

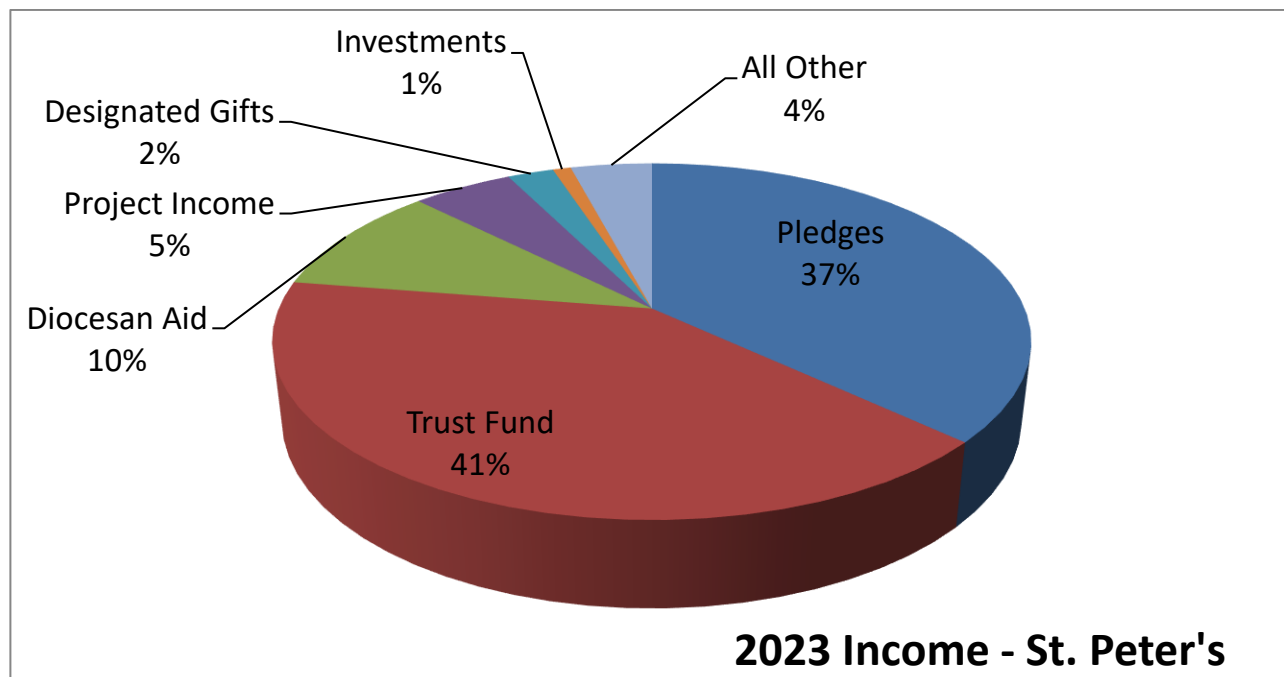
Budget Narrative

St. Peter's Episcopal Church

2023

2023 St. Peter's Episcopal Church

Income



Designated Gifts - \$2,548 - 2.4%

Items in this section include the Rector's Discretionary Fund, Gifts to the Labyrinth Fund, and Gifts to the Seminarian Fund, Other Diocesan Outreach, and Other Local Outreach

The loose plate offering on the First Sunday of the month is designated to go to the Rector's Discretionary Fund. This is a mandate in our church canons that one offering per month be used to supply this fund. When the Bishop makes her annual visitation, there is a special offering given, that is used for the Bishop's Discretionary Fund.

It is also the hope that we will be more conscientious of church-wide special offerings (UTO) and local needs in the coming year.

Specific line items and their budgets:

Vicar's Discretionary Fund - \$624

Labyrinth Gifts - \$884

Seminarian Aid - \$1,040

Diocesan Aid - \$10,800 – 10.0%

This amount continues on its steady decline, with 2023 being 12.5% less than 2022. The diocese has made a decision that Direct Cash Aid to congregations will be phased out at some point in the future and that funds are available to all congregations through the Mission Strategy Grant process for new and innovative ministries that align with the five pillars of the diocese.

Flowers - \$0 - 0.0%

We will continue the practice of having live plants at the altar during 2023. We will collect special funds at Easter for the lilies and at Christmas for the poinsettias. If families are interested in sponsoring flowers in the sanctuary, please let Fr. Christopher know.

