request of the Metropolitan I have also served as an official member of our dialog group, meeting with conservative Anglican clergy who have expressed an interest in the Orthodox Church. Their number is substantial.

The parish is in process of establishing an improved website - our present one has not worked well for us. We are getting some direction from the diocese that is quite helpful. We hope to have that site up shortly and to post pictures, minutes from Parish Council and treasurer's reports on a timely basis. This has not been as easy to establish as it once seemed. I am excited that we have found a process and product that should resolve our present needs.

With the visit of the Metropolitan in April of this year, I hope to see a couple of new readers tonsured, possibly the ordination of a sub-deacon (all of which remains to be seen). As mentioned above, we will be adding to our men serving in the altar, and perhaps create “teams” for a regular rotation.

We have added a morning Matins to our schedule, and though travel and health have sometimes interfered with the schedule of this discipline, I think it’s been an important beginning. I would like to add a daily Vespers (in a similar form) this year as well. The Metropolitan is strongly encouraging these sorts of efforts. The purpose behind such efforts is not to establish the parish as a monastery. It is easily recognized that attendance at these offices of prayer will always be small (Matins sometimes numbers just myself, sometimes a few others). The purpose is the *prayer* - establishing that the primary purpose of parish life is found in its prayer and the sacraments. This is the ancient Orthodox pattern.

I am under contract with Conciliar Press for a book that should be completed early this year. With that publication may come opportunities for increased evangelism in the local area - as God wills.

I have hopes to see this year the exploration of a project to beautify our temple - perhaps replacing our mounted print icons with properly painted icons, the completion of our iconostasis as well as the addition of icons (mounted on kiots) on the side walls as we have thought for several years. The replacement of our commercial glass doors with proper wooden doors, as well as the replacement of some of our borrowed Church furnishings would be part of such a project as well.

We discovered this year that plans to move quickly on a new temple were financially premature. But we should not neglect the temple in which we presently pray. The work that we do here, with our iconostasis and furnishings, will become a permanent part of any new temple we build - and is thus not an investment that will disappear.

We worship here, now. All that we can do to contribute to the fullness of that worship is important and worth our best efforts.

A number of aspects and events within our parish life should be underlined”

- Our choir and Sunday School are quite strong
- The improved bookstore represents many hours of work and an excellent ministry
- We made improvements to the Church grounds and good efforts at maintenance
- We established a new directory of members that is far more easily maintained and updated
- Coffee-hour and Monday clean-up now function with a wider group of volunteers
- the women of the parish provide support (via emails) for meals, etc., to numerous people in the parish when needs arise (Tracy and Mthr. Beth have headed this).
- There has been increased participation in the donation of wine, oil and flowers

Our growth and shifting demographics have created new dynamics.

- It has created both the Sunday School and the Summer Church School
- it has brought about two “overhauls” of how we do coffee hour
- created a college/20 something group
- Men’s and women’s groups have formed and carry out many social needs of the parish
- We sent about 12 youth to summer camps last summer and hope to do as well or better this year.

In Missions, God has blessed us with rich opportunities to serve Him and live the Orthodox life.

- we have sponsored James Hargraves who leaves shortly for Tanzania;
- we participate in the Sponsor a Missions Priest program of the Orthodox Christian Mission Center;
- we have sponsored an Indonesian priest in his cross/cultural outreach in Indonesia;
- we support the OCF program;
- we regularly support the needy and the homeless through the Knox Area Rescue Ministries, and the Aid to Dependent Families in Appalachian Counties.
- we also offer strong support to the Choices Resource Center, a crisis pregnancy center which provides alternatives to abortions as well as support for young mothers.
- we support Sts. Mary and Martha Women’s Monastery in South Carolina.

In this place, I gladly give glory to God for all things!

