

# PLYMOUTH CHURCH

## The Plymouth Church Budget Frequently Asked Questions (FAQs)

To learn more about Plymouth Church's budget, please review the following information to the most frequently asked questions.

### GOVERNANCE

#### *How is the budget put together? Who manages Plymouth's budget?*

As Plymouth Church is a congregational church, both the building of the budget and administration of expenses is carried out with input and oversight from the Finance Committee and Council. The Executive Administrator and School Administrator manage the day-to-day workings of the budget. But general oversight is performed by the Finance Committee, with strategic direction of the overall financial outlook headed by Council. Approval of said direction is in the hands of the congregation, who review and vote on the budget at the Congregational Annual Meeting.

#### *What is the role of the Finance Committee? The Treasurer?*

The Finance Committee and the Treasurer advise Council on financial matters which include both the creation of the annual budget and the investment of our endowment funds. They work with our investment advisor, Bessemer Trust, who manage our portfolio. The committee makes investment decisions on our brokerage account such as the balancing between types of investments, when to borrow, and repay loans.

#### *What is the role of the Stewardship Ministry?*

Stewardship's mission is to focus the congregation on the financial support from members that Plymouth relies on to keep our operations solvent. This team works with the council and the congregation to solicit pledges from the congregation.

### BUDGET BASICS

#### *What is Plymouth's Fiscal Year?*

Plymouth's fiscal year runs from **July 1 to June 30**. This intentional scheduling is largely due to when school enrollment happens for the following fiscal year, so we may plan financially accordingly.

### ***How does this impact my annual tax letter?***

Because your tax letter will be based on your contributions from January through December, it may span two different (Plymouth) fiscal years. For example, let's assume you made a gift on **June 1, 2021**, and another gift **December, 2021**.

This means your gifts will be credited to **two** different fiscal years (the June 1 gift to the July 1, 2020 - June 30, 2021 fiscal year; and your December 1 gift to the July 1, 2021 - June 30, 2022 fiscal year. But for IRS purposes, you will get **\*one\*** tax letter for the year because both gifts fell in the same Jan-Dec 2021 period.

You may see your giving history and download your tax documents at any time at [onREALM.org](https://onREALM.org).

## **INCOME & EXPENSE DISTRIBUTION**

### ***What is the source of Plymouth's Income?***

Plymouth has four (4) main sources of income:

- **Stewardship:** your annual contributions to the Operating Budget (also known as "Pledge/Plate" in the budget line);
- **Plymouth Church School / Camp Tuition;**
- **Rentals;**
- **Endowment income above principal** with which we close the budget gap, if the above lines do not meet the income goal(s). (*For more on the endowment, go to page 5.*)

### ***What are Plymouth's major expenses?***

Plymouth's expenses fall into three (3) main categories:

- The **operating budget** covers expenses for the daily running of the church: personnel, utilities, insurance, cleaning supplies, PPE, computers, office phones, and repair and maintenance. The largest item on the operating budget is personnel: 25% of the personnel budget includes things Plymouth does not control: social security taxes, family leave tax,

health insurance, pensions, unemployment insurance.

- **Mission Partner grants and Outreach programs:** includes the money we give to our benevolence partners, such as The Hope Program, Greenpoint Hunger Program, CHiPS, Mission School of Hope, Bloom Again Brooklyn, Heights and Hills, and others. This portion of the budget also includes money for our Racial Justice ministry, Anti-Trafficking ministry, and emergency disaster relief to partner organizations.
- **Capital expenses (essential infrastructure repairs):** include large expense items required to maintain our property, such as repairing or replacing a boiler, repairing a roof, installing alarm systems, plumbing and electrical upgrades, and any other essential infrastructure component.

## OUR ENDOWMENT

### *How does Plymouth use its endowment to support the Church?*

Plymouth is fortunate that over the years several generous members and friends have made legacy gifts for our long-term financial well-being. However, the bulk of these funds come designated for specific purposes and restrictions. Meaning, we may use the funds only for their intended purpose (i.e., music, children's education, or community outreach), and **only the interest income generated, not the principal**. Therefore, while our endowment is seemingly voluminous at more than \$20M, we are restricted to using only the income above principal.

The totality of income over principal at any given point cannot be applied in its entirety to bridge a budget gap. The Finance Investment Sub-committee's recommendation continues to hold that our annual endowment draw should not exceed 4.5% of the total value. Over the last few years, we have made an intentional shift to reduce our dependence on the endowment from 7-8% to less than 4%.

## ENDOWMENT VALUE

Despite drastic swings in the market, our endowment has weather the storm. We have not had record growth as in past years, but we are grateful our endowment is holding steady.

