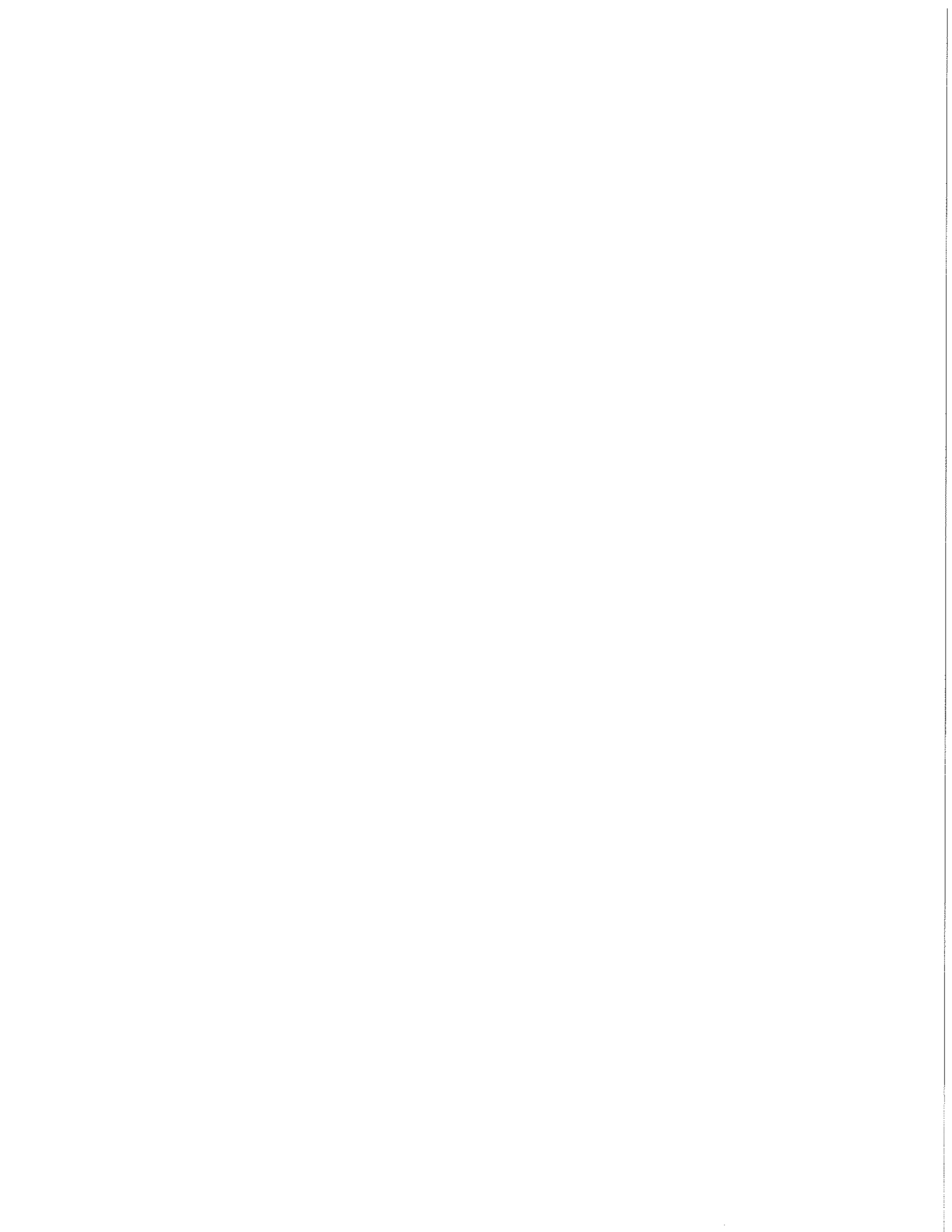


Empty Bowls



MCKINNEY COMMUNITY DEVELOPMENT CORPORATION
Grant Application
 Fiscal Year 2014

IMPORTANT:

- Please read the McKinney Community Development Corporation Grant Guidelines prior to completing this application.
- Application is available at www.mckinneycdc.org; by calling 214.544.0296 or by emailing cgibson@mckinneycdc.org
- Please call to discuss your plans for submitting an application in advance of completing the form provided. Completed application and all supporting documents are required to be submitted electronically or on a CD for consideration by the MCDC board. Please submit the application to:

McKinney Community Development Corporation
 5900 S. Lake Forest Blvd., Suite 110
 McKinney, TX 75070

- If you are interested in a preliminary review of your project proposal or idea, please complete and submit the **Letter of Inquiry** form, available at www.mckinneycdc.org, by calling 214.544.0296 or emailing cgibson@mckinneycdc.org.

Applications must be completed in full, using this form, and received by MCDC, electronically or on a CD, by 5:00 p.m. on the date indicated in schedule below.

Please indicate the type of funding you are requesting:

- | | |
|--|--|
| <input type="checkbox"/> Project Grant
Quality of Life projects that advance the mission of MCDC and are eligible for funding in accordance with the Type B sales tax statute (refer to examples in Grant Guidelines). | <input checked="" type="checkbox"/> Promotional or Community Event Grant (maximum \$15,000)
Initiatives, activities and events that promote the City of McKinney for the purpose of developing new or expanded business opportunities and/or tourism – and enhance quality of life for McKinney residents. |
|--|--|

Promotional and Community Event Grants:

Application Deadline	Presentation to MCDC Board	Board Vote and Award Notification
Cycle I: January 3, 2014	January 2014	February 2014
Cycle II: June 30 2014	July 2014	August 2014

Project Grants:

Application Deadline	Presentation to MCDC Board	Board Vote and Award Notification
Cycle I: January 31, 2014	February 2014	March 2014
Cycle II: April 30, 2014	May 2014	June 2014
Cycle III: July 31, 2014	August 2014	September 2014

APPLICATION

ORGANIZATION INFORMATION

Name: St. Peter's Episcopal Church

Federal Tax I.D.: 75-1447168

Incorporation Date: 12/27/2007

Mailing Address: 511 Foote St.

City McKinney

ST: TX

Zip: 75069

Phone: 972-562-1166

Fax: 972-542-9881

Email: jstclair@stpetersmckinney.com

Website: www.stpetersmckinney.com

Check One:

- Nonprofit – 501(c) Attach a copy of IRS Determination Letter
- Governmental entity
- For profit corporation
- Other

Professional affiliations and organizations to which your organization belongs: Episcopal Diocese of Dallas, McKinney Chamber of Commerce, 3e McKinney

REPRESENTATIVE COMPLETING APPLICATION:

Name: Jamie St.Clair

Title: Outreach Coordinator

Mailing Address: 511 Foote St.

City: McKinney

ST: TX

Zip: 75069

Phone: 972-896-5086

Fax: 972-542-9881

Email: jstclair@stpetersmckinney.com

CONTACT FOR COMMUNICATIONS BETWEEN MCDC AND ORGANIZATION:

Name: Jamie St.Clair

Title: Outreach Coordinator

Mailing Address: 511 Foote St

City: McKinney

ST: TX

Zip: 75069

Phone: 972-562-1166

Fax 972-542-9881

Email: stclair@stpetersmckinney.com

FUNDING

Total amount requested: \$4,569.50

PROJECT/PROMOTION/COMMUNITY EVENT

Start Date: 04/16/2015

Completion Date: 04/16/2015

BOARD OF DIRECTORS *(may be included as an attachment)*

Nancy Brill

Craig Fowler

Guy Giersch

Mike Jones

George Kadera, Jr.

Victor Kriechbaum

Steve VanLandingham

Tad Murley

Michele Bernard

Molly Mitchell

Sy Shahid

Julie Smith

LEADERSHIP STAFF *(may be included as an attachment)*

See attachment

Using the outline below, provide a written narrative no longer than 7 pages in length:

I. Applying Organization

Describe the mission, strategic goals and objectives, scope of services, day to day operations and number of paid staff and volunteers.

Disclose and summarize any significant, planned organizational changes and describe their potential impact on the Project/Promotion/Community Event for which funds are requested.

II. Project or Promotion/Community Event (whichever is applicable)

- Outline details of the Project/Promotion/Community Event for which funds are requested. Include information regarding scope, goals, objectives, target audience.
- **For Promotional Grants/Community Events** – describe how this initiative will promote the City of McKinney for the purpose of business development and/or tourism.
- Describe how the proposed Project/Promotion/Community Event fulfills strategic goals and objectives for the organization.
- Please also include planned activities, time frame/schedule, and estimated attendance and admission fees if applicable.
- What is the venue/location for Project/Promotion/Community Event?
- Provide a timeline for the Project/Promotion/Community Event.
- Detail goals for growth/expansion in future years.

Project Grants – please complete the section below:

- | | | |
|-----------------------------|------------------------------|--|
| • An expansion/improvement? | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |
| • A replacement/repair? | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |
| • A multi-phase project? | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |
| • A new project? | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |

Has a feasibility study or market analysis been completed for this proposed project? *If so, please attach a copy of the Executive Summary.* No

Provide specific information to illustrate how this Project/Promotion/Event will enhance quality of life and further business and economic development in the City of McKinney, and support one or more of MCDC's goals:

- Develop and strengthen community amenities to improve quality of life
- Support projects eligible for Type B support under state law
- Contribute to business and economic development within McKinney
- Strengthen relationships with our partners

- Maintain financial sustainability
- Educate the community about the impact of MCDC investments on quality of life in McKinney

Has a request for funding, for this Project/Promotion/Community Event, been submitted to MCDC in the past?

Yes No

III. Financial

- Provide an overview of the organization’s financial status including the impact of this grant request.
- Please attach your budget for the current year and audited financial statements for the preceding two years. If financials are not available, please indicate why.

What is the estimated total cost for this Project/Promotion/Community Event?

\$9,651.08

(Please include a budget for the proposed Project/Promotion/Community Event.)

What percentage of Project/Promotion/Community Event funding will be provided by the Applicant? 52% of the funding will come from sponsorships and from the proceeds of the event.

Are Matching Funds available? Yes No

Cash \$	Source	% of Total
In-Kind \$	Source	% of Total

Are other sources of funding available? *If so, please list source and amount.*

We plan to solicit a named sponsor for \$5,000

Have any other federal, state, or municipal entities or foundations been approached for funding? No

IV. Marketing and Outreach

Describe marketing plans and outreach strategies for your organization and for the Project/Promotion/Community Event for which you are requesting funding – and how they are designed to help you achieve current and future goals.

V. Metrics to Evaluate Success

Outline the metrics that will be used to evaluate success of the proposed Project/Promotion/Community Event. If funding is awarded, a final report will be required summarizing success in achieving objectives outlined for the event.

