



YORKMINSTER PRESBYTERIAN CHURCH

6218 George Washington Memorial Highway
Yorktown, VA 23692

Senior Pastor
T. Feild Russell

Associate Pastor
David B. Pierce

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Dear Members and Friends of Yorkminster Presbyterian Church,

Have you noticed the increasing use of our new fellowship center? Covenant Hall and the Commons have been the sites for Vacation Bible School activities, regular basketball events, special worship services, numerous youth activities, Sunday morning fellowship time, Presbyterian Women meetings, Session & Diaconate meetings, and so much more! Each year, Yorkminster's Financial Improvements Study Committee (FISC) performs a review of the church's growth and financial status. We want to share highlights of our 2008 review with you.

In brief, while Yorkminster's membership and attendance are below FISC's projections, operating income has met 2008 projections. Capital Fund income for 2008 exceeded the amount pledged, although it was lower than the amount FISC had projected would be received. So, we have much for which to be thankful.

The Capital Fund is on target to meet or exceed the pledged amount for the current three-year Capital Fund Campaign period. Following is a summary of income and expenditures for 2008.

Capital Income:

	<u>2008</u>	<u>2007 & 2008</u>
For Loan Payments	\$390,822	\$880,941

The Capital Fund pledged for 2007 through 2009 is \$1,248,602 and for the first two years we have received 71% of the amount.

Capital Expenditures:

	<u>2008</u>	<u>2007 & 2008</u>
For Loan Payments	\$400,228	\$857,033

Note: The income and expenditures do not match due to the carry over at the end of the year not being the same as the previous year. In other words, the loan payment for the income received in December is made in January.

The church bears two loans on real estate owned: one on the Fellowship Center and one on the land known as the "Rollins II Land," which is between the Fellowship Center and Stor Moore. At the current time, we are required to pay only interest on both of these loans; however, FISC has maintained an unwavering policy to pay as much on the principal of the Fellowship Center loan as possible. This loan carries the higher interest rate at this time and, in the long run, having less principal and interest to pay will be much healthier.

Following is a summary of the activity on the two loans in 2008:

	<u>Principal Paid</u>	<u>Interest Paid</u>	<u>Total Paid</u>
Fellowship Center	\$215,999	\$158,522	\$374,521
Rollins II Land	0	25,707	<u>25,707</u> \$400,228

Half of the interest payment on Rollins II is donated back to the church by the seller who finances the land for us. The loan on the Rollins II parcel will require principal payments beginning in 2010.

To give you the big picture, following is a summary of the total loan payments made since each loan began and through 2008:

	<u>Principal Paid</u>	<u>Interest Paid</u>	<u>Total Paid</u>
Fellowship Center	\$472,598	\$333,021	\$805,619
Rollins II Land	0	102,828	<u>102,828</u>
			\$908,447

The original loan on the Fellowship Center was \$2,771,865 and payments started in January 2007. The loan on Rollins II is \$428,444 and interest payments started in 2005.

The outstanding debt as of January 1, 2009, is as follows:

	<u>Outstanding Principal</u>
Fellowship Center	\$2,299,267
Rollins II	<u>428,444</u>
Total	\$2,727,711

Our estimate of the total payment on these loans is \$5.4 million, which includes principal and interest.

FISC's Capital Fund income projections are based on Sunday morning worship attendance, which has remained at a constant level for several years. The fact that both Operating and Capital Income have grown is a sign of the dedication of our congregation to the church's programs. However, we have already felt the effects of the current downturn in the economy as Operating Income pledges decreased for 2009. Soon, we will engage in a new Capital Campaign. [You may recall that we are in the midst of the second of three consecutive Capital Campaigns: 2004 – 2006, 2007 – 2009 and 2010 – 2012.] The continuing financial health of our church depends on the continuing dedication of our congregation to supporting the programs and capital improvements we have chosen.

Thank you for the continuing opportunity to serve Yorkminster Presbyterian by developing, analyzing and communicating the church's capital fund information.

Belinda Adams, Ed Bruce, Bill Eutsler & Mary Catherine Fralich
Feild Russell, Ex-officio member
Financial Improvement Studies Committee, Yorkminster Presbyterian Church

Phone: (757) 898-5666 Fax: (757) 877-8110
Email: office @yorkminsterpc.org web: www.yorkminsterpc.org