

Lutheran Church of the Atonement 2022 – 2023 Proposed Budget Summary Notes

The following notes explain significant differences between the forecast for the 2021-2022 fiscal year and the budget for the 2022-2023 fiscal year. To use this document, review the Summary or Detail budget sheets and reference the items in the Notes column to understand the differences between the “2021-2022 Actl/Fcst as of February 28” column and the “2022-2023 Budget” column.

The budget is conservative on income and liberal on expenses, hoping that giving is higher than budgeted and costs are lower.

The budget anticipates a \$6,427 surplus.

a) OneFund income in the current fiscal year included large gifts of \$50,000 and \$115,000. The budget assumes we will receive less than half of that in 2022-2023.

We usually receive large gifts each year, but there is no pattern to forecast a specific amount accurately. This is a best guess, based on the average in recent years. We are always grateful for every gift received.

b) The budget proposes directing \$1,000 of undesignated giving to the Special & Capital Projects Fund.

This would start building a reserve of funds for future capital repairs, such as the sinkhole. The OneFund Giving is budgeted at \$12,000 less than it might be otherwise because of the proposed redirect.

c) Other Income in the current fiscal year included \$20k from a one-time Federal Payroll Retention Credit

Unless a new program is implemented, we will not receive government money in the 22-23 fiscal year.

d) Special & Capital Projects giving was \$65,000 in the current fiscal year for the Sanctuary Lighting and Kretzmann Hall HVAC capital projects

The budget does not anticipate an appeal for additional funds to cover other capital improvements. The Council may decide to do so as a separate action from the budget.

e) Special & Capital Projects \$12,000 income will come from undesignated monthly giving. See item b) above.

If anyone prefers that their undesignated giving not be transferred to Special & Capital Projects, they can notify the Parish Administrator and we will prorate the amount redirected each month to exclude what would have been attributable to that person.

f) Pastoral Salaries increased by \$3,600 for some part-time assistance to reduce the workload on our pastors

The pastors will determine how to best utilize the additional resource(s).

g) Salaries and related costs increased 3.5%

This is a placeholder for salary increases. The Personnel Committee will make recommendations on a position by position basis, and the Council will make the final decisions.

h) Parish Nurses

Continues providing for up to 30 hours per week for Parish Nurses, regardless of the number of nurses

i) Employee Benefits increased 10%

This is a guess, and hopefully on the high side. We will not know the actual costs until October.

j) Utilities increased 5%

This is a guess, and hopefully on the high side, to accommodate increasing energy costs.

k) Worship Expenses in the current fiscal year included about \$19,000 for the Self-Study

No self-study expenses are anticipated in the upcoming fiscal year.

l) Special & Capital Projects assumes it will cost \$30,000 to fix the sinkhole. No income is forecasted for this, other than the proposed \$1k per month from undesignated giving.

This is the best guess on the most it would cost to repair the sinkhole. The contractor has to open the driveway from the bottom of the hill towards the top until it is clear they are past the underlying problem area. Only then will we know the actual cost.

m) Youth Group activities budgeted at \$12,000

This is a placeholder for a trip(s) or other significant activity. The Youth Group leaders will determine if and how the funds will be used.