Acknowledgements

If funding is approved by the MCDC board of directors, Applicant will assure:

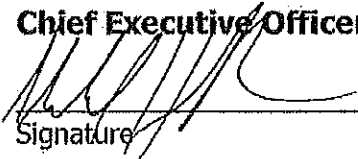
- The Project/Promotion/Community Event for which financial assistance is sought will be administered by or under the supervision of the applying organization;
- All funds awarded will be used exclusively for the purpose described in this application;

Acknowledgements - continued

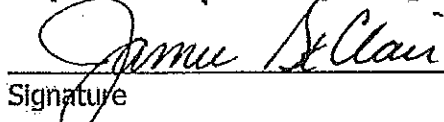
- MCDC will be recognized in all marketing, outreach, advertising and public relations as a funder of the Project/Promotion/Community Event. Specifics to be agreed upon by applicant and MCDC and included in an executed performance agreement;
- Organization's officials who have signed the application are authorized by the organization to submit the application;
- Applicant will comply with the MCDC Grant Guidelines in executing the Project/Promotion/Community Event for which funds were received.
- A final report detailing the success of the Project/Promotion/Community Event, as measured against identified metrics, will be provided to MCDC no later than 30 days following the completion of the Project/Promotion/Community Event.
- Up to 80% of the approved grant may be provided, on a reimbursement basis, prior to conclusion of the Project/Promotion/Community Event with submission of invoices/receipts to MCDC. The final 20% will be paid following MCDC's receipt of unpaid invoices/receipts; documentation of fulfillment of obligations to MCDC; and final report on the Project/Promotion/Community Event.
- The required performance agreement will contain a provision certifying that the applicant does not and will not knowingly employ an undocumented worker in accordance with Chapter 2264 of the Texas Government Code, as amended. Further, should the applicant be convicted of a violation under 8 U.S.C. § 1324a(f), the applicant will be required to repay the amount of the public subsidy provided under the agreement plus interest, at an agreed to interest rate, not later than the 120th day after the date the MCDC notifies the applicant of the violation.

We certify that all figures, facts and representations made in this application, including attachments, are true and correct to the best of our knowledge.

Chief Executive Officer


Signature

Representative Completing Application


Signature

REV. MICHAEL HOFFMAN
Printed Name

Jamie St. Clair
Printed Name

Date 6/30/14

Date 6/30/14

St. Peter's Episcopal Church

Overview of Organization

St. Peter's Episcopal Church is one of three Episcopal churches in McKinney and is a member of the Episcopal Diocese of Dallas. We are a thriving congregation of people who are passionate about reaching out to those in need in our community. We have seven paid staff members and untold number of volunteers.

We created our Empty Bowls McKinney event in 2012 to raise money to combat hunger in our community. The proceeds of the event support hunger initiatives at Community Lifeline Center.

St. Peter's Episcopal Church
Leadership Staff

Rev. Michael Hoffman, Rector
Rev. Kathy Garrett, Associate Rector, Youth Ministries
Rev. Betty Breyfogle, Deacon
Ashley Hart, Children & Family Ministries
Helen Cantrell, Music Ministries
Jamie St. Clair, Outreach Coordinator
Mariana Pearson, Parish Administrator
Sharon Childers, Clergy Secretary
Tony Hewitt, Sexton

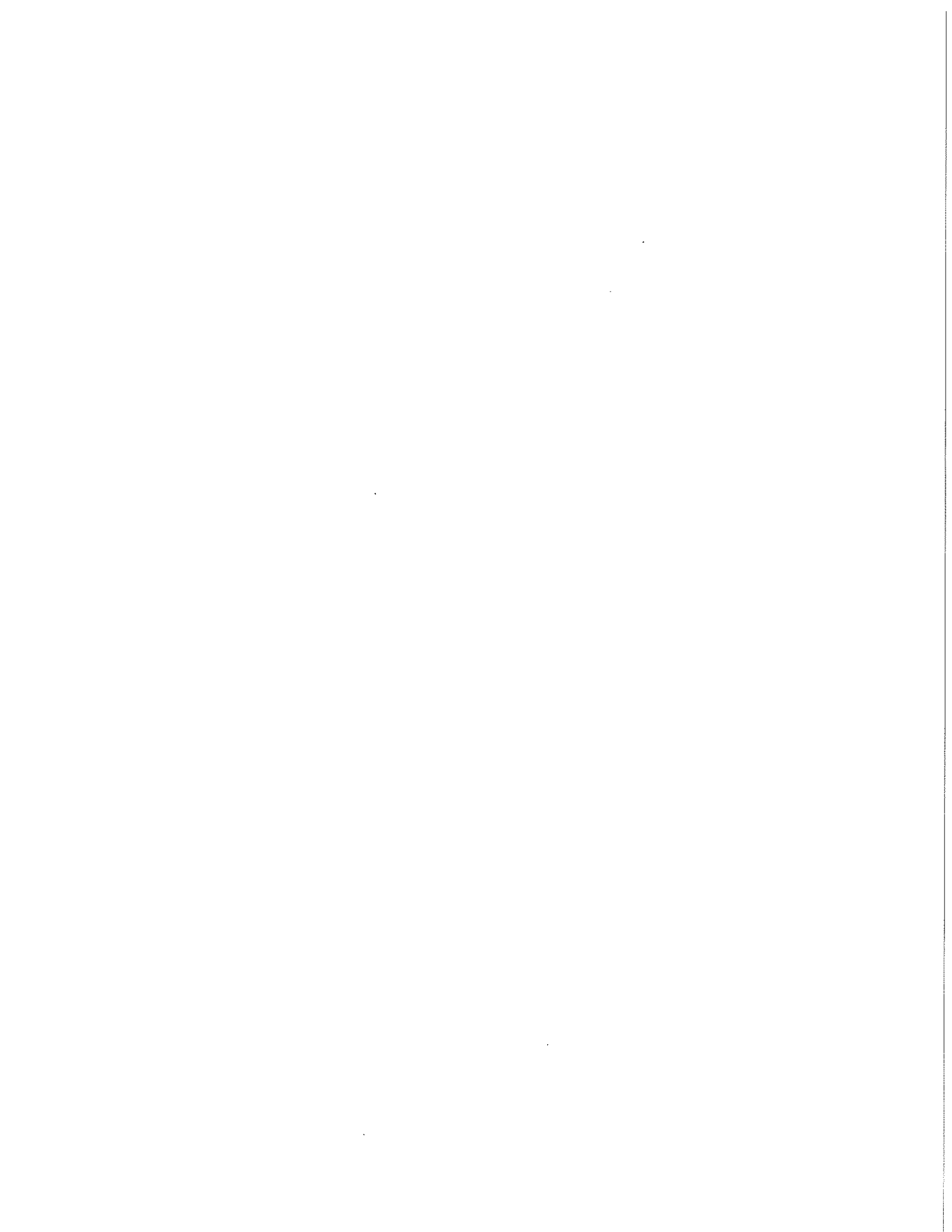
St. Peter's Episcopal Church

Empty Bowls McKinney 2015 - Supporting MCDC Goals

- Empty Bowls McKinney will increase McKinney's tourism opportunities by providing an annual, entertaining, experience to people living in the North Dallas area who appreciate art and want to contribute to fight hunger in our local area. Our attendance has increased each year as the word spreads about the event.
- We are promoting McKinney artists and helping the art community to grow. An offshoot of Empty Bowls McKinney is the SPARC (St. Peter's Artist Run Community) Studio. This studio came into being as a direct result of artist interaction with our church through Empty Bowls. The studio is now home to 7 artists who are creating and teaching in McKinney. Part of the charter agreement with the SPARC artists is that they will actively support our Empty Bowls event.

The studio also has plans for multiple workshops each year with well-known guest artists. These workshops increase the exposure of McKinney and bring people from outside McKinney to attend. The first workshop on June 27, 2014, features Kym Owens, lead production potter at Sunset Canyon Pottery in Dripping Springs, TX.

- We are promoting the participating restaurants and increasing their business. They will have the opportunity at the event to bring promotional material and/or incentives to the event. We will be bringing 600 people to the Square on a Thursday night. There will definitely be a financial impact.
- The money we raise will impact McKinney through the hunger initiatives of Community Lifeline Center.



St. Peter's Episcopal Church
Empty Bowls McKinney 2015 Event Marketing & Metrics

Marketing

Our advertising for past events has included:

- Empty Bowls postcards supplied in runners bags at "Believe" run
- Empty Bowls cards provided to artists for MAST (McKinney Art Studio Tour)
- Advertising on Town Square Buzz website & emails
- Posters put up in shops by retailers around McKinney
- Visits to professional groups (Rotary, Kiwanis & Lions) in McKinney
- Email through Historic Homes Association
- Banners on church property
- Advertising in our church bulletins and emails
- Articles submitted to Dallas Morning News NeighborsGo
- Articles in the McKinney Courier-Gazette

In 2015, our plans call for increased outreach and advertising by:

- Partnering with The Parks Church to increase our volunteers and reach into the community
- MPAC will advertise our event on their website, emails and on their marquee.

With a grant from MCDC, we hope to add the following to help us reach our attendance goals (within and without McKinney):

- Banner on GoTaps bus
- Advertise in Craig Ranch Telegram (HOA Newsletter)
- Advertise in the Stonebridge Ranch HOA Newsletter
- Advertise in the Twin Creeks News (HOA Newsletter) - Allen
- Advertise in Heritage Ranch Reporter (HOA Newsletter) – Fairview

Metrics

We will be selling tickets electronically in 2015 and we will collect zip code information for each ticket sold. We will also ask the buyer "where they heard about the event" so that we can measure the effectiveness of our advertising. From that data we will be able to measure the following to evaluate the success of our event.

1. **Attendance:** We expect to bring 600 people to the McKinney Square on a Thursday night in April 2015 and positively impact the businesses who participate in our event and/or are located nearby.
2. **Non-McKinney Attendance:** We expect to double our non-McKinney participation to 20% of the participants in 2015.
3. **Non-McKinney Participation in Silent Auction:** We expect to continue the non-McKinney participation in the online Silent Auction at significantly better than 25% in 2015.

St. Peter's Episcopal Church
Empty Bowls McKinney 2015 Event Overview

Empty Bowls McKinney was started in 2012 to combat hunger in McKinney. It is patterned off the Empty Bowls concept created by The Imagine Render Group (www.emptybowls.net). The Imagine Render Group started an international grassroots effort to fight hunger with the simple basic premise: "Potters and other craftspeople, educators and others work with the community to create handcrafted bowls. Guests are invited to a simple meal of soup and bread. In exchange for a cash donation, guests are asked to keep a bowl as a reminder of all the empty bowls in the world. The money raised is donated to an organization working to end hunger and food insecurity." Empty Bowls events now take place around the world. Each group organizing an event designs it around the needs of their own community.

On April 16, 2015, we will hold our 4th annual event from 5:30 to 7:30pm. We are partnering with The Parks Church to expand the volunteer pull and the reach of the event. The McKinney Performing Arts Center (MPAC) is sponsoring us at their location. We expect to double last year's attendance to at least 600 people. Our eventual goal is to have this event draw thousands of people to fill the McKinney Square. All proceeds from the event benefit hunger initiatives at McKinney's Community Lifeline Center. In 2012, our event grossed \$4,500. In 2013, we grossed \$6,000. Last year we grossed \$10,000.

