

Living Hope Covenant Church

A Great Place to Start... or Start Over

ANNUAL MEETING BUDGET UPDATE

January 31, 2021

AGENDA

- **2020 Year in Review**
- **Spiritual Thoughts**
- **2020/2021 Budget**
- **Challenges**

2020 – YEAR IN REVIEW

- **Thank you for your generous giving in 2020!**
- **Highlights:**
 - **With COVID uncertainty, Leadership Team decided to maintain same budget for 2020/2021 as 2019/2020**
 - **Budget year – August 1st through July 31st**
 - **As always, we tithe 10% of General fund donations – thank you Lord!**
 - **Majority of budget – approximately 87% - consists of fixed costs such as tithing, mortgage, utilities, taxes, insurance, and staff compensation**
 - **Rental income:**
 - **Our House - \$4000/month. Two months during COVID they did not meet at church but still paid \$2000/month.**
 - **Etz Khayim – since May 2020, use building on Saturdays - \$1675/month**
 - **Rental income goes directly toward mortgage payments**
 - **Received federal Payroll Protection Program (PPP) loan in June 2020 - \$23,000.**
 - **Will apply for loan forgiveness when lender has website set up**
 - **Mortgage – worked with lender for reduced payments in 2020 – back up to full payment starting Jan 2021**
 - **Maintained and fully paid all staff members**
 - **Diligently met mortgage payments and necessary expenses**

SPIRITUAL THOUGHTS

- **Trust in the Lord! Matt 6:11 (NIV) – Give us today our daily bread.**
- **Pastor Greg will provide a summary of how God has worked through this year, but from a budget perspective, God has truly taken care of Living Hope.**
- **Faith-Based Budgeting**
 - **Seek God’s guidance and blessings for the things we want to do as a church**
 - **Not just exist to pay bills, but to conduct ministry and make a difference**
 - **Do not be fearful, but have hope**
 - **Pray for God’s will**
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 - **Take action**
- **Throughout budget process, keep congregation informed**

2020/2021 | BUDGET

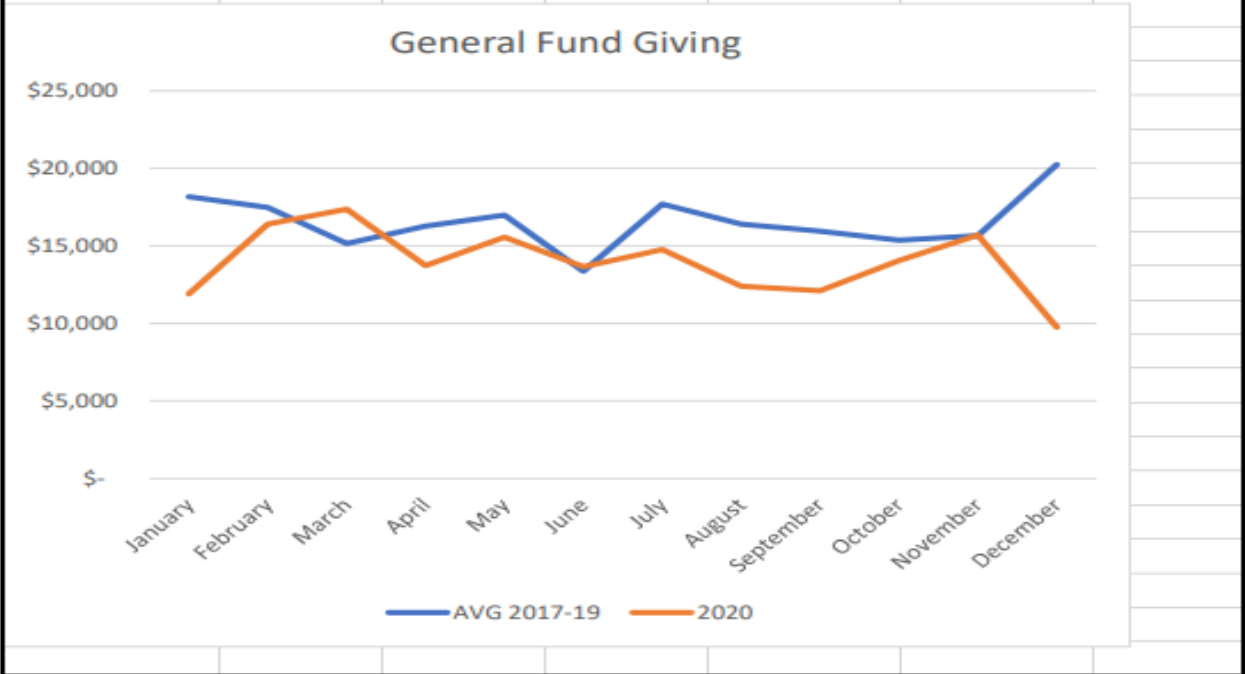
	2020-2021	2019-2020	2018-2019	2017-2018
Budgeted Income	271,565	271,565	281,106	270,000
Actual Giving Income	150,000 *	181,228	201,283	198,328
Other Income (primarily rent income)	68,100 *	46,980	54,693	59,035
CARES Act Loan (supposedly forgivable)		23,000		
Total Actual Income	218,100 *	251,208	255,976	257,363
Budgeted Expenses	271,565	271,565	281,105	275,708
Actual Expenses	237,728 *	212,405	260,106	264,038
Actual Income less Expenses	-19,628	38803	-4130	-6675
* Projected based on income and expenses through January				

Highlights:

