

**Treasurer's Report for 2020**  
**St. Paul's Episcopal Church, DeKalb, Illinois**

presented January 31, 2021 at the church annual meeting

The past year was my first year as treasurer of St. Paul's. It was a real learning experience for me, and I continue to refine my knowledge and skills. I want to profusely thank our Assistant Treasurer, Pat Brown, for countless bits of advice and wisdom, and also our bookkeeper at American Midwest tax and Accounting, Sheila Appel, who caught many of my mistakes in addition to answering many questions. I also want to thank the Vestry, especially Gretchen Schlabach and Donna de Oliveira, for their questions and comments during the year.

Canon law requires that we do our accounting on a cash basis. This means that money is received when it is deposited in our bank account, and it is disbursed when we write a check or have funds removed from our bank account by electronic means.

This report consists of 3 sections, with a spreadsheet and a narrative for each.

1. A statement of our financial position: how much money we have and how it is divided up.
2. A summary of last year's receipts and disbursements: how much we spend in various budget categories, as compared to the amount listed in the budget approved last January. Also included is a summary of the Endowment Fund and our revolving and pass-through funds.
3. The 2021 proposed budget, already approved by the vestry and discussed at the budget Q&A session last Sunday.

Respectfully submitted,  
Rick Johns, Treasurer

**Statement of Financial Position as of Dec 31, 2020**

**Assets**

**Liquid Assets**

**Cash**

Heartland Bank balance Dec 31	\$73,405.27
Outstanding checks	-\$6,147.51
In Paypal	\$164.17
<b>Total Cash</b>	<b>\$67,421.93</b>

**Money Market**

Edward Jones Building Fund	<b>\$16,435.05</b>
----------------------------	--------------------

**Investments**

Apache stock	\$87.13
Endowment Fund	\$2,378,756.11
<b>Total investments</b>	<b>\$2,378,843.24</b>

<b>Total Liquid Assets</b>	<b>\$2,462,700.22</b>
----------------------------	-----------------------

**Fixed Assets**

Property, building, equipment	\$1,009,403.92
-------------------------------	----------------

<b>Total Assets</b>	<b>\$3,472,104.14</b>
---------------------	-----------------------

**Liabilities**

<b>Total Liabilities</b>	<b>\$0.00</b>
--------------------------	---------------

---

**Heartland Bank checking account allocations**

**Unrestricted funds:**

Operating cash (Unrestricted)	<b>\$20,131.58</b>
-------------------------------	--------------------

**Funds restricted as to purpose:**

Discretionary Fund	\$237.47
Music Fund	\$53.93
Flower Fund	\$2,020.52
Garden Fund	\$50.00
Building Fund in Heartland Bank	\$9,529.53
Endowment Fund in Heartland Bank	\$75.00
Columbarium Fund	\$3,623.90

Staff gifts (on Jan Credit card bill)	\$1,050.00
Memorial funds	\$30,650.00

<b>Total Restricted Purpose funds</b>	<b>\$47,290.35</b>
---------------------------------------	--------------------

<b>Total in Heartland Bank</b>	<b>\$67,421.93</b>
--------------------------------	--------------------

### Building/Capital Fund

Building Fund in Heartland Bank	\$9,529.53
Building Fund in Edward Jones	\$16,435.05
Apache stock (6.775 shares)	\$87.13

<b>Total Capital Funds</b>	<b>\$26,051.71</b>
----------------------------	--------------------

### Financial Position Narrative

**Assets.** Most of my job as treasurer involves interactions with our checking account at Heartland Bank. I try to keep the balance above \$20,000, approximately one month's expenses. As of December 31, 2020, this account had a \$73,405.27 balance. We have issued several as-yet-uncashed checks; many of our bills are paid near the end of the month. We also have a Paypal account, which some people use to donate money. When these are factored in, we had \$67,421.93 available cash on Dec 31.

We also have an account at Edward Jones Investments which is used for capital projects, mostly building repairs and improvements. The **Building/Capital Fund balance is \$16,435.05**, in the form of money market funds. This money is invested, but it is almost as liquid as cash. It earned 0.2% interest in 2020. In previous years these funds were invested in CDs, which are less liquid, and buying them now would mean tying our money up for a long time at very low interest. Our financial advisor at Edward Jones, Matt Myre, told me recently that there simply aren't any good short term and safe investment opportunities: his advice was to "grin and bear it" in the expectation that interest rates will improve and we can get a reasonable return on short term investments.

The Endowment Fund is a separate account at Edward Jones, under the control of the Endowment Committee and the Vestry. These funds are invested in stocks and bonds. The Dec 31 value of the **Endowment Fund was \$2,378,756.11**. We are allowed to take up to 5% of the value (12 month average) for our expenses. In 2020 we took \$100,000, with the 5% level currently at \$106,195.

Finally, we own a few shares in a company called Apache, with a current value of \$87.13. I have not spent any time examining this account, but its value has been declining for a long time and really should be transferred elsewhere.

Our property, buildings, and equipment are fixed assets. At some point in the past, their value was set at \$1 million, and the cost of any equipment we purchased was added to that. The current fixed asset value is \$1,009,403.92. This value is rather arbitrary.