In 2015, the cost for tickets will be \$25 with a bowl and \$15 without a bowl (food only). Children ages 12 and under can attend for free accompanied by a paying adult (we want to be affordable to young families). There is no charge to participate in the online silent auction, so people who aren't attending the event can participate in the auction. We plan to have artist demonstrations using pottery wheels outside the MPAC which would be free to the public.

We have not collected data from participants at the event in past years, but we estimate at least 10% of attendees were not residents of McKinney. We also know that 32% of the people who bid in our on-line silent auction were not residents of McKinney. Going forward, we will be collecting zip code information from everyone who buys a ticket. That way we will be able to show the number of participants coming from within McKinney and from outside of McKinney.

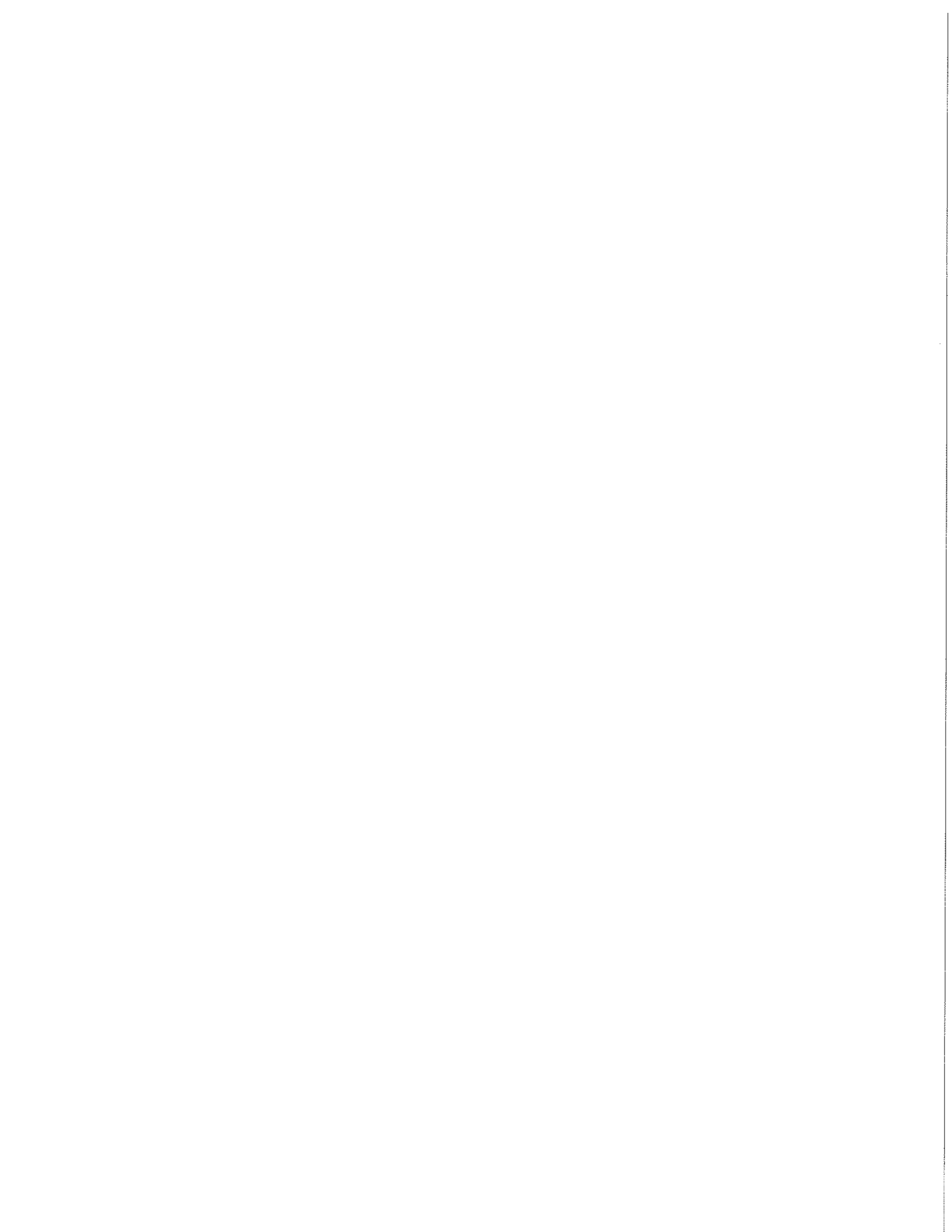
Our event promotes local artists from McKinney and surrounding communities. We grew from 2 participating artists in 2012 to 25 artists in 2014. Artists who donate to the silent auction have their pieces displayed for the month prior to the event in the gallery of Orisons Art and Framing. A "Bowl Viewing Event" is held at the gallery on the 2nd Saturday before Empty Bowls. Their pieces are also promoted on our website – www.EmptyBowlsMcKinney.com. Our goal is to provide exposure for our participating artists.

Steve Macias, one of our artists in 2013 and 2014, offered this comment: "Since my participation in the Empty Bowls McKinney I have had an increase in contacts from people seeking artwork. These contacts were from people who saw my work at the event or from the advertising. Empty Bowls had a continuous public presence leading up to the night of the event. The organizers used online media, newspaper, and retail store events to promote the artists and the sponsors. Working with Empty Bowls was fun and I look forward to next year's event."

We also are impacting the business development of local restaurants. We expect to invite 10 to 12 McKinney restaurants to participate in Empty Bowls with a booth providing samples of "bowl friendly" fare. For the previous three years, participating restaurants donated 5 to 10 gallons of soup which we served at the church, one bowl per customer. This year, we will provide booths where restaurants will serve samples so that each customer can try a variety of soups. We will have prominent signage on each booth displaying the restaurant name, chef name and soup type. Restaurants will also have the option to provide advertising flyers and/or coupons. Our hope is that people attending our event will then head over to a restaurant on the Square for drinks/dinner and bring new business to those establishments.

Item	Rate	month/ week	Qty	Set-up/ Install	Total
GoTaps Small Banner	\$125.00	week	4	\$175.00	\$675.00
Craig Ranch Telegram, 1/4 pg ad	\$300.00	Month	3	\$0.00	\$900.00
Stonebridge Ranch HOA Newsletter, 1/4 pg ad	\$300.00	Month	3	\$0.00	\$900.00
Twin Creeks News, 1/4 pg ad	\$300.00	Month	3	\$0.00	\$900.00
Heritage Ranch Reporter (Fairview), 1/4 pg ad	\$300.00	Month	3	\$0.00	\$900.00
11" x 17" Posters (printing costs, qty 200)	\$223.00		1	\$0.00	\$223.00
4" x 6" Postcard (printing costs, qty 1000)	\$71.50		1	\$0.00	\$71.50

\$4,569.50



St. Peter's Episcopal Church Empty Bowls McKinney 2015 Event Overview

02/24/2014

Church 'bowls' in \$4K at fundraiser Star Local News

Church 'bowls' in \$4K at fundraiser

By Chris Beattie, cbeattie@acnpapers.com | Posted: Tuesday, February 14, 2012 12:00 am

There may be empty bowls and, right now, empty baskets. But there certainly aren't empty hearts at St. Peter's Episcopal Church.

With help from the Kiwanis Club and the Community Lifeline Center, the eastern McKinney church hosted its first Empty Bowls fundraiser Thursday night. Residents were fed, so church members could feed others.

"At St. Peter's, we feel our ministries are not just within the church or within the Diocese, but all around us, in McKinney, in Texas, in the world," said Rev. Michael Hoffman, Rector of St. Peter's.

Empty Bowls is an international grassroots movement to raise money and awareness in the fight against hunger. Its self-proclaimed mission is to "fight hunger one bowl at a time."

Individuals, groups and organizations sell empty bowls for money to buy food for those in need. Participants are reminded of the hunger all around them every time they see their empty bowl.

St. Peter's on Thursday used the project to help fill otherwise empty Easter baskets. For about 10 years, the church has transferred the "giving spirit" of Christmas to another Christian holiday, delivering Easter baskets filled with food and goodies to area residents in need.

The Community Lifeline Center, stationed just a few blocks east of St. Peter's, relays to St. Peter's the basket recipients. Last year, with money raised through a fading book fair, church members delivered baskets to 87 families.

They could do more, just not with books — with Empty Bowls. Outreach coordinator Jamie St. Clair and project organizer Vicki Cobbs brought the idea to Hoffman, who was immediately on board.

With newfound fuel, the church had a sudden mission.



Church 'bowls' in \$4K at fundraiser

Chris Beattie/Staff Photo - Church member Edna Brown picks out her empty bowl Thursday night at St. Peter's Episcopal Church in McKinney. The church hosted an 'Empty Bowls' fundraiser to help raise awareness of poverty and hunger, and to raise money for its annual Easter basket ministry.

St. Peter's Episcopal Church Empty Bowls McKinney 2015 Event Overview

8/24/2014

Church 'bowls' in \$4K fundraiser - Star Local News

"We're shooting for 150 families, but we may exceed that now that I've seen the support we have," Cobbs said Thursday. Such support included Hamm's Custom Meats, La Madeleine, Market Street, Pafina Green, Rick's Chophouse and San Miguel Grill — restaurants and businesses that donated soup, bread and dinner items for the fundraiser.

Local artists, art students and club members made more than 170 empty bowls, which St. Peter's sold for \$20 per family. Church members will use the money to buy things like canned foods, cake mix, grocery gift cards and candy, all for its Easter basket ministry in April.

Theme of the night: fill a bowl, take an empty one and remember the hunger that pervades even McKinney. Plenty remembered.

"It's pretty important what we're trying to do," said Edna Brown, a 23-year church member. "So many others do everything at Thanksgiving and Christmas, but no one thinks about those same people on Easter."

More than 200 church and community members thought about their neighbors in need, donating \$4,000 throughout the night. It showed them that Empty Bowls will be an annual event at the church, even after Christmas.

As soup simmered down and bellies filled, a different warmth abounded in and out of St. Peter's. Other than the symbolic bowls, only the church kitchen was empty.

Easter baskets will soon be filled by St. Peter's members. As should the hearts of those they serve.

"I think the turnout was fabulous," St. Clair said. "We opened it up to the community, and it's just been amazing."

St. Peter's Episcopal Church
Empty Bowls McKinney 2015 Event Overview

02/24/2014

Empty bowls, full hearts: McKinney church again raises funds to fight local hunger - Star Local News

Empty bowls, full hearts: McKinney church again raises funds to fight local hunger

By Chris Beattie, cbeattie@starlocalnews.com | Posted: Friday, February 22, 2013 12:00 am

What do bowls, Easter baskets and satisfied hunger have in common?

St. Peter's Episcopal Church, for the second straight year.

The McKinney church held another Empty Bowls fundraiser Thursday night, gathering donations to feed 180 area families in need.

Through a continued partnership with Community Lifeline Center (CLC), the church hosted a soup dinner where guests could eat and buy a homemade bowl with money that goes toward assembling Easter meal baskets church members and Kiwanis Club members will deliver to the families Easter weekend.

It's the church's version of Empty Bowls, an international grassroots initiative to raise money and awareness for the worldwide fight against hunger. The movement's mission: "fight hunger one bowl at a time."

