

Proposed 2022 Annual Operating Budget 1st Reading from the Finance Committee

Introduction

The Finance Committee has prepared and presents the accompanying budget as the 1st reading of the Operating Budget for 2022. Items of note:

The Finance Committee has been charged with creating a balanced budget and we are presenting that balanced budget to you today.

- The budget reflects an approximately 4% increase for both income and expenses
- This budget includes an increase in staff salaries. Increases will reflect the Social Security Administration's Cost-of-Living Adjustment (COLA) of 5.9%. We expect that we will hire new office staff in 2022 but feel it is too soon to predict how those changes will affect the budget.
- The budgeted revenue from the fundraising event has been increased by approximately 10%, reflecting the actual funding totals realized in each of the past few years.
- The proposed 2022 budget allocates the full Baltimore Yearly Meeting (BYM) requested apportionment (which is once again lower than in 2020 or 2021).
- Committee budgets are largely the same as in 2021 with a few exceptions:
 - The budget for Hospitality has been reduced to reflect the continuing uncertainties about the resumption of in-person lunches and the kitchen redesign work.
 - There are various adjustments in Meetinghouse and Burial Ground expenses.

Feel free to contact any committee member with any questions.

Respectfully submitted,

The Finance Committee
Gene Baron (clerk), Nick Fessenden, David Macfarlane, Clinton Pettus

2022 Operating Budget
1st Reading

	A	B	C	D	E	F	G
1		2018	2019	2020	2020	2021	2022
2		Actual	Actual	Budget	Actual	Budget	Budget
3	SECTION I – ONE-PAGE SUMMARY						
4	OPERATING INCOME (from Section II)						
5	Contributions for Operations	191,486	201,572	207,559	184,081	195,285	195,000
6	Fundraising Event(s)	61,401	74,279	60,000	74,916	60,000	65,900
7	Subtotal	252,887	275,851	267,559	258,997	255,285	260,900
8	Harvest from Trustees	129,402	132,163	135,900	135,900	150,504	164,541
9	Ctees, Meeting House Rental, Other	8,559	6,952	5,750	3,378	5,750	2,925
10	TOTAL OPERATING INCOME	390,848	414,966	409,209	398,275	411,539	428,366
11	OPERATING EXPENSES (from Section III)						
12	Personnel						
13	Meeting Coordinator – Pay, Benefits	66,129	67,948	65,112	65,137	67,502	71,096
14	Office Manager – Pay, Benefits	45,379	48,706	46,619	48,369	47,295	49,944
15	Bookkeeper (on contract) – Pay, Exps	25,833	27,207	28,252	27,007	28,619	28,619
16	Meeting Housekeeper – Pay, Benefits	15,669	17,618	21,389	20,048	21,668	22,946
17	Burial Ground Keeper – Pay, Benefits	9,105	12,773	8,556	12,683	8,667	13,468
18	Child Care – Pay, Benefits	3,922	4,461	5,088	5,406	5,153	5,457
19	Unallocated Expenses (taxes etc.)	4,472	1,132	4,563	4,089	3,550	4,400
20	Personnel	170,508	179,845	179,579	182,739	182,454	195,930
21	Buildings and Grounds						
22	Meeting House	19,454	18,730	25,146	21,315	20,000	23,000
23	Burial Ground	18,296	8,995	19,517	10,750	14,600	13,400
24	Buildings & Grounds Subtotal	37,750	27,726	44,663	32,064	34,600	36,400
25	Baltimore Yearly Mtg Apportionment	62,088	63,826	74,268	74,268	70,340	66,160
26	Support to Others Aff Orgs, Outrch, FRAUC, Comm Svc	21,319	22,650	23,740	27,480	24,654	24,973
27	Support to Members	21,772	20,240	35,777	28,609	38,141	39,077
28	Administration etc.	39,264	16,785	16,665	13,049	16,350	20,826
29	Transfers to Trustees' Capital Reserves	37,075	35,499	34,517	34,517	45,000	45,000
30	TOTAL OPERATING EXPENSES	389,776	366,571	409,209	392,727	411,539	428,366
31	OPERATING SURPLUS (DEFICIT)	1,072	48,395	0	5,549	0	0

