

First United Church of Christ 2021 Budget Preparation Notes

In General:

- A. Individual Giving actual total for 2019 was \$219,161. Although actual giving for 2020 is not on track for the \$ 212,000 that was budgeted, this has been an unusual year. The 2021 proposed amount of \$ 212,000 is less than the 2019 actual amount.
- B. Investment Income is the category that makes the total revenues equal to the council expenditure, or the balancing figure.
 - 1. Due to the unusual nature of 2020, the investment income is considerably lower than projected. However, increases in income and account value have materialized in the later part of 2020. It is reasonable to continue to expect modest increases in the financial markets. In addition, the accounts are in the process of being rebalanced to make them less volatile.
 - 2. The actual income which is only interest and dividends actually received on the general investment account is projected to be approximately \$ 33,982 (net of investment fees). Advisory Fees (covering all the five RBC accounts) will be about \$15,000. The amount of capital gain distributions from mutual funds held in the account expected to be paid late in the year is not able to be reasonably estimated.
 - 3. The trust income is projected at the actual 2020 distribution amounts. These are all determined after year end based on December 31st asset valuations.
- C. All individual council budgets were included as submitted with only minor adjustments to payroll related items when council did not know the percentage or revision required unless described below.

Specifics as to Council Expenditures:

- A. Church & Community Connections, Advent walking tour and Earth Stewards have been moved to this council from Stewardship Council for the same amounts previously budgeted.
- B. Stewardship Council has removed Hoffman Homes from its budget and added Emergency Charitable need for the same amount. The Lancaster Theological Seminar item has become a more generic Theological Seminary assistance,
- C. Church & Ministry Council changes include 2% raise for organist (with payroll taxes adjusted accordingly) and added a \$ 200 line item for S. Maurer's

professional expense, replacing that for S. Miller. There is a \$200 increase for piano maintenance. Other nominal changes netted \$230 in total.

- D. Christian Ed Council reflects a \$1,000 decrease in the camping program and a \$ 400 increase to adult curriculum.
- E. Caring Fellowship reduced Second Tuesdays by \$ 250 to bring budget more in line with actual results after participants' contributions are netted against the expenses.
- F. Advisory Council changes involve compensation and several increases in office expense and conference expense.
 - 1. Office staff salary (including payroll taxes) has been reduced due to the new hire to replace Iva. In addition, no retirement or health insurance will be offered at this time to the new hire. Net reduction on these items are \$ 20,053.
 - 2. Pastor salary and housing allowance increased 2%
 - a. FYI CPI increase from August 2018 to 2019 is 1.3%
 - 3. Pastor Health Insurance remains unchanged, explained as follows:
 - a. Currently monthly premium = \$1,714.50, or \$20,574 for 2020. Expect an increase, presently unknown %, but a guess would be 5% or \$1,075. Therefore 2021 expectation is \$22,575.
 - 4. Pastor Disability Insurance and Retirement are fixed % of Salary and Housing and are increased according to 2. above.
 - 5. Visitation Pastor increased 2%
 - 6. Community Chaplain stipend increased by \$200, but Community Chaplain Professional expenses decreased by \$ 500 more in line with actual expenditures.
 - 7. Office expenses increased by \$ 1,300 and conference expense increased by \$ 300.
- G. Property Management Council Shows an overall increase of \$ 19,225.
 - 1. Maintenance and improvements is increased by \$ 5,600.
 - 2. There is a line item for \$ 17,000 for security cameras. While this is a one-time expenditure, it is a known expense to be included in the operating budget.
 - 3. There is an overall decrease in utilities of \$ 1,300. Some categories were increased and some were decreased to bring them in line with actual expenditures.
 - 4. The fire system monitoring expense or \$ 575 has been removed from the budget.
 - 5. Insurance expense was reduced by \$ 2,000 to bring it in line with actual expenditures,