"They're very appreciative that we would even think about them around Easter," said Delphia Adeogun, a CLC case manager who identified 100 families to receive baskets this year. "Most places focus on Christmas or Thanksgiving, but not a lot of places focus on Easter."

Except St. Peter's, which has delivered such meals for more than a decade. Their fundraising precursor seemingly came to a peak two years ago through a dwindling book fair that enabled deliveries to 87 families.

But through its first Empty Bowls event last year, the church was able to feed more than 150 families. Local artists, church and Kiwanis members made 180 bowls, which remind donors of pervasive hunger every time they see it throughout the year. About 200 community members attended the event, donating \$4,000 to the cause.



Empty bowls, full hearts: McKinney church again raises funds to fight local hunger

Chris Beattie/Staff photo - St. Peter's Episcopal Church members Kaye Moreno (left) and Ulna Joe Williams dish out soup at the church's second annual Empty Bowls fundraiser Thursday evening. Church members will use donations from the event to assemble Easter meal baskets and deliver them to area families in need.

St. Peter's Episcopal Church Empty Bowls McKinney 2015 Event Overview

6/24/2014

Empty bowls, full hearts: McKinney church again raises funds to fight local hunger - Star Local News

This year, along with CLC's 100, the church identified 80 families from a local elementary school who'll also receive baskets. With more widespread bowl-making - artists, clubs, students and youth groups - the church furnished 250 bowls for the occasion.

"Last year, we didn't have our own kiln," said Vicki Cobbs, St. Peter's member and project organizer. "This year, we fired our own bowls from scratch, so that has really made it special for us."

Area restaurants were "begging us to let them bring them soup," she said. And word of the event clearly fell on more open ears around the community, evidenced by long soup lines down the St. Peter's hallway. More than 300 people came and etched donations up to \$6,000.

"We were handing out flyers, and people were saying they already knew about it and were coming," Cobbs said. "So we expected a lot more participation."

Few likely knew the added incentive this time around. While most of their donations will pay for foods like ham, vegetables and potatoes, some will go toward CLC's client-choice food pantry set to open later this year.

With a financial investment, the center hopes to open a separate facility where CLC clients can come shop for free, needed food. Case managers will determine how many pantry visits clients get based on their income and family size, and allot them a certain number of pounds of food for each visit.

"St. Peter's has been a partner of CLC for many years," said Christine Hockin-Boyd, CLC director, adding there was somewhat of a lapse in the partnership for a few years. "I think in the mid-2000s, we reestablished the relationship, I started meeting with them in 2009, and it's been blossoming ever since."

Community members who wanted to buy more than a bowl could adopt a family for \$30-\$35 and purchase additional Easter basket items, like coffee, cupcakes and even some chocolate bunnies.

All for a simple goal: a meal for each family. Empty bowls, baskets, full bellies and full hearts will soon have something in common again.

"It's just another opportunity to help, not something people normally think about doing," said Christy Amundson, St. Peter's member. "When you think Easter, you think candy and eggs, you don't think about people around you who are hungry."

St. Peter's Episcopal Church
Empty Bowls McKinney 2015 Event Overview

6/24/2014

Potter's portion: Church outreach studio expands Empty Bowls bounty Star Local: McKinney Courier Gazette

Potter's portion: Church outreach studio expands Empty Bowls bounty

Chris Beattie, cbeattie@starlocalmedia.com | Posted: Friday, January 31, 2014 3:49 pm

Portable heaters slowly warm old floors beneath shelves filled with bowls and promise. Amateur potters mold their latest creation, spurred by curiosity and a heart for their community.

St. Peter's Episcopal Church has a professional base as it prepares for a third straight Empty Bowls event.

"There's not a lot of studio space in McKinney," says Laura Canfield, a potter, between instructions to her Tuesday morning class. "This just kind of happened."

That is, St. Peter's Artist Run Community, a house-turned-studio at 405 N. Sherman Street in historic downtown. Canfield and fellow potter Steve Macias are giving the church's former youth site new life in the way of clay art.

They teach pottery classes three times a week, with more slots and potters on tap. Small at first glance, the house has more than enough space for artists of different crafts.

SPARC is a creative avenue for the church's outreach ministries. A portion of proceeds from classes, studio-time fees and gallery pieces goes directly to organizations like Community Lifeline Center and Holy Family School.

"All of the money they give is going to go straight out the door for outreach," said Jamie St. Clair, outreach coordinator. "St. Peter's has had the house for years, and now it's really being used for good."

Hungry local families will reap its benefit first. In recent weeks, SPARC has been a living kiln, putting out hardware for St. Peter's annual Empty Bowls, to be held 5:30-7:30 p.m. Thursday at St. Peter's, 400 N. College St. Guests' donations – \$20 for soup and a handmade bowl – go to CLC, which then provides meals for families in need.

The church has already raised more than \$1,300 through its online auction of more artistic, professional bowls. Auction numbers have tripled last year's thanks in part to Macias, who's made



Artist's haven

Pottery students mold their creations this week during a class at the St. Peter's Artist Run Community. The new pottery studio has donated dozens of bowls to St. Peter's Episcopal Church for its third annual Empty Bowls event.

St. Peter's Episcopal Church Empty Bowls McKinney 2015 Event Overview

6/24/2014

Potter's paragon Church outreach studio expands Empty Bowls bounty Star Local: McKinney Courier Gazette

several of its higher-priced wares.

Macias does IT support by day, pottery at SPARC by night. He took his first pottery class about three years ago, and now teaches others the trade.

"I like to inspire others to do it – to do anything different," said Macias, who with Canfield previously spent studio time at the nearby Art House. "It's important to just give it a try."

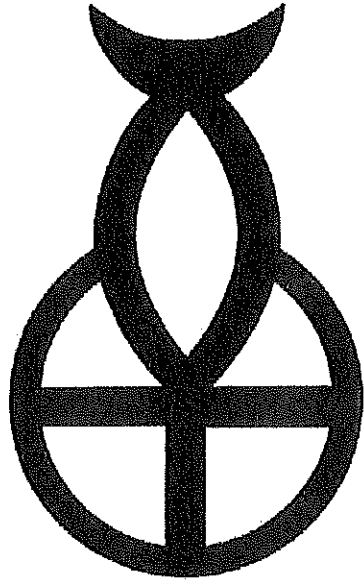
The new space is a comfy relief for Canfield, who taught pottery out of her car for five years before her two at the Art House. Her business, The Potter's Heart, now works in conjunction with SPARC.

"The fact that we're giving back to the community makes it even better," Canfield says, notching up a floor heater next to her potters' table.

Her Monday night classes, so far, have been dedicated to Empty Bowls. Through SPARC and the Art House, the church has more than 400 bowls for this week's event. Bowls will be scattered around the church sanctuary and its dining hall, again, reserved for soup and fellowship.

Down the street, the event's roots will strengthen – an artist's community for the community.

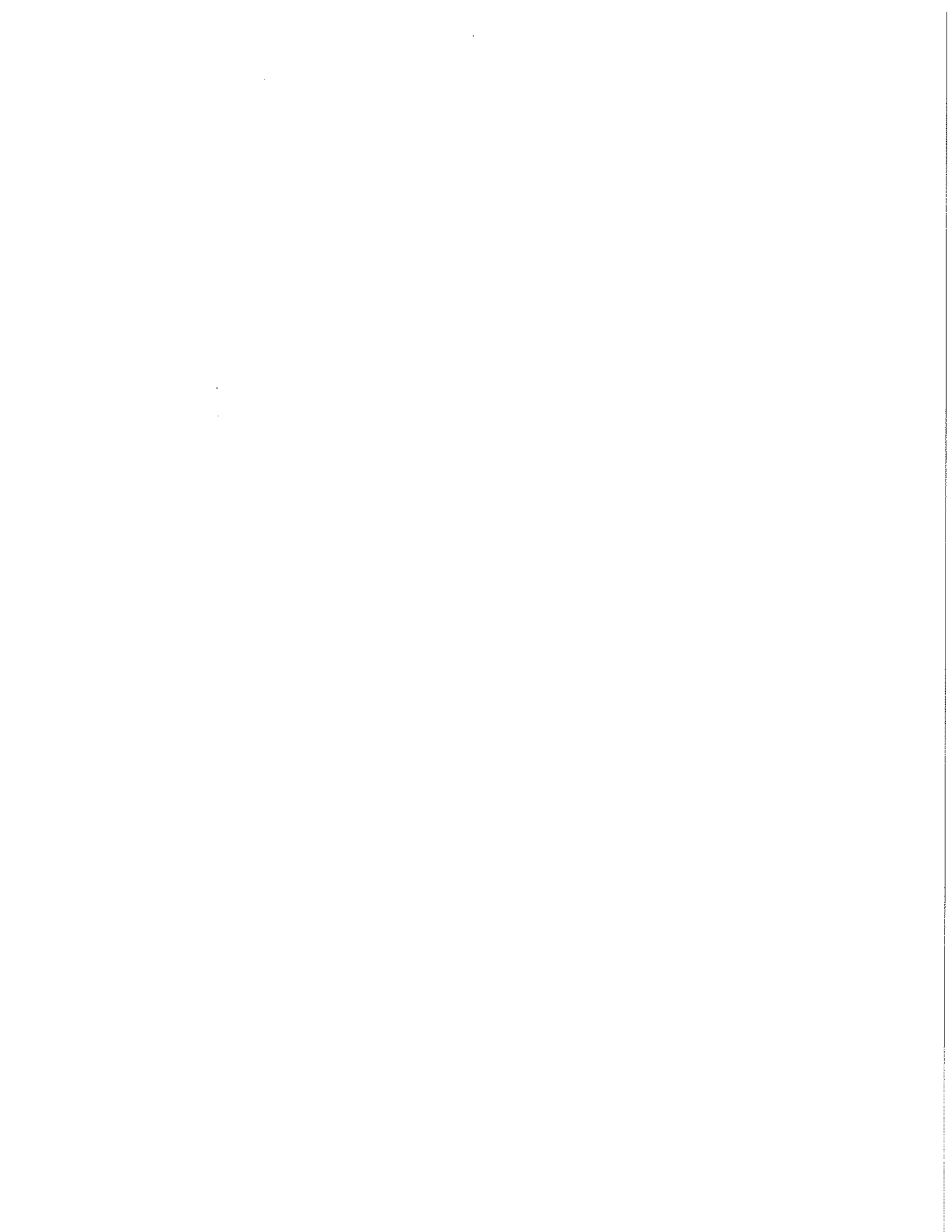
"At the end of the day, it's a good feeling," Macias said. "Something you did with your hands is helping people. It's paying it forward."