Investment Income - \$1,000 – 0.9%

We hold approximately \$40,000 in investments at the Diocesan Office in certain funds. We expect them to generate a modest amount of income for 2023. The amount is in line with prior years. We have remained conservative in our planning due to current market instability and recent corrections since the end of 2022Q2.

Memorials/Donations - \$0 – 0.0%

This amount has been reduced to \$0 for 2023.

Plate - \$1,400 – 1.3%

In 2023, we would encourage this amount to be small and primarily come from those visiting our church. As mentioned above, the loose plate on the first Sunday of each month will go to the Vicar's Discretionary Fund, all other week's loose plate will be placed in this line item. Those that routinely give a small amount of cash are encouraged to fill out a pledge card so they may receive proper credit. We will be working at purchasing giving envelopes that anyone can use to place their offering in and to help ensure proper credit.

Pledge - \$40,000 – 36.9%

It is no doubt that since the pandemic, people as a whole have evaluated their giving to organizations. Couple that with rising inflation and often charitable contributions are one item that fall out of most people's budgets.

We are extremely thankful for those that have given in the past and have continued to give to St. Peter's to make this a place for all God's creatures. Your continued support through time, talent and treasure is humbling.

St. Teresa of Calcutta when asked how much to give, responded simply, "Give until it hurts." For different people that will mean different things, but if we are not giving the first fruits of our labors to God, chances are we are giving much less than we are capable of giving. I remember when I was a student at Ball State, and I earned \$4.25 per hour and worked 10 hours per week. Even as a poor college student, I still gave \$4 to the church I attended, sometimes, I was able to give \$5 or \$10, but always held to at least \$4. It is a model that I have tried to maintain in my current life. The Bishop tells each of us clergy, if we are not giving at 10%, start at 1% and increase it 1% each year until you are there. I invite us to do the same.

Another way is to attract new members to our church and hope that they would bless us with their gifts as well. Each of us can invite one person per month. St. Luke's, Cannelton, IN was a parish in our diocese that closed in 2012. A few members continued to meet regularly (2-3 times per week) for prayer, Bible Study, and fellowship. After the pandemic, the 10 or so members decided they were going to be intentional, and each person committed to inviting one new person per month to church. Today, that church is now 60 strong and has applied to become a mission of the diocese.

Our goal is \$40,000 for 2023. This represents no increase over 2022 levels.

Project Income - \$5,540 – 5.1%

This line item contains monies collected from our various fundraisers and projects. We have tried to align the projected amounts to be more in line with historical revenue for these events.

For 2023, we are budgeting \$5,540 in Project Income.

Specific line items and their budgets:

- Kroger Community Rewards - \$100
- Italian Night - \$700
- Apiary/Harvest House - \$905
- Back to the 50s (2 days) - \$2,420
- Oktoberfest - \$1,265
- Goodsearch/AmazonSmile - \$150

Reimbursed Expenses - \$1,800 – 1.7%

This line item is primarily receipts of expenses that were paid by someone, the church issued them a reimbursement check and they chose to give all or a portion of that check back to the church for credit on their giving statement.

Rent - \$690 – 0.6%

This line item recognizes revenue that is received from AA and other groups that use our facilities. Use of the facilities by church members are never charged a rental fee, but may be charged a cleaning fee. Final details are in the Building Usage and Agreements Policy which was last revised during 2015.

We are projecting \$690 in revenue for this line item.

