



## Proposed Budget 2016–2017 in Narrative Form

May 6, 2016

Dear Plymouth Friends,

I am happy (and relieved) to be sending you the proposed budget for your consideration and for your approval at the congregational meeting on June 12. Preparing this budget, with its accompanying explanations, helped me learn about the breadth of Plymouth's ministries, obligations, needs and privileges. Perhaps reading through the notes will do the same for you.

I would like to make several introductory observations about Plymouth's financial situation:

- We are not yet where we need to be in terms of relying on our endowment. Drawing 4 percent annually from our investments to support our program and building needs is a sustainable and perfectly appropriate practice. However, we need to discipline ourselves to take no more than 4 percent. In this current fiscal year, we are able to stick to a 4 percent draw. You will see that we may need an additional 1 percent in the next fiscal year. I will work to keep our expenses tight, and would you please work to keep your giving generous? We'll get there, but we can't get there in one year. I am confident that by fiscal year 2017–2018 and going forward we will be able to stick to a 4 percent draw, with a goal of lowering the draw on the horizon.
- I am recommending some significant changes in our benevolent giving. The Christmas and Easter offerings will now be entirely pass-through offerings. What comes in will go out. The recipients will be selected by the Board of Outreach and announced to the congregation in promotional materials. Additionally, the Outreach Board, through its Community Fund committee, will be responsible for distributing benevolent funds from the operating budget of \$158,000. That continues Plymouth's long and fundamental tradition of generosity from our member pledges to community partners and programs. But our obligation cannot stop with our generous gifts. We must also learn who these partners and programs are and how we can be of help in their work. I look forward to deepening Plymouth's connection with our mission projects, programs and people.
- You will see that I have not included any rental income from a major lessee, like a school. I am not convinced that it is a good idea to rent our educational wing out in that way. I would far prefer to imagine how our facility might serve our mission—not for ourselves because we already do that well—but for our neighbors, or a not-for-profit service organization that needs more space or an early childhood education program for underserved children. If you are interested in working on such a dream, please let me know. Again, Plymouth has a long and rich history of serving its immediate neighbors. Let's think together about how to do that again.
- You already know that we have made significant cuts in our administrative support staff. They have been painful and I hope not to make any more. At the same time, we need to depend more on you—volunteers—to make our many programs work. In a talented, smart congregation full of leaders, it's

tempting to think our only volunteer needs are for high-level thinking, planning and execution. But here's the thing—someone needs to pour the lemonade, take out the trash, stuff the Sunday bulletins and a hundred more tasks that aren't sexy or dramatic or high-profile. We may have slipped a bit into the clutches of a consumer culture that assumes we can and should just pay for things to be done. Preparing this budget has reminded me that church membership includes an obligation to give of our treasure and our time and our energy and our labor. Let's keep working on that, too.

The Deacons and I are hosting two opportunities for you to come talk with us about this budget. If we hear challenges we think will alter our budget proposal before it goes to the congregation for a vote on June 12, we will make changes. However, a number of staff members helped me prepare this budget, along with a budget committee of knowledgeable folks. It has been vetted by the Board of Finance and Administration twice. It has been approved by the Deacons. And, at the risk of scaring you by saying this, I have prayed over its details (and sworn a little, too). I hope you will approve this budget as is, but I know you may have questions, concerns and opinions. You wouldn't be Plymouthites if that were not so! So, here are your opportunities to come talk it over:

◆ Sunday, May 15, 9 a.m., in Jackman.

◆ Sunday, May 22, after worship in Jackman.

Please note: if you want to hear member Bill George talk about his book *Discover Your True North* after worship on May 22, you will need to choose the May 15 budget session.

It is a tremendous privilege to serve you as Senior Minister. Thank you for all you do for our common life.

