****

**Instructions for Pledging**

**How do I make a financial pledge?**

To make a financial pledge to sustain the work of Grace Church, you may either fill out a pledge card, included in this packet, and send it into the parish office using the envelope provided or pledge online. Please submit your pledge by **December 5th, 2020.**

**To complete an online pledge for 2021:**

Go to Saygrace.net and click on 2021 Online Pledge

First step is to fill out the electronic pledge card then click the Submit button and it will automatically email to Paula Garner / Parish Administrator.

**To make a contribution online:**

Go to Saygrace.net and click on Give

For a one-time payment click on "Give Now" button then fill out the form

To set up your automatic giving for your pledge:

Go to Saygrace.net and click on Give

Click on the same "Give Now" button then fill out the form.

In the "**Give to:"** be sure to select **"2021 Pledge"**

Be sure to select "Setup automated giving" and choose your time preference.

Need assistance making a pledge? Paula Garner, our parish administrator, will be happy to help you. She can be reached at [pgarner@saygrace.net](mailto:pgarner@saygrace.net) or by calling ​(423) 698-2433.

****

**Narrative (Draft) 2020 Budget**

**Where does the money go?**

The narrative budget outlined below is based on estimated expenses for budget requests submitted by November 1st, 2020. It is subject to change as expense details and pledge income become known.

**Expenses for 2021 $637,173**

**Clergy and Staff $404,846**

Annual payroll expenses for clergy and parish staff comprise $404,846 or 63.5% of the total budget.

This includes salary and benefits for the rector and curate (associate priest)\*, who lead worship, discern mission opportunities, provide pastoral care, welcome newcomers, provide administrative oversight, run programs and Christian formation activities, and represent Grace in the surrounding community and the wider church.  
  
Staff salaries include a full-time parish administrator, and part-time positions for the parish communications director, director of Christian formation, director of music, organist, nursery workers, and handbell choir director.

This portion of the budget also includes benefits for qualifying staff members, continuing education, mileage, disability coverage, costs for supply clergy, professional expenses and payroll taxes.

\*Please note that the budget for 2021 includes funds for continuing the associate rector position. Nearly half of David’s compensation for 2020 was provided through generous support from the Diocese of East Tennessee. This funding was for two years, and will end in June, 2021, as David completes his two years of diocesan-funded curacy. In order to retain this position, we will need to raise additional income.

**Diocesan Commitment ` $62,000.**

As a member parish of the Episcopal Diocese of East Tennessee and The Episcopal Church, Grace pays a portion of our budget annually to the Diocese of East TN. This represents roughly 9.7% of our total budget. Our diocesan commitment helps to support diocesan programs and resources to parishes, campus ministries and other worshipping communities, as well as educational and mission development opportunities for clergy and laity.

This year alone, Grace received $35,208 in diocesan support for our curate’s compensation. In 2021, Grace will receive $17,604 to support the curate position.

**Administrative $20,950**

Administrative expenses related to printing, mail, communications, our annual audit and participation in diocesan events cost Grace $20,950 annually, representing 3.3% of the budget.

**Building & Grounds $125,302**

The care and upkeep of Grace’s building and grounds costs approximately $125,302 per year, making up 19.7% of the annual budget. This includes maintenance, utilities and repairs, and stewardship of the beautiful gardens surrounding Grace. On any given day at Grace, you will find a variety of activities taking place in our beautiful buildings and church campus: ESL classes and support services for refugees and new immigrants, a food pantry, musical concerts, community meetings, gardening workshops, health and fitness classes, educational activities for children, youth and adults, the Brainerd Farmers’ Market and, of course, worship services.

**Program Support $24,075+**

The remaining $24,075 (3.8%) of Grace’s budget supports a variety of programs and ministries at Grace including Christian formation for children, youth and adults, parish life, welcome ministries, worship and music.

In addition, so far this year, Grace has provided over $38,000 in direct assistance (utilities, housing, medical, transportation, double SNAP for the Brainerd Farmers’ Market, support to local agencies, etc.) through donations to the voucher/food pantry fund and clergy discretionary funds, which are funded through the generosity of members of the Grace community. These funds are not reflected in the operating budget, as they are designated for these purposes.

**Where does the Money Come from?**

**Income Needed for 2021: $637,174**

The majority of our income comes from pledges and offerings. Other income sources include diocesan support, Grace endowment funds and property rentals.

**Pledges** **$421,319**

To meet our anticipated budget, this year’s stewardship campaign needs to raise $421,319. Our anticipated need is 5% above last year’s pledged income (which includes additional funds pledged last spring to support hiring a curate). Increased expenses are largely due to paying a curate for a full year of work rather than half a year and increased health care costs.

**Other offerings**  **$33,000**

In 2019 Grace received approximately $45,000 in unpledged offerings from people who give regularly, but who do not pledge. Due to the cancellation of in-person worship, these funds did not materialize in 2020. We anticipate that we will return to in-person worship sometime next year, but not for the full year.

**Diocesan Support $17,604**

The Diocese of East Tennessee generously supports a portion of our curate’s salary and benefits. Normally, when newly graduated seminarians are placed in parishes, the diocese only covers one year of the curate’s compensation. We are blessed in that when David began working at Grace, the diocese decided to gift us with two years of assistance. David will complete his second year this year, therefore the support from the Diocese will end mid-year.

**Endowment $37,000**

The Grace Endowment Fund consists of a number of designated funds. Some of these funds help support regular expenses such as the payment of our diocesan pledge and grounds upkeep.

Other funds in the endowment that are not reflected in the operating budget help to support outreach programming and giving to community and mission organizations supported by Grace (Met Min, Community Kitchen, Southside Abbey, etc.), as well as scholarships to St. Nicholas School for Grace families.

**Property rental $59,250**

Several years ago, the leadership of Grace made a wise decision to renovate the space once occupied by St. Nicholas’ school to house an independently owned and operated daycare facility. The rental income from the daycare, as well as the rental property located at 4022Brainerd Rd., provide $56,000 in income for Grace, once repairs, maintenance and utilities are taken into account for the rented properties. Grace also receives a modest amount of donations from community groups, such as recovery meetings, that use space at Grace.

**Surplus from PPP $69,000**

Due to the CARES act passed by Congress in 2020, Grace was able to apply for the Payroll Protection Program to support the payroll and benefits for the staff. Due to the generous support of our pledging community and the reduced expenses this year, we have not needed to spend these funds. We anticipate that we will carry those funds into next year to allow us to balance our budget.