In Christ,
Fr. Stephen+

**St. Anne Orthodox Church
Income and Expenses - Actual vs. Budget
For Selected Accounts**

	1/1/09- 12/31/09 ACTUAL	1/1/09- 12/31/09 BUDGET	DOLLAR CHANGE
INCOME			
Income			
Candle Fund Income	\$ 6,202.10	\$ 8,962.00	\$ (2,759.90)
Christian Ed Income	60.00	0.00	60.00
Church Supplies Income	115.00	250.00	(135.00)
Liturgical Mat. Income	572.50	500.00	72.50
Nat. Assessment Income	1,095.00	1,375.00	(280.00)
Plate	20,153.34	17,550.00	2,603.34
Pledge	115,939.00	113,095.00	2,844.00
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Total Income	\$ 144,136.94	\$ 141,732.00	\$ 2,404.94
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TOTAL INCOME	\$ 144,136.94	\$ 141,732.00	\$ 2,404.94
EXPENSE			
Expense			
Advertising	\$ 992.72	\$ 833.24	\$ (159.48)
Candle Fund Expense	2,918.44	3,073.00	154.56
Car Reimbursement	8,000.04	8,000.04	0.00
Christian Education	546.10	0.00	(546.10)
Conference Reg. & Exp.	301.71	2,000.00	1,698.29
Cons. Loan Interest	21,414.97	25,607.50	4,192.53
Cons. Loan Principal Exp.	11,716.31	7,523.44	(4,192.87)
Diocesan Assembly	606.39	2,000.00	1,393.61
Equipment, Office	64.08	500.00	435.92
Health Insurance	2,022.84	1,683.24	(339.60)
Housing Allowance	15,999.96	15,999.96	0.00
Liturgical Materials	1,503.55	1,103.00	(400.55)
Maintenance	1,638.04	900.00	(738.04)
Miscellaneous Expenses	94.27	204.00	109.73
National Assessment Exp.	4,151.09	3,638.75	(512.34)
Postage & Mailing	473.44	769.00	295.56
Priest Stipend	37,368.00	36,868.00	(500.00)
Property Insurance	1,111.25	1,004.00	(107.25)
Retirement	3,172.08	3,172.08	0.00
Retirement - Asst Priest	190.00	190.00	0.00
Supplies, Church	636.54	1,997.00	1,360.46
Supplies, Office	760.79	1,148.00	387.21
Tithe (Candle Fund)	375.22	608.00	232.78
Tithe (Operating Fund)	15,057.11	13,148.00	(1,909.11)
Utilities	7,777.71	8,014.00	236.29
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Total Expense	\$ 138,892.65	\$ 139,984.25	\$ 1,091.60
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TOTAL EXPENSE	\$ 138,892.65	\$ 139,984.25	\$ 1,091.60
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NET INCOME (LOSS)	\$ 5,244.29	\$ 1,747.75	\$ 3,496.54
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**St. Anne Orthodox Church
Balance Sheet - Actual
For Selected Accounts
As of December 31, 2009**

ASSETS

Checking	
St. Anne Orthodox Church	\$ 39,708
Y-12 Checking Account	1,153
	\$ 40,861
Total Checking	
Savings	
SunTrust Building Savings	\$ 39,833
Y-12 Moneymrkt 49438-075	187
Y-12 Savings - 49438-00	5
	\$ 40,025
Total Savings	
Other assets	
Church Building	\$ 403,337
Lot Next Door	160,000
	\$ 563,337
Total Other assets	
	\$ 644,222

LIABILITIES

Other liabilities	
Consolidated Loan	\$ 242,320
	\$ 242,320
Total Other liabilities	
	\$ 242,320

EQUITY

Fund balance	
Bishop's Reception	\$ 567
Building Fund	49,909
Calendar Fund	9
Candle Fund	2,908
Continuing Education Fund	9
Discretionary Fund	329
Flower Fund	248
General Operating Fund	18,296
Icon Fund	250
Library Fund	735
Memorial Fund	3,963
Misc. Church Furnishings	1,000
OCF Fund	219
Outreach Fund	1,161
Server Robes	112
	\$ 79,716
Total Fund balance	
Owner's Equity	322,186
	\$ 401,903
TOTAL EQUITIES	
	\$ 401,903
 TOTAL LIABILITIES & EQUITY	
	\$ 644,222

St. Anne Orthodox Church
Income and Expenses - Actual
For Selected Accounts
January 01 through December 31, 2009