Love,



Carla Bailey  
Senior Minister  
Plymouth Congregational Church

Plymouth Congregational Church  
Narrative Budget for 2016–2017

	2015–2016 Annual Budget	2015–2016 through April	2016–2107 Proposed	
<b>REVENUE—Contributions</b>				
1. Pledges	\$1,579,726	\$1,362,863	\$1,654,000	Individual pledges minus 4%—the estimate of what will actually be received.
2. 2015 Special Appeal		\$119,480	0	When we lost the school lease, the congregation responded generously to make up the lost revenue. The proposed budget does not include a lease for the Education Wing.
3. Pre-paid	\$95,985	\$91,774	\$96,000	Pledges that are paid ahead of the fiscal year
4. Non-pledge income (current year)	\$164,433	\$179,657	\$180,000	Gifts from members and friends that have not been pledged
5. Open offering	\$25,566	\$18,144	\$22,000	Sunday offering of non-pledged gifts
6. Pledge income (prior year)	\$34,288	\$746	\$20,000	Pledge payments on past-due pledges
7. Christmas Offering	\$25,000	\$54,150	0	The proposed budget would make this an entirely pass-through contribution. Whatever comes in will go out to the organizations or projects selected by the Board of Outreach.
8. Easter Offering	\$25,000	0	0	The Easter offering will be handled the same as the Christmas offering.
9. Gain/Loss account	0	(\$1,452)	0	When stock is donated to the church in fulfillment of an annual pledge, the sale of the stock sometimes results in a slight gain or loss.
10. Strobel Drop-in Donation	0	\$19,230	\$20,000	Plymouth is the grateful recipient of an annual gift from the Bob and Alice Strobel Foundation to be used to support the staff and projects of the Strobel Drop-in Center.
<b>11. Total Contributions</b>	<b>\$1,950,000</b>	<b>\$1,844,594</b>	<b>\$1,992,000</b>	<b>Total revenue from donations</b>

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REVENUE—Other				
12. Parking leases	\$43,289	\$35,151	\$40,000	We lease sections of our parking lots to area businesses.
13. Theater income	\$16,400	\$13,150	\$15,000	Theater groups rent the Howard Conn Theater throughout the year.
14. Facilities income: monthly groups	\$69,826	\$54,056	\$68,200	This is income from many groups that rent from us—including VocalEssence.
15. Facilities income: other	\$25,485	\$22,557	\$25,000	This is income from groups and organizations that rent for occasional events and meetings.
16. School lease	\$118,000	0	0	We are not including any rental income from a school in the proposed budget. I am recommending that we stop looking for a school. Rather, I would like to find a smaller nonprofit organization that needs our space, or plan the weekday use of our education wing in a mission project that will not generate income but will serve the needs of our neighborhood.
17. Inside food services Income	0	\$889	0	We do not budget for this but occasionally generate a small profit from our food service.
18. Outside food income	0	\$600	0	See above, no. 17.
19. Endowment Draw 4%	\$170,000	0	\$183,000	This is a 4% draw from our endowment, calculated over the previous 12 quarters. We only take this when it is needed—so, for example, we have not yet taken this draw in the current fiscal year.
20. Endowment Additional Draw	\$42,000	0	\$42,935	To meet the demands of this proposed budget, we may need to take this additional amount. It is less than an additional 1%. It is possible, even probable, that we will not need to take this amount, but it is here to balance the budget if needed.
21. Misc. Benevolence Reserve	\$25,000	\$25,432	0	There was a reserve amount in the Community Fund, which was expended this year for benevolence projects.

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22. Interest Income (operating)	0	\$78	0	We do not budget for this, but there is a modest amount of interest on our operating accounts.
23. Total other income	\$510,000	\$151,915	\$374,000	Total income that is not donations.
24. <b>TOTAL REVENUE</b>	<b>\$2,460,000</b>	<b>\$1,996,509</b>	<b>\$2,366,000</b>	Total anticipated revenue to meet the expense budget.

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## EXPENSES

Staff				
25. Clergy	\$498,516	\$429,226	\$504,400	We have four clergypersons. This line includes salaries and benefits. There is a modest increase in salary for two of the ministers and increase in health insurance for all four.
26. Music	\$167,609	\$138,026	\$169,400	The music staff line is increased this year to compensate Mary Laymon for her additional hours conducting the Chapel Choir, which includes adults and youth together. This line includes our Organist and Choirmaster, Music Associate, Early Service Music Director, Chancel Choir soloists, Directors of our Chapel Choir, Youth Choir, Cherub and Chorister Choirs, Handbell choirs and music librarian.
27. Religious Education	\$78,738	\$62,811	\$79,850	Our religious education staff includes the Director of Children and Youth Programs, Junior High leader and assistant, Children's Dance leader, Director of Young Voices and our regular childcare provider.
28. Office Staff	\$409,514	\$318,912	\$294,200	Our office staff includes our Director of Communications and Executive Assistant to the Senior Minister, half-time Director of Operations, Accounting Manager, Ministry Assistant for Programs, Ministry Assistant for Hospitality and Audiovisual Manager.

