Financial Forum Meeting

Bethel Lutheran Church

Cupertino, California

August 6, 2008

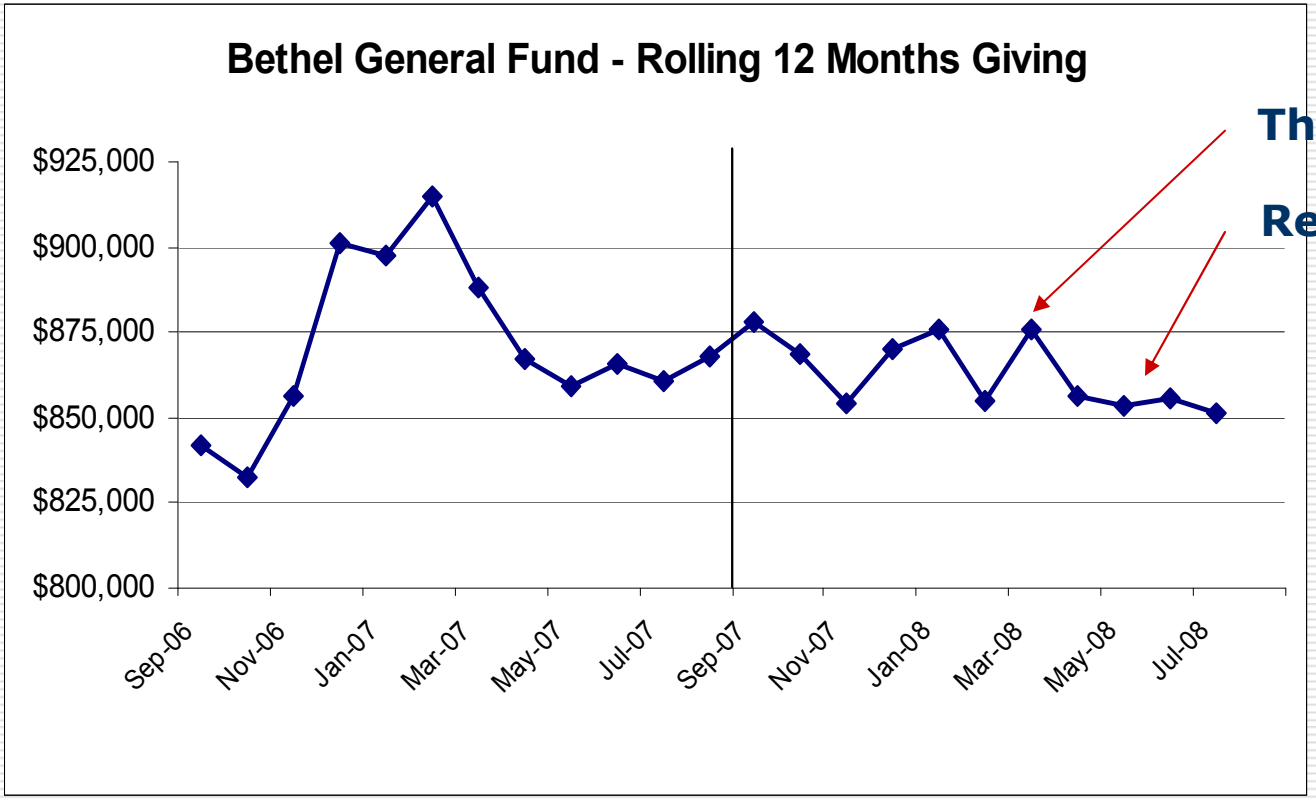
Agenda

- What's happening now
  - Roof Repair + Solar Power Project
  - Congregation giving trends
  - Current church income and expenses
- A look ahead
  - Projecting income
  - FY'09 budget

Roof Repair + Solar Power Project

- Project cost: $223,535
  - Roof repairs + HVAC $83,645
  - Solar energy system $138,700
  - Mortgage + title fees $1,190
- Funds available: $223,546
  - Refinance $220,000
  - Donations $3,546