	1/1- 1/31	2/1- 2/28	3/1- 3/31	4/1- 4/30	5/1- 5/31	6/1- 6/30	7/1- 7/31	8/1- 8/31	9/1- 9/30	10/1- 10/31	11/1- 11/30	12/1- 12/31	TOTAL
INCOME													
Income													
OCF Fund Income	\$30	\$30	\$0	\$0	\$15	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$75
Outreach Fund Income	\$165	\$150	\$970	\$625	\$595	\$540	\$1,340	\$615	\$565	\$550	\$1,275	\$891	\$8,281
Total Income	\$195	\$180	\$970	\$625	\$610	\$540	\$1,340	\$615	\$565	\$550	\$1,275	\$891	\$8,356
TOTAL INCOME	\$195	\$180	\$970	\$625	\$610	\$540	\$1,340	\$615	\$565	\$550	\$1,275	\$891	\$8,356
EXPENSE													
Expense													
OCF Fund Expense	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Outreach Fund Expense	\$150	\$0	\$0	\$0	\$200	\$1,640	\$150	\$600	\$1,200	\$0	\$0	\$4,050	\$7,990
Total Expense	\$150	\$0	\$0	\$0	\$200	\$1,640	\$150	\$600	\$1,200	\$0	\$0	\$4,050	\$7,990
TOTAL EXPENSE	\$150	\$0	\$0	\$0	\$200	\$1,640	\$150	\$600	\$1,200	\$0	\$0	\$4,050	\$7,990
NET INCOME (LOSS)	\$45	\$180	\$970	\$625	\$410	(\$1,100)	\$1,190	\$15	(\$635)	\$550	\$1,275	(\$3,159)	\$366

	1/1- 1/31	2/1- 2/28	3/1- 3/31	4/1- 4/30	5/1- 5/31	6/1- 6/30	7/1- 7/31	8/1- 8/31	9/1- 9/30	10/1- 10/31	11/1- 11/30	12/1- 12/31	TOTAL
INCOME													
Income													
Building Fund Income	\$1,115	\$967	\$1,367	\$1,250	\$60,782	\$1,325	\$2,055	\$565	\$540	\$1,138	\$968	\$1,928	\$74,000
Total Income	\$1,115	\$967	\$1,367	\$1,250	\$60,782	\$1,325	\$2,055	\$565	\$540	\$1,138	\$968	\$1,928	\$74,000
TOTAL INCOME	\$1,115	\$967	\$1,367	\$1,250	\$60,782	\$1,325	\$2,055	\$565	\$540	\$1,138	\$968	\$1,928	\$74,000
EXPENSE													
Expense													
Building Fund Expense	\$34	\$6	\$80	\$33	\$16	\$0	\$64,847	\$0	\$0	\$10	\$0	\$0	\$65,026
Total Expense	\$34	\$6	\$80	\$33	\$16	\$0	\$64,847	\$0	\$0	\$10	\$0	\$0	\$65,026
TOTAL EXPENSE	\$34	\$6	\$80	\$33	\$16	\$0	\$64,847	\$0	\$0	\$10	\$0	\$0	\$65,026
NET INCOME (LOSS)	\$1,081	\$961	\$1,287	\$1,217	\$60,765	\$1,325	(\$62,792)	\$565	\$540	\$1,128	\$968	\$1,928	\$8,973

St. Anne Orthodox Church
Transaction List
For Selected Accounts
January 01 through December 31, 2009

Outreach and OCF Expenses

Date	Number Type	Payee/Desc.	Clr	Amount	Balance	Account

Outreach Fund Expense : Expense						
1/31/09	2261 Incr. Expense	Saints Mary&Martha Monast - Donation		\$150.00	\$150.00	SPLIT
5/9/09	2132 Incr. Expense	Camp St. Thekla Program		\$200.00	\$350.00	St. Anne Orthodox Church
6/20/09	2133 Incr. Expense	Saints Mary&Martha Monast - Youth Re		\$190.00	\$540.00	St. Anne Orthodox Church
6/25/09	2140 Incr. Expense	Camp St. Thekla Program		\$1,000.00	\$1,540.00	St. Anne Orthodox Church
6/26/09	2135 Incr. Expense	Camp St. Thekla Program		\$300.00	\$1,840.00	St. Anne Orthodox Church
6/29/09	2315 Incr. Expense	Saints Mary&Martha Monast - Donation		\$150.00	\$1,990.00	SPLIT
7/31/09	2331 Incr. Expense	Saints Mary&Martha Monast - Donation		\$150.00	\$2,140.00	SPLIT
8/31/09	2344 Incr. Expense	Knox Area Rescue Ministries		\$300.00	\$2,440.00	St. Anne Orthodox Church
8/31/09	2345 Incr. Expense	Second Harvest		\$300.00	\$2,740.00	St. Anne Orthodox Church
9/18/09	2348 Incr. Expense	OCMC		\$600.00	\$3,340.00	St. Anne Orthodox Church
9/18/09	2349 Incr. Expense	OCMC		\$600.00	\$3,940.00	St. Anne Orthodox Church
12/6/09	2379 Incr. Expense	Friends of Indonesia		\$600.00	\$4,540.00	SPLIT
12/22/09	2141 Incr. Expense	Jonathan Bush (OCF Conference)		\$200.00	\$4,740.00	St. Anne Orthodox Church
12/30/09	2384 Incr. Expense	Saints Mary&Martha Monast - Donation		\$150.00	\$4,890.00	SPLIT
12/31/09	2395 Incr. Expense	Knox Area Rescue Ministries		\$500.00	\$5,390.00	St. Anne Orthodox Church
12/31/09	2396 Incr. Expense	Second Harvest Food Bank of East TN		\$600.00	\$5,990.00	St. Anne Orthodox Church
12/31/09	2397 Incr. Expense	OCMC		\$600.00	\$6,590.00	St. Anne Orthodox Church
12/31/09	2398 Incr. Expense	OCMC		\$600.00	\$7,190.00	St. Anne Orthodox Church
12/31/09	2399 Incr. Expense	ADFAC		\$500.00	\$7,690.00	St. Anne Orthodox Church
12/31/09	2400 Incr. Expense	Choices Resourse Center		\$300.00	\$7,990.00	St. Anne Orthodox Church

