

# Finances in a Time of Faith, Hope and *Adaptation*

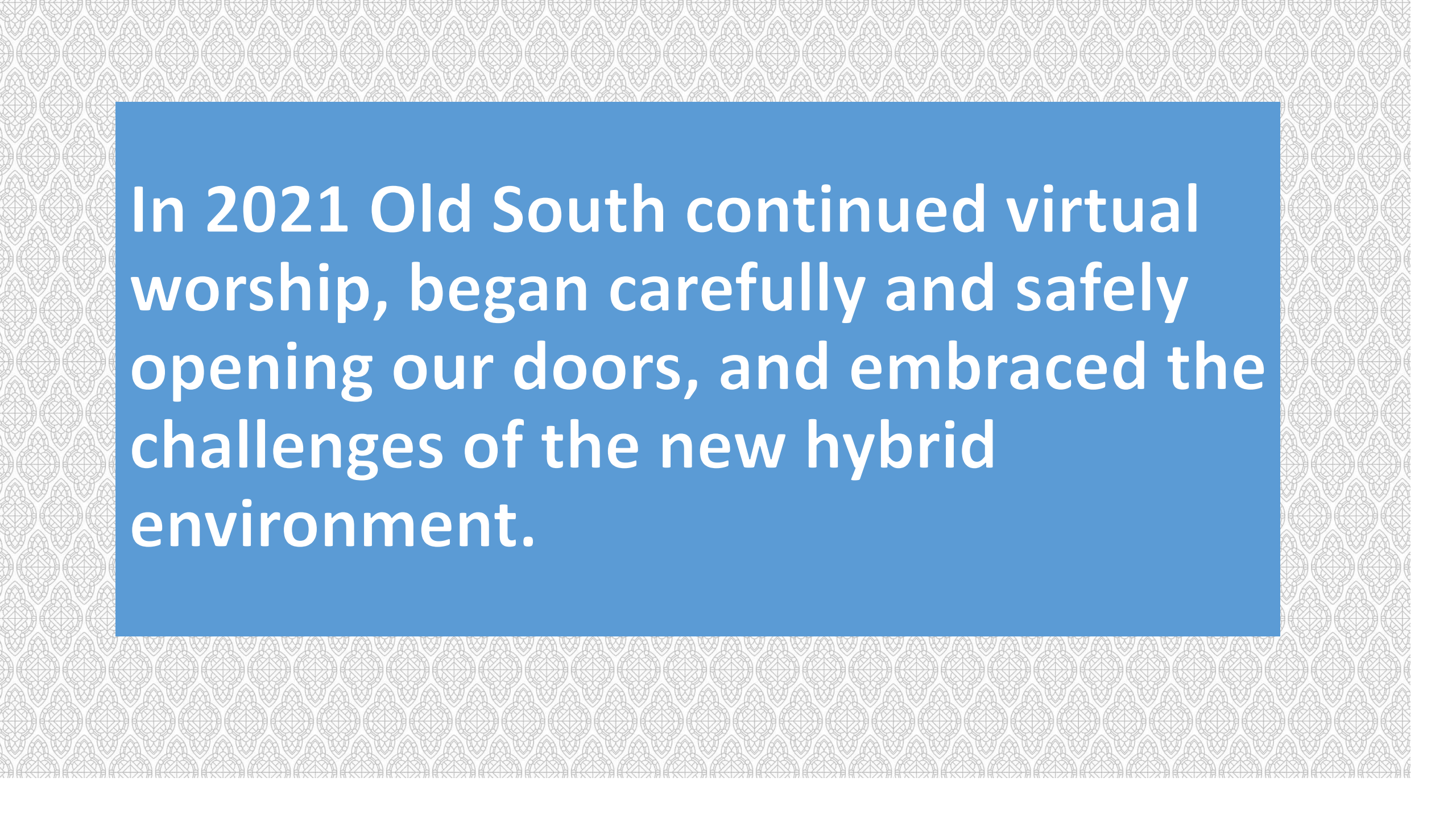
Old South Church in Boston  
November 14, 2021



# 5 Financial Disciplines

1. Financial Transparency
2. Robust annual Stewardship Campaign
3. Robust annual Planned Giving Campaign
4. Hold to Endowment Spending Rule (4%)
5. Annually pay into the Capital Reserve Fund





In 2021 Old South continued virtual worship, began carefully and safely opening our doors, and embraced the challenges of the new hybrid environment.



