

**CENTRAL CHURCH
PROPOSED BUDGET
ANNUAL FISCAL 23/24**



BUDGET PROCESS

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

- Accounting creates budget worksheets for the 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 projected actual expenses will end, along with their Ministry Plans for the new year.
- Lead Team members create proposed line item expenses
- The Executive Pastor and Finance meet with each Lead Team member to review the line item proposal. Adjustments and clarification are made.
- Secondary meetings are held with Lead Team members as needed
- Finance 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

Estimated Actual (May) Fiscal 22/23	Budget Fiscal 22/23	Proposed Budget Fiscal 23/24
\$ 8,472,450	\$ 7,993,128	\$ 9,025,136

- The last 2 years of SW Tithes & Offerings were reviewed to determine trends. Last years giving was 21% over the prior year. This year's giving is expected to be 8% over the prior year.
- Fiscal year 23/24 SW Tithes & Offerings are budgeted for a 5% increase over fiscal year 22/23 estimated actual
- DT Tithes & Offerings were budgeted at \$120,000 for fiscal year 22/23, with the projection of actual to exceed the budget by \$51,000 for the current year. To be on the conservative side the budget for 22/23 is proposed to be \$170,000
- Investment Income is budgeted at \$365,000, which is significantly more than the projected amount for the current year. The change in investment strategy and interest income from NorthWestern Mutual should result in higher earnings.
- Overall, total fiscal year 22/23 revenue is 5% more than the current budgeted revenue of \$6,560,940, and the projected current year actual revenue of \$8,396,823 is 5% over the 22/23 budget.

EXPENSES

Estimated Actual (May) Fiscal 22/23	Budget Fiscal 22/23	Proposed Budget Fiscal 23/24
\$ 5,627,867	\$ 5,631,756	\$ 6,147,026

- Proposed Fiscal Year (FY) 23/24 Budget is \$519,159 over the estimated actual spend for FY 22/23
- Proposed Salaries & Benefits are \$514,116 greater than estimated actual FY 22/23 and include the following:
 - Salary increases generally at 4%
 - 2 additional full time positions: MS Student Pastor and FT Night Custodian
 - 3 additional part time positions: Spiritual Development/Outreach Admin, Music Director, Videographer PT)
 - Filling 5 currently vacant positions (Communications Lead, Kids Central Pastor, Early Childhood Director, IT/Next Gen Tech, DT part-time admin)
 - Filling all 4 currently vacant residency positions as well as open intern positions.
 - Please note that salaries and benefits are 38% of budgeted income.
 - Salaries and benefits are projected to be 58.7% of total proposed budgeted expenses.

EXPENSES

Estimated Actual (March) Fiscal 22/23	Budget Fiscal 22/23	Proposed Budget Fiscal 23/24
\$ 5,627,867	\$ 5,631,756	\$ 6,147,026

- \$74,000 increase in proposed spending for Outreach Ministries includes Central Church covering missions expenses for Kendra Michael in the amount of \$50,000. Additionally, because of the amazing work that the Kingdom Fund has accomplished, Central is partnering with Selamta (\$24,000).
- \$47,000 increase in Accounting/Finance due to a financial audit planned for the fall of 2023.
- As we saw in the winter of 2022/2023, we significantly under budgeted the amount of dollars the Church would need for snow removal. To better prepare for the next fiscal year, we have increased this line by \$15,000. Additional facility needs, such as annual utility increases and the need for more janitorial supplies, increased the overall facilities budget by \$23,500
- \$105,367 increase of estimated current year expenses in the Downtown budget is to bring the staffing needs back up to the prior levels that were not staffed in the current fiscal year. Additionally, we budgeted for a full year of rent payments that did not start until April 2023.

NET INCOME

Estimated Actual Fiscal 22/23	Budget Fiscal 22/23	Proposed Budget Fiscal 23/24
\$ 2,844,583	\$ 2,361,372	\$ 2,878,110

- Estimated Actual Net Income for FY 22/23 exceeds the budgeted amount by \$483,211. Our giving remained strong throughout the current fiscal year.
- Annual Budgeted Gain for FY 23/24 is \$2,878,110, which is an increase over the current budget of \$516,738
- Reminder: These numbers do not include Annual Depreciation Expenses

- Distribution of budgeted net income to Reserve Funds:

– Operating Reserve	\$ 180,503
– Building Emergency & Structure	\$ 135,377
– Building Renewal (Discretionary)	\$ 135,377
– Information Technology Renewal	\$ 90,251
– Ministry/Kingdom Fund	\$ 2,336,602
TOTAL RESERVE ALLOCATION	\$ 2,878,110