	A	B	C	D	E	F	G	H	I
1	Acct		2018	2019	2020	2020	2021	2022	
2	Note		Actual	Actual	Budget	Actual	Budget	Budget	Note
3	SECTION II – OPERATING INCOME								
4		Contributions for Operations	191,486	201,572	207,559	184,081	195,285	195,000	
5		% of Operating Income	49.0%	48.6%	50.7%	46.2%	47.5%	45.5%	
6	4028	Fundraising Event(s)	61,401	74,279	60,000	74,916	60,000	65,900	
7		% of Operating Income	15.7%	17.9%	14.7%	18.8%	14.6%	15.4%	
8	4000	Contributions & Fundraising Subtotal	252,887	275,851	267,559	258,997	255,285	260,900	
9		% of Operating Income	64.7%	66.5%	65.4%	65.0%	62.0%	60.9%	
10		Transfer In Harvest from Trustees							1
11	4105	Combined Unrestricted Funds	80,820	78,881	80,947	80,947	90,318	100,096	
12	4106	Meeting House Care Fund	13,115	13,498	13,839	13,839	15,054	16,297	
13	4107	Burial Ground Fund	17,180	20,736	21,486	21,486	23,656	25,850	
14	4116	Elder Care Fund	11,673	12,225	12,657	12,657	14,021	15,357	
15	4110	Community Service Fund	3,369	3,499	3,590	3,590	3,904	4,223	
16	4115	Nurture Fund	1,646	1,724	1,781	1,781	1,951	2,118	
17	4108	Interest on St. Ambrose Loan	1,600	1,600	1,600	1,600	1,600	600	2
18	4100	Harvest Transfer Subtotal	129,402	132,163	135,900	135,900	150,504	164,541	
19		% of Operating Income	33.1%	31.8%	33.2%	34.1%	36.6%	38.4%	
20		From Committees with Income							
21	4810	Hospitality – Income	3,535	3,207	3,000	1,285	3,000	1,500	
22	4820	Literature – Income	179	131	100	26	100	25	
23	4830	Camping Weekend - Income	495	800	600	0	600	650	
24	4831	Camping Weekend – Contributions	0						
25	4850	Men's Retreat - Income	500	525	550	0	550	0	
26	4850	Men's Retreat - Contributions	0	100					
27	4800	Committees with Income Subtotal	4,710	4,763	4,250	1,311	4,250	2,175	
28		% of Operating Income	1.2%	1.1%	1.0%	0.3%	1.0%	0.5%	
29		Meeting House Rental Income							
30	4320	Building Rental by Others	2,019	1,067	1,500	611	1,500	750	
31	4300	Meeting House Rental Subtotal	2,019	1,067	1,500	611	1,500	750	
32		% of Operating Income	0.5%	0.3%	0.4%	0.2%	0.4%	0.2%	
33		Other Income							
34	4020	Fees received for workshops	1320	622	0	0	0	0	
35	4205	Burial Grounds Services	500	500	0	1,200	0	0	
36	4400	Money Market Interest	11	0	0	0	0	0	
37	4870	Miscellaneous	0	0	0	256	0	0	
38		Other Income Subtotal	1,831	1,122	0	1,456	0	0	
39		% of Operating Income	0.5%	0.3%	0.0%	0.4%	0.0%	0.0%	
40	400	TOTAL OPERATING INCOME	390,848	414,966	409,209	398,275	411,539	428,366	

Notes on 2022 Operating Income

1 The annual harvest from trustees is calculated at 4.0% of the average fund balances over the prior 3 years. The \$28,600 total increase in these lines from 2020 to 2022 reflects the large investment gains realized in 2019 and

2 The Meeting made a \$40,000 loan to St. Ambrose many years ago and has been receiving \$1600/year which has been allocated to the Operating budget. In 2021 St. Ambrose paid off \$10,000 of this loan and the interest rate was lowered from 4% to 2%, which reduces the operating budget contribution to \$600/year starting in