**In the fall of 2020, the Finance Committee shaped a 2021 budget that included three important factors:**

- A full reopening in the fall.
- Keeping all full and part time staff on payroll until that time.
- Anticipating large expenses enabling the move to a robust hybrid worship.



# 2021 Operating Budget approved by

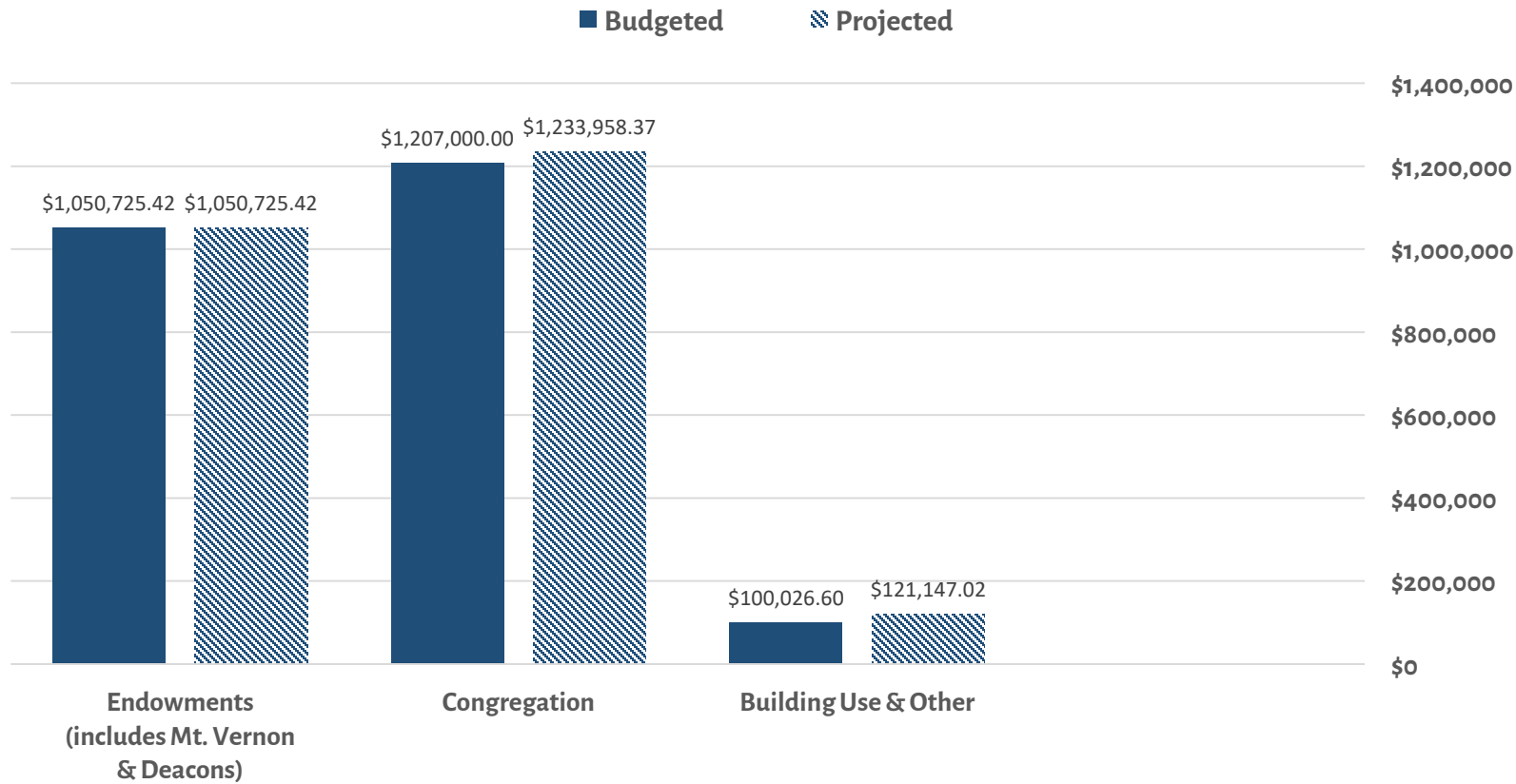
## Council: \$2.4mm

with a projected \$182k deficit

- Our \$400k “rainy day fund” was still untouched
- We anticipated 100% forgiveness on the \$360K PPP loan (which did in fact happen in 2021)

