

# 2024 BUDGET PLANNING

First Congregational Church  
Port Washington, WI

## PROBLEM

### BUDGET GAP

Traditionally First Congregational Church has approved a yearly budget that included a small deficit between Revenue and Expenses. These deficits were typically met with a combination of excess pledges, budget underspends, or covered by a healthy savings.

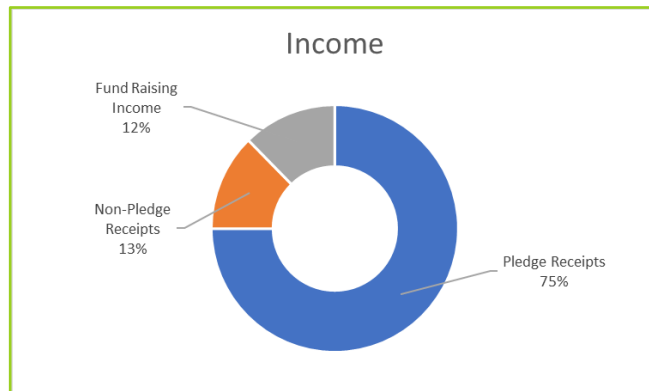
### FINANCIAL CHALLENGES

- Recent budgets have cut most discretionary spending
- Inflation and maintenance costs have caused additional budget pressures
- Operating Costs will continue to outpace Pledges
- Savings account balance (\$20-\$25k) will no longer cover proposed 2024 budget deficit leaving the church in an extremely vulnerable position in 2025.

# BUDGET OVERVIEW



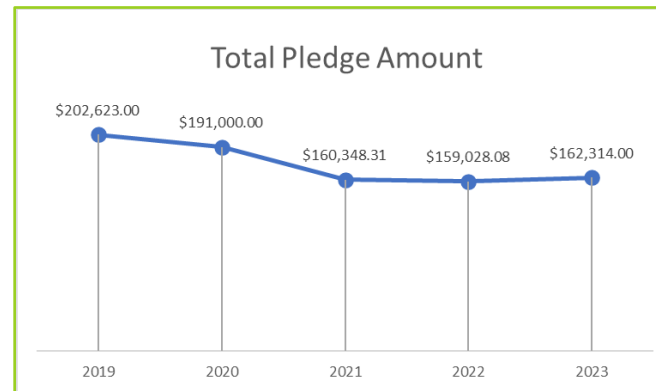
## INCOME SOURCES



Pledges are our most significant source of Income



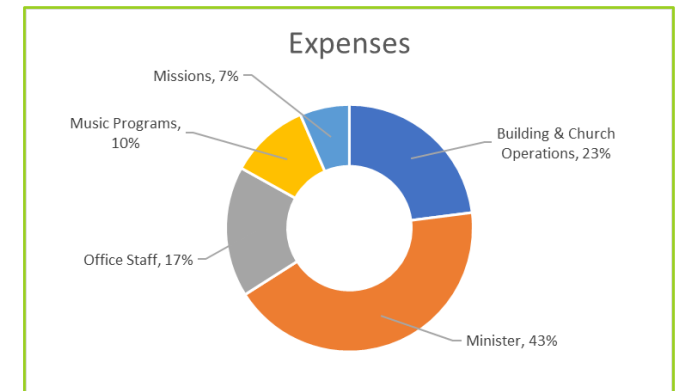
## PLEDGE INCOME



After decreasing in 2021, pledge income has remained flat



## EXPENSE CATEGORIES



Cuts have been made to Building & Operations. Mission costs are fixed to Pledge income.

An aerial photograph showing a vibrant yellow field on the left and a long, straight row of green trees on the right, separated by a dark path or road. The scene is brightly lit, casting shadows from the trees onto the ground.

