



CONGREGATIONAL CHURCH
Proposed Budget 2018-2019

Dear Plymouth Members,

What a whirlwind this budget year has been! I am daily humbled by the task that I have been given. After fifteen years of paying attention to only a small portion of the budget, as Acting Senior Minister I have found it both exciting and challenging to oversee it in its entirety. The Board of Finance and Administration, the Treasurer, Deputy Treasurer and the Business Administrator and I are pleased to present the budget for your consideration.

A few items to note:

- **Changes to salaries:** We had unexpected expenses in our salary budgets because of recent staff changes. We have been able to balance those expenses by functioning with only two called clergy (Rev. Beth Faeth and me) for the second half of the year. This is not sustainable, yet we have been fortunate to have serving in the role of a third clergy Seth Patterson (formerly the Director of Children and Youth programming and now the Director of Spiritual Formation and Theater). My hope is to explore a three-clergy model for the next couple of years.
- **Recognizing a trend and seeking to reverse it:** Our pledging and giving has been on a slow decline for that last 10 years, so our budget still exceeds the desired 4 percent draw from invested funds. We have streamlined our staff and benevolences as much as we can without hurting our mission and ministry. Here is the good news: we have put together a Growth Task Force who will be starting the church on an intensive strategy to increase our spiritual, financial, numerical and programmatic growth. I am confident that we can change this trend.
- **New revenue source:** We have a school renting the first floor of the Education Wing, which we expect will bring in extra revenue. The school will start this summer.
- **Maintaining our building:** Our beautiful building continues to need upkeep. We are updating our long-term plan, while taking care of immediate needs, such as re-surfacing one of the parking lots we own.
- **Supporting our boards:** Our six boards—Community Life, Fine Arts, Finance and Administration, Outreach, Spiritual Formation and Worship—along with their committees and working groups, are the heartbeat of our church. As we look to the future, we have provided each board with funding for programs and asked each to work with the Growth Task Force on our growth goals.

The Treasurer, Deputy Treasurer, Business Administrator, members of the Board of Finance and Administration and I will be available at the following dates and times to discuss the proposed budget. We hope that if you are interested, you will attend one of these sessions.

- Sunday, May 20, 9 a.m. in Jackman
- Sunday June 3, 9 a.m. in Jackman

And we hope that you are feeling the good energy we have here. When I walk the common areas of the church, I experience the vibrant spirit of Plymouth. I know that together with God's guidance we will chart a new path to the future.

Thank you all for your commitment and encouragement these past months.

Respectfully,

Rev. Dr. Paula Northwood,
Acting Senior Minister

May 17, 2018

Plymouth Congregational Church of Minneapolis

Proposed Budget 2018-2019 (FY19)

Narrative

| | 2017 - 2018 Annual Budget (FY18) | 2017 - 2018 Annual Forecast (FY18) | 2018 - 2019 Annual Budget (FY19) | Narrative |
|--|--|---|--|--|
| REVENUE | | | | |
| Contributions | | | | |
| Pledge Income | 1,650,000 | | 1,511,000 | Individual pledges minus 5%—the estimate of what will actually be received; this includes pledges paid ahead of the fiscal year as well as payments on past due pledges |
| Non-Pledge Income & Open Offering | 170,000 | | 178,000 | Unpledged gifts and Sunday offering. |
| Total Contributions - Support from Congregation | 1,820,000 | | 1,689,000 | |
| ELZE School | | | 42,000 | New Tenant in Education Wing |
| Leases, Fees and other Income | 155,000 | | 170,650 | We lease sections of our parking lots to area businesses, rent to theater groups in the Howard Conn Theatre throughout the year, rent space to VocalEssence; and rent to other organizations for events and meetings |
| Strobel Drop-In Donation | 20,000 | | 20,000 | Gift from Strobel Estate for Drop-In expenses |
| Planned "endowment draw" 4% from Investments | 195,000 | | 215,896 | This is a 4% draw from the Legacy Fund, calculated over the previous 12 quarters. |
| Additional "endowment draw" from Investments | 139,325 | | 152,791 | To meet the demands of this proposed budget, we will likely need to take this additional amount. This is 2.9% above the 4% planned draw. |
| Capital campaign draw for transition expenses | | | 50,000 | Interim salary and transition costs |
| TOTAL REVENUE | 2,329,325 | 2,279,889 | 2,340,337 | Total anticipated revenue to meet the expense budget |