ng Fund Expenses

Date	Number Type	Payee/Desc.	Clr	Amount	Balance	Account

Building Fund Expense : Expense						
1/9/09	1166 Incr. Expense	Roden Electric		\$34.25	\$34.25	St. Anne Orthodox Church
2/23/09	1183 Incr. Expense	Home Depot Online Payment		\$6.49	\$40.74	St. Anne Orthodox Church
3/29/09	2279 Incr. Expense	VOID		\$0.00	\$40.74	St. Anne Orthodox Church
3/29/09	2280 Incr. Expense	Ted Karas Reimburse for Light		\$79.77	\$120.51	St. Anne Orthodox Church
4/21/09	1212 Incr. Expense	Home Depot Online Payment		\$32.86	\$153.37	St. Anne Orthodox Church
5/21/09	1222 Incr. Expense	Home Depot Online Payment		\$16.08	\$169.45	St. Anne Orthodox Church
7/1/09	34 Incr. Expense	SunTrust Bank		\$61,749.90	\$61,919.35	SPLIT
7/1/09	34 Incr. Expense	SunTrust Bank		\$3,025.00	\$64,944.35	SPLIT
7/21/09	1246 Incr. Expense	Home Depot Online Payment		\$72.23	\$65,016.58	St. Anne Orthodox Church
10/21/09	1288 Incr. Expense	Home Depot Online Payment		\$9.84	\$65,026.42	St. Anne Orthodox Church

**Saint Anne Orthodox Church Budget Comparison
1998 – 2010
(Rev. 1)**

Year	Income	Expenses	Net Income (Loss)	Cumulative Income
1998	28,423	23,615	4,808	4,808
1999	53,046	50,273	2,773	7,581
2000	80,207	77,180	3,027	10,608
2001	108,961	96,452	12,509	23,117
2002	110,922	99,859	11,063	34,180
2003(1)	98,812	104,487	(5,675)	28,505
2004	112,521	108,252	4,269	32,774
2005	120,102	117,153	2,949	35,723
2006(2)	141,899	137,905	3,994	39,717
2007	144,325	149,271	(4,946)	34,771
2008	151,053	152,872	(1,819)	32,952
2009(3)	136,705	137,749	5,245	38,197
2010 Projected	133,890	133,884	6	

- 1. Purchased Building**
- 2. Purchased Adjacent Lot**
- 3. Refinanced Loan**

Report on 2009 Parish Council Activities

St. Anne Orthodox Church

February 7, 2009

The following are the highlights of the parish council's activities in 2009.

Increased Compliance with Bylaws:

The council actively pursued greater compliance with the Uniform Parish Bylaws (updated in 2009), with the two major accomplishments being:

1. Our first year for a Budget Committee.
2. Our first year for an Audit Committee.

The budget committee created the 2009 budget which addressed the need for substantial belt tightening. Throughout 2009 the parish council held the line on expenses and we were blessed with more income than we expected, resulting in a \$5,000 surplus. The proposed 2010 budget is the second time a committee has created the budget.

An audit committee was elected at the 2009 annual meeting for the first time in our parish's history. The committee's work was thorough, and the recommendations are thoughtful. It will be the work of the next parish council to implement most or all of these recommendations. The work of the audit committee will help to ensure sound procedures and transparency in church finances.

