

# St. Paul's Top Annual Meeting FAQs

## It sounds like St. Paul's is getting rid of its music program — is that true?

No, that is not true at all! The key factor affecting the music program is the COVID-19 pandemic and its effect on church operations, including music. Here is a brief history of the year.

- We started 2020 with a budget that projected a deficit at the end of the year of approximately \$77,000.
- Then, COVID-19 happened.
- The COVID-19 pandemic ended our ability to safely gather in-person as a worshipping and singing community.
- Because we could no longer gather to worship and sing in person, our weekly plate collections came to a halt. (We also anticipated that our pledge receipts could be lower because of the pandemic's economic impact on our members—we monitored this closely.)
- In response, during 2020 we furloughed our paid section leaders and reduced other related costs for music (such as for instrumentalists). With the help of funds (approximately \$50,000) from the government's PPP program, we were spared during 2020 from having to make other difficult decisions, such as having to furlough full-time staff.
- In preparing the 2021 budget, the vestry and the budget committee faced the reality that the pandemic would drone on well into the year, with the continuing lack of in-person worship and singing.
- Thus, the music program (and budget) in 2021 strongly resembles what we experienced in 2020—since we are not gathering for worship, we are not budgeting for section leaders. Just as in 2020, though, we have budgeted for soloists and instrumentalists for special occasions such as Holy Week.
- We also had to make the difficult decision (which we were able to avoid in 2020 primarily due to PPP) to scale back for now, the Director of Music position to 2/3 of a full-time role.
- These reductions are based on current trends and revenue. As we mentioned, once we have the results of the annual giving, Every Member Visitation campaign, we can and will revisit our music program as well as other areas that we have cut.

With Jake's decision to follow a call to pursue psychology, the parish will need to revisit and discern what they want the music program to be at St. Paul's, along with who should lead that program and how to ensure the resources to support it. **Music has been and will continue to be a critical, sacred part of life at St. Paul's.**

## **What other parts of the budget could have been cut beside music?**

Every budget item at St. Paul's has been reduced to its lowest possible level due to the pandemic, from lawn care to incense to printer ink. Some of these reductions don't impact life at St. Paul's very much because of our inability to gather, such as printing costs. Other reductions have been picked up by gracious volunteers, such as work on the grounds. Some cuts were difficult decisions that the staff continues to work with creatively.

## **Can we really rebuild the music program after the pandemic with only a 2/3 time Director of Music position?**

The reduction in the Director of Music position is a painful decision based on current trends and the reality of the pandemic. When in-person worship and in-person singing can resume safely, we will need to rebuild the choir program and prepare the St. Paul's music program for the future. In the coming weeks and months, the vestry will form several parishioner working groups to discuss the future of music at St. Paul's, including a search committee for Jake's replacement. Your voice will be important as we look to create a robust and beautiful post-pandemic music program that will last for many years to come. Part of that discernment will include how to ensure the resources to support it. If the resources will provide for a full-time director of music—amen, amen, amen!

## **Is Jake leaving because of the budget cuts or because of the pandemic? When is he leaving, and where is he going?**

No, Jake is not leaving St. Paul's because of budget decisions or the pandemic. He made this clear in his comments at the annual meeting. Jake is following a call to pursue psychology. He shared his plans to leave with Fr. Daniel even before the creation of the 2021 budget. Fortunately, he will remain at St. Paul's until the summer, so we will have much more time to learn from and celebrate him. Jake's exact departure and next destination aren't clear to him just yet, but he will share more as he learns more about his exciting next steps!

## **It seems that our dire financial straits were not addressed before the Annual Meeting -- or we missed the urgency of the need in the communications throughout the year. What happened?**

- Early on, following the first quarter, we reported that we were cautiously optimistic during the early days of the pandemic. But remember—as noted above—we started the year with a budgeted deficit of \$77,000. **No matter what happened, we would need to make up that deficit.**
- To that end, at the end of June 2020, we announced in the June 24 weekly e-news the creation of the St. Paul's Funding Sustainability Task Force, because, "Despite having its enthusiastic and generous membership and the annual pledges they give back to our church, St. Paul's continues to find itself in a position *where it is forced to make difficult decisions each year in choosing between cutting programs at the church or going into debt to sustain them.*" We held two town halls, one in June and one in October. One of the ideas raised was to look at how we use our campus and explore possibilities for

external, but mission-complementary, use of our properties that would provide ongoing revenue.

- In July, the vestry adopted a revised budget that cut expenses on every line item that was possible and reduced the projected deficit to a small surplus of about \$17,000, assuming that pledges continued to be on track for the rest of the year. Following that meeting, your wardens reported that our financial situation remained in good shape, due to reductions in costs, pledges that remained steady at the time, and the \$50,000 from the PPP program.
- In early November, your wardens reported that with the passage of three more months, our finances were showing wear and tear, with pledge receipts below our projections and the prospect of what normally is our most generous giving period—Advent and Christmas—reduced to mostly virtual worship, rather than the overflowing church we have been used to. We made several appeals in November and December for as much generosity as possible, and the response was generous. We were especially blessed because of major additional gifts from three parishioners. We ended the year with a small surplus. And we reported on the challenges the vestry was facing in adopting a budget for 2021, noting that they would be discussed in detail at the annual meeting.