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1	Acct		2018	2019	2020	2020	2021	2022	
2	Note		Actual	Actual	Budget	Actual	Budget	Budget	Note
46	SECTION III - OPERATING EXPENSE DETAIL								
47	PERSONNEL								
48	Meeting Facilitator								
49	5411	Salary	54,912	56,414	53,783	53,996	56,085	59,394	3
50		FICA and Medicare	4,201	4,316	4,114	4,131	4,291	4,544	
51	5415	Health Insurance	2,610	2,894	3,000	3,217	3,000	3,000	
52	5416	For Retirement, SEP IRA	3,984	3,941	3,765	3,794	3,926	4,158	
53	5428	Travel, etc.	422	384	450	0	200	0	
54		Meeting Coordinator Subtotal	66,129	67,948	65,112	65,137	67,502	71,096	
55	Office Manager								
56	5421	Salary	36,790	39,583	27,040	40,655	27,392	29,008	3
57		Assistant to the Office Manager Salary			13,317		12,532	13,271	
58		FICA and Medicare	2,814	3,028	2,069	3,110	3,054	3,234	
59	5425	Health Insurance	3,106	3,461	2,300	2,659	2,400	2,400	
60	5427	For Retirement, SEP IRA	2,668	2,634	1,893	1,945	1,917	2,031	
61		Office Manager Subtotal	45,379	48,706	46,619	48,369	47,295	49,944	
62	Contract Bookkeeper								
63	5431	Retainer	25,833	27,207	28,252	27,007	28,619	28,619	
64	5432	Other Expenses	0						
65	5430	Bookkeeping Subtotal	25,833	27,207	28,252	27,007	28,619	28,619	
66	Meeting Housekeeper								
67	5054	Hourly Pay	13,754	15,376	18,656	17,490	18,899	20,014	3
68		FICA and Medicare	1,052	1,176	1,427	1,338	1,446	1,531	
69	5055	For Retirement, SEP IRA	862	1,067	1,306	1,219	1,323	1,401	
70		Meeting Housekeeper Subtotal	15,669	17,618	21,389	20,048	21,668	22,946	
71	Burial Groundkeeper								
72	5104	Hourly Pay	8,050	11,093	7,463	11,072	7,560	11,747	3,4
73		FICA and Medicare	616	849	571	847	578	899	
74	5105	For Retirement, SEP IRA	439	831	522	764	529	822	
75		Burial Groundkeeper Subtotal	9,105	12,773	8,556	12,683	8,667	13,468	
76	Child Care Workers								
77	5151	Hourly Pay	3,643	4,144	4,726	5,022	4,787	5,069	3
78		FICA and Medicare	279	317	362	384	366	388	
79		Child Care Subtotal	3,922	4,461	5,088	5,406	5,153	5,457	
80	Unallocated Personnel Costs								
81		For additional 2020 salary increases			1,013	0			
82	5501	FICA and Medicare	(111)	(227)		(952)			
83	5503	Payroll Processing Fees	1,680	1,755	1,800	1,800	1,800	1,800	
84	5505	Worker's Compensation	1,541	1,296	1,500	1,488	1,500	1,500	
85	5510	SUTA Tax Expense	112	114	150	117	150	1,000	
86	5550	Staff Support	80	0	100		100	100	
87		Accrued Vacation Expense	1,170	(1,058)		871			
88		Accrued Wages Expense	0	(748)		766			
89		Unallocated Subtotal	4,472	1,132	4,563	4,089	3,550	4,400	
90	540	PERSONNEL SUBTOTAL	170,508	179,845	179,579	182,739	182,454	195,930	
91		% of Operating Income	43.7%	49.1%	43.9%	46.5%	44.3%	45.7%	