Special Offering - \$600 – 0.6%

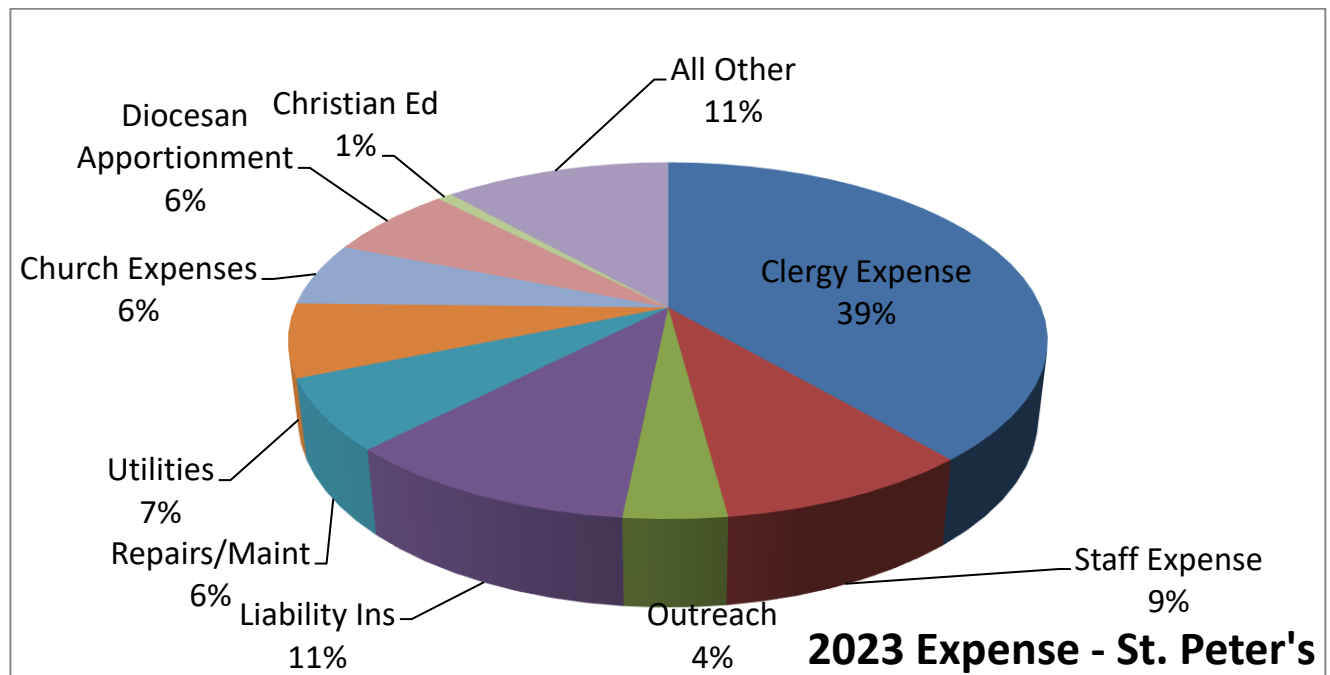
Anything not covered in Designated Gifts goes here.

Trust Fund - \$44,033 – 40.6%

Our current budget assumes that we will exhaust our Trust Fund in 2023. The more we exceed our targets in other areas of income will allow us to not draw against this money and move us towards a greater presence by clergy for St. Peter's. Our estimated draw in 2023 is about \$44,033.

→ Total Income - \$108,411

Expenses



Altar Supplies- \$350

Items used in the service and sanctuary are recorded here. These items include the bread and wine used in the service, candles and oil from Dayton Church Supply, Pentecost Balloons. No significant change has been made from last year.

Specific line items and their budgets:

Dayton Church Supply - \$193
Other - \$157

Apiary - \$3,500

Our apiary at St. Peter's is a new ministry that began in 2015 and we began to see the first honey this past year. We have hosted numerous tours of the bee corral, we have attended bee schools and queen rearing schools as well. Our apiary team is asked to write articles for statewide publications, give talks to other beekeepers and work each year at the Indiana State Fair. This exposure is invaluable to the growth and future success at St. Peter's.

Grant income will likely offset this expense line item.

Specific line items and their budgets:

Hive Supplies - \$350
Garden Products/Supplies - \$3,150

Bulletins/Newsletters - \$364

Our weekly bulletin inserts, paper for printing the announcements sheets each week, and paper and postage for the parish newsletter, *For Pete's Sake* are included in these line items. Also, we budget for the Forward Movement Day by Day booklets that are available to parishioners free of charge every three months.

Specific line items and their budgets:

Postage - \$147
Bulletin Inserts - \$105
Forward Movement (Day by Day) - \$72
Paper - \$40

Business Office Supplies - \$994

Main items budgeted here are:

- Printer Ink (\$480) – Current usage dictates a new set of cartridges every quarter. We utilize sale pricing and cash back to keep costs down.
- Batteries (\$60) – We are due to replace the batteries for the window candles, batteries for the weather station, wireless mouse, etc. (\$60 per year). The vicar is requesting a set of rechargeable batteries for the wireless mouse and keyboard in the vicar’s office.
- Paper for copier and vicar’s printer (1 case of paper = 10 reams = 5000 sheets) (\$40)
- TechSoup – annual subscription of \$99 allows us to use many computer software programs at no cost.
- ZOOM – video conference monthly costs of \$15 per month - \$210 annually
- Office Supplies/Equipment – file folders, pens, markers, cardstock, small office equipment for use by the Vicar or Sunday School teachers – (\$105)

Christian Education - \$825

As we continue to discern formation and youth group at St. Peter’s, this is a general allocation.

