

Concordia Lutheran Church  
Semi-Annual Voters' Meeting

Concordia Members:

On behalf of the Parish Planning Council (PPC), we present the attached proposed FY2021 (June – May) operating budget for your review. As required by Concordia's Constitution, it is a balanced budget based on our best estimate of income, understanding that uncertainty remains higher than usual. Given that this is still a challenging time for many individuals and organizations, this proposed budget again aligns with and reflects our ministry and missional priorities and aspirations while being conservative with respect to managing our spending.

It is important to note upfront that Concordia has been fortunate to secure significant PPP funds from the Federal government in the past year. Round 1 PPP funds of \$112,500 were received and spent last fiscal year and we recently were apprised that those funds were approved as a grant! Round 2 PPP funds, also in the amount of \$112,500, were received in March 2021. We estimate that most of that amount will be eligible to convert from a loan to grant after the funds are spent and forgiveness application is submitted and approved. As such, PPC has begun to evaluate opportunities – debt reduction, major projects, and ministry outreach – for use of those funds.

Here are key elements and assumptions for FY2020 and FY2021:

- For the current fiscal year ending May 31, 2021 General Offerings are projected to be below our projection. Looking forward, for FY2021 we are projecting General Offerings to be essentially flat with projected FY2020 actual giving at \$500K. Preschool and miscellaneous income are projected to be \$288K, up from projected FY2020 actuals based on continued progress in opening up and increasing activity at the church facility.
- Preschool has reduced expenses to match revenues, and the FY2021 plan assumes the same going forward. Total ministry and missions investments are projected to be down slightly from the FY2020 budget but up meaningfully from projected FY2020 actual spending.
- As mentioned above, the PPP funds provide Concordia the opportunity to provide staff compensation increases, improve the audio, visual, security systems, and begin to fund capital improvements that have been deferred for years in some cases.

As has been communicated, we will be asking you, the congregation, to approve this proposed operating budget by May 16th. For most of you, online voting via a survey tool and instructions to be provided by Kandice will be the easiest way to vote. For others, we have made separate accommodations. If you have questions or need help, please let us know by contacting Kandice at [kandice@clcgrace.org](mailto:kandice@clcgrace.org).

I believe that our financial management over the past year has been prudent and appropriate given the tremendous uncertainty. This budget continues to be conservative but optimistically looks forward to getting back to normal. We continue to believe that Concordia has been abundantly blessed and we look forward to dedicating our many resources to God's glory.

Yours in Christ,

*Steve Enger*

President, Parish Planning Council