

**The Ministry of St. John Lutheran
2022-23 Budget vs Actual
Proposed 2023-24 Ministry-Funding Plan**

Income	2022-23 BUDGET	2022-23 ACTUAL	2023-24 PROPOSED BUDGET	
General Fund + Debt Received	\$ 2,041,607	\$ 1,932,133	\$ 2,023,909	Note 1
Hot Lunch Utilities	1,200	1,200	1,200	
Interest	1,000	5,312	3,500	
School Tuition & Fees	380,000	436,856	470,000	Note 2a
Foundation School Scholarship	6,900	0	0	Note 2a
School Other Income	13,000	57,422	30,500	
CDC Tuition & Fees	774,508	768,876	769,896	Note 2b
CDC Other Income	33,000	40,406	40,500	
Foundation General Fund	36,000	46,740	36,000	Note 3
Other Income	2,500	2,790	2,500	
Total Revenue	\$ 3,289,715	\$ 3,291,735	\$ 3,378,005	

Expenses	2022-23 BUDGET	2022-23 ACTUAL	2023-24 PROPOSED BUDGET	
Elders	\$ 41,990	\$ 31,491	\$ 39,170	
Evangelism	6,150	6,075	6,870	
Finance	11,095	12,369	12,000	
Christian Nurture	24,317	20,102	22,720	
Personnel	2,812,118	2,746,794	2,955,385	Note 4
Human Care	3,000	2,265	1,435	
Stewardship	2,150	100	2,150	
Trustees	290,885	297,085	318,100	Note 5
Worship	21,255	20,086	23,565	
Youth	5,125	3,736	6,525	
Synod Missions	144,954	144,954	143,698	Note 6
Circuit Ministerial Training	3,000	3,000	3,000	
Student Ministry Board	1,375	365	1,000	
CCUNE	8,000	0	8,000	Note 7
CDC	102,395	101,601	104,475	
School	62,340	53,035	61,150	
Total Expenses	\$ 3,540,149	\$ 3,443,057	\$ 3,709,243	

Income Minus Expense		\$ (151,322)		
COVID Employee Retention Credit		95,441		
Net Surplus/(Deficit) - ACTUAL		\$ (55,881)		
Projected Deficit Covered By Faith	\$ (250,434)		\$ (331,237)	Note 8

Carryover Surplus/(Deficit)	\$ 128,418	\$ (202,819)
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Fiscal Year-Ended July 31, 2023:

- General-fund is about \$17k lower than last year. This is short of the general fund needed for the budget that was passed for the 2022-23 ministry year by \$360k.
 - Historical General Fund
 - 2016-17 \$1,722,258
 - 2017-18 \$1,766,556 2.6% Increase
 - 2018-19 \$1,744,977 1.2% Decrease
 - 2019-20 \$1,854,572 6.3% Increase
 - 2020-21 \$1,914,150 3.2% Increase
 - 2021-22 \$1,949,028 1.8% Increase
 - 2022-23 \$1,932,133
- School Income
 - Total school revenue is up \$76k compared to last year. This is mainly due to tuition revenue. We ended the school year with 177 students compared to a budget of 174 students.
- Foundation School Scholarship: In the past, the amount received from the Foundation has always been recorded as revenue in the year we received it. For 2022-23, the scholarship was recorded in the Angel restricted fund. As scholarships are awarded to students in 2023-24, the funds will be released into the budget.
- CDC Income
 - Tuition revenue is slightly lower than budgeted. We had 4 less students in the School Age program compared to the budget, which is also 14 less than capacity. The preschool classrooms were close to capacity.
 - We received \$57k in grant funds. The funds were designated as follows:
 - Milk Cooler
 - Basement Bathrooms
 - Security System
 - Intercom System
- Personnel expenses were less due to the following:
 - Moving expense for teacher budgeted, not needed ~\$15k
 - CDC unfilled full-time positions, filled with college workers ~\$40k
- CCUNE - Congregations for CUNE expense was \$0 in 2022-23, this was due to changes in payment due dates. We paid two years (\$16k) in 2021-22, \$0 in 2022-23, budget of \$8k in 2023-24.
- The Employee Retention Credit is a one-time refundable tax credit against certain employment taxes. St John applied for this credit in January of 2023. We received the credit in June in the amount of \$95,441.
- The deficit for the fiscal year is \$56k. With the 2021-22 carryover surplus of \$184,299, the carryover surplus for 2022-23 is \$128k.