2022 Operating Budget
1st Reading

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1	Acct		2018	2019	2020	2020	2021	2022	
2	Note		Actual	Actual	Budget	Actual	Budget	Budget	Note
92		BUILDINGS AND GROUNDS							
93		Meeting House Expenses							
94	5051	Meeting House Maintenance	9,066	8,198	14,224	11,624	10,000	11,000	5
95	5053	Meeting House Utilities	9,980	9,895	10,160	9,533	10,000	12,000	5
96	5058	Meeting Housekeeping Supplies	408	637	762	159			6
97	5050	Meeting House Expenses Subtotal	19,454	18,730	25,146	21,315	20,000	23,000	
98		MH capital reserve addition needed			35,000		35,000	35,000	5
99		Less harvest kept by MH capital reserve			(6,371)				7
100	5040	Transfer to Mtg Hse Cap Reserves	32,274	29,957	28,629	28,629	35,000	35,000	
101		Burial Ground Expenses							
102	5101	Burial Ground Maintenance	12,116	3,923	14,317	3,383	8,000	8,000	5
103	5109	Burial Ground Utilities (gross)	5,363	4,729	5,700	4,148	5,700	4,500	5
104	4210	Less Utilities Reimbursement	(750)	(1,875)	(2,100)	(2,300)	(2,100)	(2,100)	5
105	5107	Burial Ground Dog-Related	1,566	2,218	1,600	5,518	3,000	3,000	5
106	5100	Burial Ground Expenses Subtotal	18,296	8,995	19,517	10,750	14,600	13,400	
107		BG capital reserve addition needed			10,000		10,000	10,000	5
108		Less harvest kept by BG capital reserve			(4,112)		0	0	7
109		Transfer to BG capital reserve	4,801	5,542	5,888	5,888	10,000	10,000	
110	550	BUILDINGS & GROUNDS SUBTOTAL	74,825	63,225	79,180	66,581	79,600	81,400	
111		% of Operating Income	19.2%	17.2%	19.3%	17.0%	19.3%	19.0%	

2022 Operating Budget
1st Reading

	A	B	C	D	E	F	G	H	I
1	Acct		2018	2019	2020	2020	2021	2022	
2	Note		Actual	Actual	Budget	Actual	Budget	Budget	Note
112		BYM APPORTIONMENT							
113	5000	Baltimore Yearly Meeting Apportionment	62,088	63,826	74,268	74,268	70,340	66,160	8
114		% of Operating Income	15.9%	17.4%	18.1%	18.9%	17.1%	15.4%	
115		SUPPORT TO OTHERS							
116		Affiliated Organizations							9
117	5871	AFSC National	400	400	400	400	400	400	
118	5873	AFSC South Region (was Mid-Atlantic)	400	400	400	400	400	400	
119	5872	BYM Camping Programs	800	800	800	800	800	800	
120	5874	Friends Ctee on National Legislation	800	800	800	800	800	800	
121	5875	Friends General Conference	800	800	800	800	800	800	
122	5876	Friends World Committee for Consultatio	250	250	250	250	250	250	
123	5877	Friends Council on Education	100	100	100	100	100	100	
124	5878	Quaker United Nations Program	200	200	200	200	200	200	
125	5879	<i>Friends Journal</i>	500	500	500	500	500	500	
126	5880	Friends Peace Teams	500	500	500	500	500	500	
127	5885	Quaker Voluntary Service (QVS)	100	100	100	100	100	100	
128	5881	Friends of Ramallah Friends Meeting	300	500	500	500	500	500	
129	5884	Friends Wilderness Center	100	100	100	100	100	100	
130	5882	Quaker Earthcare Witness	100	100	100	100	100	100	
131	5870	Affiliated Organizations Subtotal	5,350	5,550	5,550	5,550	5,550	5,550	
132		% of Operating Income	1.4%	1.5%	1.4%	1.4%	1.3%	1.3%	
133		Outreach							9
134	5931	Friends School - SOP	1,000	1,000	1,000	1,000	1,000	1,000	
135	5941	Maryland Ecumenical Council	100	100	100	100	100	100	
136	5886	FCNL Capital Campaign	1,000	0	0	0	0	0	
137	5942	Right Sharing of World Resources	500	500	500	500	500	500	
138	5981	GEDCO / CARES	2,500	2,500	2,500	2,500	2,500	2,500	
139	5982	Social Order Assistance	2,100	2,100	2,100	2,100	2,100	2,100	
140	5918	IAHR	400	400	400	400	1,000	1,000	
141	5970	McKim Center	1,000	1,000	1,000	2,870	2,000	2,000	
142	5989	Unified Efforts Youth Center	1,000	2,000	2,000	3,870	2,000	2,000	
143	5983	Clay Pots / New Faith Ministry	1,000	1,000	1,000	1,000	1,000	1,000	
144	5984	Amazing Grace Ministries	0	0	0	0	0	0	
145	5986	Burundi Clinic		1,000	1,000	1,000	1,000	1,000	
146	5900	Outreach Subtotal	10,600	11,600	11,600	15,340	13,200	13,200	
147		% of Operating Expenses	2.7%	3.2%	2.8%	3.9%	3.2%	3.1%	
148	5711	For Discretionary Grants, by FRAUC	2,000	2,000	3,000	3,000	2,000	2,000	9
149		% of Operating Income	0.5%	0.5%	0.7%	0.8%	0.5%	0.5%	
150	5952	Community Service Expense	3,369	3,500	3,590	3,590	3,904	4,223	10
151		% of Operating Income	0.9%	1.0%	0.9%	0.9%	0.9%	1.0%	
152	580	SUPPORT TO OTHERS SUBTOTAL	21,319	22,650	23,740	27,480	24,654	24,973	
153		% of Operating Income	5.5%	6.2%	5.8%	7.0%	6.0%	5.8%	

