



INDEPENDENT
PRESBYTERIAN CHURCH

REPORT OF FINANCE MINISTRY TEAM
Budget 2020 vs 2019

	Christian Education	Music and Worship	Witness	Congregation and Member Services	Day School	General and Operating	2020 Budget	2019 Budget	Variance
Revenue									
Pledges and Offerings	\$ 521,400	\$ 747,190	\$ 47,903	\$ 371,967		\$ 1,000,889	\$ 2,689,349	\$ 3,319,300	\$ (629,951)
Endowments	19,800	53,770	243,820	18,180	-	166,389	501,959	459,910	42,049
Children's Fresh Air Farm	-	-	433,970	-	-	-	433,970	427,145	6,825
Designated Gifts	3,400	16,000	67,500	5,000	-	\$0.00	91,900	102,400	(10,500)
Fees and other income	33,650	-	-	91,000	716,700	88,042	929,392	1,025,120	(95,728)
Transfers from reserve funds	17,163	6,845	221,319	7,528	-	148,635	401,490	81,480	320,010
Total Revenue	\$ 595,413	\$ 823,805	\$ 1,014,512	\$ 493,675	\$ 716,700	\$ 1,403,955	\$ 5,048,060	\$ 5,415,355	\$ (367,295)
Expenses									
Salary and Benefits	\$ 452,977	\$ 681,285	\$ 423,774	\$ 353,256	\$ 629,000	\$ 767,318	\$ 3,307,611	\$ 3,525,475	\$ (217,864)
Direct Program Spending	142,435	142,520	333,815	140,419	87,700	636,636	1,483,525	1,712,575	(229,049)
Highland Park Community Garden	-	-	209,808	-	-	-	209,808	-	209,808
Governing Bodies	-	-	47,115	-	-	-	47,115	83,265	(36,150)
Transfers to reserve funds	-	-	-	-	-	-	-	94,040	(94,040)
Total Expense	\$ 595,413	\$ 823,805	\$ 1,014,512	\$ 493,675	\$ 716,700	\$ 1,403,954	\$ 5,048,060	\$ 5,415,355	\$ (367,295)
Revenue Over (Under) Expenses	\$ 0	\$ (0)	\$ 0	\$ (0)	\$ -	\$ 0	\$ (0)	\$ (0)	\$ 0

* Pledges and Offerings are allocated across ministry teams

KEY HIGHLIGHTS

- Pledges and Offerings of \$2.7 million are down 19% compared to the prior year budget, mainly due to reduced pledges from the annual stewardship campaign. Most of the shortfall is attributed to the change in church policy that occurred in the fall 2019 to allow same gender weddings in the sanctuary.
- Endowments include distributions from the IPC Foundation from 41 different funds, including grants from the Beeson Fund. These distributions are for designated purposes as outlined in fund or grant agreements. 2020 benefits \$31k from the newly funded Pastors Support Fund as well as a distribution from the Facilities Fund \$8k that was not budgeted in 2019.
- The Children's Fresh Air Farm (CFAF) receives 93% of its funding from the IPC Foundation, with substantial endowments designated specifically for this ministry.
- Designated Gifts vary year to year and are difficult to budget due to uncertainty. The budget in both 2020 and 2019 includes gifts for Social Services, Worship and Music based on historical giving trends.
- Fees and Other Income mainly include fees for the Day School \$700k, Counseling Services \$89k, Food Services \$38k, Youth Conferences and Programs \$18k, Children's Programs \$13k, Weddings \$13k, and income for the two homes located on Lakeview Crescent \$30k. In 2019, Boy Scout Troop 28 used most of its fund balance in the Foundation to purchase the home across from Highland Hall. As part of this transaction, Troop 28 borrowed funds from the Foundation Covenant Fund and agreed to pay IPC the equivalent of lost distribution resulting from the transaction (~\$13k annually) until the loan is repaid.

- Transfers from reserve funds include gifts received in prior years for specific purposes but not used until 2019. 2020 includes Highland Park Garden \$210k, Various gifts \$117k, and use of discretionary funds \$49k.
- Salary and benefits are favorable to 2019 for a variety of reasons. The senior pastor is retiring at the end of April, and the budget includes an interim pastor for the remainder of 2020 at a reduced salary. 2020 also benefits by not filling two newly created positions in 2019 and from timing related to open positions. Other staff savings include no longer reimbursing senior staff cell phones or subsidizing dental premiums and reducing continuing education reimbursement.
- Program spending of \$1.4 million includes across the board reductions. Some hard decisions were made at the end of the year to no longer fund Open Door (the adult education program serving the North Avondale Community) and close Recess (the dementia program.)
- Several gifts were received in prior years to help create the Highland Park Community Garden. Efforts are underway to establish a separate 501(C)(3), and all money relating to the Garden is expected to be transferred to the new entity.
- Governing bodies include payments to the Sheppards and Lapsley Presbytery for per capita (\$47k.) All discretionary giving is eliminated in 2020.
- The budget for 2019 includes \$75,000 to be transferred to the contingency reserve and \$19,000 to other restricted funds. Due to budget constraints, no funding to the Contingency Reserve is expected in 2020, and all restricted gifts are to be used by Department Managers to first cover their budgeted spending needs. Any gifts received that are designated for spending outside the 2020 budget will be approved separately and reported as a budget to actual variance.

FINANCE TEAM MEMBERS: Alan Drennen (chair), Drew Brignac, Jim Brunstad, Penney Hartline, Verna Lyons, Judy Matthews, Amy McCain, Michael Rediker, Paul Simmons, George Taylor, David Turner; Staff: Denise Moore (Chief Financial Officer), Bill Carl, Beth Grauel.