

Society of King's Chapel
Budget Meeting
By Zoom
February 4, 2024

AGENDA

1. Welcome and Prayer
2. Affirming 2024 Nominating Committee*
3. 2023 Financial Report
4. Budget for 2024

*The 2024 Nominating Committee.

Three members of the Society have agreed to serve in this critical role: Cathy Price, Christopher La Roche, and Anne Sexton. But there was an oversight at the 2023 Annual Meeting and the Bylaws don't provide the usual remedy, so it seems appropriate to give the Society the opportunity to affirm their selection.

The Bylaws (Article VII,12) provide for the members of the Nominating Committee to be nominated by the Wardens and Vestry and elected by the Society at the Annual Meeting. The Vestry nominated Cathy Price, Chris La Roche, and Anne Sexton, but their names were inadvertently omitted from the vote on June 4, 2023.

The Bylaws (Article IX) give procedures for filling most vacancies in elected positions, but members of the Nominating Committee are not on that list, so that alternate route is not available in this case.

KING'S CHAPEL

TREASURER'S REPORT DECEMBER 2023 (Revised Edition)

Operating Results

Attached is the Society's income statement as of December 31, 2023. The results show year-end income over expenses of \$4,800, which is a great improvement from the deficit of negative \$123,199, reported through November 30, 2023. Despite our Stewardship Campaign falling just short of its goal of \$300,000 (92% of goal), the Campaign finished on a strong note as contributions during the month of December totaled \$98,761. This outpouring of support in December demonstrates just how much King's Chapel means to so many.

In addition to the \$300,000 in income distributed to the Society annually by the Trustees from unrestricted trust funds, Annual Appeal contributed \$277,165 to the budget. The Society took into income the second half of the second Paycheck Protection Program (PPP) loan that amounted to \$67,775. In addition, we received \$9,019 more than budgeted to receive from the Price Fund and \$23,003 more than budgeted from our donor restricted income funds. Other categories of income fell short of what was budgeted. These categories included rental income, visitor program income, and other miscellaneous transfers.

Of the Society's annual expenses, salaries, payroll taxes, and benefits account for nearly 72% of those expenses. Some \$28,726 less than budgeted was expended during 2023 for salaries and benefits as \$889,516 was budgeted and \$860,790 was expended. The Society spent \$24,836 less than had been budgeted for building repairs and maintenance. In addition, nearly \$6,000 less than budgeted was spent for general and administrative expense. Other categories such as insurance, advertising and outreach, and equipment and furnishings were very close to the sums budgeted.

At the end of the period, the bank accounts under the control of King's Chapel had a collective balance of \$431,297 as shown in the attached balance sheet, of which \$296,632 was unrestricted. These checking accounts contain funds temporarily restricted as follows:

Minister's Discretionary Fund (xx2610)	\$43,504
Concert Series (xx1201)	\$91,161

Trust and Reserve Funds

As reported on the attached balance sheet, the Society of King's Chapel is the owner of two funds managed by Fiduciary Trust having a market value at the end of the period as follows:

King's Chapel Christensen Endowment (xx6400)	\$301,890
King's Chapel Society General Reserve (xx5400)	\$683,898

In addition, the Society of King's Chapel is the beneficial owner of certain funds held by the Trustees and managed by Fiduciary Trust for the benefit of the Society: the King's Chapel General Pooled Fund, the Lyman Fund and the Organ Fund. As of the end of the period, these three funds had market values respectively of \$35,629,304, \$190,762, and \$115,655.