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29. Building	\$327,085	\$255,939	\$325,000	Our building staff includes our Building Supervisor, Public Safety Manager and one additional security staff member, Housekeeping Manager, three custodians and two evening and weekend receptionists.
30. Strobel Drop-in Center	17,530	\$14,592	\$18,000	This is salary and benefits for our wonderful Drop-in Coordinator. This position is supported by the gift from the Strobel Foundation.
31. Other Employee Expenses	\$27,538	\$19,267	\$24,000	Other employee expenses include honorariums, staff development and training, mileage reimbursements and other miscellaneous expenses.
32. Total Staff	\$1,509,000	\$1,224,183	\$1,414,850	Total employee costs
Deacons				
33. Wider Church Relations	\$2,000	0	\$2,000	This funds projects and programs we support in conjunction with other denominations and religious organizations.
34. NACCC	\$1,500	\$1,500	\$1,500	Our annual contribution to the National Association of Congregational Christian Churches.
35. UCC–MN Conference	\$10,300	\$10,300	\$10,300	Our annual contribution to the Minnesota Conference of the United Church of Christ.
36. Denomination meetings	\$500	0	\$500	Expenses for sending delegates to denominational meetings.
37. Deacons retreat	\$500	0	\$500	Expenses for Deacons retreats.
38. Other expenses	\$100	0	\$100	Other expenses approved by the Deacons
39. Deacons total	\$14,900	\$11,800	\$14,900	Total for the Board of Deacons
Leadership Council				
40. Council programs	\$10,765	0	\$8,750	The Leadership Council Programs will fund the costs for implementing the priorities identified by the Deacons and accepted and approved by the Leadership Council. An example of this is the priority of addressing our racial justice commitment.

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41. Other	\$650	0	\$650	Other expenses approved by the Leadership Council—an example is the Leadership Day scheduled for September.
42. Leadership Council Total	\$11,415	0	\$9,400	Total for the Leadership Council
Fine Arts				
43. Fine Arts	\$1,125	\$432	\$1,125	Fine Arts Board programs include supporting special music programs, our wonderful art gallery and artist receptions and Plymouth theater programs.
44. Literary Witnesses	\$525	0	\$525	The Fine Arts Board also supports the Literary Witnesses program, which brings writers to Plymouth throughout the year.
45. Total Fine Arts	\$1,650	\$432	\$1,650	Total for the Fine Arts Board
Spiritual Formation				
Children & Families				
46. Education	\$8,300	\$4,002	\$8,300	This line includes curriculum, supplies, gift Bibles, teacher recognition and a host of things to support children’s Sunday morning Church School.
47. Wednesday evening	\$3,200	\$651	\$2,100	This Wednesday evening programming is a cornerstone of our children and youth programming.
48. Family Life	\$1,200	\$1,989	\$1,200	Expenses to support family programming.
49. Peace Camp	\$1,500	\$1,627	\$1,500	Peace Camp—a fabulous summer program for children and youth at Plymouth.
50. Total Children & Families	\$14,200	\$8,269	\$13,100	Total Children and Families program expenses

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Spiritual Exploration				
51. Sunday Forums	\$5,500	\$1,900	\$5,500	We enjoy a wide range of speakers for our Sunday morning forums. This pays honorariums and other expenses for that program.
52. Other Spiritual Exploration Programs	\$4,510	\$477	\$4,500	We enjoy a number of Spiritual Exploration programs through the year—Bible studies, book studies, classes on spiritual formation, etc. We also produce significant brochures publicizing and describing these and Sunday Forum opportunities.
53. Total Spiritual Exploration	\$10,010	\$2,377	\$10,010	Total for Spiritual Exploration programs
Youth				
54. Programming	\$6,000	\$3,371	\$6,000	Youth programming includes confirmation, youth choir expenses (not including the purchase of music), Jr. High and Sr. High events.
55. Retreats & trips	\$1,500	\$1,500	\$1,500	We take our youth on interesting and challenging trips and retreats. This summer many of our youth will attend the UCC National Youth Event in Orlando.
56. Camp Plymouth	\$2,000	\$2,000	\$2,000	Camp Plymouth is a family camp opportunity open to all Plymouth folks, but especially encouraged for families and youth.
57. Total Youth	\$9,500	\$6,871	\$9,500	Total for Youth programming
58. Total Spiritual Formation	\$33,710	\$17,517	\$32,600	Total for all Spiritual Formation programming

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Worship				
59. Worship	\$3,250	\$3,029	\$3,250	The Board of Worship expenses include supplies for our worship services—candles, communion elements, etc.
60. Music	\$13,800	\$9,085	\$13,800	This line includes the purchase of music for ALL our choirs, organ and piano tuning, regular cleaning of the choir robes, etc.
61. Total Worship	\$17,050	\$12,114	\$17,050	Total for the Board of Worship
Community Life				
62. Caring Ministries	\$2,000	\$1,311	\$2,000	The Caring Ministries include BeFriends, Faith Partners in Recovery, prayer shawls and grief resources and support of our health ministries committee.
63. Church Events	\$4,625	\$4,445	\$4,800	These events include the 50-year member recognition and the Christmas Festival (supported also by the religious education budget).
64. Congregational Involvement	\$800	0	\$800	Sharing the Ministry resources
65. Membership	\$5,000	\$2,169	\$5,000	New Member support and expenses
66. Total Community Life	\$12,425	\$7,925	\$12,600	Total for Community Life programs
Finance & Administration				
67. Promotional materials	\$9,100	\$7,920	\$8,500	Promotional materials and expenses for the annual financial pledge drive and the Legacy Giving Committee.
68. Archives	\$800	\$1,117	\$1,000	Support for supplies and materials for our wonderful Archives Committee
69. Total Finance & Administration	\$9,800	\$9,037	\$9,500	Total expenses for Finance and Administration
Outreach				
70. Board Working Groups	\$2,350	\$754	\$2,350	This line supports the working groups of the Outreach Board.
71. Families Moving Forward	0	\$96	0	Though we do not budget for our Families Moving Forward program, we occasionally incur some expenses. This year we will be hosting two weeks of housing, hospitality, meals and programming for homeless families.