# 2021 Income

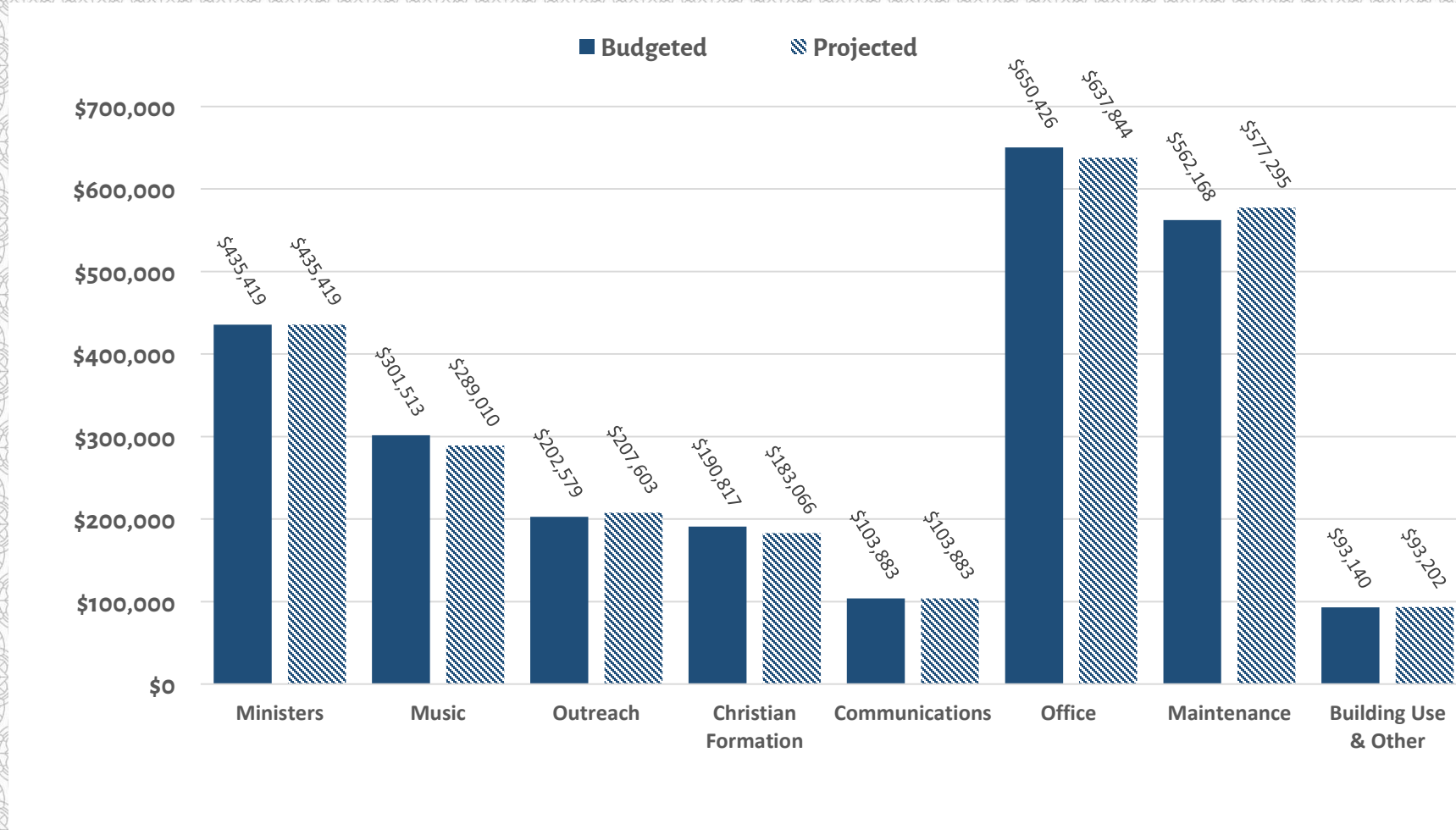
Budgeted \$2.36 mm / Projected \$2.4 mm





# 2021 Expenses

## Budgeted \$2,433,000 / Projected \$2,420,000





# 2021 Operating Financial Summary

<b>Projected Income up</b>	<b>\$ 48,079</b>
<b>Projected Expenses down</b>	<b><u>\$ 12,625</u></b>
	<b>\$ 60,703</b>
<b>Budgeted Deficit</b>	<b>(\$182,193)</b>
<b>Projected Deficit</b>	<b>(\$121,490)</b>



# Projected Operating Financial Position at the end of 2021

- **(\$121,490) – projected 2021 budget deficit (down from \$182,193)**
- **\$179,410 – Actual surplus in light of the 100% forgiveness of our PPP loan.**
- **\$400,000 – Our Rainy Day Fund still has not been dipped into**
- **We enter 2022 with healthy financial resources and we face a challenging year (or more) ahead.**