Added together, as of December 31, 2020, our **total assets were valued at \$3,472,104.14**.

**Liabilities.** We have no outstanding liabilities or debts other than the uncashed checks mentioned above.

### Internal division of checking account into specific funds

Most of our monthly expenses are paid from the **operating cash fund**, which comes from pledges, money allocated from the Endowment Fund, and other donations to the church. These funds are unrestricted: we can spend them on any church-related need.

Sometimes we are given donations that have specific purposes attached to them by the donors. The Discretionary Fund is good example: money sent to this fund by various parishioners is dedicated for Mthr. Barbara's use in doing the church's work. We also have dedicated Music, Flower, Garden, Building/Capital, and Columbarium Funds. In addition, money destined for the Endowment Fund is kept temporarily in a dedicated fund. Other donations and bequests, such as the Leonard Memorial Fund, are kept as separate funds until we decide what to do with them. These are all revolving funds: money collected from parishioners and dedicated for use within the church. We also have pass-through funds, which are money collected from parishioners and others for use outside the church: the Food Pantry fund is a good example. At the end of the year, all pass-through funds are disbursed to their intended recipients. All of these funds: unrestricted, revolving, and pass-through, are mingled together in the Heartland Bank checking account. The total value of these restricted funds was \$47,290.35.

#### **Building/Capital Fund**

Money we are saving for projects involving capital improvements or a large initial investment is kept in the Building/Capital Fund. This fund is split into 3 parts. Some of the money is kept in the Heartland checking account, for immediate access, and some is kept in the Edward Jones Building/Capital Fund, which is meant to be invested in short term financial instruments. Also, a small amount is kept in the form of the Apache stock. We are exchanging some risk and non-liquidity in exchange for investment returns. At present, \$9,529.53 is kept at Heartland, \$16,435.05 is kept at Edward Jones, and the Apache stock is worth \$87.13. The Building/Capital Fund thus contains \$26,051.71.

**Statement of Receipts and Disbursements for Twelve Months ending December  
31, 2020**

**2020 Receipts Summary (General Fund)**

Account	Actual	2020 Budget	over/(under) budget	actual % of budgeted
800-101 Pledges	\$102,926.80	\$96,174.00	\$6,752.80	107.0%
800-102 Regulars/ID Offerings	\$28,464.50	\$10,000.00	\$18,464.50	284.6%
800-103 Visitors/Open plate	\$54.00	\$1,000.00	-\$946.00	5.4%
800-105 Taize	\$204.00	\$1,000.00	-\$796.00	20.4%
900-104 Bank Fees (Paypal)	-\$29.54	\$0.00	-\$29.54	
800-108 Endowment Fund Allocation	\$100,000.00	\$100,000.00	\$0.00	100.0%
800-109 Bishop's Fund	\$357.54	\$350.00	\$7.54	102.2%
800-901 Parking Pass	\$80.00	\$500.00	-\$420.00	16.0%
800-994 Coffee Hour Fund	\$23.00	\$50.00	-\$27.00	46.0%
800-995 Other Misc	\$27,600.00	\$50.00	\$27,550.00	
MEM Memorial Funds	\$30,650.00	\$0.00	\$30,650.00	
<b>Total General Fund Receipts</b>	<b>\$290,330.30</b>	<b>\$209,124.00</b>	<b>\$81,206.30</b>	<b>138.8%</b>

**2020 Disbursements Summary (General Fund)**

Account	Actual	2020 Budget	over/(under) budget	actual % of budgeted
900-111 · Clergy Salary	\$64,208.00	\$64,208.00	\$0.00	100.0%
900-114 · Clergy Pension	\$13,620.72	\$18,000.00	\$4,379.28	75.7%
900-112 · Clergy Medical Ins	\$20,293.00	\$20,196.00	-\$97.00	100.5%
900-116 · Clergy Education & Retreat	\$1,435.13	\$1,000.00	-\$435.13	143.5%
900-113 · Clergy Hospitality	\$686.11	\$1,000.00	\$313.89	68.6%
900-115b Clergy Travel Expense	\$1,075.79	\$1,250.00	\$174.21	86.1%
900-115c - Clergy Organization Dues	\$245.00	\$440.00	\$195.00	55.7%
900-115a · Diocesan Convention	\$0.00	\$500.00	\$500.00	0.0%
900-118 · Guest Clergy	\$600.00	\$1,500.00	\$900.00	40.0%
900-117 · Rectory Utility	\$6,661.03	\$5,000.00	-\$1,661.03	133.2%
<b>total Clergy Expenses</b>	<b>\$108,824.78</b>	<b>\$113,094.00</b>	<b>\$4,269.22</b>	<b>96.2%</b>