| | 2017 - 2018 Annual Budget (FY18) | 2017 - 2018 Annual Forecast (FY18) | 2018 - 2019 Annual Budget (FY19) | Narrative |
|-------------------------------|--|---|--|--|
| EXPENSES | | | | |
| Staff Pay and Benefits | | | | |
| Clergy | 462,557 | | 257,285 | We have moved from 3.5 to 2 clergypersons. Clergy Contingency to cover potential ordination of Seth Patterson. |
| Music | 174,342 | | 177,995 | Includes musicians, honorariums and soloist. The music staff line is increased this year to include additional hours for the Chapel Singers (adults and youth together). |
| Religious Education | 97,692 | | 170,390 | Our religious education staff includes the Director of Spiritual Formation and Theater, Junior High leader and assistant, Children's Dance leader, Director of Young Voices and Nursery. We added a Programs Manager this year. |
| Office Staff | 327,743 | | 382,392 | Our office staff includes our Director of Communications and Executive Assistant to the Senior Minister, Accounting Manager, Ministry Assistant for Programs, Ministry Assistant for Hospitality, AudioVisual Manager and Drop-in Coordinator. We made the Business Administrator position fulltime. |
| Building Staff | 360,516 | | 349,300 | Our building staff includes our Building Supervisor, Public Safety Manager, and one additional security staff member, four Custodians, and two evening/weekend Receptionists. We eliminated the Housekeeping Manager position. |
| Other Employee Expenses | 22,000 | | 22,000 | Other employee expenses include honorariums, staff development, training, mileage reimbursements, and other miscellaneous expenses. |
| Interim/transition expenses | | | 50,000 | Interim salary and transition costs |
| Total Staff | 1,444,850 | 1,456,000 | 1,409,362 | Total Personnel Costs includes Staff 2% cost of living raise. |
| Board Programs | | | | |
| Deacons | 12,500 | | 13,500 | Deacon retreats, In Discernment Committee expenses, Communication working group, annual contribution to UCC and NACCC |
| Leadership Council | 10,650 | | 11,650 | The Leadership Council Programs will fund the costs for implementing ministry priorities: Leadership Day, Racial Justice Task Force, Growth Task Force. |

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| Fine Arts | 1,625 | | 2,625 | Fine Arts Board programs include supporting special music programs, our wonderful art gallery and artist receptions and Literary Witness. |
| Spiritual Formation | 24,800 | | 25,800 | Education expenses for all ages. Includes Sunday Forum, Spiritual Exploration, Peace Camp and Camp Plymouth |
| Worship | 12,900 | | 13,900 | The Board of Worship expenses include supplies for our worship services - candles, communion elements, etc. These lines includes the purchase of music for ALL our choirs, organ and piano tuning, regular cleaning of the choir robes, etc. |
| Community Life | 12,200 | | 13,200 | Befrienders, Faith Partners in Recovery, prayer shawls and grief resources, health ministry's committee, new member materials, and a hundred more things! |
| Finance and Administration | 9,500 | | 10,500 | Promotional materials and expenses for the annual financial pledge drive and the Legacy Giving Committee. Also includes support for supplies and materials for our wonderful Archives Committee. |
| Outreach | | | | |
| Community Fund | 150,000 | | 100,000 | The Community Fund committee chooses community organizations, partners and projects that we want to support. Additionally, the Community Fund Committee determines the recipients of the special Christmas and Easter offerings; 100% of the money received through those offerings is distributed. Estimated to be \$85,000. |
| Board / Working Group Expenses | 5,700 | | 6,700 | Families Moving Forward, Walk-in hospitality, and some Drop-In programs |
| Total Outreach | 155,700 | | 106,700 | Total Outreach and Community Fund support |
| Total Board Programs | 239,875 | 230,225 | 197,875 | Total of all Board Programs includes \$10,000 increase for Growth Initiatives. |
| Administration/Operations | 186,500 | | 201,300 | Increase to cover Network support and purchase of new computers. Category includes equipment and maintenance; supplies such as postage, paper and toner; such services as insurance, telephone, auditing and legal counsel, line of credit interest, data processing; and communications, including <i>The Flame</i> and advertising. |

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| Building | 271,600 | | 315,300 | Increase due to 5% inflation in utilities, updates with the HVAC, replacing and adding cameras for security, landscaping. Category includes housekeeping supplies and uniforms; equipment and furnishings; maintenance and repairs of HVAC, electrical and plumbing, roof, and carpet; services such as trash, recycling, security, pest control, snow removal, fire alarm; utilities; property taxes for parking lots; and miscellaneous expenses. |
| Food Service | 16,500 | | 16,500 | Catering service Purchases of Dinnerware/ paper products and beverage service. |
| Major Improvements | 170,000 | | 200,000 | Building improvements and upgrades not included in the capital campaign building projects. |
| Total Administration/Operations | 644,600 | 593,664 | 733,100 | |
| Total Non-Staff Expense | 884,475 | 823,889 | 930,975 | |
| TOTAL EXPENSES | 2,329,325 | 2,279,889 | 2,340,337 | |