## ENDOWMENT DRAW HISTORY FY2017-18 To Date

In FY2018-19, a Finance Committee and Council resolution was made that for the financial stability of the institution, the annual draw from the Endowment was to be reduced to ~4.0 - 4.5% down from ~7%. Plymouth has remained true to that resolution, steadily reducing the annual draw, even through the Covid-19 pandemic.

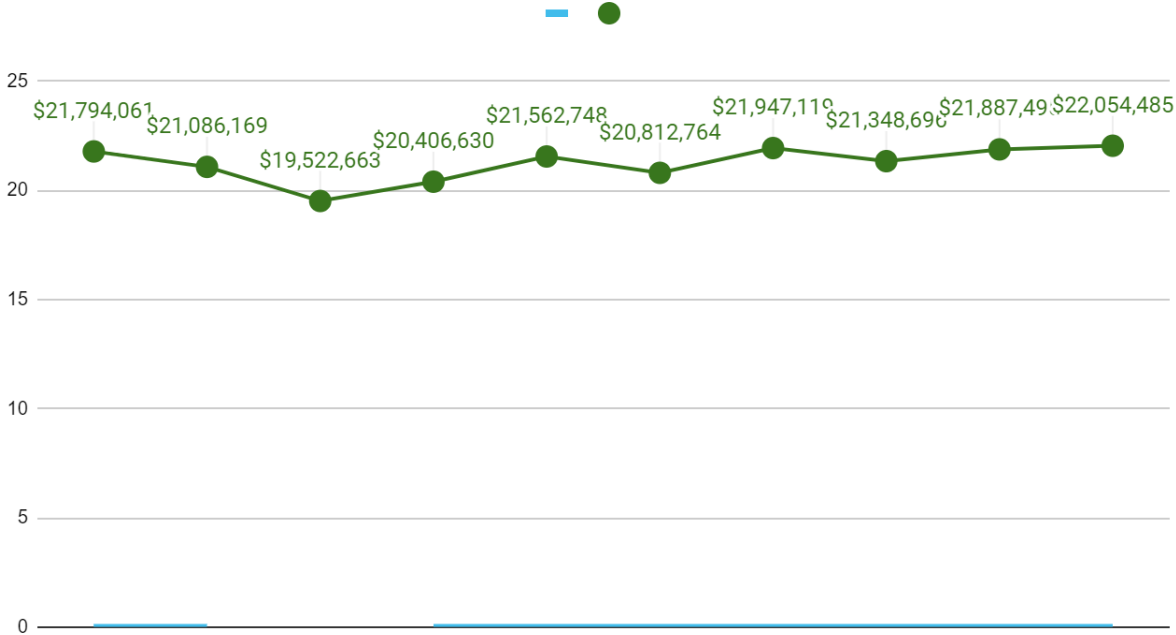
Our estimated draw for FY2022-23 is slated to be ~\$365,000, less than 2% of the endowment value. Additionally, will be having another landmark year drawing only for endowment-supported programs and capital repairs; no additional draw will be taken to sustain our regular operations.

	FY2017-18*	FY2018-19*	FY2019-20* COVID STARTS	FY2020-21* COVID YEAR	FY2021-22*	FY2022-23**
Endowment Draw for Programs Fully Funded by Endowment - CH Grants - Emergency Relief Grant - Anti-trafficking - Racial Justice - History Ministry - Capital Repairs	\$851,694	\$565,476	\$391,826	\$425,398	\$391,000	\$365,000
% of Total Draw for Programs / Cap. Repairs	59.46%	64.79%	63.82%	74.18%	100.00%	100.00%
Endowment Draw for Operations	\$580,806	\$307,374	\$222,158	\$148,102	\$0	\$0
% of Total Draw for Operations	40.54%	35.21%	36.18%	25.82%	0.00%	0.00%
<b>TOTAL Endowment Draw</b>	<b>\$1,432,500</b>	<b>\$872,850</b>	<b>\$613,984</b>	<b>\$573,500</b>	<b>\$391,000</b>	<b>\$365,000</b>
Endowment Balance (12-month avg.) Est. as of 1/26/2023	\$20,098,771	\$20,010,414	\$20,720,197	\$23,478,396	\$25,917,155	\$21,242,283
% Drawn from Endowment Balance (based on 12-mo. avg)	7.13%	4.36%	2.96%	2.44%	1.51%	1.72%

\*=Based on 12-mo. average. \*\*=Based on 10-mo. average.