ST. PETER'S EPISCOPAL CHURCH

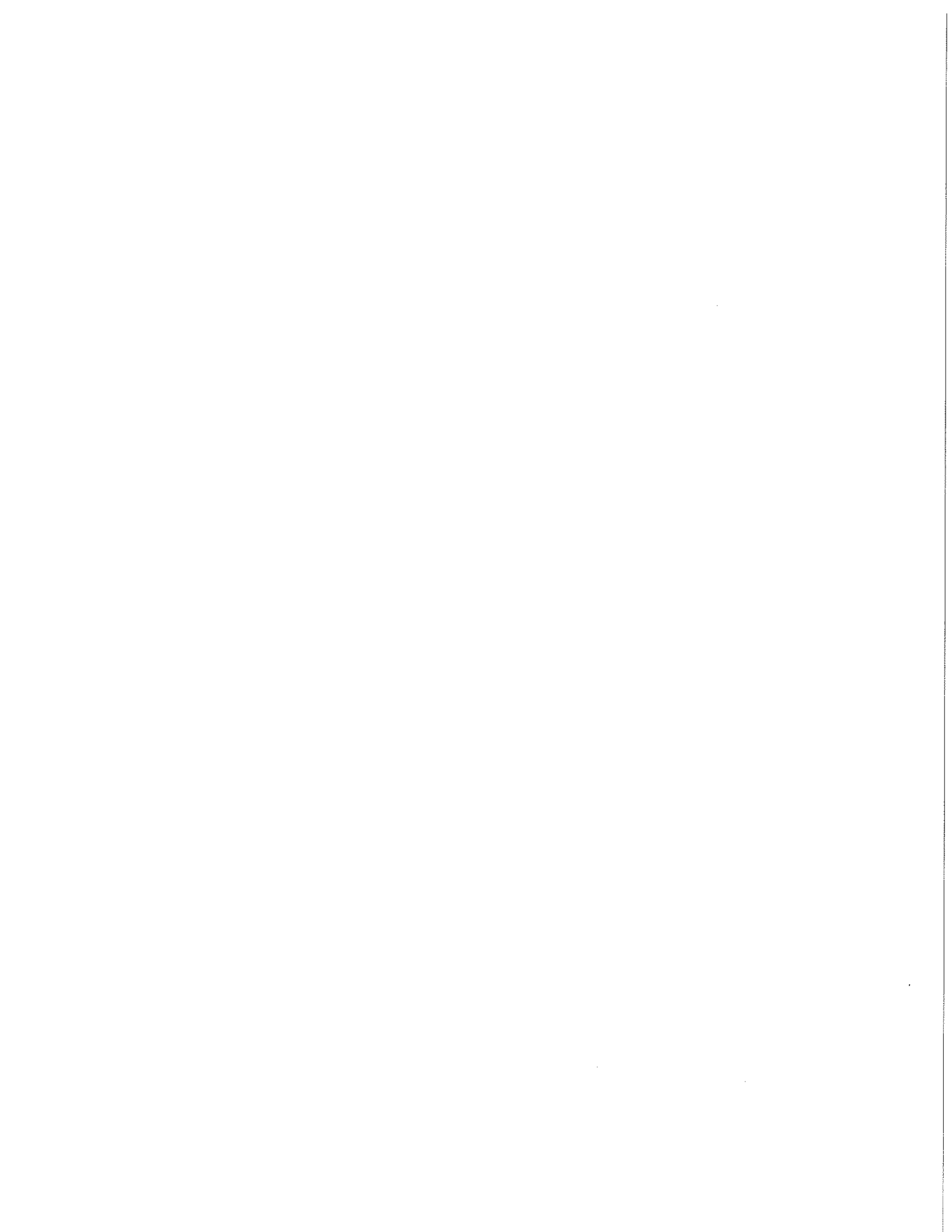
Financial Statements
December 31, 2012

ROBIN M CARAWAY, CPA, PLLC
CERTIFIED PUBLIC ACCOUNTANTS



**ST. PETER'S EPISCOPAL CHURCH
FINANCIAL STATEMENTS
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ROBIN M CARAWAY, CPA, PLLC

CERTIFIED PUBLIC ACCOUNTANT

Independent Auditors' Report

To the Members of the Vestry
St. Peter's Episcopal Church

Report on the Financial Statements

We have audited the accompanying financial statements of St. Peter's Episcopal Church, which comprise the statement of financial position as of December 31, 2012, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of St. Peter's Episcopal Church as of December 31, 2012, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

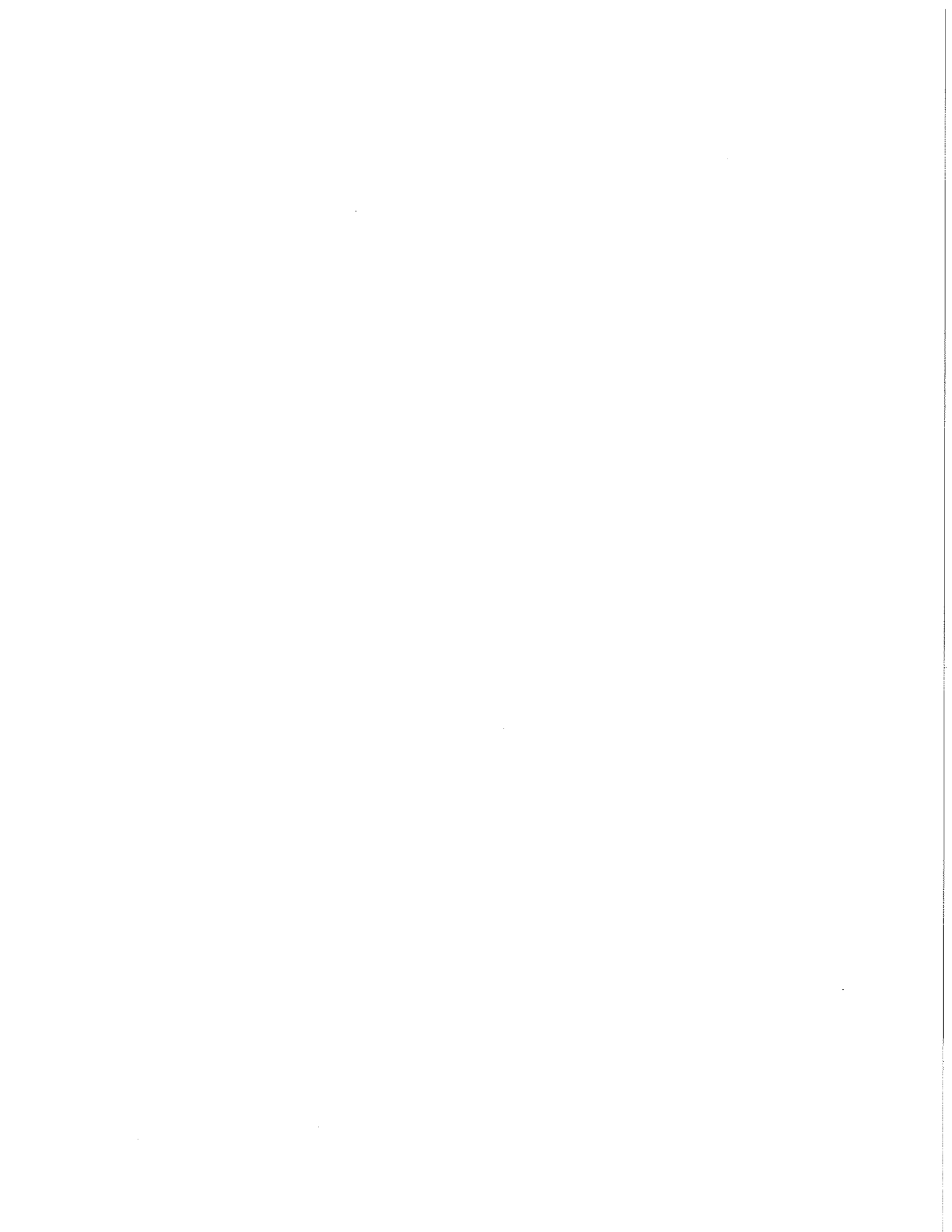
Robin M Caraway, CPA, PLLC

McKinney, Texas
August 19, 2013

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ST. PETER'S EPISCOPAL CHURCH
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2012

ASSETS

Cash and cash equivalents, unrestricted	\$ 117,538
Cash and cash equivalents, restricted	102,626
Prepaid expenses and deposits	3,275
Long-term investments	123,193
Fixed assets, net	1,572,735
	<u>\$ 1,919,367</u>

LIABILITIES AND NET ASSETS

LIABILITIES

Current maturities, notes payable	\$ 21,313
Accounts payable and accrued expenses	1,215
Long-term debt	218,207
	<u>240,735</u>

NET ASSETS

Unrestricted	1,456,811
Temporarily restricted	131,258
Permanently restricted	90,563
	<u>1,678,632</u>
	<u>\$ 1,919,367</u>

ST. PETER'S EPISCOPAL CHURCH
STATEMENT OF ACTIVITIES
YEAR ENDING DECEMBER 31, 2012

SUPPORT AND OTHER REVENUES

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Contributions	\$ 568,348	\$ 169,772	\$ 670	\$ 738,790
Parish Hall Rental	3,230	-	-	3,230
Interest and Investment Income	777	9,864	-	10,641
Rental income	9,800	-	-	9,800
Other income	5,078	-	-	5,078
Net Assets Released from Restrictions	143,056	(143,056)	-	0
Total Support and Other Revenues	<u>730,289</u>	<u>36,580</u>	<u>670</u>	<u>767,539</u>

EXPENSES

Program Services				
Congregational Life	110,263	-	-	110,263
Outreach and Missions	35,630	-	-	35,630
Total Program Services	<u>145,893</u>	<u>-</u>	<u>-</u>	<u>145,893</u>

Supporting Services

Management and General	398,183	-	-	398,183
Diocesan Assessment	49,206	-	-	49,206
Depreciation	60,744	-	-	60,744
Property	37,678	-	-	37,678
Total Supporting Services	<u>545,811</u>	<u>-</u>	<u>-</u>	<u>545,811</u>

Total Expenses

	<u>691,704</u>	<u>-</u>	<u>-</u>	<u>691,704</u>
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CHANGE IN NET ASSETS

	38,585	36,580	670	75,835
--	--------	--------	-----	--------

NET ASSETS, beginning of year

	1,418,226	94,678	89,893	1,602,797
--	-----------	--------	--------	-----------

NET ASSETS, end of year

	<u>\$ 1,456,811</u>	<u>\$ 131,258</u>	<u>\$ 90,563</u>	<u>\$ 1,678,632</u>
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See accompanying notes to financial statements.