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1	Acct		2018	2019	2020	2020	2021	2022	
2	Note		Actual	Actual	Budget	Actual	Budget	Budget	Note
154		SUPPORT TO MEMBERS							
155		Committee Expenses							
156	5702	Library	852	508	750	701	750	750	
157	5703	Ministry & Counsel	0	0	0	450	0	0	
158	5704	Community, Care and Clearness	70	69	100	0	100	100	
159	5706	Baltimore Quaker Peace & Justice	50	0	300	500	300	300	
160	5708	Religious Education	877	241	600	165	600	500	
161	5712	Indian Affairs	0	0	0	0	0	0	
162	5713	Child Safety Committee	299	428	400	299	400	400	
163	5801	Hospitality	2,792	4,223	4,300	1,579	4,300	2,150	
164	5802	Literature	68	61	70	30	70	20	
165	5803	Men's Retreat	540	325	500	0	500	0	
166	5804	Camping Weekend	1,013	1,195	1,100	0	1,100	1,000	
167		Committee Expense Subtotal	6,561	7,049	8,120	3,724	8,120	5,220	
168		% of Operating Income	1.7%	1.9%	2.0%	0.9%	2.0%	1.2%	
169		Direct Support							
170	5008	Camp Scholarships	8,210	9,700	10,000	10,700	11,000	11,000	
171	5951	Nurture	2,306	2,001	2,500	0	2,500	2,500	
172	6606	Friends Aid	3,360	0	2,500	11,050	2,500	5,000	11
173	6760	Elder Support	435	500	12,657	3,135	14,021	15,357	12
174		Subtotal	14,311	12,201	27,657	24,885	30,021	33,857	
175		% of Operating Income	3.7%	3.3%	6.8%	6.3%	7.3%	7.9%	
176		Workshop/Event Expenses	900	991		0.0%			
177			0.2%	0.3%		0.0%			
178	570	SUPPORT TO MEMBERS SUBTOTAL	21,772	20,240	35,777	28,609	38,141	39,077	
179		% of Operating Income	5.6%	5.5%	8.7%	7.3%	9.3%	9.1%	
180		ADMINISTRATION, FUNDRAISING, IT & NEWSLETTER							
181		General							
182	5210	Office Expenses	6,089	6,516	5,000	3,306	4,000	4,000	13
183	5220	Information Systems	4,428	4,323	5,588	3,019	5,000	4,500	13
184	5260	Newsletter	1,465	0	0	0	0	0	13
185	5006	Legal Fees (for Contingency)	15,554	0	2,000	0	2,000	2,000	
186	6000	Miscellaneous expenses	300	0	0	0	0	0	
187	5200	General Administration Subtotal	27,837	10,839	12,588	6,325	11,000	10,500	
188		Financial Expenses							
189	5005	Transfer Out to Financial Audit Reserve	6,000	2,000	0	0	0	4,000	14
190		Audit Expense (current)						0	
191	5028	Fundraising Expense	4,326	2,578	3,000	5,224	4,000	4,800	
192	5003	Bank Service Fees & Charges	955	1,056	961	989	1,000	1,000	
193	5002	PayPal Fees	146	311	116	511	350	526	
194		Insurance (Property & Liability)	0	0	0	0	0	0	
195		Financial Subtotal	11,427	5,946	4,077	6,724	5,350	10,326	
196	520	ADMINISTRATION etc. SUBTOTAL	39,264	16,785	16,665	13,049	16,350	20,826	
197		% of Operating Income	10.1%	4.6%	4.1%	3.3%	4.0%	4.9%	
198		TOTAL OPERATING EXPENSES	389,776	366,571	409,209	392,727	411,539	428,366	

