

To the members of Plymouth Congregational Church:

Financially, Plymouth has weathered this past year well, all things considered. We experienced expense savings due to the limited in-person activity and received a federal Paycheck Protection Program (PPP) loan which enabled us to maintain staffing levels. Funds from the 2014 Capital Campaign's Growth fund helped fund the increased audio and video offerings and continued to cover some of our music and outreach expenses. Our investments grew. Congregational giving, though somewhat decreased, was in line with recent years. We are especially grateful for the generosity of Plymouth members in this challenging year.

Plymouth responded to the community's needs in ways that are not easily seen in the financial statements. Our staff stepped up to represent Plymouth's commitment to our neighborhood through meetings with community leaders, custodial hours increased to support Groveland Emergency Food Shelf, and we hosted a vaccination clinic. Our increased online offerings have extended our message of progressive Christianity far beyond our zip code. All of this stretched our staff resources and our clergy and staff have been extraordinary in the extra efforts.

Plymouth is in good financial condition but it is not without its challenges. We are forecasting a strong end to FY2021, but it is largely due to conditions which are unlikely to repeat: the PPP loan injected one-time revenue; the Capital Campaign funds are coming to an end; expenses will rise when in-person activity resumes. In order to maintain our operations for FY2022, our proposed budget shows an increased draw from our investments to cover the income gap. To reduce the draw and get to a sustainable operating model, we invite Plymouth to imagine creative ways to prioritize our programs and commitments in ways that reflect the purposes of the church while leveraging and stewarding our abundance responsibly and efficiently. That process begins with each of us discerning how to grow our level of financial support for a congregation committed to humbly seeking and serving God within, among, and beyond. We look forward to a deeper conversation with you about our financial future, including hearing your questions and feedback.

With so much focus on numbers on a worksheet, it is easy to assume that Plymouth doesn't have enough. We do! We may worry that we cannot afford to serve fully and faithfully, yet we are blessed to have the resources of our building, our financial assets, and the talents of our members, which afford us the opportunity to be of service to our neighbors and community. May we approach the coming year from a position of gratitude for what we have been given and with hope for what we can become.

DeWayne Davis, Lead Minister

Claire Colliander, Treasurer

FY2022 BUDGET: EXECUTIVE SUMMARY

PROCESS: The proposed 2022 budget was initiated by staff and approved by the Deacons and the Board of Finance and Administration. The Deacons, the Board of Finance and Administration, and the Leadership Council provided input. (Minutes from those meetings are available on the Plymouth website.) The Deacons voted on May 1, 2021 to recommend the proposed FY2022 budget to the congregation for approval at the Annual Meeting.

ASSUMPTIONS & OUTLOOK

This budget assumes that most in-person activity will resume in September 2021. This is a status quo budget: this is what it costs to continue the current activities and operations. The increases you see in expenses are due to three factors:

- Expenses that were formerly paid out of the Capital Campaign Growth and Outreach funds (jazz musicians, outreach personnel, audio and video staff) are now being moved to operating expenses.
- Increased expenses related to building security and maintenance, and resumption of in-person activity.
- Increased funding for Theater 45 programming.

Revenue assumes congregational giving will slightly increase and that our rental income from ELZE school and other groups will return to pre-pandemic levels. This revenue growth is not enough to offset the increase in expenses. In order to balance the budget, we will need to take an additional draw from our investments for FY2022. We believe this is the right thing to do right now to keep our church strong while we thoughtfully move to a more sustainable operational model.