ST. PETER'S EPISCOPAL CHURCH
STATEMENT OF CASH FLOWS
YEAR ENDING DECEMBER 31, 2012

CASH FLOWS FROM OPERATING ACTIVITIES	
Change in net assets	\$ 75,835
Adjustments to reconcile change in net assets to net cash used by operating activities:	
Depreciation	60,744
Realized and unrealized gains on investments	(6,092)
Change in prepaid expenses and deposits	(175)
Change in accounts payable and accrued expenses	(4,825)
Contributions restricted for long-term asset purchases	(30,425)
Contributions restricted to designated purposes	(136,380)
Contributions restricted to long-term investments	(3,637)
Investment income restricted to designated purposes	(3,772)
Cash released to operations from designated and long-term investments	112,633
	<u>63,906</u>
 CASH FLOWS FROM INVESTING ACTIVITIES	
Purchases of property and equipment	<u>(100,726)</u>
	<u>(100,726)</u>
 CASH FLOWS FROM FINANCING ACTIVITIES	
Proceeds from contributions restricted for long-term asset purchases	30,425
Proceeds from long-term financing	48,582
Payments on long-term financing	<u>(17,281)</u>
	<u>61,726</u>
 NET CHANGE IN CASH AND CASH EQUIVALENTS	 24,906
 CASH AND CASH EQUIVALENTS, beginning of year	 92,632
 CASH AND CASH EQUIVALENTS, end of year	 <u>\$ 117,538</u>
 SUPPLEMENTAL INFORMATION:	
Interest expense paid	<u>\$ 14,467</u>

ST. PETER'S EPISCOPAL CHURCH
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2012

Note 1 – Nature of Activities and Significant Accounting Policies

Organization

St. Peter's Episcopal Church (St. Peter's or the Church) was organized and made a mission church in 1876 and was elevated to Parish status in 1890. Since inception, St. Peter's has overcome numerous challenges. The church was rebuilt and dedicated in 1960 following complete destruction in a fire. Another fire in 1970 destroyed the existing Parish Hall, which was rebuilt and rededicated in 1972. In 1998, the Parish Hall and Church were remodeled to accommodate the rapid and consistent growth of the Church. St. Peter's mission is to provide a safe, loving environment for spiritual growth which enables its parishioners to reach out in service to the community and to share the love of Christ with the world. The Church is affiliated with the Episcopal Diocese of Dallas. Support comes primarily through contributions from parishioners.

St. Peter's Program Services include:

Congregational Life: St. Peter's has many different kinds of ministries and programs to serve the parishioners. The majority of the Church's program funding is spent on Christian Education, Bible Studies, retreats, mission trips and spiritual growth through music ministries. Additional funds are provided for communication of St. Peter's events, programs and ministries as well as the supplies necessary for worship.

Outreach and Mission Fundraising: St. Peter's utilizes a portion of unrestricted contributions received from parishioners and funds raised through church sponsored events to support various non-profit organizations and mission; among those the Holy Family School, the Community Food Pantry, and parishioners in need.

Basis of Accounting and Presentation

These financial statements have been prepared on the accrual basis of accounting and correspond with the recommendations of Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 958, *Not-for-Profit Entities*. Net assets of the Church are presented in one of three classes: (1) unrestricted net assets, (2) temporarily restricted net assets, or (3) permanently restricted net assets. Net assets of the two restricted classes are created only by donor-imposed restrictions on their use or the timing of their use. All other net assets, including board-designated or appropriated amounts, are legally unrestricted and are reported as part of the unrestricted class.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents, Unrestricted

For purposes of the statement of cash flows, the Church considers all currency on hand and unrestricted demand deposits with banks or financial institutions to be cash and cash equivalents.

Cash and Cash Equivalents, Restricted

Restricted cash consists of cash in various accounts which is temporarily restricted as a result of a donor restriction placed on the use of the cash.

ST. PETER'S EPISCOPAL CHURCH
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2012

Note 1 – Nature of Activities and Significant Accounting Policies (continued):

Pledges to Give

Each year, the Church asks the parishioners to submit pledge cards indicating the donations the parishioners intend to give during the coming year. These pledges are used solely for the Church's budgetary purposes. Since the pledges do not meet the criteria for recognition under FASB ASC 958-605, *Not-for-Profit Entities, Revenue Recognition*, they are not reflected in the statement of activities until the pledges are collected.

Long-Term Investments

Investments in mutual funds are carried at fair market value, based on quoted prices in active markets for identical assets, and consist primarily of the assets held by the St. Peter's Foundation (see Note 2). Long-term investments also include two cemetery plots donated to the Church and recorded at estimated value at time of donation. Realized and unrealized gains or losses on investments are included in the statement of activities.

Fixed Assets, Net

In 2000, the Church capitalized the land, buildings and existing improvements at then current fair market value based on a contemporaneous appraisal. Purchases of other property and equipment are recorded at cost. Donations of property and equipment are recorded at estimated fair market value at the date of donation. The Church capitalizes acquisitions in excess of \$250. Depreciation is computed using the straight-line method over the estimated useful lives of the assets: buildings and improvements over 39 years; landscaping improvements over 15 years; furniture, fixtures and equipment over 5 to 7 years; computer equipment over 5 years. All real property assets of the Church are held in trust by the Episcopal Diocese of Dallas for the benefit of the Church.

Contributions

All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as temporarily restricted or permanently restricted support that increases those net asset classes. When a donor restriction expires or is met, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the Statement of Activities as net assets released from restrictions.

Contributed Services

A significant number of unpaid volunteers make significant contributions of their time to the Church's worship, music and ministry programs. These contributed services do not meet the criteria for recognition required by FASB ASC 958 and are not reflected in the accompanying financial statements.

Income Tax Status

As a religious organization, St. Peter's is exempt from federal income tax under Internal Revenue Code Section 501(c)(3) and is not required to file Form 990, *Return of Organization Exempt from Tax*. However, the Church is required to file Form 990T, *Exempt Organization Business Income Tax Return*, related to rental income being earned on property owned by the Church (see Note 3).

St. Peter's Foundation is exempt from federal income tax under Internal Revenue Code Section 501(c)(3) and has been classified as other than a private foundation by the Internal Revenue Service. The Foundation's gross receipts have not been in excess of \$25,000 in any years and therefore, the Foundation has not been required to file Form 990.

ST. PETER'S EPISCOPAL CHURCH
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2012

Note 2 – Long-Term Investments

In 1999, St. Peter's organized the St. Peter's Foundation (the Foundation), established for the exclusive benefit of St. Peter's Episcopal Church. The Foundation is governed by a Board of Directors consisting of the Rector, Senior Warden, and Treasurer of the Church, plus seven other directors selected by the Vestry of St. Peter's Episcopal Church.

The Board of Directors also manage the Tom & Bette Emerson Scholarship Endowment (the Emerson Fund), established in 2001 to provide a scholarship endowment fund. Income earned from the Emerson Fund, not to exceed 5% of the corpus, will be awarded annually in college scholarships for parishioners of St. Peter's Episcopal Church or of Holy Family Church. Income in excess of 5% will be directed to the corpus of the Emerson Fund.

The Board of Directors considers that it is operating in a manner consistent with the requirements of the Texas Uniform Prudent Management of Institutional Funds Act (UPMIFA) and has adopted the accounting standards of FASB ASC 958-205-45-15 through 31, *Net Assets of Endowment Funds*. Permanently restricted net assets consist of the original value of gifts donated to the funds, original value of subsequent gifts made to the funds, and the portion of investment return added to the funds since their inception. Accumulated earnings in excess of the amount determined by the Board to necessary to maintain the principal of the fund are available for appropriation for the benefit of the Church or for scholarships, and therefore, under the provisions of the UPMIFA, are classified as temporarily restricted net assets.

The funds of both the Foundation and the Emerson Fund are invested in a mixture of money market funds, equity mutual funds and bond mutual funds. The Board's objective in investing in these investment vehicles is to provide stable rate of return and capital growth over a period of time. These investment vehicles are being held for purposes other than trading.

Also included in long-term investments are certain funds invested with Putnam Investments and certain donated cemetery plots. The Putnam Investments funds are invested in a government bond fund. The earnings from this fund are paid to the church as earned and are restricted in use to the purchase of flowers for the church.

Investments by account are summarized as follows:

Putnam Investments	\$ 6,912
St. Peter's Foundation	55,049
Emerson Scholarship Funds	57,232
Cemetery Plots	4,000
	<u>\$ 123,193</u>

Investments by type of investment are summarized as follows:

Money market funds	\$ 33,369
Bond funds	46,431
Equity mutual funds	39,393
Other investments	4,000
	<u>\$ 123,193</u>

ST. PETER'S EPISCOPAL CHURCH
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2012

Note 2 – Long-Term Investments (continued):

Investments by net asset class are summarized as follows:

Unrestricted	\$ 4,000
Temporarily restricted	28,631
Permanently restricted	90,562
	<u>\$ 123,193</u>

The components of investment income for the year ended December 31, 2012 are as follows:

Interest income	\$ 777
Dividends	3,772
Realized and unrealized gains/(losses)	6,092
	<u>\$ 10,641</u>

Note 3 – Fixed Assets

In 2011, St. Peter's purchased a house and lot near the Church located at 606 Lamar for the future expansion needs of the Church. Significant improvements were made to the house and effective June 1, 2012, the house was placed in service as a rental property. The property is being managed by a local property management and leasing company.

A summary of net fixed asset as of December 31, 2012 is as follows:

Land	\$ 303,000
Buildings and related improvements	1,748,449
Columbarium	29,922
Furniture and Fixtures	124,265
Computers and Equipment	36,407
Handbells	18,633
	<u>2,260,676</u>
Less accumulated depreciation	<u>(687,941)</u>
Fixed assets, net	<u>\$ 1,572,735</u>

Depreciation expense for the year ended December 31, 2012 was \$60,744 and is reported in Supporting Services in the Statement of Activities.

ST. PETER'S EPISCOPAL CHURCH
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2012

Note 4 – Notes Payable

Long-term notes payable consist of the following at December 31, 2012:

Property loan from Independent Bank, dated May 13, 2009, for \$151,586.00. Current interest rate 5.85% in effect until May 13, 2013 (Rate Change Date), then equal to less of Maximum Rate (never exceeds 8% pre annum) or the Index Rate (Wall Street Journal Prime Rate less .50%). Monthly payments of principal and interest of \$1,678.17. Secured by church property; matures May 13, 2019.	\$ 95,443
Mortgage loan to acquire and improve Lamar Street House, dated November 29, 2011 for \$145,000. Current interest rate 5.85%; subject to change every five years (next Change Rate Date November 19, 2016) to Wall Street Journal Prime plus 1% (floor of 5.85% and ceiling of 8%). Monthly payments of principal and interest of \$1,218.43. Secured by Lamar Street House; matures November 29, 2027.	144,077
Total long-term debt	239,520
Less current maturities of long-term debt	(21,313)
	\$ 218,207

Interest expense relating to notes payable was \$14,467 during the year ended December 31, 2012.

