



Budget Presentation

January 23, 2022

Allen Hoffman, Treasurer
Patti Holmes, Assistant Treasurer

2021 vs. 2020 End of Year Assets

Account	Balance End of 2020	Balance End of 2021	Change from 12/31/20 to 12/31/21
US Bank	\$155,529	\$174,997	Increase of \$19,468
Northstar Bank	\$5,915	\$5,915	No change
*All Assets	\$317,797	\$347,871	Increase of \$30,074

**Includes Checking, CDs, Scrip, Investments*

Review of 2021 Budget vs. Actual

Coming out of 2021, church is in sound financial position with positive cash flow.

Total budgeted income	\$302,000	<ul style="list-style-type: none"> • Pledges were forecast at \$250,000 • Other income sources estimated at 52,000
Total budgeted expenses	\$321,088	
Anticipated deficit	\$19,088	
Actual income	\$349,610	<ul style="list-style-type: none"> • Pledges were \$27,952 above forecast-\$277,952 total • Additional \$20,750 came from A/V capital campaign & deferred maintenance funds
Actual expenses	\$313,017	<ul style="list-style-type: none"> • \$8,071 below budget forecast
Net surplus	\$36,593	

2021 Expense summary

\$8,071 below budgeted level primarily because of decreased activities due to COVID, for example:

- music program not fully functioning
- Faith Education primarily online
- intergenerational and youth gatherings were limited for most of year
- minimal custodial expenses due to low use of building

Other expense that did not get charged in 2021:

- outsourced financial services

Expenses that exceeded budget by \$18,000:

- Building and Grounds - Stained glass windows, plumbing
- Portion of Sanctuary AudioVisual project

Breakdown of Income for 2022 Budget

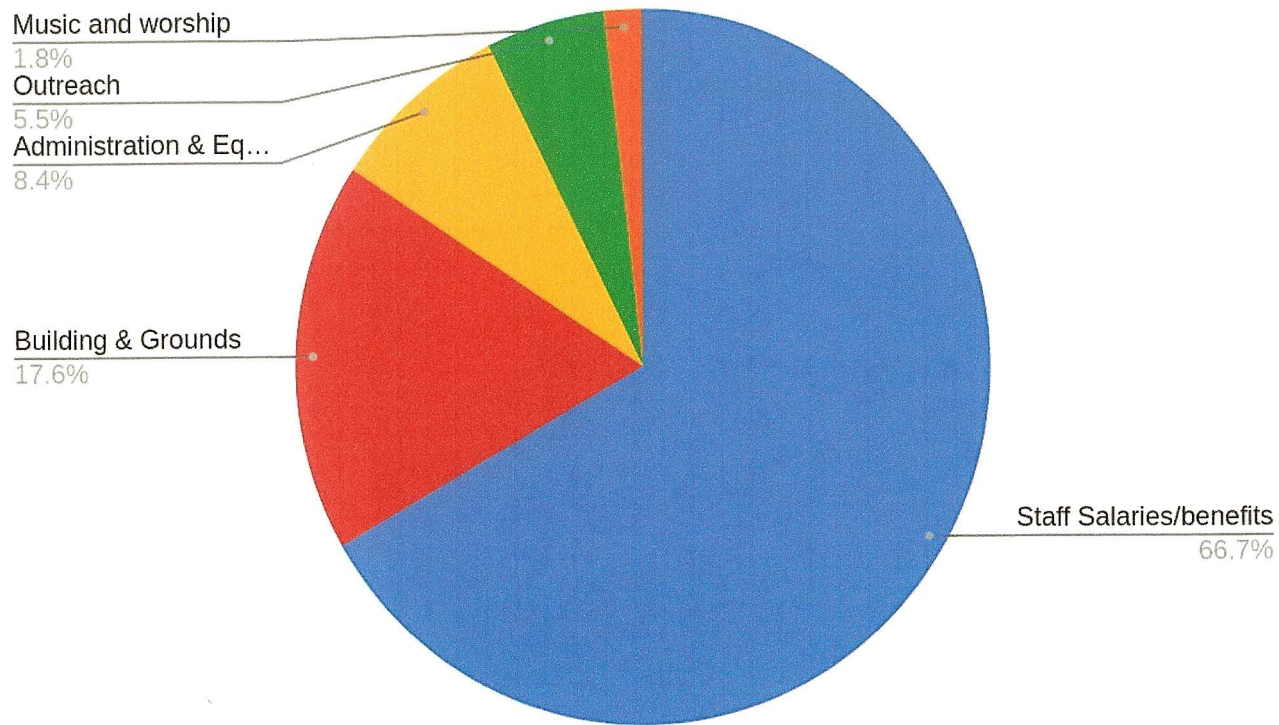
Type of Income	Actual 2021	Budgeted 2022	2022 Comments/Detail
Pledges	\$277,951	\$246,544	\$223,244 (58 pledges) + \$14,300 prepaid pledges
Loose plate collection	\$3,383	\$3,000	
Facility Use	\$1,850	\$1,700	
Rent	None	\$8,500	Barbershop organization Painters group Highland Friendship Club
Special Gifts & Transfers	\$34,750	\$6,000	\$28,750 below 2021
Gift from Foundation	\$28,500	\$28,000	
Total Expected income		\$298,344	

2022 Expense Categories

Top 5 categories by amounts budgeted

Type of expenses	Category	Budgeted amount
Fixed	Staff Salaries/benefits	\$229,615
Mostly fixed	Building & Grounds	\$60,680
Mostly fixed	Administration & Equipment	\$28,915
Fixed to past amounts given	Outreach	\$18,900
Partly fixed	Music & worship	\$6,025
	TOTAL Top 5	\$344,135

Expense categories-by per cent



Discussion points around Expenses

- Proposal for 2022 includes **4% salary increases** that are being recommended by the Executive Board due to inflation
- Building & Grounds to speak to their anticipated expense categories after budget presentation
- Non-fixed line item for Admin & Equipment is **\$1000** for new computer for Shannon Kaiser
- Music/worship expenses supported by ***\$5500 in special fund transfers** to income
- Faith Formation expenses supported by a ***\$500 special fund transfer** to income

**Special fund transfers come from accounts that are designated to fund specific programs in our church*

2022 Summary of Budget considerations

Total income needed to support the mission of our church (This is 2022 currently budgeted expenses)	\$369,830
<p><i>Why increased from \$321,088 (2021 expense budget)?</i></p> <ul style="list-style-type: none"> ● <i>staff raises (4%) - will be recommended by EB @ Annual Meeting</i> ● <i>new employees (approximately \$56,000)</i> ● <i>programming to increase with diminished COVID threat</i> 	
Total expected income as of 1/23/2022, from Slide #5	\$298,344
Pledges - 58 for a total of \$223,244	
Current deficit (Projected expenses - projected income)	<u>\$71,486</u>

Other possible sources of income to explore:

- Additional pledges not yet made
- Loan from Foundation
- Use of parking lot sale funds
- Reliance on strong giving from last year
- Further use of building by outside organizations.
- Other options?