

Budget Discussion Meetings: November 24: 9:45AM and 11:00AM.

Congregational Meeting to Approve Budget and Elect Council Members: December 1st (concurrent with church services).

For the second year in a row, council is presenting our congregation with a “flat” budget. The proposed budget for 2020 is \$576,209. This is an increase of \$96 over the 2019 budget. Meeting this budget would require a donation of \$138 per month per giving unit (a member or family that “gives”) or \$1650 per year. (Of course, many members are able to give more, and some must give less.)

There are many items of note concerning the budget and this proposal.

First, the council feels strongly that the budget for 2020 should provide for salary increases for the staff. The 2019 budget did not include increases and, often, staff increases in budget proposals have been minimal. Council feels a second consecutive year without increases would punish the staff unfairly. Salary increases are slated in the proposal at 3% for all staff.

Second, difficult cuts have been made in program areas of the ministry. These cuts will put considerable stress on our staff and leaders as they seek to carry out our ministry within the confines of the budget.

The attempt to keep the budget “flat” while awarding our staff for their efforts, comes as we are struggling with income. Several weeks ago, members received a postcard noting that we were projecting a deficit and that, with a donation of \$125 per giving unit (in addition to regular offerings), such a deficit would be averted. Giving has increased and that is good news. Hopefully, our members will continue to understand this need and we will meet our 2019 expenses. (Currently, our 2019 deficit is projected at approximately \$15,000. If we can match 2018 giving in 2019, we will finish in the black barring unforeseen expenses.)

How concerned should we be? We've been here before. In fact, last year at this time our projected deficit was higher (\$25, 0000) and we rallied to finish in the black. This is an incredibly strong church. We should still be able to meet our financial needs and the next budget.

Our current standing, however, has molded the council budget proposal. And, rather than project what might be an overly optimistic bottom line, council is projecting a loss in the 2020 budget--partly in the hopes of conveying the message to the congregation that consistent, regular giving is needed to meet our ministry needs.

Trinity continues to be a strong and blessed congregation with an incredibly bright future. Thank you for your commitment to our shared ministry!

2020 Proposed Budget Items of Note

Note: A "Giving Unit" is a family or individual who "gives" to our congregation. Trinity has about 350 giving units. (This is a conservative number of giving units.)

Total Expenses:

Expenses for the 2020 proposal are \$576,209 (about a \$100 increase from the 2019 budget).

Total Offerings/Interest Income:

Projected offering income for 2020 is \$507,000.

Our projected offerings for 2020 are slightly less than our actual receipts of \$514,990 in 2018. We are purposefully using a more conservative projection to emphasize we need everyone's help in meeting the budget.

Total Outreach Expenses:

A decrease of \$1,400. The church donations to Rocky Boy (which has covered mailing costs to the ministry) and the donation to Habitat for Humanity have been eliminated. Members of Trinity are encouraged to continue their gifts to these ministries through the church, but the congregation will no longer contribute to these charities through the budget. (If needed, mailing costs to Rocky Boy will be handled as an administrative expense.)

Worship/Music

An increase of \$3,150 to better reflect cantata costs, which have previously been covered by individual donations (this will cover the cost of one cantata), as well as increased actual expenses with Offering Envelopes (partly to cover new members) and instrument maintenance.

Education Expenses

A decrease of \$3,250. Decreases will especially affect general Education (-\$500), VBS (-500), Confirmation (-\$1000) and Church Camping (-\$1000). Some of this is reflective of recent expenses (we have not needed, for example, money for Confirmation recently), but some of it will definitely be a cause for belt-tightening.

We continue to see significant savings in this line as Michelle Shirk, Director of Youth and Family Ministries, writes our curriculum. However, this is performance beyond job description. The congregation should be aware that we are currently very fortunate and that education costs would increase significantly if we had to make the switch to purchased curriculum.

Youth Expenses

A decrease of \$3,500. This decrease is affecting the Youth Activities line. While spending in 2019 was below budget, it should be noted that this decrease could result in the passing of more of the cost of youth events to parents.

Evangelism

A reduction of \$2,650. This comes from reductions in the Stewardship line

(-\$1,000), the unused Small Groups line (-\$450), and from canceling our membership to the Samaritan Counseling Center (-\$1,200). Staff has produced our stewardship materials over the last several years, resulting in significant savings. The Samaritan Center provides counseling for members, but the subscription has been underutilized and has not justified the cost.

Administration Expense

An increase of \$8,310. The majority of this increase is reflected in the cost of the “new” Shelby System. This system, which handles all of our financial, membership, and record keeping information, is going through a major upgrade and, unfortunately, it is expensive. However, maintaining the system is important to maintaining the level of record keeping we need. This cost will decrease somewhat (we pay a yearly fee) in the next calendar year.