Clergy Conference - \$250

This line item reflects a requirement of the Diocese to fund *at a minimum* the amount related to Spring Clergy Conference held in March at Waycross (3 days, 2 nights) – includes lodging and mileage, and materials.

Clergy Continuing Education - \$500

This line item is also a requirement of the Diocese for clergy and is a *minimum* amount. This provides money for classes, conferences, workshops, online seminars, etc. related to the 36 hour per year continuing education requirement.

Clergy Pension - \$6,290.74

This line item is calculated by taking the Clergy Salary and Housing Allowance (for 2023 - \$32,465.04) and adding the SECA component (7.65% of Salary and Housing or \$2,483.52) that is reimbursable to clergy by the church due to IRS regulations of clergy being classified as self-employed. Pension payments to the Church Pension Group are made monthly (in advance) and are 18% of the Salary+Housing+SECA amounts. For 2023, this amount represents \$6,290.74.

Clergy Salary, Housing, SECA - \$34,949

This amount represents a 3% increase over last year which is the Diocesan recommendation. The Personnel, Policy and Compensation Committee for the Diocese recommends in compensating clergy congregations should consider years of service as an Episcopal priest or in a prior professional position. This committee recommends adding \$500/year to the minimum salary amount per year of service/experience up to 20 years. Each congregation is encouraged to

evaluate cost of living in its own community and make upward adjustments as necessary. Amounts below diocesan minimums must have diocesan approval.

The budget for 2023, assumes diocesan minimums for a half-time priest and a slight adjustment for 8.5 years of service. Current diocesan minimum for a half-time priest (without years of service adjustments) is \$34,232.50. St. Peter's is about \$700 above this minimum.

Convention Expense - \$500

Convention will be held 10-11 November 2023. The location is to be determined. When the convention has been outside of the Indy Metro area, costs for lodging and meals has averaged around \$1,000.

Designated Gifts - \$1,924

The amounts here should match the amounts received in the Designated Gifts income section, with the exception of the Rector's Discretionary Fund which has its own expense category for transparency and audit purposes.

Diocesan Apportionment - \$7,136

Amount is calculated based on three-year Net Operating Income Average of the parish. Each parish is then calculated "their fair share" of certain diocesan expenses based on their income. For 2023, our annual rate will go down \$837 for the year.

Discretionary Fund - \$624

Amount transferred to the Vicar's Discretionary Fund each month. These amounts equal the amount received in the Income section.

Evangelism/Outreach - \$4,000

These line items relate to our mission and what we are called to do in the world. It also includes expenses related to opening our doors and meeting our neighbor where we might find them.

Items budgeted for are:

- Summer Sack Lunches - \$250
- Shalom House Lunches – twice per year - \$500
- Parish Life - \$600 – Events for the members of the parish (YAC and Family Nights, Sundaes for Sunday School, Easter Egg Hunt, Lunch for Work Days, Big Game Night, etc.)
- Annual Parish Picnic - \$600

- Thanksgiving Food Baskets – \$100 – Costs associated with filling out the two Thanksgiving Baskets we do for families at the Caring Center.
- Christmas Fruit Baskets for St. Joseph Food Pantry - \$875 – Costs associated with filling out the gift bags we create for two classrooms.
- Labyrinth - \$500 – It is anticipated that the Labyrinth will continue to be developed and improved upon during 2023. Expenses to provide information boxes, community library, landscaping, benches, lighting (solar), etc. for the Grand Opening of the labyrinth are budgeted.
- Other Items - \$575 – TBA as need arises.

Flowers - \$480.00

This line item captures the amount paid for altar flowers for the church.

Fundraisers/Projects - \$1,800

This line item is used for expenses, registration fees, licenses, etc. that are needed for our Italian Night, Back to the Fifties booth, Oktoberfest, our honey bees, and other new initiatives.

Items budgeted for are:

- Italian Night - \$500 – for food expense
- Back to the 50s - \$300 – booth space rental
- Back to the 50s - \$500 – strawberry and ice cream expense
- Oktoberfest - \$500 – food expense

Insurance - \$11,586

Annual premium for insurance policies (Liability, Property, Workers Compensation) from the Church Insurance Group. This line item represents an estimated 5% increase over 2022 levels.

Marketing/Advertisements - \$884

Ads for parish events in *The Lebanon Reporter* and other media outlets. This category also includes annual expenses related to maintaining our website and domain names.

