

First United Church of Christ 2021 Budget Preparation Notes

In General:

- A. Individual Giving actual total for 2020 was \$199,806. Although actual giving for 2021 is not on track for the \$ 212,000 that was budgeted, this has been an unusual year. Therefore, the 2022 proposed amount of \$ 196,000 is less than the 2020 actual amount.
- B. Investment Income is typically the category that makes the total revenues equal to the council expenditure, or “the plug”. In this case, it is unreasonable to expect Investment income to cover the \$20,000 deficit that is projected.
 - 1. Due to the unusual nature of 2021, the investment income is anticipated to be higher than projected. However, it is reasonable to continue to expect modest increases in the financial markets. In addition, the accounts have been 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 \$ 48,640 (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 2021 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, OCWM has been moved to Stewardship council for the sake of consistency. Stewardship believes that UCC budget items should be part of the Stewardship budget, while CCC should focus on the immediate community. Community Emergency concerns has been increased from \$ 1,000 to \$ 3,850.
- B. Stewardship Council has absorbed OCWM as noted above and increased the amount from \$ 25,000 to \$26,000. The bookkeeper salary (and associated payroll) has been increased by 5% as suggested by the current cost of living adjustment for 2022. Therefore, the salary and payroll taxes have been increased by \$390 and \$ 30 respectively. Also, stewardship materials have been increased by \$ 150.

- C. Church & Ministry Council changes include 5% raise for organist (with payroll taxes adjusted accordingly). Expenses for the handbell director have been reduced by \$ 2,000. There is a \$400 increase for music licensing. Expenses for archive materials has been increased by \$1,400.
- D. Christian Ed Council reflects a \$500 increase in youth fellowship.
- E. Caring Fellowship reduced Second Tuesdayers by \$ 500 to bring budget more in line with actual results after participants' contributions are netted against the expenses. The shut ins program has increased by \$ 50 and special programs has been increased by \$ 500.
- F. Advisory Council changes involve compensation and several increases in office expense and conference expense.
1. Office staff salary (including payroll taxes) has been increased by 5% in line with COLA.
 2. Pastor salary and housing allowance increased 5%
 3. Pastor Disability Insurance and Retirement are fixed 14% of Salary and Housing and are increased according to 2. above.
 4. Visitation Pastor increased 5%
 5. Community Chaplain stipend increased by \$100, but Community Chaplain Professional expenses decreased by \$ 500 more in line with actual expenditures.
 6. Postage expense increased by \$ 500.
 7. Since the church's computers are aging and will require replacement in the near future, computer maintenance/ upgrades have been increased by \$ 1,800.
 8. With the pastor's sabbatical occurring in the near future, Pastor professional expenses is reduced by \$ 1,0000 and Pastor mileage expense is reduced by \$ 500. However, there is a new line item for sabbatical expenses in the amount of \$ 6,000.
 9. Finally, two new line items were added to include Christmas Bonuses and the associated payroll tax, \$ 3,500 and \$ 170. While these expenditures typically occur each year, they have not been included on the budget.
- G. Property Management Council Shows an overall decrease of \$ 2,500. This is largely due to the removal of the Security system from the budget and an increase of \$ 11,900 for maintenance and improvements. Trash removal (refuse) was increased by \$ 600 and insurance was increased by \$ 2,000.