

## **2020 Operating Budget Summary**

From a financial standpoint 2020 was a very strong year for Holy Apostles. The year finished with a surplus of \$41,935.00 versus a planned surplus of \$5,553.00. This was accomplished through a variety of favorable impactful events and/or outcomes brought on by our remote worshipping and the expense reduction realized by that.

Some of the major contributors were

- Current year congregational income was favorable to plan by over \$5,000.00
- While rental income was short of plan by \$6,688 the finance committee was thankful that all our tenants were able to meet their contracted amounts in the manner that they did given the pandemic. This combined with strong support of our Congregation in meeting pledge commitments led to favorable outcome on the planned income of the budget.
- We did take advantage of the Payroll Protection Plan loan offered by the stimulus relief enacted by Congress. This added to our surplus by \$24,200.00 when the loan was forgiven in November.
- We did take down the full amount of the endowment allowance of \$16,000.00, and while it was in line with the plan, we often will take less than the budgeted amount
- The net result of these factors yielded an income surplus of just over \$23,000.00
- Our leadership expense was under plan by \$7,200.00. Details are in the spread sheet provided, but a significant factor was the Parish Admins departure and not being replaced by a salaried employee
- Our Ministries were under plan by just over \$10,000.00 which we again attribute in large part to remote worship
- Administrative support was over plan by \$3,200.00. This was a direct cause of the amount of dollars spent on technology for equipment to provide the online worship
- Building expense was under plan by just over \$3,000.00 despite our funding many upgrades to our buildings that I am sure the Property Committee will address in their report

From our strong congregational tithing, our tenant's impressive performance, and favorable expense controls 2020's financial performance is a real bonus all things considered.

<b>Cash accounts</b>	<b>December 2019</b>	<b>December 2020</b>
Operating	\$22,618	\$49,255
Wachovia	\$1,459	\$0
Discretionary	\$535	\$1,191
Capital Improvement	\$310	\$311
Capital Campaign	\$59	\$5,207
Emergency Funds	\$11,716	\$10,640
Sunday School Bequest	\$0	\$3,080
St Faith preacher Fund	\$0	\$2,600
<b>Total</b>	<b>\$36,999</b>	<b>\$72,206</b>

<b>Investment</b>	<b>December 2019</b>	<b>September 2020</b>
500 Index Fund	\$282,234	\$321,416
Intermediate Term	\$14,393	\$15,878
Long Term Treasury	\$52,899	\$62,278
Morgan Stanley	\$1,685	\$1,581
Short Term Fund	\$4,555	\$4,576
Wellington Fund	\$253,912	\$271,036
<b>Total</b>	<b>\$609,680</b>	<b>\$676,766</b>
<b>10% return YOY</b>		

Our balance sheet continues to remain strong and as noted above Investments grew 10% year over year.

## 2021 Operating Budget Forecast

The budget for 2020 was completed with the following key assumptions

- Pledges will remain flat to 2020 at \$132,000.00
- Rental income will be increased based to \$117,012.00 based on a renegotiated lease with our largest tenant that more fairly values the strains and expense associated with their occupancy. Also, while we are getting more rental income from the apartment, \$1,200.00 per month, we do anticipate that we will have to find a new tenant as our current occupant has notified us that they will be leaving in June. That historically has meant a 2-month income interruption
- Most expenses were done on historical trends except for Capital Projects. We have significant upcoming expenses in 2020 that we have added a new line item in this plan allowing \$20,000.00 for Capital Expenditures

For these reasons we present for your approval a budget that is based on income of \$272,712.00 and expenses of \$268,250.00 netting to a \$4,462.00 favorable variance.