

St. Timothy Lutheran Church Financial Overview

	\$ in Thousands			
	2005	2006	2007	Budget 2008
Income:				
Member and Plate Gi	719	743	713	719
Building Use	37	52	48	54
Other income	25	4	16	15
Use of fund balance				20
Total income	781	799	777	808
Expenses:				
Salaries and benefits	428	451	414	450
Mortgage	81	94	113	98
Property and capital it	82	92	111	118
Benevolence	82	86	69	69
Ministries and other	76	59	67	73
Total expenses	749	782	774	808
Increase in Fund Balance	32	17	3	0

General Comments:

- 1) Member giving has declined since 2006.
- 2) Salaries have fluctuated in line with the change in pastors over the time frame
- 3) Property costs continue to increase even with focus on cost saving measures
- 4) Benevolence was reduced in 2007 due to reduced giving levels
- 5) Ministries spending has not increased from 2005 levels.

2008 Comments:

- 1) Member giving is currently running behind prior year, but a significant portion of member pledges is given in December which makes it difficult to estimate for the year
- 2) Salaries and benefits will come in under budget as we had budgeted for 2 full time pastors for 7 months of 2008
- 3) Property expenses will likely exceed budget due to a significant increase in snow removal costs in 2008
- 4) We are hopeful that we will not need to use our fund balance in 2008; the need to use the fund balance will likely be determined by December contributions.

2009 Outlook:

- 1) Member giving will drive our ability to fund increases in salaries, mortgage, benevolence and ministries
- 2) Salaries will be budgeted for 2 full time pastors for the year. Although no estimate has been made at this point, the last year budgeted for 2 pastors reflected total salaries of \$485,000, which would be an increase of \$35,000 from the 2008 budget.
- 3) Our annual mortgage is now \$160,000 a year, a \$62,000 increase over the 2008 GTS supported budget. We have maintained GTS funds to help support the 2009 mortgage if necessary, but if member giving can support the mortgage, we will be able to utilize the funds to pay down the principal of the loan instead.
- 4) Property and capital needs continue as fixtures, chairs, air conditioners, furnances, etc. need to be replaced.