Loan Refinancing:

Loan refinancing took advantage of low interest rates and will save about \$500/month in interest payments in the early years (\$6,000/yr). This interest savings is being applied to the principle to get us out of debt sooner. Our interest rate dropped from 7.89% to 6.85% fixed rate over a 15 year term. Driving down our debt will strengthen our balance sheet, and a strong balance sheet will allow us to build a proper Orthodox temple.

Increased Lay Leadership:

The parish council played a stronger support role to Fr. Stephen in 2009. This removed some of the burden from Fr. Stephen's shoulders, and hopefully made his life a bit easier. A major part of our effort was in trying to increase volunteerism. Volunteer forms were handed out, and a volunteer database was created that so that we knew what each parishioner was interested in doing. A sign-up calendar was created for volunteers and donations, and this effort has now been supplemented with a bulletin insert. Further, members submitted updated contact information and a member database was created. This has allowed for improved formal and informal communication within the church.

Report on 2009 Parish Council Activities

All of these activities happened with Fr. Stephen's blessing, but without him having to do all the work. As we grow we will need to continue getting people plugged into volunteer opportunities in our parish.

In summary, I think the parish is now in full compliance with the Uniform Parish Bylaws in all major respects, the budget and audit committee's efforts have improved our financial planning, our procedures, and our transparency, and a good foundation has been laid for increased volunteerism within the parish.

Lawrence Segrest, 2009 Parish Warden

TO: Members of St. Anne Orthodox Church

FROM: Audit Committee

DATE: January 31, 2010

RE: Audit of Parish Financial Statements

In accordance with diocesan bylaws and upon request of the Parish Counsel, the Audit Committee has conducted a routine review of parish financial statements for the 2008 fiscal year. The following report is presented as a summary of findings and recommendations that the Audit Committee has provided to Fr. Stephen and the Parish Council.

The Audit Committee's review consisted of a thorough examination of parish financial statements for the 2008 fiscal year, along with statements for the second half of the 2007 fiscal year and the first half of the 2009 fiscal year. The Audit Committee also met with Fr. Stephen, the Treasurer, and the Chairman of the Parish Council to obtain additional information and/or clarification regarding particular financial matters and to present its preliminary findings and recommendations.

The Audit Committee's review involved the examination of parish financial statements for evidence of fraud or abuse, along with the verification that sufficient procedures are in place as a safeguard against fraud or abuse. The review found no evidence of fraud or abuse. The committee did, however, provide the Parish Council with a number of recommendations consistent with improving transparency and allowing for more comprehensive financial oversight of certain types of expenditures. These recommendations may be summarized as follows:

1. The Parish Council should adopt specific definitions for the classification of certain types of expenditures (e.g., "Building" and "Outreach") that are recorded in parish financial statements.
2. Specific threshold amounts should be adopted for unbudgeted and/or unforeseen expenditures that are made without Parish Council approval.
3. To the extent it has not done so already, the Parish Council should adopt guidelines and procedures for providing financial assistance to individuals and families. Similarly, appropriate budgetary guidelines should be formulated for assisting with the costs of attending Camp St. Thekla for families who could not otherwise afford for their children to participate.
4. The Parish Council should seek appropriate guidance regarding the compensation of interns and other non-permanent employees and

regarding the correct tax treatment for all forms of clergy remuneration. In addition, guidance should be obtained regarding the correct tax treatment of monetary gifts that are designated for payment to specific individuals and/or families.

5. The Parish Council should ensure that diocesan reimbursement is obtained for expenses incurred in conjunction with the Appalachian Deanery.
6. The present procedure for day-to-day purchases should be reviewed to ensure that appropriate tax-exempt savings are obtained.
7. A standard travel reimbursement form should be adopted by the Parish Council to provide for the complete and accurate documentation of travel expenses and to minimize waste.
8. A more accurate means of retaining, filing and storing receipts from purchases should be adopted.
9. Guidelines should be adopted for the compensation and hosting of visiting clergy. In addition, the appropriate amount for honoraria to visiting clergy should be determined.
10. The Parish Council should determine the extent to which tithes to the diocese are required from all funds received by the parish.
11. The Parish Council should review the present system for collecting donations (i.e., offering plates in the narthex) and counting them, in order to improve security.
12. The parish should consider changing its mailing address for all matters pertaining to the Treasurer (e.g. billing, written bank statements, and receipt of mailed contributions by check) to take advantage of the secure lock box that already exists in the joint St. Anne's/Office Complex parking lot.

The foregoing recommendations are not offered as a criticism of current financial practices, but merely for the purpose of improving efficiency and transparency. Questions regarding these recommendations should be directed to Fr. Stephen or to the Parish Council.