# Our Endowments

Old South Church is blessed with endowment funds from different sources. These are managed by our Trustees.

1. General “Trustee” Endowment  
(\$43.8 mm)

Annual draw supports the care and upkeep of our *Platform for Ministry* (buildings).





# General Trustee Endowment

## General “Trustee” Endowment (\$43.8 mm)

**2021 Draw = \$1.33 mm**

\$414k Capital Reserve Fund  
\$ 6k Legal/professional fees  
\$ 37k Cambridge Associates  
**\$ 874k *OSC Operating Budget***

### Capital Reserve Fund

**\$414k in 2021 from endowment draw provided funding for our major Tower repair project and important work on the two pipe organs. The CRF balance is anticipated to be \$1.3 mm by the end of 2021).**

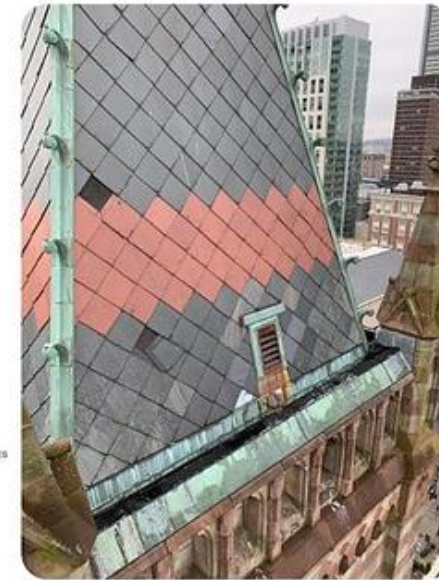
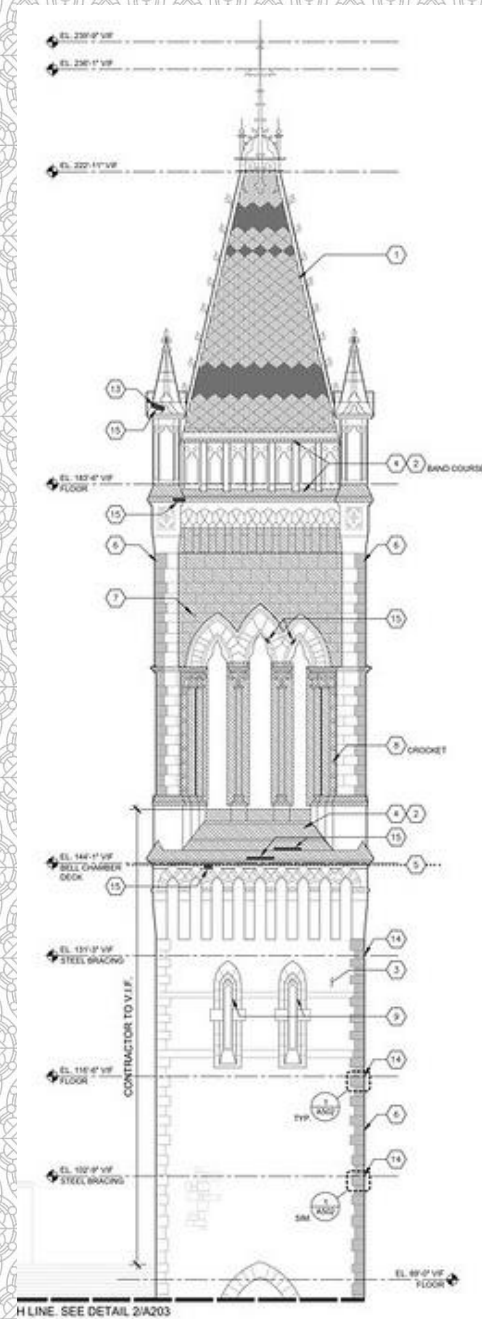