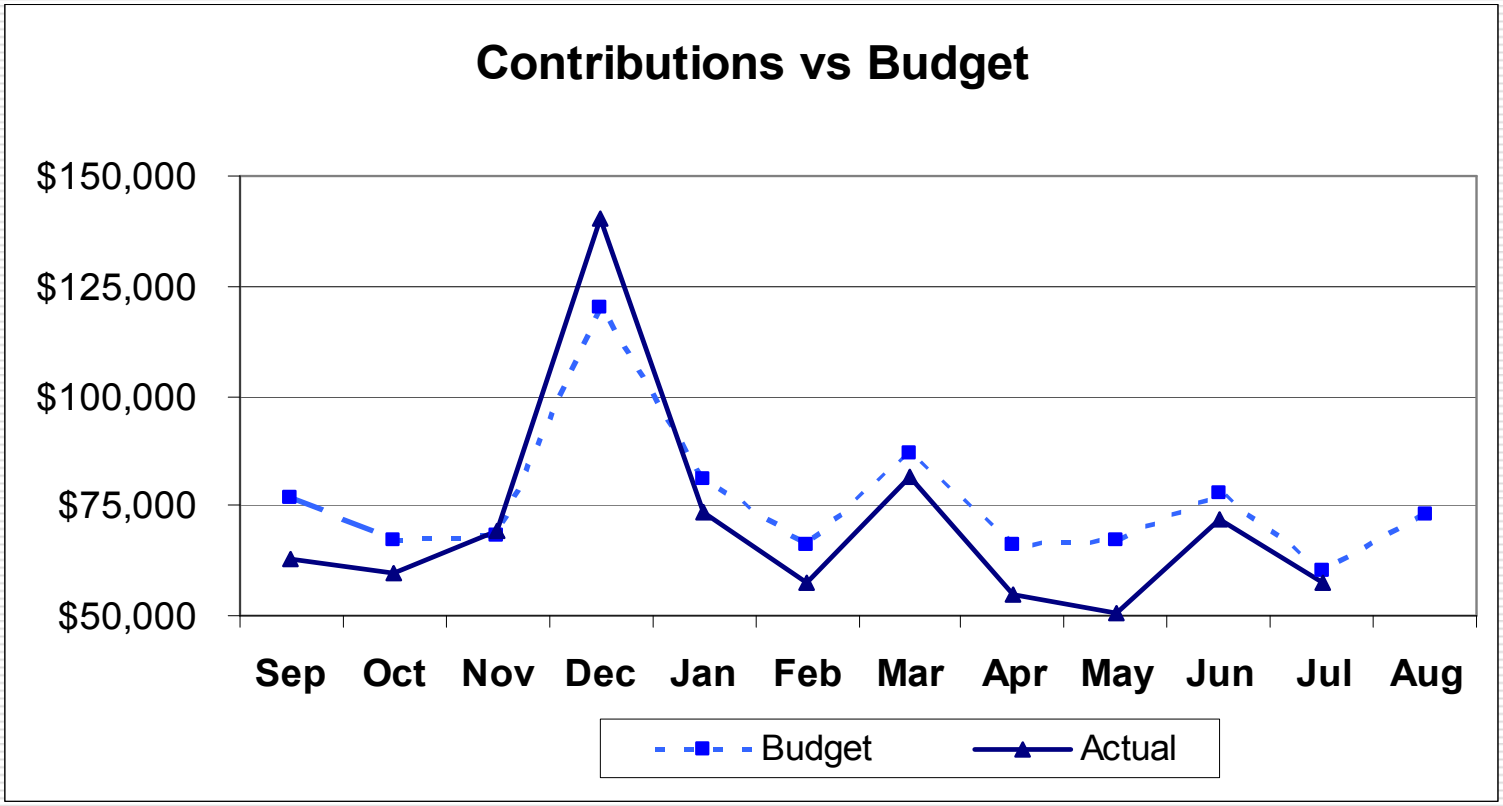
Recent giving trends



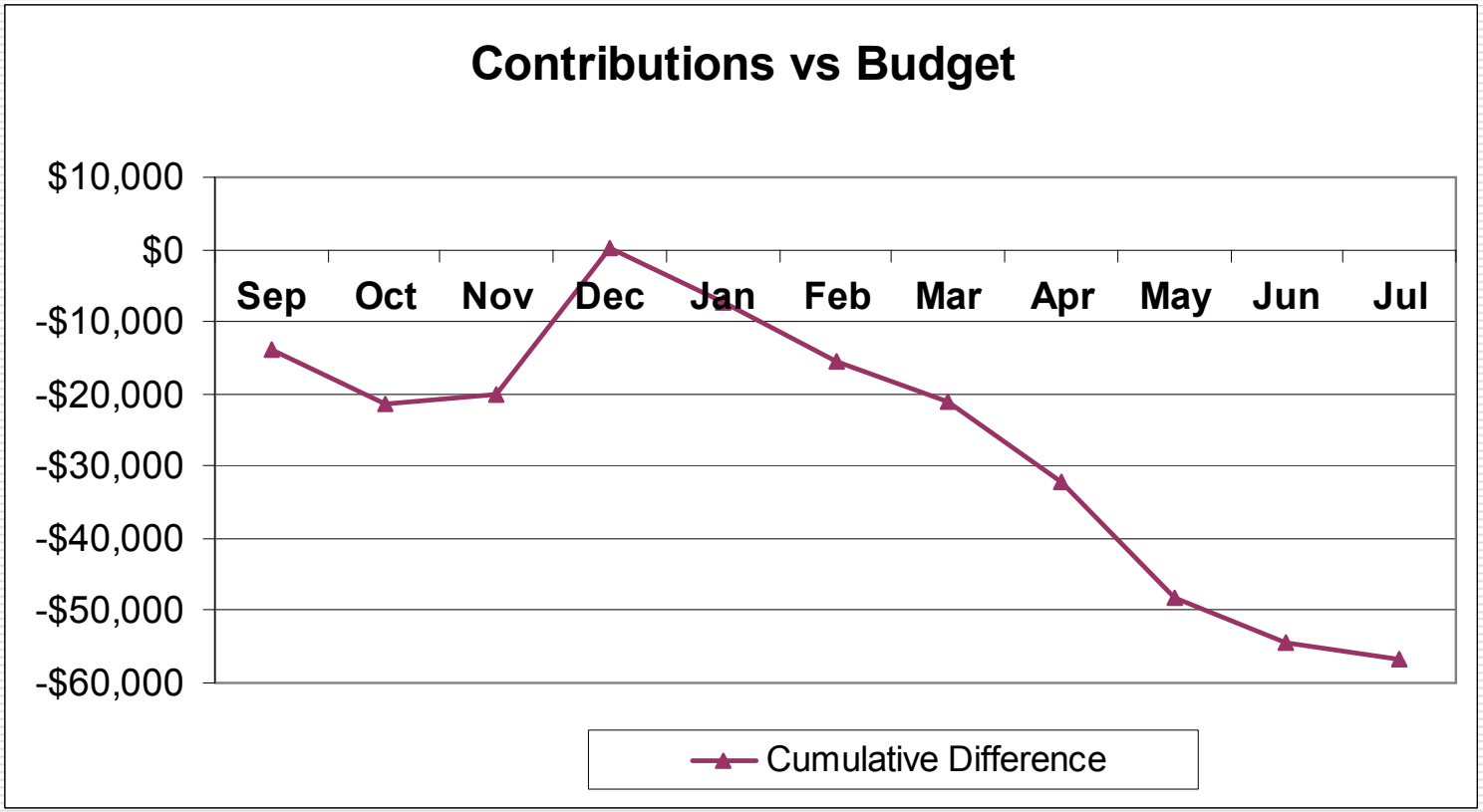
Through Mar: $880K

Recent avg: $850K+

Giving vs. Budgeted Income



Giving vs. Budgeted Income



Giving vs. Budget

9/1/2007 through 7/31/2008

