

TREASURER'S REPORT

FOR THE FISCAL YEAR ENDING DECEMBER 31, 2020

To The Society of King's Chapel and
To The Trustees of King's Chapel Trust

This report is prepared from the bookkeeping records of the Society and reports of Fiduciary Trust. The Society keeps its records on the cash basis. The Society's fiscal year is the calendar year.

Operating results for 2020 are shown in detail in the FY20 Income Report. Expense exceeded income by some -\$42,855. A negative budget of \$1,525 had been approved by the congregation in January, 2020 before the pandemic.

	FY 2018	FY 2019	FY 2020
Income	\$1,036,521	\$1,115,137	\$926,905
Expenses	<u>\$1,079,321</u>	<u>\$1,107,076</u>	<u>\$969,761</u>
Surplus (Loss)	- \$42,800	\$8,061	-\$42,855

The extraordinary event affecting our church this past year, and all other churches and most businesses and individuals, was the Covid 19 pandemic. Our plate collections all but disappeared as did our historical tours, neighbor rentals, and wedding revenues. At the same time we shouldered additional expenses for online presentations to remain spiritually in touch with our parishioners. The financial results could have been much worse but for the following.

The Society obtained a Payroll Protection Loan last summer to assist it during the pandemic. Some \$40,000 not sought or needed was repaid. On December 4, 2020, we were notified by Cambridge Trust Company, our lender, that the Small Business Administration had approved our application for forgiveness. The total amount forgiven was \$102,661 and includes a return by the bank of \$871.61 in interest paid but not due. In December 2020, approximately one-half of this amount or \$51,676 was taken into income supporting the financial condition of King's Chapel for 2020. The remainder, or \$51,000, will be taken into income in 2021 supporting the financial condition of King's Chapel for the second year of the pandemic; that amount has been included in the proposed 2020 budget.

The Payroll Protection Loan program was renewed on December 31, 2021 allowing King's Chapel and many others to apply for a second round of funding. One key requirement of the second round is that the gross revenues of one fiscal year quarter in 2020 be at least 25% less than the equivalent quarter of 2019. Our third quarter revenues in 2020 were some 45% less than the same 2019 quarter. We intend to apply again for this second round for which there will likely be intense interest with less money for forgiveness than in the first round. Because of the obvious uncertainty no second round PPP loan proceeds have been included in the proposed budget for 2021.

There was further very good news in 2020. Our parishioners and friends stepped up their stewardship annual giving to a level unseen in recent times, and maybe in all times. Our budget for annual giving was some \$206,000; what was received by year end was some \$270,000. I believe this very needed increase in giving shows how much the well-being of King's Chapel

means to so many. The pandemic unfortunately is not over and its effects may well linger beyond 2021. So the need for such generosity will continue into 2021 and beyond.

For many years, the Trustees have annually distributed \$300,000 in income from unrestricted trustee funds to the Society.

As of December 31, 2020 the bank accounts of King's Chapel had a collective balance of \$397,883 per the Balance Sheet attached. These checking accounts contain funds temporarily restricted as shown below; unrestricted funds in these accounts therefor total \$242,922.

Minister's Discretionary Funds	\$113,535
Community Action Funds Carried Over for 2021	\$4,088
Ministerial Exchange Fund	\$4,590
Concert Series	\$48,186
Cambridge Trust PPP Loan	\$51,000
Livestreaming equipment authorized by Vestry	\$6,523
Freedom Trail Grant	\$5,000
Choir Bequest (for expenditure in 2021)	\$10,000

The King's Chapel Society General Reserves owned by the Society and managed by Fiduciary Trust had a market value of \$652,201 at December 31, 2019. The Heinrich Christensen Music Director Endowment to provide financial support to the position of King's Chapel Music Director, also managed by Fiduciary Trust, had a value of \$226,524 at December 31, 2019.

The Society is the sole beneficiary of the King's Chapel Trust held by Fiduciary Trust. The current Trustees of this Trust are Samuel D. Perry, Eugene H. Clapp and William W. Park. The market value of the General Pooled Fund was \$27,872,633 at December 31, 2020. The market value of the separate but related Lyman Fund and Organ Fund were respectively \$2,248 and \$84,934 at December 31, 2020. The Trustees have customarily reported separately to the Annual Meeting.

Respectfully submitted,

Daniel A. Taylor, Treasurer
January 20, 2021