# Capital Reserve Fund

Our building is expensive; the congregation can't afford it.

The CRF pays for challenging maintenance and restoration projects. Old South undertook a necessary 1.9 mm in restoration project on the Tower in 2021



☞ Reset Displaced Slate Roofing Tiles



☞ Repair Cracked Tower Corner



☞ Repair Cracked Ornamental Stone (Crocket)



☞ Repair Sandstone Spall



☞ Repair Joints between Stones



☞ Replace Cracked Glass



# Our Endowments (continued)

## 2. Board of Ministers & Deacons (\$2.4mm)

Care for the poor and needy;  
worship support.

## 3. Mt. Vernon Church (\$3.7 mm)

Old South Church receives a  
substantial portion of Mt.  
Vernon's annual endowment  
drawdown.





# General Trustee Endowment

**2021 Endowment draw  
of \$1.33 mm pays for our  
buildings and their maintenance.**

**Your pledges,  
your generosity,  
fuel our  
ministries,  
outreach,  
and programs,  
not the building.**





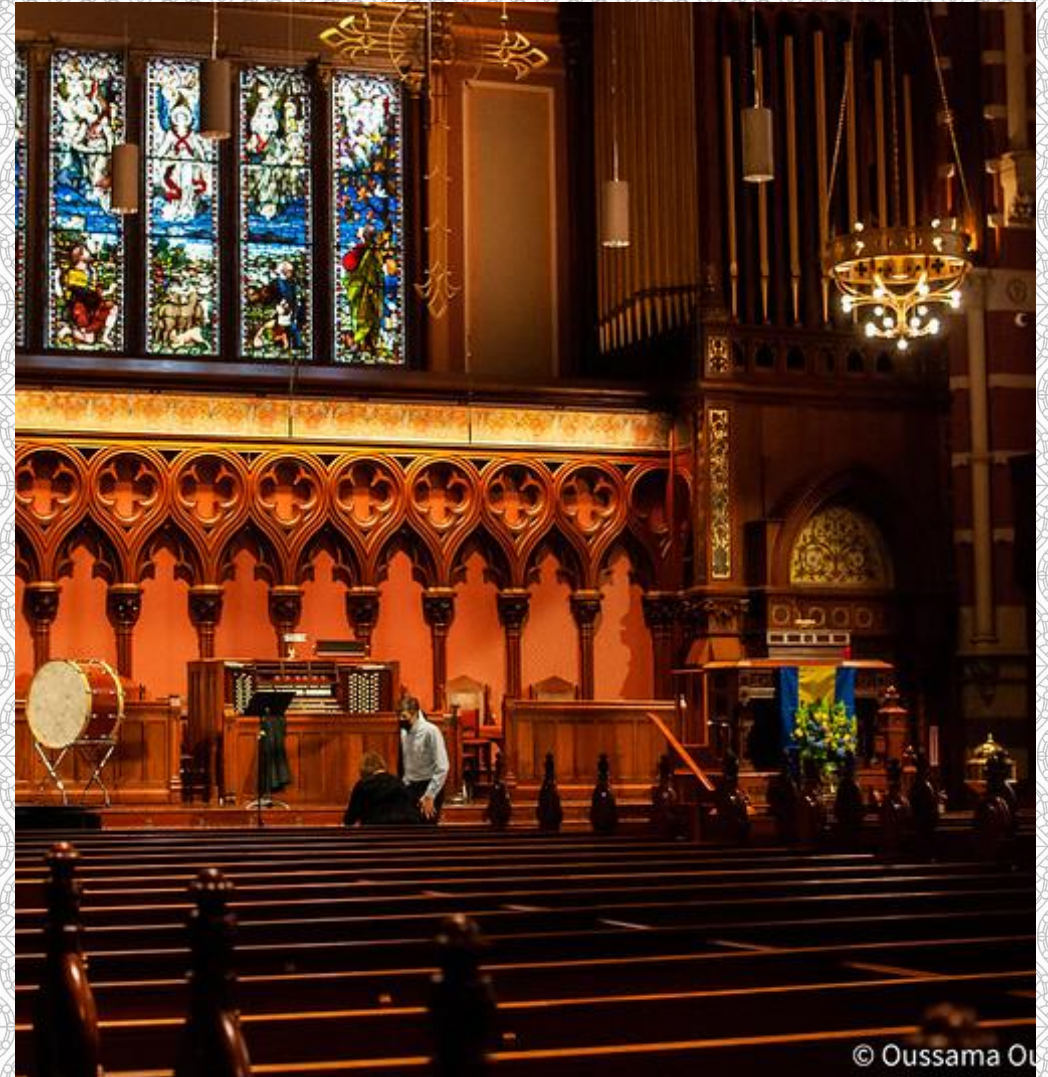
# What We *Assume* for 2022

- ❖ Our in person worship will continue to increase, as will our building use. We hope to be fully open by Lent.
- ❖ While some of our past building users will not return, we will respond fully to new inquiries.
- ❖ The vagaries of our economy will affect the ability of some in continuing giving at the same levels.
- ❖ We have welcomed fewer new members in 2020/2021: less potential for new giving to offset normal attrition (we are experiencing abnormal attrition).
