

ST. ANDREW'S EPISCOPAL CHURCH

2019 FINANCIAL REPORT

AND

2020 ANNUAL BUDGET

Treasurer *Arnout Eikeboom*

Finance Chair *David Osborn*

Investment Committee Chair *David Welch*

Treasurer's Report

I am happy to report that from a financial perspective, St. Andrew's had an excellent year in 2019. As shown in this report, the church experienced an operating surplus for the year as operating revenues exceeded budget forecasts and operating expenses were slightly below budgeted amounts. As the church celebrated its 125-year anniversary in 2019, the Capital Campaign ("Grateful for Our Past, Giving for Our Future") was extraordinarily successful with total pledges of \$2.5 million. The church endowment enjoyed a year of strong performance as equity markets in particular posted impressive gains during the year. The financial position of the church remains strong with the balance sheet as of year-end 2019 showing a solid cash position.

As usual, the lion's share of operating revenue consisted of contributions in the form of pledge payments (\$974,327), gifts (\$117,160), and plate (\$45,513), which collectively amounted to \$1,137,000 in 2019. The second-highest source of operating revenue was the draw from our endowment (\$157,872). Other significant revenue sources include facility use (\$99,984), rental income (\$30,750), and special events income (\$44,335).

On the expense side, the biggest expense category by far was compensation/benefits (\$839,785), followed by the Diocesan assessment (\$142,569). Other significant expense categories were outreach and property-related expenses. Outreach takes many forms at St. Andrew's. Expenses for outreach within our 2019 operating budget included \$36,000 for Parish outreach, \$30,000 for additional outreach grants (in lieu of contributions to the Bishop's Capital Fund during the period from 2013 through 2017), donations totaling \$9,000 to divinity schools, and discretionary donations of \$10,116 by the clergy. Outside of the 2019 operating budget, additional outreach expenses in excess of \$45,000 were recorded (e.g., the Alternative Gift Fair) and the Capital Campaign made contributions totaling \$129,000 in support of capital campaigns at three primary outreach partners (El Hogar, St. Stephen's, and Family Promise Metrowest). It should be noted that a significant portion (20%) of the Diocesan assessment is also earmarked for outreach.

As we close the books on 2019 and start a new operating year, this is also an opportunity to reflect on my fourth and final year as church treasurer. It has been a great honor to serve as your treasurer and I am grateful for having had this opportunity to make a contribution. As I have written in prior years, it has been a pleasure to work closely with Ruth Hubert, our financial secretary. Following many years of dedicated service to St. Andrew's, I wish her the very best with her well-deserved retirement.

I am grateful to our rector, Adrian Robbins-Cole, for his support and encouragement during the past four years. One of the privileges of serving as a vestry member at St. Andrew's is the opportunity to work with dedicated individuals for a common purpose. It has been a rewarding experience to work with the Wardens and with the members of the Finance Committee.

I would also like to thank the members of the money-counting team at the church—Jo Dermer, Linda Gallo, Jane Givens, Meg Harris, and Pat MacKinnon—for their important and ongoing contributions to the overall financial operation of the church.

Finally, I am grateful to all parishioners of St. Andrew's. The church can only sustain its mission because of you. Thank you for your ongoing support and generosity!