900-160 · Altar	\$468.07	\$1,000.00	\$531.93	46.8%
900-165 - Taize Services	\$2,275.62	\$1,000.00	-\$1,275.62	227.6%
900-190 · Worship-Pastoral Care	\$1,431.81	\$800.00	-\$631.81	179.0%
900-999 Program Act/Fellowship/Social	\$1,581.41	\$2,600.00	\$1,018.59	60.8%
900-180 Diocese Convention	\$0.00	\$320.00	\$320.00	0.0%
900-193 · Communications/Ads/Dues	\$2,004.00	\$1,000.00	-\$1,004.00	200.4%
900-196a · Nursery Attendant	\$1,286.50	\$3,100.00	\$1,813.50	41.5%
900-196b · Nursery Supplies	\$0.00	\$50.00	\$50.00	0.0%
900-195a · Christian Educ/Adult	\$0.00	\$150.00	\$150.00	0.0%
900-195b · Christian Educ/Youth	\$0.00	\$100.00	\$100.00	0.0%
900-195c · Christian Educ/Children	\$0.00	\$300.00	\$300.00	0.0%
<b>total Worship and Fellowship</b>	<b>\$9,047.41</b>	<b>\$10,420.00</b>	<b>\$1,372.59</b>	<b>86.8%</b>

900-121a · Director of Music Salary	\$15,000.00	\$15,000.00	\$0.00	100.0%
900-121b · Pianist	\$7,800.00	\$7,800.00	\$0.00	100.0%
900-121c · Organist	\$6,000.00	\$6,000.00	\$0.00	100.0%
900-123a - Organ Tuning	\$918.75	\$1,000.00	\$81.25	91.9%
900-123b - Piano Tuning	\$200.00	\$500.00	\$300.00	40.0%
900-122 · Sheet Music Disbursement	\$139.00	\$139.00	\$0.00	100.0%
<b>total Music Expenses</b>	<b>\$30,057.75</b>	<b>\$30,439.00</b>	<b>\$381.25</b>	<b>98.7%</b>

900-131 · Admin Asst Salary	\$16,050.00	\$16,125.00	\$75.00	99.5%
900-131a Admin Pension	\$1,284.00	\$1,291.00	\$7.00	99.5%
900-130 · Copying Services	\$941.93	\$1,600.00	\$658.07	58.9%
900-170 · Equipment (Copier Lease)	\$1,642.80	\$1,650.00	\$7.20	99.6%
900-150 · Office/Cleaning/KitchenSupplies	\$2,166.40	\$3,600.00	\$1,433.60	60.2%
900-261 - Website, Computer Disbursement	\$1,795.15	\$1,500.00	-\$295.15	119.7%
900-262 - Computer/Tech Assist	\$0.00	\$1,000.00	\$1,000.00	0.0%
900-132 · Bookkeeping	\$3,765.00	\$3,760.00	-\$5.00	100.1%
900-103 · Payroll Tax	\$2,473.76	\$2,700.00	\$226.24	91.6%
900-104 - Bank Fees	\$56.50	\$150.00	\$93.50	37.7%
900-907a · Workers Comp Insurance	\$1,231.00	\$1,700.00	\$469.00	72.4%
900-175 - Administration - Other/ Misc.	\$0.00	\$500.00	\$500.00	0.0%
990-001 · Other-Misc/Fin Audit/Misc.	\$15.00	\$610.00	\$595.00	2.5%
<b>total Administrative Expenses</b>	<b>\$31,421.54</b>	<b>\$36,186.00</b>	<b>\$4,764.46</b>	<b>86.8%</b>

900-901 Rectory Maintenance/Repair	\$2,375.70	\$3,000.00	\$624.30	79.2%
900-902 - Church Maint. & Repair	\$2,747.16	\$5,000.00	\$2,252.84	54.9%
900-908 · Church Utilities	\$15,859.45	\$15,000.00	-\$859.45	105.7%
900-260 - Security Alarm	\$1,709.28	\$1,650.00	-\$59.28	103.6%
900-133 · Cleaning Costs (Contract)	\$10,080.00	\$10,080.00	\$0.00	100.0%
900-904 · Lawn Care	\$2,270.00	\$3,100.00	\$830.00	73.2%
900-905 · Snow Removal	\$1,200.00	\$800.00	-\$400.00	150.0%
900-910 - Covid-related expenses	\$1,154.82	\$0.00	-\$1,154.82	#DIV/0!
900-907b · Property Insurance	\$16,532.00	\$16,532.00	\$0.00	100.0%
<b>total Building and Grounds</b>	<b>\$53,928.41</b>	<b>\$55,162.00</b>	<b>\$1,233.59</b>	<b>97.8%</b>

900-194 · Outreach Disbursements/Charities	\$250.00	\$500.00	\$250.00	50.0%
900-101 · Seminary Supplement	\$250.00	\$250.00	\$0.00	100.0%
900-102 · Grace PlaceCampus Ministry	\$1,800.00	\$1,800.00	\$0.00	100.0%
900-197 · Diocesan Pledge	\$10,000.00	\$10,000.00	\$0.00	100.0%
<b>total Church Giving</b>	<b>\$12,300.00</b>	<b>\$12,550.00</b>	<b>\$250.00</b>	<b>98.0%</b>

Account	Actual	2020 Budget	over/(under) budget	actual % of budgeted
<b>Grand total 2020 Disbursements</b>	<b>\$478,859.78</b>	<b>\$503,152.00</b>	<b>\$24,292.22</b>	<b>95.2%</b>

## **Narrative for Receipts and Disbursements**

At our last annual meeting, we were projecting a deficit of about \$47,000. In fact, we ended 2020 with no deficit and no need to draw extra money from the Endowment Fund. How did this happen?

