

TREASURER'S REPORT

This financial results from the 1919-20 fiscal year varied greatly from what was budgeted due to changes in the income from the lease of Fellowship Hall. We received less than budgeted due to it only being leased for a portion of the year, and at the same time we received a substantial settlement from ISANA/Celerity. While we received about \$30,000 less in donations, we ended up with a net income of almost \$200,000 due to that settlement that allowed us to replace our reserves which were exhausted the prior year. Expenses, except for those associated with the lease were largely in line with the budget.

Next year is going to be another year of uncertainty, due to the impacts of the current coronavirus. The budget is based upon operations as they existed last year, but there will be changes as the nature of our programs change due to "Shelter in Place" regulations.

We are showing two budgets, the Official Budget, which we are asking the members to adopt, based upon a 10% increase in donations and an operating budget, based upon the current level of donations. The official budget will allow us to increase our expenditures if the income is received, while we will operate under the more conservative operating budget. There is also uncertainty on the future of the Judson International School and the revenue the school will be able to provide. We will be prepared to reduce expenses if the income is below the budgeted income. The Lord is in control of our finances.

The largest item in our expenditures is for staffing. The operating budget for staffing is the same as last year's budget. It is based on increasing the salaries to a minimum of \$15.00 per hour as per LA City Ordinance, and for those making more than the minimum, a 3% increase which will be instituted on July 1, if the income allows. We have hired Raquel on a full time basis as of April 1. The difference between her full and part time salaries is being covered by a bequest from the Don and Ruth Baker estate.

The facilities budget was established by the Property Management Committee based upon this year's expenses with an increase for higher utility charges.

The Hartwick budget is substantially reduced because the loan has been paid off.

Most other budgets in the Local Ministries are substantially in line with last year's expenses, however the Banking and Misc. has been substantially increased to capture costs for generating donations that we previously captured as part of Office Expenses and costs associated with implementing on-line giving. On-Line giving provided 47% of our donations last year and is expected to substantially increase this year due to our moving to on-line church for at least the next several months and likely longer.

The Missions Budget is based upon providing 10% of our expenditures to missions external to ERBC. Due to the restrictions on meetings, the Missions Committee did not complete the task of fully designating the external missions to be supported by ERBC. They recommend that we support the missionaries and missions currently supported at the same level as last year and during the year determine where to utilize the \$14,000 in unallocated missions spending.

I ask for a yes vote on the proposed budget and that we pray together that the Lord will provide the funds needed to support His ministry here at ERBC.

If you have questions on the budget, please call me at 323 240-1234.

Jerry Gewe, ERBC Treasurer