— *Arnout Eikeboom, Treasurer*

**St. Andrew's Church General Fund
Comparative Operating Fund Performance, 2018–2019**

	2018 Actual	2019 Budget	2019 Actual
Revenues			
Pledge Payments and Gifts	\$ 1,045,881	\$ 1,085,000	\$ 1,091,487
Plate	42,797	35,000	45,513
Endowment Income	148,164	157,872	157,872
Facility Use	97,894	91,502	99,984
Rental Income	30,750	31,000	30,750
Special Events Income	31,152	30,000	44,335
Clergy Discretionary Income	8,330	5,000	7,500
Bank Account Interest	1,053	1,000	1,154
Other Income	3,822	2,500	1,469
Total Revenues	<u>\$ 1,409,844</u>	<u>\$ 1,438,874</u>	<u>\$ 1,480,065</u>
Expenses			
<u>Compensation and Benefits</u>	818,511	854,239	839,785
<u>Office</u>			
Office Expenses	25,965	31,725	27,282
Systems, Software, and Support	22,505	12,250	20,112
Systems Replacement Fund	-	2,050	-
Financial & Legal Services	9,226	11,000	10,359
Communications	12,361	11,570	13,949
<u>Property</u>			
Repair and Maintenance	71,759	65,000	79,630
Building Projects (incl. Reserve)	18,350	38,900	24,570
Insurance & Property Tax	28,736	35,000	29,841
Utilities	41,695	40,000	38,103
<u>Music</u>	14,750	13,500	12,769
<u>Christian Education</u>			
Adult Formation	5,763	7,000	6,848
Youth Formation	28	6,000	4,605
Church School	10,626	11,860	10,621
<u>Outreach</u>			
Parish Outreach	36,000	36,000	36,000
Additional Outreach	30,000	30,000	30,000
Theological Education	9,000	9,000	9,000
Clergy Discretionary Fund	12,001	15,000	10,116
<u>Diocese and Parish</u>			
Diocesan Assessment	134,202	142,569	142,569
Stewardship	2,553	3,200	2,370
Fellowship	9,497	10,300	10,567
New Member Development	616	1,000	498
Special Events Expenses	2,367	3,000	3,191
Worship	8,043	5,025	7,764
Clergy Expenses	6,332	7,500	9,884
Legacy Society Materials	-	1,000	-
Vestry	2,278	2,000	1,962
Other (incl. 125-Year Celebration)	-	35,000	38,826
Total Expenses	<u>\$ 1,333,164</u>	<u>\$ 1,440,688</u>	<u>\$ 1,421,219</u>
Net Operating Surplus (Deficit)	<u>\$ 76,679</u>	<u>\$ (1,814)</u>	<u>\$ 58,846</u>

St. Andrew's Episcopal Church
Statements of Financial Position
December 31, 2019 and December 31, 2018
(from Independent Accountant's Report)

	2019	2018
Assets		
Current assets:		
Cash and cash equivalents	\$ 667,086	\$ 637,879
Investments	4,512,716	3,556,689
Pledges receivable, net of allowance for uncollectible pledges of \$25,186 (2019) and \$14,997 (2018)	4,675	9,514
Other receivables	11,895	85
Prepaid expenses	11,903	21,673
Total current assets	5,208,275	4,225,840
Property, net	2,564,761	2,568,254
Other assets:		
Long-term pledges receivable, net of allowance and discount	864,936	-
Cash and cash equivalents restricted for long-term investment	209,776	-
Investments restricted for long-term investment	602,575	-
Total other assets	1,677,287	-
Total assets	\$ 9,450,323	\$ 6,794,094
Liabilities and Net Assets		
Current Liabilities:		
Accounts payable	\$ 23,373	\$ 7,771
Accrued expenses	16,686	23,084
Security deposit	2,502	2,502
Total current liabilities and total liabilities	42,561	33,357
Net assets:		
Without donor restrictions	6,866,264	5,962,807
With donor restrictions	2,541,498	797,930
Total net assets	9,407,762	6,760,737
Commitments (Note 11)		
Total liabilities and net assets	\$ 9,450,323	\$ 6,794,094

St. Andrew's Episcopal Church
Statement of Activities and Changes in Net Assets
For the Year Ended December 31, 2019
(from Independent Accountant's Report)

	Without Donor <u>Restrictions</u>	With Donor <u>Restrictions</u>	<u>Total</u>
Support and revenue:			
Contributions and bequests	\$ 1,530,722	1,879,717	3,410,439
Rental income	130,735	-	130,735
Investment income (loss)	593,179	120,112	713,291
Fundraising and special events	41,144	-	41,144
Other income	28,991	-	28,991
Net assets released from restriction	<u>256,261</u>	<u>(256,261)</u>	<u>-</u>
Total support and revenue	<u>2,581,032</u>	<u>1,743,568</u>	<u>4,324,600</u>
Expenses:			
Program services	1,319,027	-	1,319,027
Management and general	303,204	-	303,204
Fundraising	<u>55,344</u>	<u>-</u>	<u>55,344</u>
Total expenses	<u>1,677,575</u>	<u>-</u>	<u>1,677,575</u>
Increase (decrease) in net assets	<u>903,457</u>	<u>1,743,568</u>	<u>2,647,025</u>
Net assets, beginning of year	5,962,807	797,930	6,760,737
Net assets, end of year	<u><u>\$ 6,866,264</u></u>	<u><u>2,541,498</u></u>	<u><u>9,407,762</u></u>