Respectfully submitted,

Cliff Allen, Treasurer
January 25, 2024

The Society of King's Chapel

Budget vs. Actuals: FY23 P&L

January - December, 2023

	Dec-23		Total	
	Actual	Budget	Actual	Budget
Income				
4010 Unrestricted Income			0.00	0.00
4011 KC Trust Fund Revenue	25,000.00	25,000.00	300,000.00	300,000.00
4012 Price Fund (Fidelity)	89,018.78	6,666.67	89,018.78	80,000.00
Total 4010 Unrestricted Income	\$ 114,018.78	\$ 31,666.67	\$ 389,018.78	\$ 380,000.00
4100 Donor Restrict Income - Trustee				
4101 Perry Fund - Minister Salary		2,083.34	28,684.82	25,000.00
4102 Mary Scott Fund-Weekday service		2,666.66	35,083.03	32,000.00
4103 Nichols Flower Fund		125.00	1,549.34	1,500.00
4104 Maryann Appley -Sunday Flower		37.50	615.95	450.00
4105 Pinkham Music Fund-Sunday music		1,250.00	16,757.76	15,000.00
4112 Benevolent Fund Community Act.		482.91	6,446.77	5,795.00
Total 4100 Donor Restrict Income - Trustee	\$ 0.00	\$ 6,645.41	\$ 89,137.67	\$ 79,745.00
4200 Other Donor Restr Funds				
4204 Nichols Chapel-Fiduciary Trust		4,166.66	63,562.75	50,000.00
4206 Christensen Music Endowment		944.41	11,380.00	11,333.00
Total 4200 Other Donor Restr Funds	\$ 0.00	\$ 5,111.07	\$ 74,942.75	\$ 61,333.00
4400 Contributions				
4401 Annual Appeal	98,760.86	25,000.00	277,164.98	300,000.00
4402 Plate Collections	864.90	1,666.91	16,187.54	20,003.00
4403 CAC plate collection percentage	96.10	185.25	1,798.63	2,223.00
4405 Decor/ Flowers/ Chancel Income		250.00	3,055.79	3,000.00
4406 Contributions - Other.			5,086.69	
Total 4400 Contributions	\$ 99,721.86	\$ 27,102.16	\$ 303,293.63	\$ 325,226.00
4700 Other Income				
4710 Event and Program Income		1,250.00	16,165.00	15,000.00
4720 Rental Income				
4721 Minister Housing (non-cash)	6,121.62	6,453.16	72,666.64	77,438.00
4722 Rental Income	360.00	1,333.34	6,100.00	16,000.00
Total 4720 Rental Income	\$ 6,481.62	\$ 7,786.50	\$ 78,766.64	\$ 93,438.00
4730 Visitor Sales Income		1,520.00	22,024.44	18,240.00
4731 Visitor Donations	500.00		15,424.00	
4732 Visitor Tour Income	203.20	11,813.34	114,768.08	141,760.00
4733 Other Program Income	50.68		2,850.68	
4762 Transfer from Unr Res Memorial Project				
4770 Partner Church Trip	-1,090.80		15,009.20	
4799 Other Income	0.75		10.57	
Total 4700 Other Income	\$ 6,145.45	\$ 22,369.84	\$ 265,018.61	\$ 268,438.00
4800 Transfers from Reserves				
4801 Transfer for Deferred Maintenance		2,500.00		30,000.00