PLYMOUTH CONGREGATIONAL CHURCH						
PROPOSED 2022 OPERATING BUDGET (July 1, 2021 - June 30, 2022)						
		FY 2020 Actual	FY 2021 Forecast	FY 2021 Budget	FY2022 Proposed	Variance: Budget to Forecast
REVENUE						
<i>Contributions</i>						
Pledge income	\$	1,601,034	\$ 1,360,248	\$ 1,400,000	\$ 1,415,000	\$ 54,752
Non-pledge income		200,709	205,527	175,000	200,000	(5,527)
Open Offering		17,515	1,052	25,000	20,000	18,948
Stewardship Growth / Lead Minister			45,000	200,000	100,000	55,000
Drop-in Center Donations		25,000	-	25,000	25,000	25,000
Christmas and Easter Offerings		72,062	68,329	-	65,000	(3,329)
Total Contributions		1,916,320	1,680,156	1,825,000	1,825,000	144,844
<i>Other Income</i>						
ELZE School		43,449	36,500	47,858	48,000	11,500
Leases, Fees and Other Earned Income		155,975	183,339	154,293	154,700	(28,639)
Parking Lot Sale Income			50,000	50,000	50,000	-
PPP Loan (Forgiven)			230,600	-		(230,600)
* 4% of Commingled investments		203,253	197,216	225,727	257,590	60,374
* Commingled Investments, add'l to cover gap		-		-	257,484	257,484
Total Other Income		402,677	697,655	477,878	767,774	70,119
TOTAL REVENUE		2,318,997	2,377,811	2,302,878	2,592,774	214,963
EXPENSES						
<i>Staff Related</i>						
Clergy		329,667	379,234	378,477	346,555	(32,679)
Music		176,443	179,740	180,167	205,166	25,426
Education & Outreach		113,644	111,820	133,508	140,054	28,234
Administrative Staff		373,816	365,975	388,693	382,253	16,278
Building and Audio/Video Staff		368,161	422,194	368,066	472,331	50,137
Other Employee Expenses		19,854	18,162	22,000	22,840	4,678
Total Staff		1,381,585	1,477,125	1,470,911	1,569,199	92,074
<i>Other Expense</i>						
Boards and Programs		67,418	79,825	98,775	147,475	67,650
Community Fund		93,250	90,000	75,000	75,000	(15,000)
Christmas and Easter Offerings		72,062	68,329	-	65,000	(3,329)
Administration/Operations		211,369	180,314	227,392	226,500	46,186
Building		264,501	270,076	314,300	294,100	24,024
Major Building Improvements		213,090	208,669	100,000	200,000	(8,669)
Food Service		15,722	3,473	16,500	15,500	12,027
Total Other Expense		937,412	900,686	831,967	1,023,575	122,889
TOTAL EXPENSES		2,318,997	2,377,811	2,302,878	2,592,774	214,963
NET INCOME (LOSS)		0	-	0	0	0
* These do not reflect actual withdrawals from investment fund. Plymouth's policy is to use cash from other sources before withdrawing from investments. These transactions are closely tracked so that we honor donor-restrictions. Actual withdrawal from Investments has been much lower in recent years.						