St. Andrew's Episcopal Church
Statement of Functional Expenses
For the Year Ended December 31, 2019
(from Independent Accountant's Report)

	<u>Program Services</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total</u>
Salaries and wages	\$ 452,826	150,942	-	603,768
Fringe benefits and payroll taxes	112,707	37,569	-	150,276
Retirement plan contributions	64,306	21,435	-	85,741
Worship	20,041	-	-	20,041
Music	32,622	-	-	32,622
Religious Education	18,435	-	-	18,435
Fellowship and Stewardship	6,848	-	12,937	19,785
Office supplies and expenses	757	71,183	2,297	74,237
Repairs and maintenance	70,456	15,964	-	86,420
Insurance and real estate taxes	29,841	-	-	29,841
Utilities	31,992	6,111	-	38,103
Depreciation	62,729	-	-	62,729
Outreach	267,332	-	498	267,830
Discretionary and benevolence	3,101	-	-	3,101
Diocesan assessment	142,569	-	-	142,569
Capital campaign	2,465	-	2,127	4,592
Anniversary event costs	-	-	37,485	37,485
	<u>\$ 1,319,027</u>	<u>303,204</u>	<u>55,344</u>	<u>1,677,575</u>

St. Andrew's Episcopal Church
Statements of Cash Flows
For the Years Ended December 31, 2019 and December 31, 2018
(from Independent Accountant's Report)

	2019	2018
Cash flows from operating activities:		
Increase (decrease) in net assets	<u>\$ 2,647,025</u>	<u>\$ (394,025)</u>
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	62,729	60,401
Net realized gains on sales of securities	(56,970)	(40,961)
Changes in unrealized gains (losses) on securities	(531,412)	359,928
Changes in operating assets and liabilities:		
Pledges receivable	4,839	3,405
Other receivables	(11,810)	9,431
Prepaid expenses	9,770	651
Long-term pledges receivable	(864,936)	-
Accounts payable	15,602	(114)
Accrued expenses	(6,398)	5,921
Security deposit	-	1
Total adjustments	<u>(1,378,586)</u>	<u>398,663</u>
Net cash provided by operating activities	<u>1,268,439</u>	<u>4,638</u>
Cash flows from investing activities:		
Proceeds from sale of investments	832,606	426,525
Purchases of investments	(1,802,826)	(423,126)
Purchases of property and equipment	<u>(59,236)</u>	<u>(24,331)</u>
Net cash used in investing activities	<u>(1,029,456)</u>	<u>(20,932)</u>
Net increase (decrease) in cash, cash equivalents, and restricted cash	238,983	(16,294)
Cash, cash equivalents, and restricted cash, beginning of year	637,879	654,173
Cash, cash equivalents, and restricted cash, end of year	<u>\$ 876,862</u>	<u>\$ 637,879</u>

St. Andrew's Episcopal Church

Notes to the Financial Report

1. Summary of Accounting Policies

The significant accounting policies followed are described below to enhance the usefulness of the financial statements to the reader.

a. Organization and Tax Status

St. Andrew's Episcopal Church (the "church") was originally founded as a mission and later became a parish on March 22, 1892. The church is exempt from income tax under Section 501(c)(3) of the U.S. Internal Revenue Code ("Code") and comparable state law, and contributions to it are tax deductible within the limitations prescribed by the Code. The church, however, is subject to tax on income from the conduct of any trade or business that is not substantially related to the exercise or performance of its religious purpose constituting the basis for its tax exemption (the "unrelated business income tax").

b. Basis of Accounting

The accompanying financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in the United States and in accordance with the accrual method of accounting. Under this method of accounting, revenues and expenses are identified with specific periods of time and are recorded as earned or incurred without regard to the date of receipt or disbursement of cash.

c. Contributions

All contributions to the church are considered to be available for unrestricted use unless specifically restricted by the donor and accepted by the vestry.