Total Salaries/Benefits

An increase of \$8,936 reflecting a 3% increase. *Note: Trinity does not publish salary information, as this data is considered private. Salary information is, however, kept at the church office and can be reviewed by members upon request.*

Fellowship Expense

A decrease of \$1,000.

Total Property Expense

A reduction of \$6,900 reflective of current improvements (new HVAC units) and increased insulation with the stained-glass window project.

**Trinity Lutheran Church
2020 Proposed Budget**

Line Description	2019 Budget	2020 Proposed Budget	Line Description	2019 Budget	2020 Proposed Budget
INCOME					
Offerings			Evangelism Expenses		
Weekly Giving	507,193.43	488,900.00	Evangelism	600.00	600.00
Easter	6,000.00	5,700.00	Advertising	560.00	560.00
Thanksgiving	1,000.00	1,000.00	Stewardship	2,000.00	1,000.00
Christmas	10,000.00	10,000.00	Timbers Group	500.00	500.00
Maundy Thursday	550.00	550.00	Small Groups	450.00	0.00
Good Friday	1,000.00	850.00	Samaritan Center Partnership	1,200.00	0.00
Total Offerings	525,743.43	507,000.00	Total Evangelism Expenses	5,310.00	2,660.00
Interest Income			Outreach Committee Expense		
UCB Money Market Interest	360.00	500.00	Outreach Committee Expense	1,150.00	1,150.00
Lanco FCU Savings Interest	10.00	10.00	Comfort Stitches	175.00	175.00
Trust Fund Interest	45,000.00	50,000.00	Total Outreach Committee Expense	1,325.00	1,325.00
Investment Interest	1,500.00	1,450.00			
Thrivent Choice Income	3,500.00	3,600.00			
Other Income	0.00	0.00	Salaries and Benefits		
Total Interest Income	50,370.00	55,560.00	Salaries and Benefits	384,468.43	390,499.15
			Total Salaries and Benefits	384,468.43	393,404.79
TOTAL INCOME	576,113.43	562,560.00			
EXPENSES					
Outreach Expenses			Administration Expense		
Regular Benevolence	36,000.00	36,000.00	Travel Allowance	1,500.00	1,500.00
Rocky Boy	400.00	0.00	Office Supplies	3,250.00	3,400.00
Fire Department Mount Joy	400.00	400.00	Postage	2,700.00	2,500.00
Council Discretionary Fund	0.00	0.00	Office Equipment/Maintenance	10,250.00	18,110.00
Lancaster Council of Churches	500.00	500.00	Synod Assembly Expenses	760.00	760.00
Susquehanna Valley EMS	200.00	200.00	Miscellaneous	1,200.00	1,400.00
Habitat for Humanity	1,000.00	0.00	Church Insurance	9,600.00	9,900.00
Total Outreach Expense	38,500.00	37,100.00	Total Administration Expense	29,260.00	37,570.00
Worship/Music Expense			Property Expense		
Worship Supplies	3,000.00	3,000.00	Building Maintenance	25,000.00	20,000.00
Choir Camp	0.00	0.00	Outside Maintenance	6,000.00	8,000.00
Musicians/Supply Organist	2,000.00	1,850.00	Utilities	34,000.00	30,000.00
Cantatas	0.00	2,500.00	Telephone	3,500.00	3,500.00
Robe Cleaning	400.00	400.00	Trinity Place	4,000.00	4,100.00
Offering Envelopes	2,000.00	2,700.00	Total Property Expense	72,500.00	65,600.00
Organ/Piano Maintenance	1,500.00	1,600.00	Fellowship Expense		
Total Worship/Music Expense	8,900.00	12,050.00	Congregational Fellowship	4,500.00	3,500.00
			Total Fellowship Expense	4,500.00	3,500.00
Education Expenses			Schock Library		
Education Expense	4,000.00	3,500.00	Choir Music	1,000.00	0.00
Vacation Bible School	3,500.00	3,000.00	Books/Audio Visual	600.00	0.00
Confirmation	1,000.00	0.00	Total Schock Library Expense	1,600.00	0.00
Sr. High Pilgrimage	1,500.00	1,500.00			
Church Camp	5,000.00	4,000.00	TOTAL EXPENSE	576,113.43	576,209.79
Adult Education	750.00	500.00			
Total Education Expense	15,750.00	12,500.00			
			NET INCOME	0.00	(13,649.79)
Youth Expenses					
Youth Activities	10,000.00	6,500.00			
Youth Fund/Events	4,000.00	4,000.00			
Total Youth Expenses	14,000.00	10,500.00			