

ST. MATTHEWS 2020 FINANCIAL RECAP

It wasn't good but it could've been worse.

As we began 2020, the trend was not our friend. Our income had dropped from \$519,000 in 2017 to \$507,000 in 2018 to \$468,000 in 2019. And 2020 would be the first full year we would have our assistant priest on the payroll. However, after much work, the vestry felt that the work of both Father Tommy and Mother Liz in the parish would help to generate members, enthusiasm, and income. Then the pandemic hit.

If you're familiar with our budget, you know that about 90% of those expenses are fixed. They include items like salaries, insurance, and the Diocesan assessment. Once we had to close the building and move our worship services and programs online in March, we took a hard look where we could reduce spending in other areas. Despite the substantial increased expense of an assistant priest on the payroll the entire year, we were able to manage **expenses so that we only saw an increase of about \$6,000 – from \$465,117 to \$471,335**. All things considered, this was a remarkable achievement.

There was concern on the part of the finance committee and the vestry about impact to income during the pandemic. However, we are deeply grateful to all who continued to give all they could last year, and to those who responded to the letter we sent in October, giving more than their original pledge. While there was a significant drop, our worst fears weren't realized. **Giving declined by \$39,549, or 8.5%**. All things considered...

With income at \$426,836 and expenses at \$471,416, we had a deficit of \$44,580. So, how did we overcome this? We were able to secure an SBA loan for \$32,337 as part of the Pandemic relief package that was passed by Congress in March. And because we used the money as it was intended, the loan has been forgiven - Yay! (Kudos to treasurer Chuck Marsh for shepherding us through that entire process.) The remaining \$12,000 deficit was covered by transferring funds of \$5,000 from the assistant priest reserve fund to partially cover Father Tommy's compensation in December, plus cash on hand at the beginning of the year. As you may recall, we raised funds for an associate rector reserve account to make sure we could cover Father Tommy's compensation in case income fell short. Thanks to the generous, far-sighted people who contributed to that cause.

We dodged a metaphorical bullet in 2020, but 2021 will still prove to be a challenge. We don't know yet when we'll get back to in-person services. With our physical plant closed, it's hard to attract visitors and establish new members. Many parishioners have suffered financial hardship from the

pandemic and have had to reduce their giving. We will likely not qualify for future stimulus loans. And being in leadership transition with Mother Liz retiring and the search for a new rector adds to our challenges. We also know that our air conditioning system needs to be replaced, although we believe we have a plan to address that.

Last year wasn't good. This year likely won't be better, at least not at first. We will have to dig deep – in our faith and in our pockets. We like to brag about Saint Matthews – “It's the People!” This year will be our chance to really prove it.

A handwritten signature in cursive script that reads "Mark DiGiovanni". The ink is dark and the signature is fluid and connected.

Mark DiGiovanni,
Finance Committee Chair
January 2021