### **Receipts**

Our main source of income is from pledges. We actually collected more in pledges in 2020 than we expected from the pledge cards that had been returned. Thank you generous parishioners! We also got some generous donations from “regulars”: people who are part of our church family who don’t make an actual pledge. We also obtained a \$27,000 federal PPP loan to cover payroll expenses; this loan has now been completely forgiven. On the other hand, income from visitors and from miscellaneous activities like student parking passes and parish hall rental was significantly less than expected, due to covid. Our total income for 2020 was \$290,230.30, which is about \$80,000 more than expected.

### **Disbursements**

In 2020, we spent \$12,271 less than projected. This was due to two main factors. First, because we were not able to hold services or other events in our building, we had lower utility bills, less need for church maintenance, and fewer copies of the service bulletin printed. Also, a general attitude of conserving our funds prevailed, resulting in reduced spending in many areas. We under-spent our budget in all major categories

On the other hand, some of our savings were offset by spending needed to adapt to life in a pandemic. These included a subscription to Zoom, protective Plexiglas shields, face masks, and hand sanitizing equipment.

Revolving and Pass-Through Fund Summary for 2020				
	start of 2020	income	disbursements	final balance
<b>Revolving Funds</b>				
Rector's Discretionary Fund	\$1,098.57	\$5,724.67	\$6,585.77	\$237.47
Music Fund	\$753.93	\$1,725.00	\$2,425.00	\$53.93
Flower Fund	\$2,284.05	\$133.00	\$396.53	\$2,020.52
Building Fund	\$9,029.53	\$500.00		\$9,529.53
Garden Fund	\$100.00	\$50.00	\$100.00	\$50.00
Columbarium Fund	\$3,623.90			\$3,623.90
Endowment Fund in HB	\$7,630.16	\$733.11	\$8,288.27	\$75.00
<b>Pass-Through Funds</b>				
Food Pantry	\$0.00	\$600.00	\$600.00	\$0.00
Gail Piper Fund	\$0.00	\$445.00	\$445.88	-\$0.88
Backpacks (New Hope)	\$0.00	\$300.00	\$300.00	\$0.00
Safe Passage	\$0.00	\$350.00	\$350.00	\$0.00
Rector's Purse	\$0.00	\$1,105.00	\$1,105.00	\$0.00
Staff Gifts	\$0.00	\$1,050.00		\$1,050.00
<b>Memorial Funds</b>	\$0.00	\$30,650.00		\$30,650.00

Endowment Fund Summary	
begin 2020	\$2,167,304.33
end 2020	\$2,378,756.11
change in value	\$211,451.78
percent change	9.76%
assets added	\$8,288.27
assets withdrawn	-\$100,000.00
fees	-\$18,537.38
earnings	\$321,670.89

Building Fund at Edward Jones	
begin 2020	\$16,403.10
end 2020	\$16,435.05
change in value	\$31.95
percent change	0.19%

### Narrative

The most active funds in 2020 were the Rector's Discretionary Fund and the Music Fund. Early in the year I transferred \$8228.27 in accumulated funds to the Endowment Fund. The \$1050 balance in the Staff Gifts fund has been used to buy gift cards, but the money will not be officially spent until we pay the credit card bill in January.



## 2021 Annual Budget

Final draft approved by vestry-- Jan 23, 2021

Narrative comments are below the spreadsheet.

### Summary

	2020				2021 Proposed	
	Budgeted	Actual	over/(under) budget	% of budget	2021 proposed	% of 2020 budget
Total General Fund Receipts	\$209,924.00	\$290,230.30	\$80,306.30	138.3%	\$250,927.55	119.5%
Total General Fund Disbursements	\$256,851.00	\$245,579.89	\$12,271.11	95.2%	\$250,927.55	97.7%
Budget Surplus / (Budget Shortfall)	-\$46,927.00	\$44,650.41			\$0.00	

### Major Expense Categories

	2020				2021 Proposed		Narrative comments
	Budgeted	Actual	over/(under) budget	% of budget	2021 proposed	% of 2020 budget	
Clergy Expenses	\$113,094.00	\$108,824.78	\$4,269.22	96.2%	\$107,883.00	95.4%	D1, D2
Worship and Fellowship	\$10,420.00	\$9,047.41	\$1,372.59	86.8%	\$11,020.00	67.4%	D18-D20
Music	\$30,439.00	\$30,057.75	\$381.25	98.7%	\$30,589.00	100.5%	D3
Administrative	\$36,186.00	\$31,421.54	\$4,764.46	86.8%	\$33,564.55	92.8%	D3, D5, D15-D18
Building and Grounds	\$55,162.00	\$53,928.41	\$1,233.59	97.8%	\$55,571.00	100.7%	D6, D7, D10-D14
Church Giving	\$12,550.00	\$12,300.00	\$250.00	98.0%	\$12,300.00	98.0%	D8, D9
Total	\$257,851.00	\$245,579.89	\$12,271.11	95.2%	\$250,927.55	97.3%	