- **Same budget as 2019/2020**
- **Ran deficits from Nov 2019 – May 2020. Used PPP loan to pay staff and post positive balance.**
 - **During reduced giving, the Leadership Team uses Spending Priorities to allocate funds**
- **Mortgage reduced to \$4000/mo from May-Dec 2020. Back to \$5270/mo starting Jan 2021.**
- **Note reduced actual expenses for this year – Our House didn't meet for months, no paid child care, less utilities, less office expenses, etc during COVID.**

2020/2021 BUDGET

	2017	2018	2019	AVG 2017-19	2020
January	19908	19234	\$ 15,356	\$ 18,166	\$ 11,903
February	17695	16665	\$ 18,033	\$ 17,464	\$ 16,392
March	13249	14535	\$ 17,620	\$ 15,135	\$ 17,367
April	17011	16006	\$ 15,796	\$ 16,271	\$ 13,721
May	17896	18037	\$ 14,986	\$ 16,973	\$ 15,569
June	15495	10729	\$ 13,874	\$ 13,366	\$ 13,654
July	16438	20347	\$ 16,282	\$ 17,689	\$ 14,765
August	16698	14649	\$ 17,863	\$ 16,403	\$ 12,396
September	14989	16500	\$ 16,336	\$ 15,942	\$ 12,105
October	15620	17963	\$ 12,517	\$ 15,367	\$ 14,054
November	13570	18151	\$ 15,244	\$ 15,655	\$ 15,692
December	22029	21015	\$ 17,684	\$ 20,243	\$ 9,773
Monthly Average	\$ 16,717	\$ 16,986	\$ 15,966	\$ 16,556	\$ 13,949



- **Comparison of the average of 2017-2019 vs 2020 giving.**
- **Considering COVID, we've had remarkable giving.**

BUDGET CHALLENGES

- **Continue to meet mortgage and other required payments**
- **Fully fund and expand Program Expenses (Ministry funding)**
- **Fund outreach – streaming, events to the community**
- **Have funding in reserve for unexpected events (facilities improvements, audio/visual needs, land maintenance, etc)**
- **Leadership Team make adjustments, as always, if giving fluctuates**
- **Pray for God to meet our needs**

2020/2021 BUDGET

Back Up

2019 VS 2020 GENERAL FUND GIVING

	2019	2020	2020 GF receipts vs. 2019
January	\$ 15,356	\$ 11,903	78%
February	\$ 18,033	\$ 16,392	91%
March	\$ 17,620	\$ 17,367	99%
April	\$ 15,796	\$ 13,721	87%
May	\$ 14,986	\$ 15,569	104%
June	\$ 13,874	\$ 13,654	98%
July	\$ 16,282	\$ 14,765	91%
August	\$ 17,863	\$ 12,396	69%
September	\$ 16,336	\$ 12,105	74%
October	\$ 12,517	\$ 14,054	112%
November	\$ 15,244	\$ 15,692	103%
December	\$ 17,684	\$ 9,773	55%
Monthly Average	\$ 15,966	\$ 13,949	87%

2020/2021 BUDGET - HISTORY

FY 2019-2020 Living Hope Covenant Church Budget Summary				
Account Name / Description	FY 19-20 Budget	FY 18-19 Budget	FY 17-18 Budget	Difference
Income Sources				
General Fund Giving	\$229,565	\$223,806	\$210,000	\$5,759
Estimated Rental Income *	\$42,000	\$57,300	\$60,000	-\$15,300
Other	\$0	\$0	\$0	\$0
Total Income	\$271,565	\$281,106	\$270,000	-\$9,541
Budgeted Items				
Missions Giving	\$27,157	\$28,109	\$27,000	-\$952
Staff Expenses	\$126,682	\$128,751	\$126,658	-\$2,069
Facility Costs	\$95,990	\$99,470	\$101,950	-\$3,480
Operational Expenses	\$15,860	\$15,150	\$12,750	\$710
Program Expenses	\$5,877	\$9,625	\$7,350	-\$3,748
Total Budget	\$271,565	\$281,105	\$275,708	-\$9,540
Income Need Projections for FY 2019-2020 (Excluding Rent)				
Income Need	FY 2019-2020	FY 2018-2019	FY 2017-2018	Difference
Per Month	\$19,130	\$18,651	\$17,500	\$480
Per Week	\$4,415	\$4,304	\$4,038	\$111

BUDGET HISTORY

Fiscal Year	GF Amount	Inc/Dec over Last Year	Percentage
FY 2004-2005	\$ 143,065.28		
FY 2005-2006	\$ 144,963.00	\$ 1,897.72	1%
FY 2006-2007	\$ 175,044.09	\$ 30,081.09	17%
FY 2007-2008	\$ 205,727.65	\$ 30,683.56	15%
FY 2008-2009	\$ 201,907.54	\$ (3,820.11)	-2%
FY 2009-2010	\$ 170,259.31	\$ (31,648.23)	-19%
FY 2010-2011	\$ 184,805.95	\$ 14,546.64	8%
FY 2011-2012	\$ 206,164.92	\$ 21,358.97	10%
FY 2012-2013	\$ 216,258.99	\$ 10,094.07	5%
FY 2013-2014	\$ 203,227.93	\$ (13,031.06)	-6%
FY 2014-2015	\$ 207,613.00	\$ 4,385.07	2%
FY 2015-2016	\$ 201,360.00	\$ (6,253.00)	-3%
FY 2016-2017	\$ 193,326.00	\$ (8,034.00)	-4%
FY 2017-2018	\$ 196,328.00	\$ 3,002.00	2%
FY 2018-2019 Projected	\$ 205,000.00	\$ 8,672.00	4%
4 Year Average	\$ 199,003.50		
Increase / Decrease Avg	-0.4%		
Projected New Year Budget	\$ 198,256.37	\$ 19,825.64	