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1	Acct		2018	2019	2020	2020	2021	2022	
2	Note		Actual	Actual	Budget	Actual	Budget	Budget	Note
199	Notes on 2022 Operating Budget Expenses								
200	3	At the request of CSS, salaries and hourly rates have increased by 5.9% from the 2021 budget to the 2022 budget. 5.9% is Social Security's cost of living increase for 2022.							
201	4	The 2022 budgeted amount for the Burial Groundkeeper is greater than the 5.9% of other staff to reflect the greater number of hours the Groundkeeper is now working.							
202	5	2022 estimates are provided by the Property and Burial Ground Committees.							
203	6	Starting in 2021 the Housekeeping supplies budget has been merged into the Meeting House maintenance budget line.							
204	7	The annual harvest amounts for the operating budget are calculated by multiplying the 3-year average of the balances of the funds controlled by trustees by 4%. The amounts in the MH and BG capital reserves do not contribute to the harvest into the Operating Budget. Instead the investment earnings allocated to the two capital reserve funds are put back into the respective funds. In the 2019 and 2020 budgets, the amounts transferred from Operating were (\$35,000 and \$10,000) were reduced to compensate for the capital reserve funds' investment earnings. This practice is discontinued starting with the 2021 budget.							
205	8	The amount budgeted for the 2022 BYM apportionment (\$66,160) is the amount calculated and requested by BYM and is a decrease of \$4,180 from the amount Stony Run contributed to BYM in 2021.							
206	9	FRAUC is requesting no change in these grant recipients and amounts in 2022 from 2021							
207	10	Community Service expenses are budgeted at \$4,223, which is the amount of the harvest from the Community Service fund.							
208	11	The 2022 Friends Aid estimate is based on recent history. This amount is an estimate, not a cap and does not limit the Friends Aid committee's ability to provide grants.							
209	12	Elder Support expenses are budgeted at \$15,357 in 2022, which is the amount of the harvest from the Elder Care fund. In recent years this budget line has been greatly underspent. Underspensing of these funds will be returned to the Elder Care fund.							
210	13	2022 estimates for Office Expenses and Information Systems by the Meeting Facilitator. Newsletter costs were shifted to Office Expenses starting in 2019.							
211	14	Stony Run has a financial audit performed every three years. One third the estimated cost is set aside in an audit reserve each of the 2 years when the audit is not performed. The final third is charged in the year the audit is performed and paid for. Stony Run is completing an audit in 2021 (an audit of 2020). Stony Run switched auditors for our most recent audits and the audit fee has dropped significantly. As a result, Stony Run set aside more money for the 2020 audit than was estimated to be needed. So the Finance Committee did not include an audit reserve contribution or audit expense in the 2020 and 2021 budgets. This annual audit expense is reappearing in the budget starting in 2022.							