### Receipts to General Fund

Fund	2020				2021 Proposed		Narrative comments
	Budgeted	Actual	over/(under) budget	% of budget	2021 proposed	% of 2020 budget	
800-101 - Pledges	\$96,174.00	\$102,606.80	\$6,432.80	106.7%	\$102,982.00	107.1%	R1
800-102 - ID Offerings	\$10,000.00	\$28,684.50	\$18,684.50	286.8%	\$15,000.00	150.0%	R1
Leonard Memorial Fund	\$0.00	\$30,525.00			\$20,000.00		R5, D20
800-103 - Open Plate/Visitor/Anonymous	\$1,000.00	\$54.00	(\$946.00)	5.4%	\$1,500.00	150.0%	R1
800-105 - Taize Service Income	\$1,000.00	\$204.00	(\$796.00)	20.4%	\$100.00	10.0%	
900-104a - Paypal Fees taken before deposit	\$0.00	-\$29.54	(\$29.54)		-\$80.00		
800-108 - Endowment Fund Allocation	\$100,000.00	\$100,000.00	\$0.00	100.0%	\$110,000.00	110.0%	R2
800-104 - ECW /Lobster Boil Parish Support	\$500.00	\$0.00	(\$500.00)	0.0%	\$500.00	100.0%	R4
800-109 - Bishop's Fund	\$350.00	\$357.54	\$7.54	102.2%	\$350.00	100.0%	
800-901 - Student Parking Passes	\$500.00	\$80.00	(\$420.00)	16.0%	\$300.00	60.0%	
800-907 - Parish Hall Rental	\$300.00	\$0.00	(\$300.00)	0.0%	\$200.00	66.7%	
800-994 - Coffee Hour	\$50.00	\$23.00	(\$27.00)	46.0%	\$75.55	151.1%	
800-995 - Other Receipts - Misc.	\$50.00	\$27,600.00	\$27,550.00	#####	\$0.00	0.0%	R3
Total General Fund receipts	\$209,924.00	\$290,230.30	\$80,306.30	138.3%	\$250,927.55	119.5%	

### Disbursements from General Fund

Clergy Expenses	2020				2021 Proposed		
	Budgeted	Actual	under/(over) budget	% of budget	2021 proposed	% of 2020 budget	
900-111 - Clergy Salary	\$64,208.00	\$64,208.00	\$0.00	100.0%	\$59,800.00	93.1%	D1
900-114 - Clergy Pension	\$18,000.00	\$13,620.72	\$4,379.28	75.7%	\$15,165.00	84.3%	D1
900-112 - Clergy Medical Ins	\$20,196.00	\$20,293.00	(\$97.00)	100.5%	\$21,368.00	105.8%	D1

900-116 · Clergy Education & Retreat	\$1,000.00	\$1,435.13	(\$435.13)	143.5%	\$1,000.00	100.0%	D2
900-115c · Clergy Organization Dues	\$440.00	\$245.00	\$195.00	55.7%	\$300.00	68.2%	
900-113 · Clergy Hospitality	\$1,000.00	\$686.11	\$313.89	68.6%	\$1,000.00	100.0%	D2
900-115b · Clergy Travel Expense	\$1,250.00	\$1,075.79	\$174.21	86.1%	\$1,250.00	100.0%	D2
900-115a · Diocese Convention	\$500.00	\$0.00	\$500.00	0.0%	\$500.00	100.0%	D2
900-118 · Guest Clergy	\$1,500.00	\$600.00	\$900.00	40.0%	\$1,000.00	66.7%	
900-117 · Rectory Utility	\$5,000.00	\$6,661.03	(\$1,661.03)	133.2%	\$6,500.00	130.0%	
<b>Total Clergy Expenses</b>	<b>\$113,094.00</b>	<b>\$108,824.78</b>	<b>\$4,269.22</b>	<b>96.2%</b>	<b>\$107,883.00</b>	<b>95.4%</b>	

2020					2021 Proposed		
Worship and Fellowship Expenses	Budgeted	Actual	under/(over) budget	% of budget	2021 proposed	% of 2020 budget	
900-160 · Altar	\$1,000.00	\$468.07	\$531.93	46.8%	\$1,000.00	100.0%	D18
Program Development, Enrichment (In-reach),	\$0.00				\$5,000.00		D20
900-190 · Worship-Pastoral Care	\$800.00	\$1,431.81	(\$631.81)	179.0%	\$1,000.00	125.0%	D18
900-999 Program Act/Fellowship/Social	\$2,600.00	\$1,581.41	\$1,018.59	60.8%	\$1,600.00	61.5%	D18
900-180 Diocese Convention	\$320.00	\$0.00	\$320.00	0.0%	\$320.00	100.0%	
900-193 · Communications/Ads/Dues	\$1,000.00	\$2,004.00	(\$1,004.00)	200.4%	\$2,000.00	200.0%	D18
900-196a · Nursery Attendant	\$3,100.00	\$1,286.50	\$1,813.50	41.5%	\$0.00	0.0%	D19
900-196b · Nursery Supplies	\$50.00	\$0.00	\$50.00	0.0%	\$0.00	0.0%	D19
900-195a · Christian Educ/Adult	\$150.00	\$0.00	\$150.00	0.0%	\$100.00	66.7%	D19
900-195b · Christian Educ/Youth	\$100.00	\$0.00	\$100.00	0.0%	\$0.00	0.0%	D19
900-195c · Christian Educ/Children	\$300.00	\$0.00	\$300.00	0.0%	\$0.00	0.0%	D19
<b>Total Worship and Fellowship</b>	<b>\$9,420.00</b>	<b>\$9,047.41</b>	<b>\$1,372.59</b>	<b>86.8%</b>	<b>\$11,020.00</b>	<b>117.0%</b>	