d. Property and Equipment

Property is stated at cost except for donated property which is stated at fair market value at the date of receipt. Expenditures for equipment, major renewals, and betterments with a cost of \$5,000 or more and that extend the useful lives of property are capitalized. Expenditures for equipment, maintenance and repairs, and renewals and betterments not exceeding \$5,000 are charged to expense as incurred. Depreciation is calculated on a straight-line basis over the estimated useful lives of the respective assets.

e. Contributed Services

A substantial number of unpaid volunteers have made significant contributions of their time to the church's programs. The value of this contributed time is not susceptible to objective measurement and is not reflected in these statements.

f. Investments

Investments (primarily mutual funds) are presented in the financial statements at fair market value, with the resulting realized and unrealized gains and losses included in the Statement of Cash Flows. Realized gains and losses are determined using the average cost method.

g. Pledges Receivable

Pledges receivable represent promises from donors to give and are expected to be collected within one year from the date of the statement of financial position, or, in the case of the 2019 capital campaign, in more than one year and less than five years.

2. Description of Funds

a. The General Fund

The General Fund accounts for all expenditures related to unrestricted support and revenue. It also accounts for all assets (other than fixed assets) and liabilities of the church that have not been restricted.

b. The Agency Fund

The Agency Fund includes contributions designated by the donors or by the vestry to be temporarily restricted and disbursed in a specified manner.

c. The Endowment Fund

The Endowment Fund comprises the accumulated gifts and bequests received by the church, designated by the donors or the vestry as endowment, and accepted by the vestry into the Endowment Fund. The vestry has an approved spending policy from the endowment to support operating expenses. The current policy of the Finance Committee transfers from the Endowment Fund to the General Fund an amount calculated to be between 4% and 4.5% of average fair value of the Endowment Fund for the prior three years. This amount is reported as revenue for the General Fund.

The Endowment Fund comprises six separate funds that had fair market values at the end of 2018 and 2019 as follows:

Fund	2018	2019
General Endowment	3,003,030	3,858,195
Dorian Endowment	218,141	259,581
Lamerton Endowment	62,447	73,046
Music Endowment	94,931	111,047
Outreach Endowment	139,581	163,274
Property Endowment	31,062	36,349
Endowment Fund	<u>3,549,191</u>	<u>4,501,492</u>

The general portion of the endowment received \$400,000 from the Capital Campaign Fund in

2019. The Dorian, Lamerton, Music, Outreach, and Property endowments have donor restrictions. The amounts released from restriction in 2019 from these designated funds were \$5,682, \$2,805, \$4,262, \$6,270, and \$1,382, respectively.

d. The Capital Campaign Fund

The Capital Campaign Fund is used to enable the church to raise capital for one-time, strategic work and to increase the financial sustainability of the church.

e. The Plant Fund

The Plant Fund accounts for the church's buildings, land, and all major improvements. The Rectory at 24 Princeton Road in Wellesley was acquired in 1990. The rental property at 7 Denton Road in Wellesley was acquired in 1963 and converted to a two-family unit in 1984. The church building was originally built in 1894. Subsequent land purchases occurred and additions were made in 1922, 1951, 1954, and 1964.

3. Contributions and Bequests

On a consolidated basis, the various Funds received contributions and bequests during 2019 totaling \$3,410,439 (\$1,122,891 in 2018). Most of the increase in 2019 was due to the 2019 capital campaign.

The amount of unpaid pledges at the end of 2019 for the 2019 stewardship campaign was \$29,861. About \$4,675 of that amount is expected to be paid and recorded as revenue in 2020. The amount of outstanding pledges at the end of 2019 for the 2019 capital campaign was \$995,469. Most of those pledges are expected to be paid by the end of 2021.

4. Investments & Investment Return

Detailed information on investment composition and performance can be found on pages 11–12 of this report.

5. Capital Campaign

To celebrate the 125th anniversary of St. Andrew's, the church launched a Capital Campaign called "Grateful for Our Past, Giving for Our Future." The goals of the campaign are property refurbishment, growing the endowment, and supporting capital campaigns at three primary outreach partners. As of December 31, 2019, total pledges received for the campaign amounted to \$2,492,465.