4804 Transfer for 63 Beacon Fire Items								
Total 4800 Transfers from Reserves	\$	0.00	\$	2,500.00	\$	0.00	\$	30,000.00
4900 Other Transfers								
4901 Concert Series Reimbursement			1,250.00		7,615.22			15,000.00
4902 PPP Proceeds			5,650.00		67,775.30			67,800.00
4903 2022 Surplus Balance		906.50	906.50		10,878.00			10,878.00
Total 4900 Other Transfers	\$	906.50	\$	7,806.50	\$	86,268.52	\$	93,678.00
Total Income	\$	220,792.59	\$	103,201.65	\$	1,207,679.96	\$	1,238,420.00
Gross Profit	\$	220,792.59	\$	103,201.65	\$	1,207,679.96	\$	1,238,420.00
Expenses								
6000 Salaries and Benefits								
6010 Ministerial Salaries								
6011 Minister Salaries		9,418.40	9,184.75		100,419.25			110,217.05
6012 In lieu of FICA		380.66	736.81		4,930.46			8,841.61
6013 Minister Housing		6,121.62	6,453.12		72,666.64			77,437.50
6014 Minister Benefits		6,163.49	4,262.92		65,573.77			51,154.98
Total 6010 Ministerial Salaries	\$	22,084.17	\$	20,637.60	\$	243,590.12	\$	247,651.14
6020 Salaries - Other								
6021 Salaries		31,903.12	42,408.66		508,908.34			508,903.90
6022 Payroll Taxes		2,844.50	3,402.02		42,879.62			40,824.27
6023 Employee Benefits		6,168.60	7,678.07		71,078.81			92,136.76
6026 Other Benefits					1,000.00			
Total 6020 Salaries - Other	\$	40,916.22	\$	53,488.75	\$	623,866.77	\$	641,864.93
Total 6000 Salaries and Benefits	\$	63,000.39	\$	74,126.35	\$	867,456.89	\$	889,516.07
6100 Professional Fees								
6101 Guest Ministers/Speakers			150.00		5,525.00			1,800.00
6102 Music- includes 1099 choir		598.00	1,250.00		6,691.00			15,000.00
6105 Technology					1,856.29			
6190 Memorial Project Fees								
6199 Other Professional Fees		864.28	1,570.00		29,117.01			18,840.00
Total 6100 Professional Fees	\$	1,462.28	\$	2,970.00	\$	43,189.30	\$	35,640.00
6200 General & Administrative Exp								
6201 Senior Minister Prof. Expenses		375.00	416.66		2,748.72			5,000.00
6202 Asst. Minister Prof. Expense		13.99	283.34		1,705.42			3,400.00
6203 Service Contracts		-4,306.49	1,333.34		12,356.99			16,000.00
6204 Professional Development			291.66		1,327.24			3,500.00
6205 Organizational & Membership Fee			291.66		2,235.00			3,500.00
6206 Food & Function Expense		257.86	166.66		2,424.44			2,000.00
6207 Office Supplies		1,290.54	1,166.66		18,359.79			14,000.00
6208 Music		380.94	91.66		1,052.88			1,100.00
6209 Postage and Delivery		2,363.26	333.34		4,703.29			4,000.00
6210 Printing and Copying			166.66		1,230.30			2,000.00
6212 Bank Fees		192.40	166.66		1,220.72			2,000.00
6213 Payroll Fees		349.20	275.00		4,994.48			3,300.00
6214 COGS- Cost of goods sold			760.00		11,326.43			9,120.00
6217 Program Expenses		392.29	800.00		6,071.31			9,600.00
6220 Livestream and Ticketing Fees		255.74	100.00		1,970.19			1,200.00