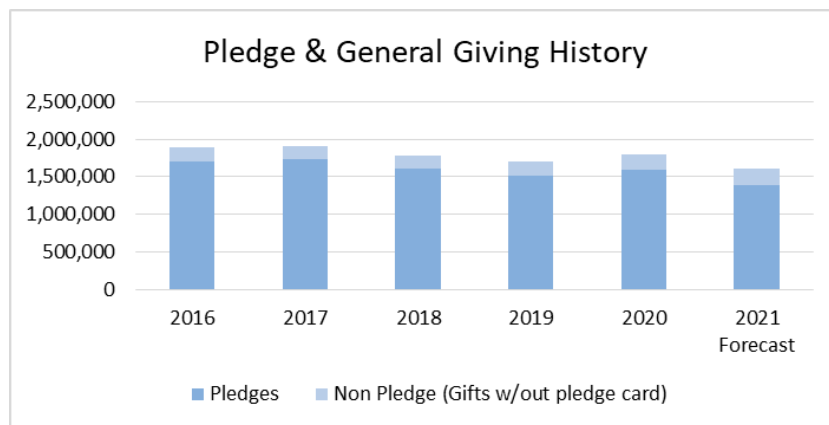
Notes to the FY2022 Budget	
REVENUE	
<i>Contributions</i>	
Pledge income	Based on results of 2022 stewardship campaign
Non-pledge income	Giving that is not attached to a pledge
Open Offering	Assumes in-person services resume in Sept. 2021
Stewardship Growth	Special effort to raise additional funds
Drop-in Center Donations	50th Anniversary of Drop-in Center
Christmas and Easter Offerings	100% pass-through
<i>Total Contributions</i>	
<i>Other Income</i>	
ELZE School	
Leases, Fees and Other Earned Income	Theater bookings resume in October
Parking Lot Sale Income	Proceeds from 2019 parking lot sale will be used for Building expenses
4% of Commingled investments	Based on 36-month rolling average of investment balance
Commingled Investments, add'l to cover gap	Additional draw will be needed to meet expenses this year
<i>Total Other Income</i>	
TOTAL REVENUE	\$2,592,774
EXPENSES	
<i>Staff Related</i>	
Clergy	Three Clergy
Music	Choirmaster/Organist, choir and handbell directors, worship musicians
Education & Outreach	All youth program staff, Drop-in and Outreach Coordinators
Administrative Staff	Current Office Staff
Building and Audio/Video Staff	Increasing custodial and audio/video hours.
Other Employee Expenses	Staff development and training, mileage, other expense.
<i>Other Expense</i>	
Boards and Programs	Assumes board activity returns to budgeted level, added Theater 45 budget
Community Fund	Grants to outside organizations
Christmas and Easter	Will distribute 100% of funds raised at Christmas and Easter offerings
Administration/Operations	Increases mostly related to resumption of in-person activity
Building Expenses	Maintenance and utilities; returning to pre-Covid levels
Major Building Improvements	Address code requirement for food shelf and kitchen, new IT server, other
Food Service	Assume activity resumes in Fall
<i>Total Other Expense</i>	
TOTAL EXPENSES	\$2,592,774
NET INCOME (LOSS)	\$0

AUDITED BALANCE SHEET

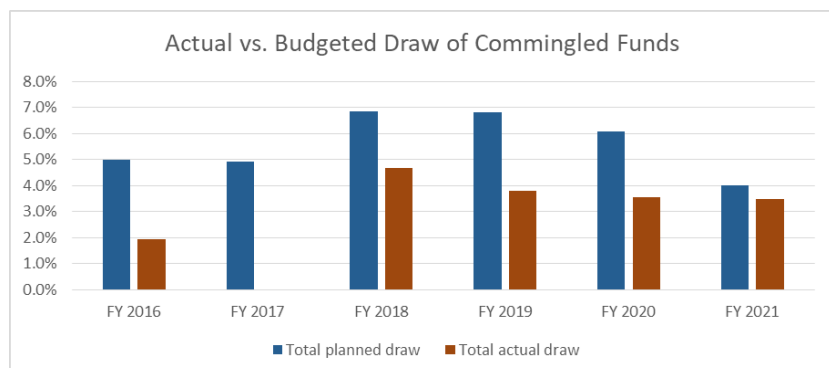
	June 30, 2020	June 30, 2019
ASSETS		
Cash and cash equivalents	579,113	287,104
Investments	6,806,001	6,880,163
Property and equipment, net	8,545,071	8,785,427
TOTAL ASSETS	15,930,185	15,952,694
LIABILITIES AND NET ASSETS		
Liabilities: Payroll Protection Program Loan	230,600	-
Net Assets:		
Without donor restrictions		
Undesignated	299,184	19,577
Deacon designated	4,462,050	4,616,990
Invested in property and equipment	8,545,071	8,785,427
Total net assets without donor restrictions	13,306,305	13,421,994
With donor restrictions	2,393,280	2,530,700
Total net assets	15,699,585	15,952,694
TOTAL LIABILITIES & NET ASSETS	15,930,185	15,952,694

Value of investments
as of April 30, 2021:
\$7,958,592

FINANCIAL ADDENDUM



This chart shows a 5-year history of congregational giving through pledges and non-pledged revenue (i.e. general operating gifts). Bequests and gifts designated for special purposes are not included here.



Plymouth relies on its commingled funds (investments) to cover the gap between operating income and expenses. The 'draw' is reported as a % of investment balance and uses a 36-month trailing average. In recent years, Plymouth has needed less than the budgeted amount.