	# Givers	Given To Date	Average	Per Month
Envelope	315	$757,548	$2,405	$219
Loose Offerings	?	$22,612		
Total given	315+	$780,160	$2,477	$225
Budget		$837,000	$2,657	$242
Difference		$56,840	$180	$17

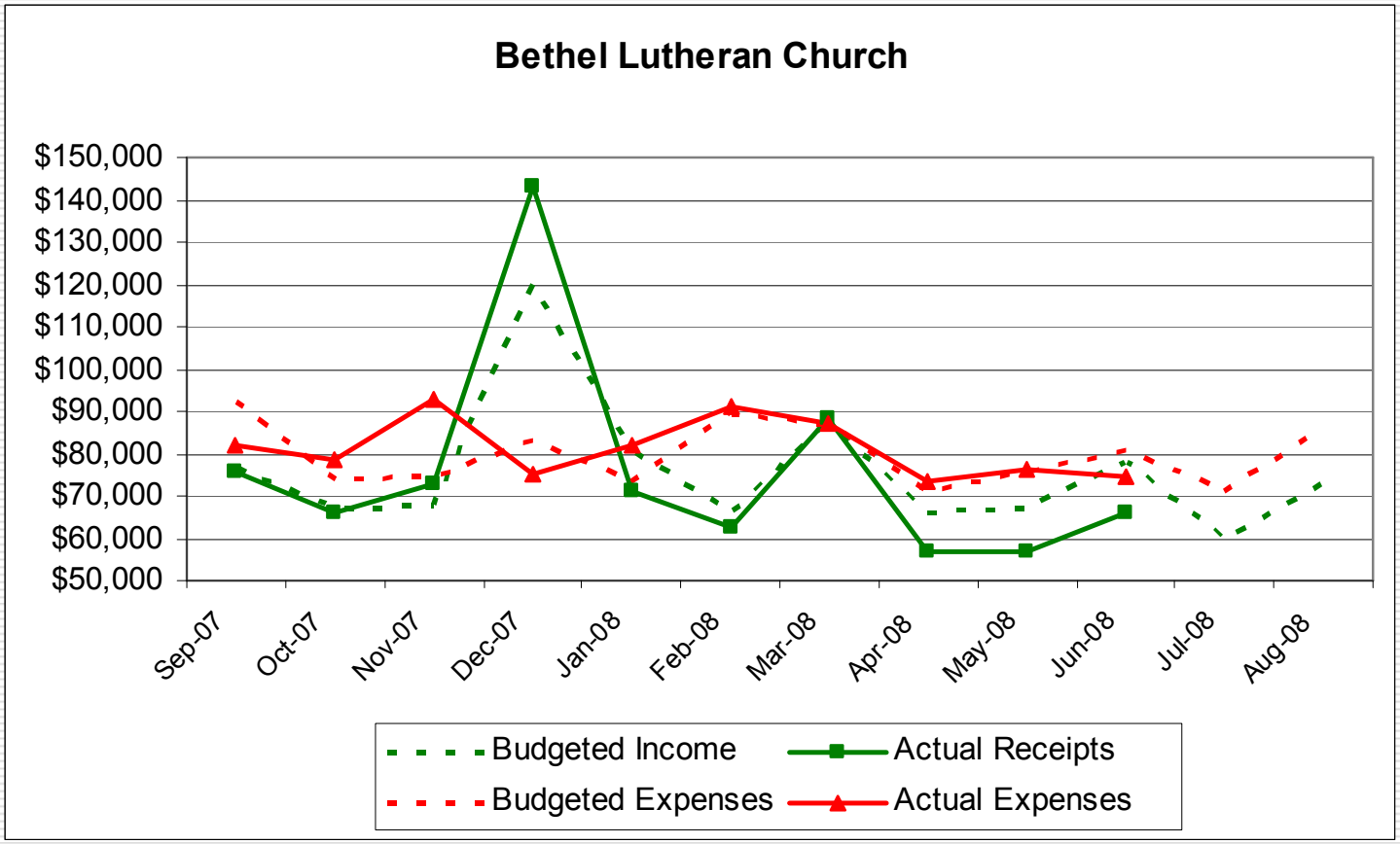
Amount given per "giving unit"