Total 6200 General & Administrative Exp	\$ 1,564.73	\$ 6,643.30	\$ 73,727.20	\$ 79,720.00
6300 Insurance Expense				
6302 Workers Compensation		666.66	9,553.00	8,000.00
Total 6300 Insurance Expense	\$ 0.00	\$ 666.66	\$ 9,553.00	\$ 8,000.00
6400 Advertising and Outreach				
6401 Advertising and Marketing	2,324.85	291.66	6,614.81	3,500.00
6402 Signage		333.34	1,823.48	4,000.00
Total 6400 Advertising and Outreach	\$ 2,324.85	\$ 625.00	\$ 8,438.29	\$ 7,500.00
6500 Equipment and Furnishings				
6501 Equipment & Software (< \$1,500)		375.00	3,561.95	4,500.00
6502 Furnishings (<1,500)		83.34	54.99	1,000.00
6503 Equipment Rental	351.30		351.30	
6504 Equipment Repairs	1,982.66	208.34	4,249.48	2,500.00
6599 Equipment and Furnishings - Other.		250.00		3,000.00
Total 6500 Equipment and Furnishings	\$ 2,333.96	\$ 916.68	\$ 8,217.72	\$ 11,000.00
6600 Building Repairs & Maintenance				
6602 Maintenance & repair	1,757.83	3,333.34	37,565.33	40,000.00
6603 Utilities Steam/Gas	3,830.23	4,795.00	44,552.53	57,540.00
6605 Electricity		1,770.84	12,558.37	21,250.00
6606 Water & Sewer		572.91	3,692.27	6,875.00
6607 Trash removal	210.00	175.00	2,418.90	2,100.00
6608 Custodial	1,730.00	833.34	14,486.92	10,000.00
6609 Telephone/Internet Expense	709.30	620.00	11,393.84	7,440.00
6610 Security	650.00	25.00	1,471.48	300.00
6611 Chancel & decorating supplies	2,035.47	500.00	6,134.36	6,000.00
6612 Deferred maintenance		2,500.00		30,000.00
6613 Building & Ground Service Contracts	9,466.80	1,460.00	39,914.77	17,520.00
6614 63 Beacon Fire Expenses				
Total 6600 Building Repairs & Maintenance	\$ 20,389.63	\$ 16,585.43	\$ 174,188.77	\$ 199,025.00
6700 Restricted Income Expense				
6705 Partner Church Trip	1,717.60		14,594.02	
6710 Community Action		482.91	3,445.24	5,795.00
6720 CAC plate percentage expenses		185.25	69.75	2,223.00
Total 6700 Restricted Income Expense	\$ 1,717.60	\$ 668.16	\$ 18,109.01	\$ 8,018.00
Total Expenses	\$ 92,793.44	\$ 103,201.58	\$ 1,202,880.18	\$ 1,238,419.07
Net Operating Income	\$ 127,999.15	\$ 0.07	\$ 4,799.78	\$ 0.93

Balance Sheet

As of December 31, 2023

	Total
ASSETS	
Current Assets	
Bank Accounts	
1000 Cambridge Trust Operating- 4101	133,594.48
1001 Cambridge Trust Visitors- 6701	88,513.80
1002 Cambridge Trust Debit- 8900	1,211.58
1003 Cambridge Trust Min. Disc- 2610	43,504.25
1004 Payroll Account	0.00
1005 Cambridge Trust Con.series-1201	91,160.95
1006 Cambridge Trust - 3457	0.00
1007 Cambridge Trust Checking - 8562	89,811.44
1072 Bill.com Money Out Clearing	0.00
Total Bank Accounts	\$ 447,796.50
Other Current Assets	
12000 Undeposited Funds	0.00
13000 Fiduciary Trust	
13100 FT - Christenson Endowment	301,890.41
13200 FT - Soc.Gen.Reserve	683,897.58
Total 13000 Fiduciary Trust	\$ 985,787.99
16000 Loan to Chelsea Millsap	200.00
Total Other Current Assets	\$ 985,987.99
Total Current Assets	\$ 1,433,784.49
TOTAL ASSETS	\$ 1,433,784.49
LIABILITIES AND EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
20000 Accounts Payable	0.00
Total Accounts Payable	\$ 0.00
Other Current Liabilities	
2200 Health Insurance Share	1,752.58
2300 401K Employee Share	1,054.93
2400 Payroll Liabilities - ER	0.00
25500 Sales Tax Payable	-0.01
25501 Sales Tax Payable (Refunds)	0.00
Total Other Current Liabilities	\$ 2,807.50
Total Current Liabilities	\$ 2,807.50
Total Liabilities	\$ 2,807.50
Equity	
30000 Opening Balance Equity	360,150.12
31600 FT(restrict.)-Christ.Endowment	301,890.41
32000 Unrestricted Net Assets	141,254.36
32100 FT(unrestrict.)-Soc.Gen.Reserve	683,897.58
Net Income	-56,215.48
Total Equity	\$ 1,430,976.99
TOTAL LIABILITIES AND EQUITY	\$ 1,433,784.49

Notes on Proposed 2024 Budget

We propose a balanced budget, made possible in part by careful management of operating expenses in 2023. In general, the budget follows past patterns and meets the committees' requests for their programs. As always, our biggest expense is personnel (more than 70% of 2024 budget) and the second is Buildings and Grounds.