6. Income from Properties and Property Related Costs

The General Fund received \$30,750 in 2019 from the rental apartment at 7 Denton Road. It also received \$87,542 from the Montessori school and \$12,443 from other groups for the use of the church's facilities.

The General Fund spent \$79,630 for repair and maintenance in 2019. Other operating property-related expenses included utilities for the three properties (\$38,103), property insurance (\$28,660), and property tax (\$1,181). In addition, building projects were undertaken for a total amount of \$24,570. Separately, the Capital Campaign Fund spent \$41,090 on capital projects in 2019.

7. Outreach

Expenditures on outreach were \$240,570 in 2019 across the General Fund (\$66,000), the Agency Fund (\$45,570), and the Capital Campaign Fund (\$129,000). In addition, expenditures associated with the Clergy Discretionary Fund (\$10,116) and Theological Education (\$9,000) are directed primarily at outreach activities. The church conducted a major fundraising event in 2019 to support outreach. Bargain Haul yielded net income of \$29,683 (compared to \$27,870 in 2018).

8. Diocesan Assessment

The church pays an assessment to The Episcopal Diocese of Massachusetts, which represents its share of diocesan expenses. The 2019 assessment was based upon a percentage of the church's 2016 operating expenses (exclusive of outreach expenses). The church's assessment for 2019 was \$142,569

(\$134,202 in 2018), payable in monthly installments to the diocese.

9. Employee Benefits

The church pays medical insurance, life insurance, and short-term disability insurance premiums for full-time and certain part-time employees who elect to participate. The church spent \$96,117 on those employee benefits in 2019 (\$118,237 in 2018).

The church maintains a defined contribution pension plan for all eligible lay employees. The church contributes 5% of eligible salaries and matches employee contributions up to 4%. Pension expense for this plan amounted to \$20,706 in 2019 (\$19,626 in 2018). The church is also a participant in a separate pension plan that provides pension benefits to all ordained clergy of the Episcopal Church, including those who hold positions with St. Andrew's. Pension expense for this plan amounted to \$65,035 in 2019 (\$64,008 in 2018).

10. Related Parties

The church and the diocese are related parties in that the church is a parish of the diocese and pays an assessment to the diocese. The church occasionally has immaterial amounts due from employees and others that are repaid on a timely basis during the year. The church had no other material related party transactions during the year.

11. Commitments

In April 2015, the church entered into an agreement to lease office equipment for five years at a monthly cost of \$354. This amount does not include certain maintenance and insurance costs that are also borne by the church. In April 2018, the church signed a new lease for five years at a monthly cost of \$630. As part of the new arrangement, the church received a credit representing the total remaining payments due on the prior arrangement.

12. Contingent Liabilities and Assets

The church had no contingent liabilities or assets in any of its Funds at the end of 2019.

St. Andrew's Episcopal Church
December 31, 2019
Endowment Update

Total Investments at 12/31/2019 were \$4,501,492

YTD Investment Gain (Loss)	\$709,373
YTD Transfers Out (Draw)	-\$157,872
YTD Transfers In (from Capital Campaign)	\$400,000
YTD Transfers In (other Gifts)	\$800
Net Change	\$952,301

Investment Performance YTD – 12/31/2019

Endowment Growth (Net of Transfers)	20.32%
S&P 500	31.49%
Barclays Bond Aggregate	8.87%
International Equity Composite	21.81%
60% Equity/40% Bond Benchmark	22.44%
45% U.S./15% Int'l/40% Bond Benchmark	20.99%

Investment Positioning – 12/31/2019

U.S. Equities	46%
Int'l Equities	14%
Bonds	40%

Commentary

St. Andrew's Endowment had total assets of \$4,501,492 as of December 31, 2019. The portfolio's return was 20.32% in 2019. For comparison purposes, the 60/40 benchmark return was 22.44% and the 45/15/40 blended benchmark return was 20.99% during the year.

As of December 31, 2019, the portfolio is positioned within investment policy guidelines with equities comprising 60% of the portfolio (the allowable range is 50% to 70%) and bonds/cash comprising 40% (the allowable range is 30% to 50%).

The bond component of the portfolio continues to be weighted towards short maturity date and floating rate assets (56.7% of the bond allocation).