Items budgeted for are:

- Italian Night - \$75 – for newspaper ads
- Oktoberfest - \$75 – for newspaper ads
- Blue Christmas/Christmas Eve - \$75 – for newspaper ads
- Website Management Expenses - \$299
- Facebook Ads - \$360

Memorial Expense - \$100

Expenses related to the maintenance of the columbarium.

Miscellaneous - \$32

Any items not captured elsewhere.

Music - \$256

This line item captures our annual OneLicense.Net fee which allows use of copyrighted music in our bulletins, \$120. Annual Church Musician Handbook Purchase \$100. Remaining \$36 is for new music that the Organist might need to purchase for special services. At this time no additional funding is being requested.

Staffing (Lay) - \$9,952

There are three components to this expense:

- Nursery Attendant – (\$560) - A salary increase of 3% consistent with Diocesan recommendation for lay employees - \$12 per hour, 2 hours per week and 52 weeks per year. **STARTS 9/1/2023.**
- Organist – (\$5,374) – A salary increase of 3% consistent with Diocesan recommendation for lay employees – \$96.00 per service - also includes full salary compensation for Ash Wednesday/Easter Vigil, and Christmas Eve services
- Sexton – (\$3,919) - A salary increase of 3% consistent with Diocesan recommendation for lay employees - \$14 per hour, 5 hours per week and 52 weeks per year.
- Secretary – (\$100) – Discretionary spend at Rector's choice.

Payroll Processing - \$146

Fees charged by ADP for processing monthly payroll for three lay employees and bi-weekly payroll for one clergy person (\$1.70 per check).

Repairs/Maintenance - \$7,000

This line item captures expenses related to the maintenance and improvement of the property and grounds. Regular, recurring expenses are not captured here. At the October 2016 meeting of the Bishop's Committee it was approved that beginning in 2017, we set aside a fixed amount of money each year to go into an accrual fund that will be used for major renovations at some point in the future. **We will return to that practice in 2023.**

Items budgeted for are:

- Main Church Building Repairs - \$3,500
- Blackwell Hall Repairs - \$1,500
- Landscaping Projects - \$1,000
- Accrual Fund for Major Repairs - \$1,000

Contract Expenses - \$1,399

This line items captures the regular, recurring items that we have a contract for or are monthly billings for services:

- Trash Removal - \$604 (\$50.31 monthly)
- Action Pest Control - \$326 (one-time in Spring)
- Culligan Water - \$470: (\$24.95 per month rental; \$42.50 per quarter softener salt charge)

Sexton Supplies - \$335

Cleaning Supplies maintained in Church Building and Blackwell Hall (estimated at \$200 annually)

Other Items as needed by the Sexton - \$135 each

Theological Education - \$400

One of the line items that many parishes ignore is the 1% of NOI to theological education. Considering this amounts to \$400 per year for us. I would like to institute this line item and have the money go to my alma mater *Bexley Seabury Hall* in Chicago, IL. Bexley Hall is one of the few seminaries that is thriving and is experimenting with new models of formation that reflect the changing demographics of those attending seminary.

Supply Clergy - \$675

I receive four Sundays of vacation each year as well as a week-long spiritual retreat encompassing a Sunday. These totals five Sundays that we need to have a supply priest each year. The current supply rate is \$135 for one service for Sunday Supply.

Taxes - \$40

Annual ditch taxes for the two ditches payable to Boone County.

Telephone/Internet - \$1,860

Items budgeted for are:

- Expenses paid to Metronet for phone and internet services on our campus. (\$130 per month) - \$ 1,560 annually

- Monthly reimbursement of a portion of the Vicar's cell phone expense. Per the current Letter of Agreement, that amount is \$25 per month. It is anticipated this amount will not change. - \$300 annually

Travel Allowance/Mileage Reimbursement - \$1,500

Estimated of 225 miles per month while working on behalf of the church or to attend required clergy events (i.e., Clergy Ember Day, Hospital Visitation, Convention). This is a required part of clergy compensation *to be offered*, if it is taken is another story.

Also included in this category is the amount that is paid for Supply Priests and Supply Organists. Current rate is 65.5 cents per mile.

Treasurer - \$75

This line item captures the salary paid to the Treasurer of the Church.

Utilities - \$7,199

This line item captures Lebanon Utilities expenses and Vectren energy expenses. Estimates are based on historical averages.

- Lebanon Utilities - \$4,976
- Vectren/CenterPoint - \$2,223

➔ Total Expenses - \$108,411