Noteworthy items specific to 2024 are these:

1. Investment in communications: a part-time staff person to focus on outreach, and a consultant to upgrade the website.
2. Two initiatives requested by the Environment Committee to assess energy use in our buildings, a necessary step towards transitioning from fossil fuels.
3. Investment in current full-time staff: salary adjustments to reflect increased cost of living.
4. Revised, simpler history program, estimated to produce modest net income.
5. Some reductions in staff: verger, administrative support, and reducing sexton to 30 hours.
6. Investment income, budgeted as for 2023.
7. Stewardship income of \$260,000.
8. Employee Retention Tax Credit (ERC) (federal pandemic funds) providing income of \$127,558.63.

We present the budget in two forms: a summary, and in detail. Cliff and Cheryl are striving to make the financial reports easier to understand. The summary collects related items into larger categories, and it reports only those items that affect the bottom line and guide our discretionary spending. The second version of the budget, in the usual format, includes income from trusts for restricted use and other detail. Thus the summary budget reports total income and expense of \$1,073,359 while the comparable figure in the detailed report is \$1,201,797.

The budget has been developed in discussion with the Vestry and the entire leadership team: our Treasurer, Cliff Allen; our Director of Administration and Finance, Cheryl Sullivan; our clergy, the Reverends Joy Fallon and Sam Holland; our Chair of Parish Council, Michael Bergeron; and the Wardens, Betsy Peterson and Stephen Courtney.

The Society of King's Chapel
Summary Budget for 2024
February 1, 2024

Income	
Total Investment Income:	525,000
Total Stewardship Collections	260,000
Total Plate Collections	18,000
Total Event Income	22,000
Total History Program Income	120,800
Total Other Income (ERC)	127,559
Total Income	1,073,359

Expenses

Staff Costs

Ministerial Salaries & Benefits	203,019
Non Minister Salaries & Benefits	571,005
Guest Ministers/Speakers	10,000
Music- includes choir	10,000
Other Professional Fees	14,000
Ministers' Professional Expenses	8,400
Professional Development	3,200
Total Staff Costs	819,624

Administrative Expense

Service Contracts	12,000
Organizational & Membership Fee	2,235
Food & Function Expense	2,000
Office Supplies	20,000
Music	650
Postage and Delivery	4,000
Bank & Payroll Fees	6,000
Program Expenses	24,150
Livestreaming & Ticketing Fees	1,200
Workers Compensation	8,000
Advertising and Marketing	10,200
Signage	3,500
Equipment Repairs	4,000
Total Administration	97,935

Building Repairs & Maintenance

Maintenance & repair	40,000
Utilities Steam/Gas	50,000
Electricity	14,000
Water & Sewer	5,000
Trash removal	2,500
Custodial	10,000
Telephone/Internet Expense	11,500
Security	300
Building & Ground Service Contracts	22,500
Total Building Repairs & Maintenance	155,800

Total Expenses	1,073,359
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Net Operating Income	-
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**The Society of King's Chapel
2024 Proposed Budget Detail
February 1, 2024**

Income

4010 Unrestricted Income	-
4011 KC Trust Fund Revenue	300,000
4012 Price Fund (Fidelity)	80,000
Total 4010 Unrestricted Income	380,000
4100 Donor Restrict Income - Trustee	
4101 Perry Fund - Minister Salary	25,000
4102 Mary Scott Fund-Weekday service	32,000
4103 Nichols Flower Fund	1,500
4104 Maryann Appley -Sunday Flower	500
4105 Pinkham Music Fund-Sunday music	15,000
4112 Benevolent Fund Community Act.	6,000
Total 4100 Donor Restrict Income - Trustee	80,000
4200 Other Donor Restr Funds	
4204 Nichols Chapel-Fiduciary Trust	55,000
4206 Christensen Music Endowment	10,000
Total 4200 Other Donor Restr Funds	65,000
4400 Contributions	
4401 Annual Appeal	260,000
4402 Plate Collections	16,200
4403 CAC plate collection percentage	1,800
4405 Decor/ Flowers/ Chancel Income	6,000
4406 Contributions - Other.	
Total 4400 Contributions	284,000
4700 Other Income	
4710 Event and Program Income	17,000
4720 Rental Income	
4721 Minister Housing (non-cash)	77,438
4722 Rental Income	5,000
Total 4720 Rental Income	82,438
4730 Visitor Sales Income	18,500
4731 Visitor Donations	12,000
4732 Visitor Tour Income	87,500
4733 Other Program Income	2,800
4762 Transfer from Unr Res Memorial Project	
4770 Partner Church Trip	
4799 Other Income	
Total 4700 Other Income	220,238