2020					2021 Proposed		
Music Expenses	Budgeted	Actual	under/(over) budget	% of budget	2021 proposed	% of 2020 budget	
900-121a · Director of Music Salary	\$15,000.00	\$15,000.00	\$0.00	100.0%	\$15,150.00	101.0%	D3
900-121b · Pianist	\$7,800.00	\$7,800.00	\$0.00	100.0%	\$7,800.00	100.0%	D3
900-121c · Organist	\$6,000.00	\$6,000.00	\$0.00	100.0%	\$6,000.00	100.0%	D3
900-121d · Substitute Organist/Pianist	\$0.00	\$0.00	\$0.00	0.0%	\$0.00		
900-123a · Organ Tuning	\$1,000.00	\$918.75	\$81.25	91.9%	\$1,000.00	100.0%	
900-123b · Piano Tuning	\$500.00	\$200.00	\$300.00	40.0%	\$500.00	100.0%	
900-122 · Sheet Music Expense	\$139.00	\$139.00	\$0.00	100.0%	\$139.00	100.0%	
<b>Total Music</b>	<b>\$30,439.00</b>	<b>\$30,057.75</b>	<b>\$381.25</b>	<b>98.7%</b>	<b>\$30,589.00</b>	<b>100.5%</b>	

2020					2021 Proposed		
Administrative Expenses	Budgeted	Actual	under/(over) budget	% of budget	2021 proposed	% of 2020 budget	
900-131 · Admin Asst Salary	\$16,125.00	\$16,050.00	\$75.00	99.5%	\$16,286.00	101.0%	D3
900-131a Admin Pension	\$1,291.00	\$1,284.00	\$7.00	99.5%	\$1,303.00	100.9%	D3
900-130 · Copying Services	\$1,600.00	\$941.93	\$658.07	58.9%	\$1,200.00	75.0%	D15
900-170 · Equipment (Copier Lease)	\$1,650.00	\$1,642.80	\$7.20	99.6%	\$1,650.00	100.0%	D15
900-150 · Office/Kitchen/Cleaning Suppl	\$3,600.00	\$2,166.40	\$1,433.60	60.2%	\$2,500.00	69.4%	D18
900-261 · Website, Computer Disbursements	\$1,500.00	\$1,795.15	(\$295.15)	119.7%	\$1,800.00	120.0%	D17
900-262 · Computer/Tech Assist	\$1,000.00	\$0.00	\$1,000.00	0.0%	\$0.00	0.0%	
900-132 · Bookkeeping	\$3,760.00	\$3,765.00	(\$5.00)	100.1%	\$3,765.00	100.1%	D16
900-103 · Payroll Tax	\$2,700.00	\$2,473.76	\$226.24	91.6%	\$3,460.55	128.2%	D5
900-104 · Bank Fees	\$150.00	\$56.50	\$93.50	37.7%	\$100.00	66.7%	
900-907a · Workman Comp Ins	\$1,700.00	\$1,231.00	\$469.00	72.4%	\$1,500.00	88.2%	D5
900-175 · Administration - Other/ Misc.	\$500.00	\$0.00	\$500.00	0.0%	\$0.00	0.0%	
990-001 · Other-Misc/Fin Audit/Misc.	\$610.00	\$15.00	\$595.00	2.5%	\$0.00	0.0%	
<b>Total Administrative</b>	<b>\$36,186.00</b>	<b>\$31,421.54</b>	<b>\$4,764.46</b>	<b>86.8%</b>	<b>\$33,564.55</b>	<b>92.8%</b>	

Building and Grounds Expenses	2020				2021 Proposed		
	Budgeted	Actual	under/(over) budget	% of budget	2021 proposed	% of 2020 budget	
900-901 Rectory Maintenance/Repair	\$3,000.00	\$2,375.70	\$624.30	79.2%	\$2,500.00	83.3%	D12
900-902 Church Maint. & Repair	\$5,000.00	\$2,747.16	\$2,252.84	54.9%	\$3,300.00	66.0%	D12
900-908 Church Utilities	\$15,000.00	\$15,859.45	(\$859.45)	105.7%	\$16,000.00	106.7%	D6
900-260 Security Alarm	\$1,650.00	\$1,709.28	(\$59.28)	103.6%	\$1,700.00	103.0%	D7
900-133 Cleaning Costs (Contract)	\$10,080.00	\$10,080.00	\$0.00	100.0%	\$10,080.00	100.0%	D4
900-904 Lawn Care	\$3,100.00	\$2,270.00	\$830.00	73.2%	\$2,500.00	80.6%	D10
900-905 Snow Removal	\$800.00	\$1,200.00	(\$400.00)	150.0%	\$1,500.00	187.5%	D11
900-910 Covid-related expenses	\$0.00	\$1,154.82	(\$1,154.82)	#DIV/0!	\$300.00		D14
900-907b Property Insurance	\$16,532.00	\$16,532.00	\$0.00	100.0%	\$17,691.00	107.0%	D13
<b>Total Building and Grounds</b>	<b>\$55,162.00</b>	<b>\$53,928.41</b>	<b>\$1,233.59</b>	<b>97.8%</b>	<b>\$55,571.00</b>	<b>100.7%</b>	