St. Andrew's Wellesley Endowment Summary
12/31/2019

<u>Fund Name</u>	<u>12/31/2017</u>	<u>12/31/2018</u>	<u>12/31/2019</u>	<u>Percent of Category</u>	<u>Percent of Total</u>	<u>YTD Performance</u>	<u>Peer Group Perf.</u>	<u>Objective</u>
Equity Funds								
Vanguard Total Stock Market Index Fund	\$ 668,115	\$ 633,566	\$ 828,736	35.7%	18.4%	30.80%	31.49%	S&P 500
Vanguard Windsor Fund	343,064	300,660	392,407	16.9%	8.7%	30.52%	26.54%	Russell 1000 Value
Vanguard FTSE All World ex-US	65,539	56,399	124,826	5.4%	2.8%	21.55%	21.81%	FTSE All World ex-US
Vanguard Mid Cap Growth	127,384	120,244	160,954	6.9%	3.6%	33.86%	33.47%	MSCI Mid Cap Growth
T. Rowe Price Mid-Cap Growth Fund	264,179	140,579	-	0.0%	0.0%	31.53%	33.47%	MSCI Mid Cap Growth
Vanguard Dividend Appreciation ETF	243,622	238,573	309,167	13.3%	6.9%	29.76%	29.75%	NASDAQ Dividend Index
Vanguard International Explorer Fund	340,699	262,260	319,723	13.8%	7.1%	21.91%	23.71%	S&P EPAC Small Cap
Vanguard Real Estate Index Fund	-	-	94,491	4.1%	2.1%	28.94%	29.03%	Real Estate Spliced Index
Vanguard Emerging Markets Select Fund	-	-	92,985	4.0%	2.1%	21.39%	20.16%	FTSE Emerging Index
Sub-total Equity Funds	2,052,601	1,752,281	2,323,289	100.0%	51.6%			
Balanced Funds								
Vanguard Balanced Fund	33,280	31,062	36,349	5.7%	0.8%	21.79%	21.87%	Balanced Composite
Property Outreach	149,626	139,581	163,274	25.4%	3.6%	21.79%	21.87%	Balanced Composite
Music Endowment	101,758	94,931	111,047	17.3%	2.5%	21.79%	21.87%	Balanced Composite
Dorian Memorial	226,839	218,141	259,581	40.4%	5.8%	21.79%	21.87%	Balanced Composite
Lamerton	66,939	62,447	73,046	11.4%	1.6%	21.79%	21.87%	Balanced Composite
Sub-total Balanced Funds	578,443	546,161	643,297	100.0%	14.3%			
Fixed Income Funds								
Fidelity Floating Rate High Income	168,514	168,475	183,048	11.9%	4.1%	8.60%	6.99%	Short Bond
Vanguard Money Market	137,076	133,506	98,333	6.4%	2.2%	2.14%	1.61%	MMkt Fund Avg
Vanguard Inflation Protected Securities	74,574	73,536	177,182	11.5%	3.9%	8.16%	8.43%	TIPS
Vanguard Short Term Bond Index Fund	553,948	561,419	588,679	38.4%	13.1%	4.86%	4.25%	Short Treasury Bond
Vanguard Total Bond Market Index Fund	313,900	313,813	487,664	31.8%	10.8%	8.71%	8.87%	Barclays Agg Bond Index
Sub-total Fixed Income Funds	1,248,011	1,250,749	1,534,905	100.0%	34.1%			
Total	\$ 3,879,055	\$ 3,549,191	\$ 4,501,492		100.0%			

<u>Asset Allocation</u>	<u>U.S. Equity</u>	<u>Int'l Equity</u>	<u>Fixed Income</u>
excluding Balanced Funds	46.3%	13.9%	39.8%