9/1/2007 through 7/31/2008

Monthly	**Number**		**Amount**	
Up to $25	59	19%	$6,339	1%
$26 - $50	32	10%	$12,832	2%
$51 - $100	54	17%	$47,284	6%
$101 - $200	63	20%	$102,170	14%
$201 - $350	41	13%	$119,987	16%
$351 - $500	32	10%	$149,392	20%
$501 - $1000	29	9%	$227,089	31%
Over $1000	5	2%	$76,842	10%
Total	315		$741,926	

Mean = $214/month Median = $111/month

FY'08 Church Income & Expenses



FY’09 Budget

Projecting FY'09 Income

Happening now

- Through March: averaged $880K/yr
- Since April: averaged $850K/yr
- Plan: revitalize stewardship

Projection for FY'09

- Base expectation: $880K (FY'08: $890K)
- Challenge: $15K (FY'08: $20K)
- Total: $895K (FY'08: $910K)

FY'09 Budget: What's Changing

Savings Anticipated : $29,170

50th Anniversary celebrations	-$10,000
Energy savings (solar + green)	-$11,070
Grand Piano maintenance	-$2,500
Advertising	-$3,000
Tithe adjustment with lower income	-$2,600

Increases Anticipated: $36,642

Refinanced mortgage interest	$14,612
AV projects by contract	$2,000
3.5% Cost of Living + Restructuring	$3,538
Routine cost increases	$2,500
Depreciation increase	$13,992

Cash Neutral:

Shift responsibilities between departments (e.g. AV salary under Youth)

FY'09 Budget: Category Totals

Account Group	Budget 08	Projected Actual 08	Request Budget 09	
Staffing	555,164	569,874	560,052	1%
Ministry & Programs	181,746	168,979	166,845	-8%
Technology and Equipment	6,219	6,711	5,869	-6%
Facilities & Overhead	145,648	118,916	150,157	+3%
Depreciation	65,640	75,000	79,632	+21%
Total of Expense Accounts	**995,767**	**939,481**	**962,555**	+1%
Fee Based Income	-26,400	-36,855	-26,650	
Net Expenses	**929,367**	**902,626**	**935,905**	+1%
Balance Sheet Cash Xfers	24,850	58,800	22,563	
Fully Funded Ministries	**954,217**	**961,426**	**958,468**	+1%
Without Depreciation	**888,577**	**886,426**	**878,836**	-1%

Budget and Depreciation

What happens when we ignore depreciation?

- Church will probably run into unexpected expenses that could have been planned
- Unplanned expenses are handled through special appeals

FY'09 Budget Summary

Expected income:	$895,000
Planned cash expenses:	$880,000
	$ 15,000

Available for reserves, contingencies, repairs, replacements, long-term capital improvements, etc.

Thank you for coming!

Congregation meeting:

Sunday, August 24

- Vote on the budget
- Catch up on other Bethel news