Chart 1: Endowment Growth Fiscal Year 2022-23

### Endowment Growth July 2022 To Date



ENDOWMENT BALANCES	Balance (\$)	Increase / Decrease	%Diff
July 2022	\$21,794,061		
Aug 2022	\$21,086,169	<b>-\$707,892</b>	<b>-3.25%</b>
Sept 2022	\$19,522,663	<b>-\$1,563,506</b>	<b>-7.41%</b>
Oct 2022	\$20,406,630	<b>\$883,967</b>	<b>4.53%</b>
Nov 2022	\$21,562,748	<b>\$1,156,118</b>	<b>5.67%</b>
Dec 2022	\$20,812,764	<b>-\$749,984</b>	<b>-3.48%</b>
Jan 2023	\$21,947,119	<b>\$1,134,355</b>	<b>5.45%</b>
Feb 2023	\$21,348,696	<b>-\$598,423</b>	<b>-2.73%</b>
Mar 2023	\$21,887,495	<b>\$538,799</b>	<b>2.52%</b>
Apr 2023	\$22,054,485	<b>\$166,990</b>	<b>0.76%</b>

*We appreciate your generosity as we close out this fiscal year to keep our mission and programs alive, thriving, and growing in the community.*

### BRIDGING THE GAP

*What is our Stewardship goal for the next fiscal year?*

We have budgeted for Stewardship this year in the amount of **\$560K**. For several years, the Stewardship (Pledge/Plate) goal has

remained at a steady \$375,000, So as to keep up reasonably to inflation and increased operating costs, the Stewardship goal as been increased to **\$560,000**.

### ***How can I give to Plymouth?***

Setting up an online recurring gift is the most reliable way to ensure Plymouth's operating health, and help us better forecast our financial outlook. You may make your online gift at [plymouthchurch.org/give](https://plymouthchurch.org/give) to set up your credit or debit card.

To give by way of securities, stocks, matching gifts, or other forms, please contact our Director of Finance Kasia Bidus at [kbidus@plymouthchurch.org](mailto:kbidus@plymouthchurch.org)

### ***Is the "Spirit At Work" capital campaign still happening?***

Yes. While we are not actively "campaigning" per se, the Spirit At Work capital fundraising efforts are continuing through 2024. We certainly welcome your gifts! Please go to [plymouthchurch.org/give](https://plymouthchurch.org/give) to learn how:

- The pledges to date
- List of donors
- How to set up your online gift

### ***Has the capital campaign renovation started?***

Yes! We completed Phase 1 in Summer 2022, and we look forward to Phase 2 now in Summer 2023. All updated by the Design Task Force can be found on our website here: <https://www.plymouthchurch.org/thespiritatwork>

## **ANNUAL MEETING**

To **VOTE** on our operating budget for next year, we encourage you to attend the upcoming Annual Meeting slated for Sunday, May 21, 2023 at 1:00PM in the Reception Room.

## PLYMOUTH CHURCH PROPOSED BUDGET FY2023-24

### INCOME

CHURCH INCOME SOURCES	PROPOSED FY2023-24	Actuals as of 4/30/2023	FY2022-23 BUDGET
Pledge/Plate	\$560,000	\$403,977	\$550,000
Rental Income	\$30,000	\$52,000	\$15,000
History Ministry	\$1,000	\$3,251	\$0
Events / Program Entry Fees	\$0	\$0	\$0
175th anniversary celebrations income	\$10,000	\$10,970	\$0
"Communities of Calling" Grant (Collegeville Institute)	\$0	\$0	\$0
<b>Endow. Income for Endowment-Supported Programs*</b>			
- Christian Help Grants (\$148,400)			
- Emergency Relief Grants (\$5,000)			
- Racial Justice (\$5,000)			
- Anti-Trafficking (\$5,000)			
- History Ministry (\$10,000)			
- Capital Repairs (\$200,000)	\$373,400	\$315,000	\$435,000
<b>TOTAL Church Income</b>	<b>\$974,400</b>	<b>\$785,198</b>	<b>\$1,000,000</b>

### PCS INCOME

PCS INCOME SOURCES	PROPOSED FY2023-24	Actuals as of 4/30/2023	FY2022-23 BUDGET
PCS Tuition / Fees/ Scholarships	\$4,054,800	\$3,752,312	\$3,794,900
PCS Supplemental Programs	\$276,200	\$326,522	\$250,000
PCS Summer Camp Tuition / Fees	\$248,368	\$0	\$0
PCS Child Care Stabilization Grant	\$0	\$53,100	\$0
<b>TOTAL PCS Income</b>	<b>\$4,579,368</b>	<b>\$4,131,934</b>	<b>\$4,044,900</b>

### GRAND TOTAL INCOME

<b>TOTAL INCOME (CHURCH + PCS)</b>	<b>\$5,553,768</b>	<b>\$4,917,132</b>	<b>\$5,044,900</b>
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## CHURCH EXPENSES (Parts 1-3)