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72. Benevolence Giving	\$125,470	\$147,000	\$158,000	The Outreach Board chooses community organizations, partners and projects that address some of the most challenging needs of people in our wider Minneapolis community and around the world. This is funded by the money allocated from our annual operating budget. The amount is determined by taking as close as possible to 10% of the prior year's pledged income. While this year's number is slightly under 10%, we are moving toward that goal. Additionally, the Outreach Board determines the recipients of the generous contributions of Plymouth's members and friends at Christmas and Easter; 100% of the money received through those offerings is distributed.
73. Strobel Drop-in Center	\$1,700	\$791	\$1,700	Plymouth's long-standing, wonderful Drop-in program for adults living with challenges occasionally incurs expenses.
74. Camp Knutson	\$3,000	0	\$3,000	Plymouth supports Drop-in participants to attend a week of camp at Camp Knutson.
75. Walk-in hospitality	\$1,000	\$300	\$1,000	Walk-in hospitality includes expense vouchers for transportation services, Target gift cards and other modest supports for those who walk into our church with financial needs.
76. Total Outreach	\$133,520	\$148,941	\$166,050	Total Outreach programs and Benevolence support
Administration				
77. Supplies	\$44,680	\$32,763	\$42,000	Supplies include paper, printing, toner, ink, postage, stationery, etc.
78. Maintenance of furnishings	\$15,600	\$2,800	\$20,000	Maintenance repairs, maintenance equipment, Internet and network support
79. Services	\$133,720	\$97,276	\$122,000	Insurance, telephone, auditing and legal counsel, line of credit interest, data processing, background checks, and on and on and on!

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80. Communications	\$21,000	\$17,565	\$21,000	The Flame, advertising, other communications expenses.
81. Total Administration	\$215,000	\$170,404	\$205,000	Total Administration support expenses
Building				
82. Supplies	\$18,000	\$12,994	\$18,000	Housekeeping and maintenance supplies, uniforms
83. Equipment, furnishings	\$13,000	\$7,822	\$13,000	Furnishings and Equipment
84. Maintenance	\$64,500	\$49,944	\$64,500	HVAC repair, electrical repair, plumbing, roofing maintenance, carpet repair, etc.
85. Services	\$57,200	\$43,184	\$57,000	Trash, security, pest control (yechh), snow removal, fire alarm, etc.
86. Utilities	\$96,300	\$83,491	\$96,000	Fuel gas, water and sewer, electricity. We are expecting some savings in our move to more solar-generated energy.
87. Taxes	\$47,000	\$19,337	\$47,000	Taxes—to the City of Minneapolis
88. Building upgrades	\$170,000	\$90,044	\$170,000	Building improvements and upgrades. While we try to make this line match the 4% draw we take from our endowment (see line 19), this year we are keeping the proposed budget to this past year's amount. We have upgraded our phone system, server and several rooms in the building (including my office—thank you!). Future projects may include a good storage system for all Plymouth's printed music, improvements to the courtyard, a possible memorial garden and other building upgrades and improvements.
89. Other	\$4,000	\$1,607	\$3,000	Odds and ends, licenses and training, etc.
90. Total Building	\$470,000	\$308,423	\$468,500	Total Building costs

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Food Service				
91. Catering charges	\$2,000	\$4,045	\$2,000	Plymouth has the catering services of Chef Jeff, who prepares meals for Wednesday evenings, Sunday noon and special occasions.
92. Soda machine	\$9,400	\$10,646	\$9,400	We have a soda machine (did you know that?) and this line also pays for other miscellaneous food purchases.
93. Food equipment	\$2,600	\$3,595	\$2,600	Kitchen utensils and kitchen equipment repairs
94. Total Food	\$14,000	\$18,286	\$14,000	Total Food expenses
<b>95. TOTAL EXPENSES</b>	<b>\$2,460,000</b>	<b>\$1,943,654</b>	<b>\$2,366,000</b>	<b>Total Annual Operating expenses</b>