

# 2024 Approved Budget Process

The 2024 budget was approved during the January 16, 2024 Vestry meeting. Below is a detailed description of the changes made to the preliminary budget to get the deficit down to \$405.

1. The Expected revenue for 2024 increased by \$14,500 since the time the annual report was printed. One additional pledge came in at \$2,500 and the Finance Committee increased the “Non-Pledge-Trend” estimate by \$12,000. This reduced the deficit from **\$88,086** to **\$73,586**. The timeline of the operational fund to be depleted at this deficit level is itemized below.
  - The operating fund reserve in the main checking account is a \$37,940, and would be at zero in June 2024.
  - The normal reserve in the Vanguard account is \$34,075, and would be at zero in December 2024.
  - The contingency reserve in the Vanguard account is \$40,000, and would be at zero in June 2025.
2. A temporary hiring freeze was implemented. A Christian Education Director and Choir Director are essential components for the growth of St. Gregory the Great Episcopal Church (SGGEC). This reduced the budgeted expenses by approximately **\$41,450**. These will be restored when additional revenue is available. Hiring a lay Christian education director instead of an ordained Christian education director reduces the budgeted expenses by approximately **\$5,788**.
3. A temporary hiring freeze was implemented for all current employees. This reduced the budgeted expenses by approximately **\$6,293**. A 3% cost of living wage increase will be restored retroactively to January 1, 2024 when additional revenue is available.
4. The total savings for 2 and 3 is **\$53,531**. This reduces the deficit to **\$19,988**.
5. Parish program line items marked with an asterisk (\*) were reduced from the requested amount to get the 2024 budget as close to a balanced as possible. The cuts totaled **\$19,650**. This reduced the deficit to **\$405**.
  - Local Outreach has \$655 in their designated fund and historically have received about \$2,000 per year in designated gifts.

- Christian Education has \$5,930 in their designated fund and historically have received about \$1,900 per year in designated gifts.
  - Music has \$4,738 in their designated fund and historically received about \$1,650 per year in their designated gifts.
6. Additional revenue needed to restore budgeted expenses to the requested levels is \$67,731.
- Restore a 3% cost of living increase to current employees: \$6,293
  - Hire lay Christian education director and choir director: \$41,450
  - Restore parish programs to requested level: \$19,988
7. The Vestry will decide the priority of what items will get restored first as additional revenue is received. The Finance Committee will advise the Vestry on the restoration process.

### **Treasurer's Comment**

Using designated funds to balance the budget is only a stop gap solution. Using designated funds to balance the budget long term will lead to one of two results.

1. The designated funds will get depleted.
2. People will reduce their giving to the operating fund and increase their giving to designated funds. This will reduce the available funds for yearly budgets, and additional cuts will be necessary. These cuts will most likely come from parish programs that have higher designated fund balances. This will result in a vicious unending cycle.

## Revenues

001751 - LOOSE PLATE OFFERINGS	\$4,200
001752 - Current Pledge	\$368,294
001753 - NON PLEDGE TREND	\$39,000
001760 - OTHER	\$720
02762A - Building Use	\$2,700
<b>Total Revenues</b>	<b>\$414,914</b>

## Expenses

<b>OUTREACH</b>		
001864 - DIOCESAN PROGRAM		\$44,793
001866 - LOCAL OUTREACH *		\$10,000
001867 - RECTOR'S DISC. FUND		\$500
01865A - Deacon - Continuing Education		\$1,000
01865B - Deacon - Travel & Professional exp		\$1,000
01866B - Priest Discernment		\$500
<b>Total OUTREACH</b>		<b>\$57,793</b>
<b>PARISH PROGRAMS</b>		
001868 - CHRISTIAN EDUCATION *		\$0
001871 - STEWARDSHIP		\$280
001872 - WELCOMING		\$100
001873 - WORSHIP		\$250
001874 - MUSIC *		\$4,500
001875 - ACOLYTES		\$0
001876 - ALTAR GUILD		\$1,200
001877 - PARISH LIFE		\$2,000
001878 - Pastoral Care		\$200
001879 - VESTRY RETREATS/DIOCESAN		\$250
01868A - YOUTH GROUPS *		\$1,000
01868E - Chr. Ed. Dir. Cont. Ed.		\$0
01873B - Adult Christian Ed.		\$500
01874B - ORGANIST CONTINUING EDUC.		\$1,750
01878C - Library		\$200
01878D - COMMUNICATIONS/PUBS *		\$0
01878E - Nursery		\$585
Blindspot *		\$500
<b>Total PARISH PROGRAMS</b>		<b>\$13,315</b>
<b>CLERGY</b>		
001881 - Clergy Salary (no 3% COLA)		\$64,716
001882 - HOUSING ALLOWANCE (no 3% COLA)		\$25,000
001883 - PENSION/CLERGY (no 3% COLA)		\$16,149
001884 - INSURANCE/CLERGY		\$40,260
001885 - CLERGY CONTINUING EDUC		\$1,000
001886 - SUPPLY CLERGY		\$2,700
08881B - Deacon Stipend (no 3% Cola)		\$600
008831 - Sabbatical Expenses		\$750
01885A - CLERGY TRAVEL & PROF EXP		\$3,000
01885B - CLERGY MOBILE PHONE		\$672
<b>Total CLERGY</b>		<b>\$154,847</b>

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<b>ADMINISTRATIVE</b>	
001887 - SALARY/ALL LAY EMPLOYE (no 3% COLA) *	\$92,728
001888 - FICA EMPLOYER (no 3% COLA) *	\$7,186
001889 - Parish Administrator Pension (no 3% COLA)	\$2,289
001890 - SERVICE CONTRACTS	\$24,000
001891 - OFFICE SUPPLIES	\$3,000
001892 - POSTAGE	\$600
001893 - TELEPHONE	\$4,044
001894 - MISCELLANEOUS ADMIN.	\$1,320
01887G - SUPPLY ORGANIST	\$1,050
01888A - WORKERS COMP INSURANCE	\$1,200
01888B - Commercial Insurance	\$9,025
01889A - PA RETREAT/DUES/WORKSHOP	\$0
01889B - Parish Admin. Health Insurance	\$624
01889D - CHRISTIAN ED DIR PENSION *	\$0
01889E - ORGANIST PENSION (no 3% COLA)	\$1,741
01889G - Annual Council	\$1,000
01894A - Audit Expenses	\$4,000
Endowment Committee	\$750
<b>Total ADMINISTRATIVE</b>	<b>\$154,557</b>
<b>BUILDING AND GROUNDS</b>	
001895 - UTILITIES	\$17,000
001897 - DEBT SERVICE	\$2,007
001898 - BUILDING MAINTENANCE	\$11,000
01898A - GROUNDS MAINTENANCE	\$1,300
01899B - Capital replacement	\$3,500
<b>Total BUILDING AND GROUNDS</b>	<b>\$34,807</b>

**Total Expenses** **\$415,319**

**Net Total** **(405)**