## APPROACH

### EXECUTIVE COMMITTEE + STAFF SUPPORT

- ✓ Provide summary options for Council (Today)
- ✓ Collect staff feedback on options (October 31st)
- ✓ Facilitate Congregational input via Congregational listening sessions (November 5<sup>th</sup> – November 16<sup>th</sup>)

### CONGREGATION

- ✓ Attend listening sessions with Executive Committee (November 5<sup>th</sup> – November 16<sup>th</sup>)
- ✓ Provide Voice of the Congregation to Council (November 5<sup>th</sup> – November 16<sup>th</sup>)
- ✓ Attend Fall Congregational Meeting, Ask Questions, Challenge (November 26<sup>th</sup>)
- Vote on 2024 Budget at Winter Congregational Meeting (January 28th)

### COUNCIL

- ✓ Provide input to refine and finalize budget options to be presented to Congregation (October 31st)
- After Congregational feedback, vote to provide a preferred option for Winter Congregational Meeting (December 14th)



# 2024 BUDGET OPTIONS





## STATUS QUO

### DESCRIPTION

Continue our normal past budgeting process. Assume similar Stewardship results as 2023. Control costs and make small cuts where we can.

### FINANCIAL SUMMARY

Estimated budget deficit \$47,832.28

### CHALLENGES / RISKS

- Our Savings estimated at year end (\$20-25k) can no longer cover our estimated 2024 budget deficit
- Our current pledge units will need to increase their pledge amount about \$10/week or \$520 Total in order to balance our current budget.





## INCREASE REVENUE

### DESCRIPTION

Focus on replacing Port Pre-school rental space income, adding new members to increase pledges, and creating large fund-raising opportunities.

### FINANCIAL SUMMARY

Estimated budget deficit unknown

### CHALLENGES / RISKS

- No past success with filling rental space
- Over 40 pledges lost since 2018
- Volunteers need be identified to create and run additional fund raisers
- Difficult to predict results → Brat Fry raises about \$500, Dr. Suess Breakfast raised \$1,100.





## DEEP CUTS

### DESCRIPTION

Remove remaining budgets from Property, Christian Education, Music & Supplies, and Choir Director Salaries. Create volunteer opportunities to replace salaried positions. Replace budgets with enrollment and other fees to cover materials.

### FINANCIAL SUMMARY

Estimated budget deficit of ~\$28,000

### CHALLENGES / RISKS

- Fees will make it difficult to attract new members
- Existing directors may not agree to volunteer positions
- Potential loss of membership and pledge income as many liturgy roles are filled by members of the Congregation





## CONSOLIDATE STAFF

### DESCRIPTION

Office staff provide valuable services to our Congregation that account for \$43,000 of payroll expenses. Proposed option is to re-write job duties to consolidate Office, Communications, and Financial Administrator.

### FINANCIAL SUMMARY

Estimated budget deficit of ~\$30,000

### CHALLENGES / RISKS

- Loss of membership and pledge income as staff roles are filled by members of the Congregation
- Loss of historical church knowledge
- Reduction in services / attention / quality of communication to congregation
- Revised roles are not attractive to any of our existing team



## REDUCED PASTORAL SERVICES

### DESCRIPTION

Reduce costs by reducing Pastoral services offered to Congregation. This may mean moving to one service per Sunday including during the program year and eliminating bible study options. This would result in reducing our minister payroll to .75 FTE and job duties would need to be adjusted accordingly.

### FINANCIAL SUMMARY

Estimated budget deficit of ~\$27,000

### CHALLENGES / RISKS

- Risk of losing our minister due to reduction in hours/pay
- Need Congregational support for one service per Sunday to align to duties of a .75 FTE minister role



## SHARED MINISTER

### DESCRIPTION

Reduce costs by sharing a minister with another local UCC Congregation. Our Conference Minister can help align us with other local congregations with openings.

### FINANCIAL SUMMARY

Estimated budget deficit of ~\$7,500

### CHALLENGES / RISKS

- Option will require coordination and compromise between both congregations
- Option has not been reviewed with another congregation
- Will result in only one service per Sunday at FCC.