Church Giving	2020				2021 Proposed		
	Budgeted	Actual	under/(over) budget	% of budget	2021 proposed	% of 2020 budget	
900-194 Outreach Disbursements/Charities	\$500.00	\$250.00	\$250.00	50.0%	\$250.00	50.0%	D9
900-101 Seminary Supplement	\$250.00	\$250.00	\$0.00	100.0%	\$250.00	100.0%	D9
900-102 Grace PlaceCampus Ministry	\$1,800.00	\$1,800.00	\$0.00	100.0%	\$1,800.00	100.0%	D9
900-197 Diocesan Pledge	\$10,000.00	\$10,000.00	\$0.00	100.0%	\$10,000.00	100.0%	D8
<b>Total Church Giving</b>	<b>\$12,550.00</b>	<b>\$12,300.00</b>	<b>\$250.00</b>	<b>98.0%</b>	<b>\$12,300.00</b>	<b>98.0%</b>	

<b>Total General Fund Disbursements</b>	<b>\$256,851.00</b>	<b>\$245,579.89</b>	<b>\$12,271.11</b>	<b>95.2%</b>	<b>\$250,927.55</b>	<b>97.7%</b>
---	---------------------	---------------------	--------------------	--------------	---------------------	--------------

#### Narrative for 2021 Proposed Budget

##### The 2020 budget in review

At the beginning of 2020, we approved a budget that projected a \$47,777 deficit, with the likelihood that we would need to take funds beyond the 5% limit from the Endowment Fund. At the end of 2020, we see that we have paid all our bills with no deficit and no need to take more than our customary allotment from the Endowment Fund. How did this happen?

On the income side, we took in \$80,306 more than expected. Of this, \$27,000 was a federal PPP loan that has already been completely forgiven. We also received \$30,000 from Alan Leonard as a memorial for his parents, Eva and Henry Leonard. In addition got \$25,000 in funds meant as pledges for 2021. Finally, our parishioners fulfilled their pledges despite covid-induced changes to our services, and many contributed some extra funds to help us get through the year.

On the expense side, we spent \$12,271 less than projected. This was due to two main factors. First, because we were not able to hold services or other events in our building, we had lower utility bills, less spent on church maintenance, and fewer copies of the service bulletin printed. Also, a general attitude of conserving our funds prevailed, resulting in reduced spending in many areas.

On the other hand, some of our savings were offset by spending needed to adapt to life in a pandemic. These included a subscription to Zoom, protective Plexiglas shields, face masks, and hand sanitizing equipment.

Our current financial situation allows us to propose a balanced budget for 2021. We would characterize it as mildly optimistic, but achievable, especially in light of our success with the 2020 budget. The vestry and treasurer have spent much time in prayer and discussion preparing it, in an attempt to be good stewards of our money. Most of the numbers presented here are estimates, especially because we just don't know when we will be able to use the church building again: June? September? Christmas?

#### **Explanation of the Proposed 2021 Budget**

The symbols in parentheses, like (R1) or (D2) match the relevant lines in the budget spreadsheet.

#### **Receipts.**

(R1) Counting the \$15,000 that we received from Doug and Lynn Roberts at the end of 2020 as a pledge, we have \$94,182 in pledges for 2021. There are still a few people who pledge regularly but haven't done so yet. We are including them at their 2020 pledge amount, bringing total pledge income to \$102,982. We are also expecting \$15,000 in income from "regulars": people who are part of our church family but who don't actually pledge, plus another \$1500 from visitors and open plate offerings.

(R2) The Endowment Fund did incredibly well in 2020: 9.7% growth. We are going to assume that we can take up to \$110,000 in 2021 and still stay below the 5% limit.

(R3) We are applying for a new forgivable PPP loan. We are eligible, and we intend to get our application in as soon as the bank will allow. However, this is not included in the proposed budget.

(R4) The proceeds from the 2019 Lobster Boil have not been distributed yet, since they are normally distributed shortly before the next Lobster Boil. We didn't hold a Lobster Boil in 2020, and so the proceeds from the 2019 Boil will be distributed in the spring of 2021.

(R5) We have a bit over \$30,000 in the Leonard Memorial fund. With Alan Leonard's concurrence, we are proposing to use half of this, \$15,000, to fund our 2021 operating expenses. In addition, \$5000 from this fund will be dedicated to the development of new projects.

#### **Disbursements.**

These are discussed in approximate order of how much they cost us.