- ❖ We will draft a careful budget (income & expense); remaining committed to full ministries on all fronts



# What We *Know* for 2022

- ❖ We will run an upbeat, robust Stewardship Campaign, counting on the generosity of those who can support our mission.
- ❖ Continue to care for our building, our “platform for ministry”.
- ❖ We will improve our online worship and programing.
- ❖ Continue to fight for equality and justice for God’s creation and people.
- ❖ Thank God for a generous Congregation and healthy financial resources that will help us get through these times.





# We celebrate ...

- ❖ A Teaching, Calling and Sending church
- ❖ A Sanctuary church
- ❖ Creative programming with our children, youth and families.
- ❖ Ministries to the unhoused
- ❖ Antiracism, climate crisis, interreligious work
- ❖ Housing, LGBTQ+
- ❖ Partnerships: City Mission, Snowden, GBIO, Boston Warm, etc.
- ❖ Intergenerational, including young adults!
- ❖ Small Groups





# It Is An Undertaking

## ❖ Board of Trustees

Kristi Geary, chair

## ❖ Finance Committee

Niels Peetz-Larsen, chair

Bill Bulkeley, Treasurer

## ❖ Planned Giving Committee

Cathryn Griffith, chair

## ❖ Stewardship Committee

Kathy Wade, chair

## ❖ Operations Committee

Lisa Loveland, chair

## ❖ Generous Christians - You!







THANK YOU  
MOST AMO  
ASTONISHING  
MARVELOUS  
GENEROUS  
SPLENDID  
GIVERS!