Maturities of the notes payable are as follows:

2013	\$ 21,313
2014	22,593
2015	23,951
2016	25,391
2017 and thereafter	146,272
	\$ 239,520

ST. PETER'S EPISCOPAL CHURCH
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2012

Note 5 – Temporarily Restricted Net Assets

Temporarily restricted net assets are available for the following purposes at December 31, 2012:

Alpha Ministry	\$ 756
Air Conditioner Fund	400
Architectural Fees	5,000
Comfort Ministry	23
Camp Scholarships	1,750
Capital Campaign	25
Angel Garden	121
Columbarium Niche	11,360
Deacon Expenses	424
Defibrillator	2,034
Flowers	3,209
Labyrinth Ministry	952
Parish Nurses	63
Pew Fund	2,666
Daughters of the King	403
Vestment Fund	754
Janet Moltz Fund	78
Wednesday Evening Program	274
Order of St. Luke	955
Cursillo	142
Garden Saints Ministry	673
Outdoor Church Bell Repair	180
Rector's Initiatives	4,019
Rector's Continuing Education	2,000
Women's Spirituality	188
Deacons Funds - Breyfogle	4,759
Ministry Funds	2,604
Ministry Funds - Garrett	1,405
Music Funds	8,147
Outreach Funds	2,805
Vacation Bible School	400
Youth Funds	9,149
Memorials	13,127
Prepaid Pledges	21,783
Foundation funds available for appropriation	28,630
	<u>\$ 131,258</u>

These funds are maintained in an interest-bearing demand account.

ST. PETER'S EPISCOPAL CHURCH
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2012

Note 6 – Permanently Restricted Net Assets

Reconciliation of the changes in the net asset components of the Foundation Fund, the Emerson Fund and the Putnam Fund are as follows:

	<u>St. Peter's Foundation</u>	<u>Emerson Funds</u>	<u>Putnam Fund</u>
<i>Permanently restricted net assets:</i>			
Balance at December 31, 2011	\$ 30,882	\$ 50,000	\$ 9,011
Contributions	-	670	-
Balance at December 31, 2012	<u>\$ 30,882</u>	<u>\$ 50,670</u>	<u>\$ 9,011</u>
 <i>Temporarily restricted net assets:</i>			
Balance at December 31, 2011	\$ 20,608	\$ 3,451	\$ (2,031)
Contributions	-	2,967	-
Investment income	1,766	2,006	229
Realized and unrealized gains/(losses)	3,071	3,088	(68)
Distributions to operating or scholarships	(1,278)	(4,950)	(229)
Balance at December 31, 2012	<u>\$ 24,167</u>	<u>\$ 6,562</u>	<u>\$ (2,099)</u>

Note 7 – Fair Value Measurements

Financial Accounting Standards Board (FASB) *Accounting Standards Codification* (ASC) 820, *Fair Value Measurements and Disclosures*, provides the framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy under FASB ASC 820 are described as follows:

Level 1: Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the plan has the ability to access.

Level 2: Inputs to the valuation methodology include

- quoted prices for similar assets or liabilities in active markets;
- quoted prices for identical or similar assets or liabilities in inactive markets;
- inputs other than quoted prices that are observable for the asset or liability;
- inputs that derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.

ST. PETER'S EPISCOPAL CHURCH
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2012

Note 7 – Fair Value Measurements (continued):

Level 3: Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in methodologies used at December 31, 2012 and 2011.

Mutual Funds: Valued at the net asset value of shares held by the Organization at year end.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Foundation believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following table sets forth by level, within the fair value hierarchy, the Church's and the Foundation's assets at fair value as of December 31, 2012:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Money market funds	\$ 33,370	\$ -	\$ -	\$ 33,370
Available-for-sale securities				
Bond mutual funds	46,431	-	-	46,431
Equity mutual funds	39,393	-	-	39,393
Total assets at fair values	<u>\$ 119,194</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 119,194</u>

Note 8 – Employee Benefit Plans

Employees of the Church who meet certain eligibility requirements have the option to defer a maximum of 4% of their annual salary to a defined contribution retirement plan, managed by the Church Pension Fund. St. Peter's make a base contribution for each participating employee of 5% of annual salary, and also makes contributions matching employee contributions up to a maximum of 4% of the employee's annual salary. The Church also makes contributions on behalf of the clergy employees to the Clergy Pension Plan, a defined benefit pension plan managed by the Church Pension Fund. Pension contributions made annually amount to 18% of the clergy total stipend and housing remunerations. During the year ended December 31, 2012, the Church incurred and paid \$8,848 of defined contribution plan expense and \$18,365 of clergy pension plan funding expense.

ST. PETER'S EPISCOPAL CHURCH
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2012

Note 9 – Leases

In December, 2009, the Church entered into a lease of certain copier equipment. The lease terms provide for monthly payments of \$195.50 over a period of sixty months. Total equipment rental expense paid by the Church was \$2,537 during the year ended December 31, 2012. Minimum remaining lease payments due, for years ending December 31, are as follows:

2013	\$ 2,346
2014	<u>2,346</u>
	<u>\$ 4,692</u>

Note 10 – Other Matters

Ministry Funds

St. Peter's receives funds designated to be used by the Rector, Curate and Deacon at their discretion. Expenditures within these funds totaled \$9,091 during the year ended December 31, 2012.

Subsequent Events

Management has evaluated subsequent events through August 19, 2013, the date which the financial statements were available to be issued.

St. Peter's Episcopal Church
Statement of Revenue and Expenses - Summary View
Comparative View of 2012 & 2013 Results and 2014 Budget

	2013		2012		2014 Budget	
	Actual	Budget	Actual	Vs Budget	Budget	2014 Vs 2013
Revenue						
Operating Offerings	\$ 595,194	\$ 598,080	\$ 567,373	\$ (2,886)	\$ 627,904	\$ 32,710
Net Assets Released/Donor	\$ 2,061	\$ -	\$ 44,943	\$ 2,061	\$ -	\$ -
Other Revenue	\$ 11,115	\$ 5,500	\$ 10,060	\$ 5,615	\$ 5,220	\$ (5,895)
Total Revenue	\$ 608,370	\$ 603,580	\$ 622,376	\$ 4,790	\$ 633,124	\$ 24,754
Expenses						
Outreach (incl Diocesan Assessment)						
Personnel	\$ 75,089	\$ 75,440	\$ 65,555	\$ 351	\$ 93,428	\$ (18,339)
Insurance	\$ 356,968	\$ 360,305	\$ 338,114	\$ 3,337	\$ 375,994	\$ (19,026)
Maintenance & Utilities	\$ 11,401	\$ 11,029	\$ 10,379	\$ (372)	\$ 11,971	\$ (570)
Office Services	\$ 28,961	\$ 33,176	\$ 30,540	\$ 4,215	\$ 30,422	\$ (1,461)
Music Ministries	\$ 25,308	\$ 24,833	\$ 19,150	\$ (475)	\$ 21,344	\$ 3,964
Children & Family Ministries	\$ 12,837	\$ 13,000	\$ 10,233	\$ 163	\$ 14,540	\$ (1,703)
Youth Ministries	\$ 5,213	\$ 6,600	\$ 5,460	\$ 1,387	\$ 8,000	\$ (2,787)
Other Congregational Life	\$ 7,466	\$ 9,000	\$ 6,339	\$ 1,534	\$ 8,000	\$ (534)
Property Expense	\$ 13,497	\$ 13,460	\$ 9,397	\$ (37)	\$ 15,220	\$ (1,723)
Total Operating Expenses	\$ 552,931	\$ 570,434	\$ 520,254	\$ 7,400	\$ 22,808	\$ (6,616)
Operating Income before Depreciation	\$ 55,439	\$ 33,146	\$ 102,122	\$ 22,293	\$ 31,397	\$ (24,042)
Net on Rental Property	\$ 2,333	\$ -	\$ (2,791)	\$ 2,333	\$ 3,717	\$ 1,385
Non Income Statement Expenditures						
Principal on Bank Loans-Operating Budget	\$ 26,027	\$ 28,486	\$ 16,307	\$ 2,459	\$ 29,614	\$ (3,586)
Principal on Bank Loans-Donor Specified	\$ 50	\$ -	\$ 975	\$ (50)	\$ -	\$ 50
Fixed Asset Additions-Operating Budget	\$ 7,062	\$ 3,800	\$ 7,202	\$ (3,262)	\$ 5,500	\$ 1,562
Fixed Asset Additions-Donor Specified	\$ 2,011	\$ -	\$ 44,943	\$ (2,011)	\$ -	\$ 2,011
Total Non Income Statement Expenditures	\$ 35,150	\$ 32,286	\$ 69,427	\$ (2,864)	\$ 35,114	\$ 37
Net Surplus (Deficit)	\$ 22,621	\$ 860	\$ 29,904	\$ 21,761	\$ 1	\$ (22,620)
Net Income Reconciliation						
Net Surplus (Deficit)	\$ 22,621	\$ 860	\$ 29,904	\$ 21,761	\$ 1	\$ (22,620)
Less:						
Depreciation	\$ 66,804	NA	\$ 60,744	NA	NA	NA
Add:						
Non Income Statement Expenditures	\$ 35,150	\$ 32,286	\$ 69,427	\$ (2,864)	\$ 35,114	\$ 37
Net Income	\$ (9,033)	NA	\$ 38,587	NA	NA	NA

St. Peter's Episcopal Church
Statement of Revenue and Expenses - Summary View
For the month ended December 31, 2013

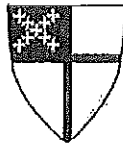
	Month		YTD		Budget Remaining
	Actual	Budget	Actual	Budget	
Revenue					
Operating Offerings	\$ 72,622	\$ 49,840	\$ 595,194	\$ 598,080	\$ 2,886
Other Revenue	\$ 43	\$ 458	\$ 13,176	\$ 5,500	\$ (7,676)
Total Revenue	\$ 72,665	\$ 50,298	\$ 608,370	\$ 603,580	\$ (4,790)
		Vs Budget		Vs Budget	
		\$ 22,782		\$ (2,886)	
		\$ (415)		\$ 7,676	
		\$ 22,367		\$ 4,790	
Operating Expenses					
Outreach (Incls Diocesan Assessment)	\$ 7,377	\$ 6,287	\$ 75,089	\$ 75,440	\$ 351
Personnel	\$ 38,104	\$ 30,025	\$ 356,968	\$ 360,305	\$ 3,337
Insurance	\$ -	\$ 919	\$ 11,401	\$ 11,029	\$ (372)
Maintenance & Utilities	\$ 2,360	\$ 2,765	\$ 28,961	\$ 33,176	\$ 4,215
Office Services	\$ 1,682	\$ 2,069	\$ 25,308	\$ 24,833	\$ (475)
Congregational Live					
Music Ministries	\$ 262	\$ 1,083	\$ 12,837	\$ 13,000	\$ 163
Children & Family Ministries	\$ 313	\$ 550	\$ 5,213	\$ 6,600	\$ 1,387
Youth Ministries	\$ (25)	\$ 750	\$ 7,466	\$ 9,000	\$ 1,534
Other Congregational Life	\$ 775	\$ 1,122	\$ 13,497	\$ 13,460	\$ (37)
Property Expense	\$ 2,316	\$ 1,966	\$ 16,191	\$ 23,591	\$ 7,400
Total Expenses	\$ 53,164	\$ 47,536	\$ 552,931	\$ 570,434	\$ 17,151
		Vs Budget		Vs Budget	
		\$ 16,739		\$ 22,292	
		\$ (2,773)		\$ 2,333	
Net Revenues	\$ 19,501	\$ 2,762	\$ 55,439	\$ 33,146	\$ (21,941)
Non Operating Income / (Expense)	\$ (2,773)	\$ -	\$ 2,333	\$ -	\$ (2,333)
Non Income Statement Expenditures					
Schedule Loan Payments - Bank, Lamar & A/C	\$ 2,144	\$ 2,124	\$ 23,027	\$ 25,486	\$ 2,458
Extra Principal on Bank Loan	\$ 250	\$ 250	\$ 3,000	\$ -	\$ -
Fixed Asset Additions-Operating Budget	\$ -	\$ 317	\$ 7,062	\$ 3,800	\$ (3,262)
Fixed Asset & Debt Reductions-Donor Specified	\$ -	\$ -	\$ 1,661	\$ -	\$ (1,661)
Total Non Income Statement Expenditures	\$ 2,394	\$ 2,690	\$ 34,750	\$ 32,286	\$ (2,465)
		Vs Budget		Vs Budget	
		\$ 72		\$ 860	
		\$ 14,263		\$ 22,160	
Net Total	\$ 14,335	\$ 72	\$ 23,020	\$ 860	\$ (22,160)
		Vs Budget		Vs Budget	
		\$ (66,804)		\$ -	
		\$ (52,838)		\$ 33,146	
Depreciation	\$ 66,804	\$ -	\$ 66,804	\$ -	\$ (66,804)
Net Income After Depreciation	\$ (50,076)	\$ 2,762	\$ (9,033)	\$ 33,146	\$ (42,179)
Vestry Approved Non-Budgeted Items					
Purchase of A/C for Nave	\$ 42,089	\$ -	\$ -	\$ -	\$ (42,089)
Specific Contributions	\$ (400)	\$ -	\$ (400)	\$ -	\$ (400)
Loan from Foundation	\$ (20,000)	\$ -	\$ (20,000)	\$ -	\$ (20,000)
Funding from Unrestricted Cash	\$ (21,689)	\$ -	\$ (21,689)	\$ -	\$ (21,689)

