

Treasurer's Update

Some of you have been wondering about the financial impact on our Church of the pandemic and the resulting economic downturn. I am pleased to report that so far, from a financial perspective, we are weathering these difficulties well.

In May 2020 we received a loan of approximately \$85,000 under the US government's Paycheck Protection Program ("PPP") to support the ongoing operations of the church during these times of economic uncertainty.

At that time, we were not sure what the coming months would bring, but it seemed likely that our congregational pledges, donations, and other sources of revenue would decrease. The value of our investments, which are the source of most of our income, had declined significantly (although it has now substantially rebounded). The Board spent considerable time over a short, hectic period discussing the merits of the program (financially, morally, and spiritually) before voting unanimously to apply for funds.

While the government still has not issued final regulations, we expect that most, if not all, of this loan will be forgiven so that the funds may be retained for the Church's use. Under the interim rules as they now stand, forgiveness (financial forgiveness, that is, not spiritual forgiveness) will depend on the number of Church employees retained and the amount spent on payroll and utilities costs during a specified period.

We are blessed to have a large endowment to fund most of our operations and outreach, so there are undoubtedly others with a greater financial need than our Church. However, when the program ended, over \$100 billion of PPP funds remained unused. Meanwhile, the PPP loan allowed us to keep all of our full-time and part-time staff employed during this period of uncertainty, even when many of their regular duties were on hold.

We do not yet have final financial statements for our fiscal year that ended on June 30, 2020, as our auditors are just beginning their review. Although it looks like we will probably show a small surplus for the year, an extra \$250,000 had to be withdrawn from our accounts to spend on urgent building repairs and maintenance projects. In addition, we will keep the \$85,000 of loan proceeds, assuming we meet the final criteria for forgiveness. Discussions have already begun about how some or all of these may be used.

I will keep you posted as the situation evolves. If you have questions, please do not hesitate to contact me.

Sarah Cecil
Treasurer