<b>PART 1:</b>	<b>PROPOSED</b>	<b>Actuals as of</b>	<b>FY2022-23</b>
<b>CHURCH PROGRAMS EXPENSES</b>	<b>FY2023-24</b>	<b>4/30/2023</b>	<b>BUDGET</b>
<i>History Ministry*</i>	\$10,000	\$8,449	\$10,000
<i>Racial Justice Ministry*</i>	\$5,000	\$2,808	\$5,000
<i>Christian Help Mission Partner Grants*</i>	\$148,400	\$0	\$140,000
<i>Emergency Relief*</i>	\$5,000	\$0	\$5,000
<i>Anti-Trafficking Ministry*</i>	\$5,000	\$917	\$5,000
Children & Family Ministries	\$75,000	\$49,396	\$55,000
Music	\$89,750	\$68,232	\$70,000
Youth & Adult Activities	\$15,800	\$4,110	\$5,000
Lay-led Ministries	\$1,500	\$1,508	\$5,000
Membership & Fellowship Events	\$6,000	\$7,296	\$6,000
Life of the Church	\$30,000	\$15,259	\$35,000
Yankee Fair / 175th anniversary events	\$20,000	\$22,999	\$20,000
"Communities of Calling" Grant	\$0	\$4,495	-
<b>TOTAL Program Expenses</b>	<b>\$411,450</b>	<b>\$185,469</b>	<b>\$361,000</b>
<b>PART 2:</b>	<b>PROPOSED</b>	<b>Actuals as of</b>	<b>FY2022-23</b>
<b>CHURCH OPERATIONS EXPENSES</b>	<b>FY2023-24</b>	<b>4/30/2023</b>	<b>BUDGET</b>
Church Ministerial Personnel	\$694,333	\$517,655	\$680,405
Church Staff (Admin & Custodial)	\$758,430	\$501,104	\$703,876
Security & Porter Contractors	\$100,000	\$146,893	\$131,000
Communications	\$15,000	\$10,524	\$15,000
Interest Loan / Debt Service	\$0	\$0	\$1,700
Facilities, Utilities & Insurance	\$356,130	\$281,546	\$325,330
General & Administrative	\$160,286	\$124,443	\$148,100
Rental Expenses	\$8,000	\$5,224	\$5,000
<b>TOTAL Operations Expenses</b>	<b>\$2,092,179</b>	<b>\$1,587,389</b>	<b>\$2,010,411</b>
<b>PART 3:</b>	<b>PROPOSED</b>	<b>Actuals as of</b>	<b>FY2022-23</b>
<b>CAPITAL REPAIRS / CONTINGENCIES</b>	<b>FY2023-24</b>	<b>4/30/2023</b>	<b>BUDGET</b>
<i>Annual Capital Repairs*</i>	\$200,000	\$125,439	\$250,000
<i>Contingency Emergency Fund*</i>	\$0	\$0	\$20,000
<b>TOTAL (Capital Repairs + Conting.)</b>	<b>\$200,000</b>	<b>\$125,439</b>	<b>\$270,000</b>



## TOTAL CHURCH EXPENSES (Parts 1-3)

<b>TOTAL (1. Prog + 2. Ops + 3. Capital Rep.)</b>	<b>\$2,703,629</b>	<b>\$1,898,297</b>	<b>\$2,641,411</b>
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## PCS EXPENSES

	<b>PROPOSED</b>	<b>Actuals as of</b>	<b>FY2022-23</b>
<b>PCS EXPENSES</b>	<b>FY2023-24</b>	<b>4/30/2023</b>	<b>BUDGET</b>
PCS Personnel - Faculty/Admins	\$3,255,778	\$1,957,886	\$2,757,156
PCS Personnel - Church Support Staff	\$223,150	\$125,276	\$175,968
PCS Security & Porter Contractors	\$100,000	\$146,893	\$131,000
PCS Oper. / Overhead Expenditures	\$398,204	\$262,908	\$418,087
Camp Personnel*	\$129,587	\$0	\$0
Camp Oper. Expenditures*	\$28,450	\$0	\$0
<b>TOTAL PCS Expenses</b>	<b>\$4,135,169</b>	<b>\$2,492,964</b>	<b>\$3,482,211</b>

## GRAND TOTAL EXPENSES (CHURCH + PCS)

<b>TOTAL EXPENSES (CHURCH + PCS)</b>	<b>\$6,838,798</b>	<b>\$4,391,261</b>	<b>\$6,123,622</b>
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## BALANCE SUMMARY

	<b>PROPOSED</b>	<b>Actuals as of</b>	<b>FY2022-23</b>
<b>BALANCE SUMMARY</b>	<b>FY2023-24</b>	<b>4/30/2023</b>	<b>BUDGET</b>
GRAND TOTAL INCOME (Church + PCS)	\$5,553,768	\$4,917,132	\$5,044,900
GRAND TOTAL EXPENSES (Church + PCS)	\$6,838,798	\$4,391,261	\$6,123,622
<b>INCOME OVER EXPENSES</b>	<b>-\$1,285,030</b>	<b>\$525,871</b>	<b>-\$1,078,722</b>