St. Peter's Episcopal Church
Statement of Financial Position
As of December 31, 2013 and November 30, 2013

	<u>12/31/2013</u>	<u>11/30/2013</u>
Assets		
Cash - Unrestricted	\$ 113,762	\$ 103,758
Cash - Restricted	99,727	94,725
Marketable Securities	5,832	1,552
Prepaid Expenses	3,150	3,100
Land	303,000	303,000
Depreciable Assets - Net	1,256,922	1,320,498
Donated Assets-Crypt & Cemetary Plots	4,000	4,000
Designated Funds-Putnam	6,746	6,753
Foundation & Emerson-Brokerage Account	106,745	105,037
Foundation & Emerson-A/C Loan	18,175	18,482
Total Assets	<u>\$ 1,918,058</u>	<u>\$ 1,960,904</u>
Liabilities		
Accrued Expenses	\$ 816	\$ 816
Tenant's Deposit	1,400	1,400
Note payable	77,435	78,978
Mortgage on Lamar Street House	137,833	138,377
Air Conditioner Loan	18,175	18,482
Total Liabilities	<u>235,658</u>	<u>238,051</u>
Net Assets		
Unrestricted:		
Balance at beginning of period	1,460,041	1,456,813
Excess of Revenues over expenditures	(9,033)	41,043
Balance at end of period	1,451,008	1,497,856
Restricted :		
Temporarily Restricted	99,727	94,725
Permanently Restricted	131,665	130,271
Total Net Assets	<u>1,682,401</u>	<u>1,722,852</u>
Total Liabilities, Fund Principal & Restricted Funds	<u>\$ 1,918,058</u>	<u>\$ 1,960,904</u>

St. Peter's Episcopal Church
Statement of Revenue and Expenses - Summary View
Comparative View of 2012 & 2013 Results and 2014 Budget

	2013		2012		2014 Budget	
	Actual	Budget	Actual	2013 Vs 2012	Budget	2014 Vs 2013
Revenue						
Operating Offerings	\$ 595,194	\$ 598,080	\$ 567,373	\$ 27,821	\$ 627,904	\$ 32,710
Net Assets Released/Donor	\$ 2,061	-	\$ 44,943		\$ -	\$ (5,895)
Other Revenue	\$ 11,115	\$ 5,500	\$ 10,060	\$ 1,055	\$ 5,220	\$ (5,895)
Total Revenue	\$ 608,370	\$ 603,580	\$ 622,376	\$ (14,006)	\$ 633,124	\$ 24,754
Expenses						
Outreach (incl Diocesan Assessment)						
Personnel	\$ 75,089	\$ 75,440	\$ 65,555	\$ (9,534)	\$ 93,428	\$ (18,339)
Insurance	\$ 356,968	\$ 360,305	\$ 338,114	\$ (18,854)	\$ 375,994	\$ (19,026)
Maintenance & Utilities	\$ 11,401	\$ 11,029	\$ 10,379	\$ (1,022)	\$ 11,971	\$ (570)
Office Services	\$ 28,961	\$ 33,176	\$ 30,540	\$ 1,579	\$ 30,422	\$ (1,461)
Music Ministries	\$ 25,308	\$ 24,833	\$ 19,150	\$ (6,158)	\$ 21,344	\$ 3,964
Children & Family Ministries	\$ 12,837	\$ 13,000	\$ 10,233	\$ (2,604)	\$ 14,540	\$ (1,703)
Youth Ministries	\$ 5,213	\$ 6,600	\$ 5,460	\$ 247	\$ 8,000	\$ (2,787)
Other Congregational Life	\$ 7,466	\$ 9,000	\$ 6,339	\$ (1,127)	\$ 8,000	\$ (534)
Property Expense	\$ 13,497	\$ 13,460	\$ 9,397	\$ (4,100)	\$ 15,220	\$ (1,723)
Total Operating Expenses	\$ 552,931	\$ 570,434	\$ 520,254	\$ (32,677)	\$ 601,727	\$ (48,795)
Operating Income before Depreciation	\$ 55,439	\$ 33,146	\$ 102,122	\$ (46,683)	\$ 31,397	\$ (24,042)
Net on Rental Property	\$ 2,333	-	\$ (2,791)	\$ 5,124	\$ 3,717	\$ 1,385
Non Income Statement Expenditures						
Principal on Bank Loans-Operating Budget	\$ 26,027	\$ 28,486	\$ 16,307	\$ (9,720)	\$ 29,614	\$ (3,586)
Principal on Bank Loans-Donor Specified	\$ 50	-	\$ 975	\$ 925	\$ -	\$ 50
Fixed Asset Additions-Operating Budget	\$ 7,062	\$ 3,800	\$ 7,202	\$ 140	\$ 5,500	\$ 1,562
Fixed Asset Additions-Donor Specified	\$ 2,011	-	\$ 44,943	\$ 42,932	\$ -	\$ 2,011
Total Non Income Statement Expenditures	\$ 35,150	\$ 32,286	\$ 69,427	\$ 34,277	\$ 35,114	\$ 37
Net Surplus (Deficit)	\$ 22,621	\$ 860	\$ 29,904	\$ (7,283)	\$ 1	\$ (22,620)
Net Income Reconciliation						
Net Surplus (Deficit)	\$ 22,621	\$ 860	\$ 29,904	\$ (7,283)	\$ 1	\$ (22,620)
Less:						
Depreciation	\$ 66,804	NA	\$ 60,744	NA	NA	NA
Add:						
Non Income Statement Expenditures	\$ 35,150	\$ 32,286	\$ 69,427	\$ 34,277	\$ 35,114	\$ 37
Net Income	\$ (9,033)	NA	\$ 38,587	NA	NA	NA



THE EPISCOPAL CHURCH

THE DOMESTIC AND FOREIGN MISSIONARY SOCIETY
OF THE PROTESTANT EPISCOPAL CHURCH IN THE UNITED STATES OF AMERICA
FOUNDED 1821 ■ INCORPORATED 1846

January 18, 2008

To whom it may concern:

The Protestant Episcopal Church in the United States of America, also known as the Episcopal Church, whose federal tax identification number is 31-1629166, is an unincorporated association that has since the 1940s continuously enjoyed an explicit federal “group” tax-exemption under the Internal Revenue Code. The Church’s status is currently reflected in its listing in the IRS Cumulative List of Tax Exempt Organizations, p. 2538 (2003 ed.) (note the Code “1” in the listing denoting group exemption).

The Church’s Group Exemption Number is GEN. No. 3741.

This exemption covers the Episcopal Church and those of its “Dioceses in the U.S. and Institutions Thereof” that elect to come under the group exemption, even though the latter are not separately listed in the Cumulative List.

According to our records, the following organization is covered by this exemption since May 2001: The Episcopal Diocese of Dallas – 1630 North Garrett Avenue, Dallas, TX 75206 – EIN #75-0800638.

Sincerely yours,

N. Kurt Barnes
Treasurer

THE EPISCOPAL CHURCH CENTER

815 SECOND AVENUE NEW YORK, NY 10017-4503 USA ■ 212-716-6000 ■ 800 334-7626 ■ www.episcopalchurch.org

Internal Revenue Service

**Department of the Treasury
P.O. Box 2508
Cincinnati, OH 45201**

Date: August 5, 2003

Person to Contact:
Ms. Smith #31-07262
Contact Representative

Protestant Episcopal Church in the
United States of America
Episcopal Church
815 2nd Ave.
New York, NY 10017-4503

Toll Free Telephone Number:
8:00 A.M. to 6:30 P.M. EST
877-829-5500

Fax Number:
513-263-3756

Federal Identification Number:
31-1629166

Group Exemption Number:
3741

Dear Sir or Madam:

This is in response to your request of August 5, 2003 regarding a copy of your organization's group exemption letter.

In January 1940 we issued a determination letter that recognized your organization as exempt from federal income tax. Our records indicate that your organization is currently exempt under section 501(c)(3) of the Internal Revenue Code.

Based on the information submitted, we recognized the subordinates named on the list your organization supplied as exempt from federal income tax under section 501(c)(3) of the Code. Also, we classified those subordinates as organizations that are not private foundations because they are organizations of the type described in sections 509(a)(1) and 170(b)(1)(A)(i) of the Code.

Donors may deduct contributions to your organization's subordinates as provided in section 170 of the Code. Bequests, legacies, devises, transfers or gifts to the subordinates or for their use are deductible for federal estate and gift tax purposes if they meet the applicable provisions of sections 2055, 2106, and 2522 of the Code.

Your organization and its subordinates are not required to file federal income tax returns unless subject to the tax on unrelated business income under section 511 of the Code. If subject to this tax, the organization must file an income tax return on Form 990-T, *Exempt Organization Business Income Tax Return*. In this letter, we are not determining whether any of your organization or its subordinates' present or proposed activities are unrelated trade or business as defined in section 513 of the Code.

Unless specifically excepted, your organization and its subordinates are liable for taxes under the Federal Insurance Contributions Act (social security taxes) on remuneration of \$100 or more paid each employee during a calendar year. This does not apply, however, if your organization makes or has made a timely election under section 3121(w) of the Code to be exempt from such tax. Your organization and its subordinates are not liable for the tax imposed under the Federal Unemployment Tax Act (FUTA).