

## **2010 Budget approved by Congregation in Nov., 2009**

This is only a summary of the major changes between the budget for 2010 versus this year's 2009 budget. Anyone who wants more details about specific items should contact our treasurer, Jack.

Overall, the 2010 proposed budget is about \$18,000 (or 13.3%) higher than the 2009 budget. The biggest reason for the increase is that in 2009 because of the transition between our interim pastor and new senior Pastor we had a gap of about two and one-half months without any paid pastor. Even after adjusting for the additional expenses of the transition consisting of moving and pulpit search expenses, we expect to have about \$10,000 more pastor payroll expense in 2010, mostly because we'll have a pastor for the full twelve months. However, included in this \$10,000 is an extra \$2,200 for travel costs to send our Pastor to General Conference. And also included is a \$2,000 pay raise to occur throughout the year, which calculates to a 4.76% average increase.

The second largest increase in the budget is an additional \$3,447 in our Operating and Ministries expense section of the budget. Nearly two-thirds of this increase is due to the cost of sending our Lay Delegate to represent our church at our denomination's triennial General Conference. We also increased the budgets of our various Ministry programs by a total of nearly \$3,000 to represent the actual costs of the activities we are planning in the coming year. These increases were partially offset by reducing our copier budget by about \$1,000 plus another \$900 from not buying a computer in 2010.

Other areas of significant increase are an 8% pay raise for our music staff (who did not receive any raise in 2009), and an increase in our UFMCC assessment which is based on our total income, so since our budget calls for a higher income our assessment expense goes up.

The total increase for the section labeled Building & Mortgage, which represents the cost of our mortgage, utilities, maintenance and insurance costs is less than 2%. This is the net effect of a \$1,700 increase in our insurance costs which was necessary to get our building coverage up to replacement cost, less a reduction of a \$1,000 reduction in utility expenses. This utility budget reduction is based on a projected 10% increase in utility costs over this year's actual costs. (This year's actual costs were well below the 2009 budget mostly because of the large decrease in natural gas prices.) We did not attempt to adjust the budget for the anticipated savings from the computerized temperature control system. Assuming the loan is approved, we will wait until the 2011 budget to do this adjustment when we have about a year of actual experience with the system and the savings it produces.

Other changes of note are that the Child Care (Sunday School) teacher position has now become a volunteer rather than paid position, reducing our payroll expenses by over \$1,100 when you include the payroll taxes we pay. And we have been able to cut our Worker's Comp insurance costs by nearly half.

Your Board wishes that we had been able to hold the budget increase to much less than 13.3%, but as discussed above, most of the increases are unavoidable due to the various factors detailed above. As you consider your vote on this budget, please factor in your ability to increase your giving level to our church by roughly 13.3% because we have no reserve funds to cover any gap between our budgeted income and what we actually receive. To put the increase in donations needed in different terms, under this proposal our monthly budget will increase from \$11,300 to \$12,800.

Respectfully submitted,

Jack Boren, Treasurer