

FREQUENTLY ASKED QUESTIONS REGARDING THE 2021 BUDGET

1. WHY IS THE INCOME FROM RENTAL OF THE PARKING LOT ACROSS WOODBRIDGE LESS THAN HALF OF LAST YEAR'S BUDGETED INCOME?

For the past few years, the University of Detroit Mercy Law School has leased the lot for student parking. Because so much of the law school instruction is now virtual due to the pandemic, the School has no need for the rental of a parking lot and ended its lease in May 2020. We have made arrangements with a commercial parking lot operator to use the lot, but at a much-reduced price. The demand for downtown parking will not rebound until downtown workers return to their offices. The same is true of income from use of our building by tenants and for special occasions like weddings.

2. EXPLAIN THE LINE ITEM "MCELROY CURATE PROGRAM" UNDER BUDGET REVENUE.

Pastor Anthony joined our staff in April 2020. A program of the Diocese entitled the "McElroy Curate Program" pays for his salary and benefits. This compensation expires in January 2022. This line item reflects the payment we receive from this program. The amount of his salary and benefits is shown on the "Expense" portion of the budget. These expenses are offset by the income shown here.

3. WHY ARE THE STAFF EXPENSES SO HIGH IF THE BUILDING IS CLOSED BECAUSE OF THE PANDEMIC?

The staff continues to work on our behalf, perhaps even harder than in normal times. All of the functions the staff performed pre-pandemic continue to be performed. Service bulletins must still be prepared. Meetings must still be scheduled and held. Financial reports must still be prepared. Sunday services must now be prepared for broadcast. Musical pieces must still be rehearsed and recorded. The organ and the choir members(s) parts must be put together, which is a labor-intensive process. The building must be cared for. The clergy must perform their responsibilities under more difficult circumstances. In short, the staff expense during the pandemic is not simply a product of the parish "supporting" employees who are idle. Far from it, they are working under difficult circumstances harder than ever.

4. PLEASE EXPLAIN THE "MAJOR REPAIRS" LINE ITEM.

The parish has for years under-funded our repair budget. As you can see from the Building and Grounds Committee annual report, major repairs in 2020

consumed almost \$30,000. The Committee believes that even more will be required in 2021.

5. WHY WERE PROPERTY TAXES ON THE WOODBRIDGE LOT SO HIGH IN 2020?

The only reason they were so high is that part of the 2019 tax bill was paid in early 2020 (which was permitted) and the entire 2020 tax bill was also paid in 2020. Thus, the total is simply a matter of timing and does not represent an increase in the total tax bill.

6. WHY DOES THE EXPENSE FOR CLEANING SERVICE AND SNOW REMOVAL REMAIN SO HIGH WHEN THE BUILDING IS CLOSED?

Maintaining our cleaning service contract is another way that CCD has supported (contracted) staff and maintained building health and security throughout the pandemic. We are, however, in regular conversation with the service provider about opportunities to reduce the cost somewhat in 2021, given the prolonged limitations of the use of our building.

The snow removal budget represents the continuing need to plow both the Woodbridge lot, so that the operator has the ability to park cars there and pay some income to the parish, and the west parking lot, because staff continues to need access to the lot when they work on-site.

7. SINCE WE ARE NOT USING THE CHURCH FOR SERVICES, WHY DO UTILITIES REMAIN SO COSTLY?

The church buildings were open and in use during the heart of last winter, and are still heated during this year's winter. In addition, electrical usage continues, although at a reduced rate. Also, keep in mind that a substantial portion of the utility cost represents storm water charges to the City, which continue whether the church is open or not.

8. WHAT'S THE STATUS OF THE BELL TOWER REPAIRS AND HOW IS IT BEING FINANCED?

We entered into a contract for repairs costing \$275,000. This is only the 2020 phase. Work will start again in the spring. About 20% of the 2020 cost is borne by a gift from a parishioner and a grant from the Diocese. The balance is covered by a \$250,000 loan from the Diocese, which will be repaid from funds raised through a capital fund drive, about which you'll hear more in upcoming months.

9. WHAT KINDS OF EXPENSES ARE INCLUDED IN "PARISH DEVELOPMENT?"

In 2020, the amount in this category represented primarily a Vestry-approved fee paid to a development consultant that is helping us build the framework for a capital fund campaign. For 2021, expenditure of the amounts in this category have not been approved yet by the Vestry, but will likely represent primarily the cost of installing a fiber optic cable system in the Church that will both improve internet service and facilitate the streaming of worship services and other events in the future. The Building and Grounds Committee is currently working on proposals.