St. Andrew's Episcopal Church – 2020 Approved Budget

	<u>Budget 2018</u>	<u>Budget 2019</u>	<u>Budget 2020</u>	<u>Y/Y Inc.\$</u>	<u>Y/Y Inc.%</u>
Revenues					
1 Unrestricted Pledges and Gifts	\$1,000,000	\$1,085,000	\$1,100,000	\$15,000	1.4%
2 Plate Collection	\$35,000	\$35,000	\$35,000	\$0	0.0%
3 Endowment Income	\$148,164	\$157,872	\$158,316	\$444	0.3%
4 Facility Use	\$92,000	\$91,502	\$90,000	(\$1,502)	-1.6%
5 Rental Income	\$31,000	\$31,000	\$31,000	\$0	0.0%
6 Special Events Income	\$30,000	\$30,000	\$30,000	\$0	0.0%
7 Clergy Discretionary Income	\$5,000	\$5,000	\$5,000	\$0	0.0%
8 Bank Account Interest	\$275	\$1,000	\$1,000	\$0	0.0%
9 Other Income	\$2,500	\$2,500	\$2,500	\$0	0.0%
10 Total Revenues	\$1,343,939	\$1,438,874	\$1,452,816	\$13,942	1.0%
11					
Expenses					
13 <u>Compensation and Benefits</u>	\$820,244	\$854,239	\$886,585	\$32,346	3.8%
14 <u>Office</u>					
15 Office Expenses	\$31,725	\$31,725	\$31,725	\$0	0.0%
16 Systems, Software, and Support	\$12,250	\$12,250	\$15,000	\$2,750	22.4%
17 Systems Replacement Fund	\$2,050	\$2,050	\$2,050	\$0	0.0%
18 Financial and Legal Services	\$11,000	\$11,000	\$11,000	\$0	0.0%
19 Communications	\$11,385	\$11,570	\$16,570	\$5,000	43.2%
20 <u>Property</u>					
21 Building Repair and Maintenance	\$60,000	\$65,000	\$95,000	\$30,000	46.2%
22 Building Projects (incl. Reserve)	\$38,900	\$38,900	\$0	(\$38,900)	-100.0%
23 Insurance and Property Tax	\$35,000	\$35,000	\$35,000	\$0	0.0%
24 Utilities	\$40,000	\$40,000	\$40,000	\$0	0.0%
25 <u>Music</u>	\$11,000	\$13,500	\$14,500	\$1,000	7.4%
26 <u>Christian Education</u>					
27 Adult Formation	\$4,700	\$7,000	\$7,000	\$0	0.0%
28 Youth Formation	\$2,000	\$6,000	\$6,000	\$0	0.0%
29 Church School	\$11,005	\$11,860	\$12,585	\$725	6.1%
30 <u>Outreach</u>					
31 Parish Outreach	\$36,000	\$36,000	\$36,000	\$0	0.0%
32 Additional Outreach	\$30,000	\$30,000	\$30,000	\$0	0.0%
33 Theological Education	\$9,000	\$9,000	\$9,000	\$0	0.0%
34 Clergy Discretionary Fund	\$10,000	\$15,000	\$15,000	\$0	0.0%
35 <u>Diocese and Parish</u>					
36 Diocesan Assessment	\$134,202	\$142,569	\$147,845	\$5,276	3.7%
37 Stewardship	\$3,100	\$3,200	\$3,300	\$100	3.1%
38 Fellowship	\$10,300	\$10,300	\$11,050	\$750	7.3%
39 New Member Development	\$1,000	\$1,000	\$1,000	\$0	0.0%
40 Special Events Expenses	\$3,000	\$3,000	\$3,000	\$0	0.0%
41 Worship	\$5,060	\$5,025	\$5,025	\$0	0.0%
42 Vestry	\$2,000	\$2,000	\$4,000	\$2,000	100.0%
43 Legacy Society Materials	\$1,000	\$1,000	\$0	(\$1,000)	-100.0%
44 Clergy Expenses	\$5,000	\$7,500	\$7,500	\$0	0.0%
45 Sabbatical Expenses	\$0	\$0	\$3,000	\$3,000	
46 Contingency	\$5,000	\$10,000	\$10,000	\$0	0.0%
47 125-Year Celebration	\$0	\$25,000	\$0	(\$25,000)	-100.0%
48 Total Expenses	\$1,345,921	\$1,440,688	\$1,458,735	\$18,047	1.3%
49					
50 Net Operating Surplus (Deficit)	(\$1,982)	(\$1,814)	(\$5,919)	(\$4,105)	

This budget is provided for illustrative purposes. Actual revenue and/or expense amounts are likely to differ from those presented above.