Budget 2023-24 Notes

1. The proposed Ministry Funding Plan (MFP) includes a 4.75% increase in General Fund (GF) giving over the actual general fund from the previous fiscal year. This projects a general fund less than last year's budget.
2. Tuition rates are approved in December/January by the Education Board and Coordinating Council.
 - a. School:
 - i. The Tuition & Fees budget is based on the actual number of students enrolled in the 3 tiers. We are expecting 183 students in the fall, compared to 177 at the end of last year. The expected cost per student for 2023-24 is roughly \$7,100. Most families choose to pay the lowest tier of \$2,835 per student.
 - ii. The budgeted tuition includes \$455k for tuition revenue and \$15k from scholarships. The scholarships are released from the restricted Angel Fund account. (See note on the fiscal year-end for the Foundation School Scholarships)
 - iii. Historically, unrestricted gifts have been significantly higher than the budget. The budget has been increased from \$10k to \$25k.
 - b. CDC: Tuition & Fees are budgeted based on school year enrollment. We are expecting 125 students in the preschool & school age program for the school year, compared to 130 at budget time last year, and 126 actual. This decrease accounts for roughly \$44k in tuition revenue.
3. The Foundation Board approved \$36k for the general fund at their last meeting. An additional \$14k is given to help cover one time expenses not included in the budget. Any funds not used from the \$14k will be released into the Foundation General Fund line at the end of the fiscal year. (Expenses are approved by the Coordinating Council.)
4. Personnel: The MFP for personnel includes both salaries and benefits. In 2023, the Ministry will stay at the 70% coverage of dependent/spouse health care premiums (employees are staying at 100%).
 - a. 3% increase in base pay \$41k
 - b. 4.5% Health Insurance Increase \$11k
 - c. Increase in minimum wage from \$10.50 to \$12.00 starting January 1, 2024 \$10k
 - d. Moving expense for Teacher \$20k
 - e. The remaining increases are due to changes in personnel, education levels, health insurance coverage, and no Covid grants offsetting payroll
5. Trustees had about \$22k in utility offset from Covid grant funds in 2022-23. There are no grant funds to offset utility expenses this fiscal year.
6. 7.1% of the General Fund is dedicated to Synod & Missions
7. CCUNE - Congregations for Concordia University NE expense was \$0 in 2022-23, this was due to changes in payment due dates. We paid two years (\$16k) in 2021-22, \$0 in 2022-23, budget of \$8k in 2023-24.

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8. Projected Deficit Covered By Faith is the additional amount of income needed to offset the estimated expenses. It is essentially the operating deficit that the Ministry will incur if income does not cover the expenses. Below is the historical projected deficit by faith vs fiscal year end surplus/(deficit).

Fiscal Year	Projected Deficit Cov'd By Faith	Actual Net Surplus/(Deficit)	Carryover Surplus/(Deficit)
2016-17	(105,370)	(28,539)	(28,199)
2017-18	(175,287)	28,898	699
2018-19	(196,035)	(67,323)	(66,624)
2019-20	(231,041)	316,153	249,529
2020-21	(143,479)	(9,318)	240,211
2021-22	(159,588)	(55,912)	184,299
2022-23	(250,434)	(55,881)	128,418
2023-24	(331,237)		Projected (202,819)

The major variance between the projected deficit and the actual surplus/(deficit) has historically been caused by vacancies or COVID related loan funds/payroll credits.

- a. 2017-18: DCE position was budgeted, but not filled until the next fiscal year
Vacancy for Associate Pastor for 3 months
- b. 2018-19: Vacancy for the Assoc. Pastor for 11 months
- c. 2019-20: Received PPP loan funds from COVID
- d. 2020-21: Vacancy for Assoc. Pastor for 2 months
Vacancy for Facilities Manager for 2.5 months
- e. 2021-22: Vacancy for Assoc. Pastor for 10 months
Covid related grants offset payroll
- f. 2022-23: Covid related employee retention credit