

2020-2021 Fiscal Year Update

As promised in our letter to the congregation after the January voting assembly, we are providing an update and a financial projection. January 31 marked the halfway point for the Ministry's fiscal year. At the end of January, the Ministry had a surplus of \$94,581. As history has shown us, the last half of our fiscal year slows down for overall giving. The forecast includes the following highlights:

- The general fund is forecasted to be about \$50,000 higher than last year.
- School income is expected to be similar to last year.
- Child Development Center (CDC) income is lower due to various consequences from Covid-19 outside of the CDC's control.
- Personnel expenses are lower than budget due to not filling the Deaconess position until now.
- Many of our boards are spending less than budgeted amounts due to changes resulting from Covid. Some of these savings are from conferences being cancelled, Sunday school changes, decrease of worship materials, and many other smaller expenses.

At the end of the fiscal year, the Ministry is forecasted to have a deficit of roughly \$143,000. Our carryover surplus of \$249,529 from last year will be able to cover this deficit and still leave us with roughly \$106,000. While this is great news for this year, it still is something that needs to be addressed in our upcoming budgets.

- **What does this mean for the congregation and how will we address the deficit?** In our previous communication, the Finance Board recommended that the Coordinating Council prioritize work on a strategic ministry plan to present a more manageable budget in August for the 2021-2022 fiscal year. This means the Coordinating Council will begin discussing how to close the budget gap.

There are two equally important ideas that we must hold in tension as we begin these discussions. First, God is our ultimate provider. On one hand, God sometimes provides in miraculous ways that we could never imagine. A biblical example is the feeding of the 5000. How could a little bit of fish and bread turn into enough food for 5000? Here at St. John, how could we have imagined in January of last year that we would avoid a \$140,000 budget deficit through pandemic assistance that turned into a \$249,529 surplus? There are limits to human plans. However, on the other hand, God also works and provides through humans in ordinary ways. He gave us our minds and wants us to use them to His glory. In the famine of Joseph's day, God did not miraculously multiply food like he did in the feeding of the 5000. He worked through Joseph's life and gave him the ability to interpret dreams and understand to store grain from 7 years of plenty for the 7 years of famine.

In other words, walking by faith includes God working in ordinary ways through human thinking, service, and giving, as well as extraordinary miracles above human reason. In our discussions and planning at St. John, we should be aware of God working in our midst in both ways.

In closing, we want to remind you of this truth we shared in our previous letter. **The Lord has provided for us in the past, He is providing for us now, and He will provide for us in the future. Our job is to make sure we do our part in using the resources He provides in the most prudent way for His Kingdom. Thank you for all you do and all you give to the ministry here at St. John.**

The Finance Board

THE MINISTRY OF ST JOHN LUTHERAN

5 Year Comparison & FORECAST

Budget Vs Actual (Current Month Ending & Fiscal Year Ending)

	Budget				Actual As of January 31				Actual As of July 31						
	2020-21	2019-20	2018-19	2017-18	2016-17	2020-21	2019-20	2018-19	2017-18	2016-17	FORECAST	2019-20	2018-19	2017-18	2016-17
Income															
GF + PDCBF															
General Fund	1,942,665	1,818,919	1,829,672	1,776,770	1,770,651	985,315	924,234	891,753	954,230	888,840	1,895,315	1,836,731	1,736,438	1,750,882	1,708,433
Projected Deficit Cov'd by Faith	143,479	231,041	196,035	175,287	105,370	8,080	10,326	1,515	6,110	7,598	8,080	17,841	8,539	15,675	13,825
TOTAL GF + PDCBF	\$2,086,144	\$2,049,960	\$2,025,707	\$1,952,057	\$1,876,021	\$993,395	\$934,560	\$893,268	\$960,340	\$896,438	\$1,903,395	\$1,854,572	\$1,744,977	\$1,766,556	\$1,722,258
School Income	257,100	257,100	225,000	227,000	277,367	224,308	193,303	186,958	162,650	172,311	290,308	286,347	270,570	249,870	243,778
CDC Income	772,346	750,156	750,372	778,179	542,800	362,566	399,870	388,615	336,833	245,906	679,374	611,721	752,488	676,895	541,343
Foundation Support	43,147	43,147	36,048	39,899	34,838	28,721	18,000	21,259	7,500	15,000	46,721	43,147	36,259	36,048	39,838
Other Income	1,000	1,000	1,000	950	1,370	4,2638	1,525	1,113	1,077	10,546	3,638	5,113	6,325	5,180	21,009
Total Income	\$3,159,737	\$3,101,363	\$3,038,127	\$2,998,085	\$2,732,396	\$1,611,628	\$1,547,258	\$1,491,213	\$1,468,400	\$1,340,201	\$2,923,436	\$2,800,900	\$2,810,619	\$2,734,549	\$2,568,226
Expenses															
Personnel	2,511,513	2,458,498	2,369,705	2,295,878	2,000,376	1,203,242	1,189,757	1,092,524	1,046,970	961,322	2,459,792	2,377,129	2,253,679	2,081,025	1,949,644
Trustees	252,529	259,832	284,850	273,561	316,355	144,950	135,641	133,144	136,635	165,511	263,937	247,515	269,897	262,737	285,265
Various Boards	101,150	97,729	98,965	101,126	105,707	32,185	40,254	39,047	42,914	50,881	65,580	69,814	75,103	92,155	104,763
Synod and Mission	137,929	129,143	129,907	126,151	125,716	68,965	64,572	64,953	63,075	62,858	137,929	129,143	129,907	126,151	125,716
Circuit Ministerial Training	3,000	3,000	3,000	3,000	3,000	-	-	-	-	-	3,000	3,000	3,000	3,000	3,000
CCUNE	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000
Child Development Center	90,605	94,855	93,370	94,444	30,935	42,079	48,723	49,360	41,099	29,308	89,104	74,946	94,883	86,658	64,780
School	55,011	50,306	50,330	95,925	142,307	25,711	33,269	21,756	23,316	33,893	47,048	54,330	43,474	45,924	55,597
Total Expenses	\$3,159,737	\$3,101,363	\$3,038,127	\$2,998,085	\$2,732,396	\$1,525,132	\$1,520,216	\$1,408,784	\$1,362,009	\$1,311,773	\$3,074,390	\$2,963,877	\$2,877,942	\$2,705,651	\$2,596,765
Revenue-Expenses	\$0	\$0	\$0	\$0	\$0	\$86,496	\$27,042	\$82,429	\$106,391	\$28,428	(\$150,954)	(\$162,976)	(\$67,323)	\$28,899	(\$28,539)
COVID															
COVID Supplies/Misc	-	-	-	-	-	(6,493)	-	-	-	-	(6,493)	(3,372)	-	-	-
PPP Loan	-	-	-	-	-	-	-	-	-	-	-	482,500	-	-	-
FF Sick-Family Leave	-	-	-	-	-	14,578	-	-	-	-	14,578	-	-	-	-
TOTAL COVID	\$0	\$0	\$0	\$0	\$0	\$8,085	\$0	\$0	\$0	\$0	\$8,085	\$479,128	\$0	\$0	\$0
Net Surplus/(Deficit)	\$0	\$0	\$0	\$0	\$0	\$94,581	\$27,042	\$82,429	\$106,391	\$28,428	(\$142,869)	\$316,152	(\$67,323)	\$28,899	(\$28,539)

NET CARRYOVER SURPLUS/(DEFICIT)	\$106,660	\$249,529	(\$66,623)	\$700	(\$28,199)
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