

**CENTRAL CHURCH  
PROPOSED BUDGET  
ANNUAL FISCAL 21/22**

# BUDGET PROCESS

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The following is an overview of the major steps in creating a budget at Central Church:

- Accounting creates budget worksheets for providing Lead Team members with line item detail for all of their expenses
- Lead Team members review individual line item expenses with last years spend and budget, how the current year budget and how that year is projected to end, along with their Ministry Plans for the New Year.
- Lead Team members create proposed line item expenses
- The Executive Pastor and the Director of Accounting meet with each Lead Tem member to review the line itme proposal. Adjustments and clarification are made.
- Secondary meetings are held with Lead Team members as needed
- Account makes income projects and combines all Lead Team budgets into a single Budget
- Proposed budget is reviewed with the Lead Pastor. Clarification and adjustments are made as needed.
- Proposed budget is reviewed with the Trustee Board. Clarification and adjustments are made as needed. Secondary meetings are held if necessary. Trustee Board votes to recommend the Budget to the Elder Board Approval.
- Elder Board reviews the proposed budget and seeks any needed clarifications, changes or adjustment. The Elder Board approves the budget.



# INCOME

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| Estimated<br>Actual<br>(June)<br>Fiscal 20/21 | Budget<br>Fiscal 20/21 | Proposed Budget<br>Fiscal 21/22 |
|---|------------------------|---------------------------------|
| <hr/> \$ 6,478,345                            | <hr/> \$ 4,706,144     | <hr/> \$ 6,683,755              |

- Due to COVID last years income was budget at a 6.725% decrease but actual income increased significantly for the year
- SW Tithes & Offerings are budgeted for a 5% increase over fiscal 20/21 estimated actual
- DT Tithes & Offerings are budgeted significantly less in the new year due to special gifts received in Fiscal 20/21
- All other income categories are budgeted with no increases for the new year
- Central Preschool & Kindergarten facility rental remains at \$68,000
- Total income is budgeted for a 3.17% increase
- See the Weekly Giving Analysis for more information on giving comparisons.

# EXPENSES

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| Estimated<br>Actual<br>(April)<br>Fiscal 20/21 | Budget<br>Fiscal 20/21 | Proposed Budget<br>Fiscal 21/22 |
|--|------------------------|---------------------------------|
| \$ 4,034,506                                   | \$ 4,365,311           | \$ 4,792,720                    |

- Proposed Fiscal Year (FY) 21/22 Budget is \$758,214 over the estimated actual spend for FY 20/21
- Spending in the first six months of FY 20/21 was less than planned as operations continued to feel the COVID impact
- Proposed Salaries & Benefits are \$431,538 greater than actual FY 20/21 that includes the following:
  - Market adjustments and 2.5% salary increases
  - Two part-time staff moving to full-time
  - Adding one new full-time position and four part-time positions
  - Retirement benefit changes where Central's contribution increases from 3% to 5% of full-time salaries
  - Salaries for a new Residency Program have been added
  - Please note that salaries and benefits are 40.75% of budgeted income

# EXPENSES

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| Estimated<br>Actual<br>(April)<br>Fiscal 20/21 | Budget<br>Fiscal 20/21 | Proposed Budget<br>Fiscal 21/22 |
|--|------------------------|---------------------------------|
| \$ 4,034,506                                   | \$ 4,365,311           | \$ 4,792,720                    |

- \$61,898 increase in proposed spending for Student Ministries as ministry activities return to full operations from the COVID impact as well as continued growth in Student Ministries.
- \$122,161 increase in proposed spending for Outreach Ministries as focus increase on grants to those on the mission field, additional investment in our Ethiopia Initiative and other outreach events. Also, there is a new outreach initiative focused on Community Development.
- Remaining increase are primarily attributed to a return to full operations and continued growth in ministry areas. Please see the report “Central Fiscal 21/22 Annual Budget Detailed Analysis” for more specific information
- Fiscal Year Expense Budget Comparisons: FY 18/19 = \$3,989,931    FY 19/20 = 4,326,650    FY 20/21 = \$4,365,311

# NET INCOME

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| Estimated<br>Actual<br>Fiscal 20/21 | Budget<br>Fiscal 20/21 | Proposed Budget<br>Fiscal 21/22 |
|-------------------------------------|------------------------|---------------------------------|
| \$ 2,443,839                        | \$ 340,833             | \$ 1,891,035                    |

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- Estimated Actual Net Income for FY 20/21 is a result of extremely strong giving and reduced spending primarily due to the COVID impact
  - Annual Budgeted Gain for FY 21/22 is \$1,891,035
  - Reminder: These Numbers do not include Annual Depreciation Expenses
  - Distribution of budgeted net income to Reserve Funds:
    - Operating Reserve \$ 100,256
    - Building Reserve – Structure (non-discretionary) \$ 100,256
    - Building Renewal (discretionary) \$ 100,256
    - Information Technology Renewal \$ 66,838
    - Ministry/Kingdom Fund \$ 1,523,428
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|---------------------------------|---------------------|
| <b>TOTAL RESERVE ALLOCATION</b> | <b>\$ 1,891,035</b> |
|---------------------------------|---------------------|