4800 Transfers from Reserves	
4801 Transfer for Deferred Maintenance	30,000
4804 Transfer for 63 Beacon Fire Items	
Total 4800 Transfers from Reserves	<u>30,000</u>
4900 Other Transfers	
4901 Concert Series Reimbursement	15,000
4902 ERC	127,559
Total 4900 Other Transfers	<u>142,559</u>
Total Income	<u>1,201,797</u>
Gross Profit	<u>1,201,797</u>
Expenses	
6000 Salaries and Benefits	
6010 Ministerial Salaries	
6011 Minister Salaries	122,840
6012 In lieu of FICA	15,358
6013 Minister Housing	77,438
6014 Minister Benefits	64,821
Total 6010 Ministerial Salaries	<u>280,457</u>
6020 Salaries - Other	
6021 Salaries	446,515
6022 Payroll Taxes	35,721
6023 Employee Benefits	88,769
6026 Other Benefits	
Total 6020 Salaries - Other	<u>571,005</u>
Total 6000 Salaries and Benefits	<u>851,462</u>
6100 Professional Fees	
6101 Guest Ministers/Speakers	10,000
6102 Music- includes 1099 choir	10,000
6105 Technology	
6190 Memorial Project Fees	
6199 Other Professional Fees	14,000
Total 6100 Professional Fees	<u>34,000</u>
6200 General & Administrative Exp	
6201 Senior Minister Prof. Expenses	5,000
6202 Asst. Minister Prof. Expense	3,400
6203 Service Contracts	12,000
6204 Professional Development	3,200
6205 Organizational & Membership Fee	2,235
6206 Food & Function Expense	2,000
6207 Office Supplies	18,000
6208 Music	650
6209 Postage and Delivery	4,000

6210 Printing and Copying	2,000
6212 Bank Fees	2,500
6213 Payroll Fees	3,500
6214 COGS- Cost of goods sold	8,200
6217 Program Expenses	24,150
6220 Livestream and Ticketing Fees	1,200
Total 6200 General & Administrative Exp	92,035
6300 Insurance Expense	
6302 Workers Compensation	8,000
Total 6300 Insurance Expense	8,000
6400 Advertising and Outreach	
6401 Advertising and Marketing	10,200
6402 Signage	3,500
Total 6400 Advertising and Outreach	13,700
6500 Equipment and Furnishings	
6501 Equipment & Software (< \$1,500)	
6502 Furnishings (<1,500)	
6503 Equipment Rental	
6504 Equipment Repairs	4,000
6599 Equipment and Furnishings - Other.	-
Total 6500 Equipment and Furnishings	4,000
6600 Building Repairs & Maintenance	
6602 Maintenance & repair	40,000
6603 Utilities Steam/Gas	50,000
6605 Electricity	14,000
6606 Water & Sewer	5,000
6607 Trash removal	2,500
6608 Custodial	10,000
6609 Telephone/Internet Expense	11,500
6610 Security	300
6611 Chancel & decorating supplies	6,000
6612 Deferred maintenance	30,000
6613 Building & Ground Service Contracts	22,500
Total 6600 Building Repairs & Maintenance	191,800
6700 Restricted Income Expense	
6705 Partner Church Trip	
6710 Community Action	5,000
6720 CAC plate percentage expenses	1,800
Total 6700 Restricted Income Expense	6,800
Total Expenses	1,201,797
Net Operating Income	(0)