**Salaries and Payroll taxes.** (D1) In keeping with the resolution from the 2020 Diocesan Convention, the vestry has approved giving Mthr. Barbara a 1% raise, from \$59,208 to \$59,800. This in turn has created a small adjustment in the clergy pension bill. The medical insurance bill has gone up 5.8%, to \$1780/month.

(D2) Most of the other clergy-related expenses are specified by our contract with Mthr. Barbara or diocesan rules.

(D3) The vestry has also decided to give our salaried employees Susan and Lorraine a 1% increase, in line with Mthr. Barbara's raise. As per a vestry resolution from December, Hannah and Kathleen are being hired as employees, as opposed to their previous status as independent contractors. This means we will be paying payroll taxes (Social Security and Medicare) for them. The church pays 7.65% of their salary in payroll taxes, or \$1055.70 at their current salaries. For this reason, they will not get an additional raise in 2021.

(D4) We are not including a raise for Ellie, who does cleaning on a contract basis. She has stated that she wishes to remain on contract and not become a regular employee. Her salary is \$840/month. This is significantly below the market rate and if/when she retires or quits, this expense will probably double.

(D5) Payroll taxes will increase as mentioned above. Workers' Compensation insurance will (probably) not be affected, as it seems to not make a distinction between types of employee.

**Utilities and Security Alarm.** (D6) In 2020, we budgeted less for utilities than we actually spent, despite very little usage of the building for most of the year due to covid. Partly offsetting this, we had new, energy-efficient lights installed throughout the building free of charge, as a result of Donna de Oliveira's efforts. We have slightly increased the budget for both church and rectory utilities for 2021.

(D7) An additional unknown factor: the church security alarm is covered by ADS, while the rectory security alarm has been covered by Illini Security. At the end of 2020, ADS acquired Illini Security. They are maintaining all of Illini's contracts for now, but this may change.

**Diocesan Pledge and other charities.** (D8) We gave the Chicago Diocese \$10,000 last year. This is far below what they would like us to give, which is 15% of our total income, or approximately \$36,300. We definitely benefit from having the diocese behind us, and the vestry has decided to keep our 2021 pledge at \$10,000.

(D9) Similarly, we gave \$1800 to Grace Place (the campus ministry) and \$250 to Mthr Barbara's seminary, and in 2021 we will continue with those contributions. Also, included is \$250 in miscellaneous charity, which is what we spent last year.

The Discretionary Fund at St. Paul's is strictly a revolving fund: we only spend what parishioners donate. Thus it is outside the scope of the budget.

**Lawn Care and Snow Removal.** (D10) We continue with our current lawn care contract with Marc's Lawn Care Service. They charge \$115 each time they mow the lawn and trim the bushes, which is approximately once a week during the growing season, but of course this is very dependent on the weather.

(D11) Marc's has also taken over removing snow from the parking lot. This used to be handled by Don Halverson, who retired this year and who charged us \$60 per plowing. Marc's is going to charge \$200 per plowing. We had 3 bids for plowing services, so this is the current going rate.

**Maintenance and Repair.** (D12) We spent less in 2020 than budgeted for both the rectory and the church. Part of this is due to covid—less wear and tear on the church. Each of these items has been cut a bit.

(D13) Our property insurance has gone up 7%, to \$17,691/year.

(D14) We are now pretty well equipped for prevention of covid spread, but we anticipate a small amount of additional covid-related expenses in 2021.

**Copying. (D15)** We are in the middle of a 3 year contract for lease of the copier. However, the number of copies we used has dropped drastically due to covid. We are simply making a guess about usage in 2021: it is entirely dependent on when we start using the sanctuary for Sunday services.

**Bookkeeping. (D16)** Sheila has informed us that AMWTA will charge us the same fees in 2021 as in 2020. Despite my earlier optimism, I now strongly feel that we should continue to use a professional bookkeeping service. Sheila has caught many of my mistakes this year, and the parish needs to maintain high quality records despite the increasing age of our congregation in general and our treasurer in specific.

(D17) That being said, I am not sure we are getting our money's worth out of Realm, which is about \$100/month. This subject is a whole can of worms, however.

**Worship and Pastoral Care. (D18)** In 2020, we spent more than budgeted for Communications, which is mostly advertising, and also for Pastoral Care. We had less than expected Altar expenses, presumably due to covid. The numbers used in the budget for these items are just educated guesses. The same logic applies for office/kitchen/cleaning supplies.

(D19) We presume we won't be having nursery attendants in 2021, or much need for educational expenses.

(D20) Funds for Program Development, Enrichment (In-reach) and Outreach are being taken from the Leonard Memorial Fund. Projects under this category include Advertising (all), Spiritual Book Club (books), Taize, Materials and Equipment (ex., trash containers for church path, woodchips, seedlings for garden, candles, etc.), Vestry Retreat, and the Re-Opening Celebration, plus funding for other ideas generated in 2021.

**Bottom line.** We are projecting a somewhat greater income than we expected to get in 2020, and somewhat reduced expenses. These numbers have a degree of uncertainty about them, but you must realize that a budget is essentially an educated guess about our 2021 finances. We will follow the budget as best we can, but in the end we all know that "Man proposes, God disposes."

Respectfully submitted on behalf of the vestry,  
Rick Johns, Treasurer