

Salt House Budget Forum - with subtitles

0:02

All right.

0:31

Those of you dialing in this evening, we know your time is valuable and so any extra time spent with us is great.

0:37

Really appreciated and thank you to anybody watching this.

0:41

Between now and our Congress June 14th each year as part of our annual fiscal process, the congregation of voting membership needs to be approved and the process of creation creating 1 is long long like to do form along the way.

1:01

So this is this is the instruction of a budget congregation.

1:06

At this point nobody is you have a chance for all of you anybody at the congregation to see where I currently provide input and and feedback ask questions.

1:21

After this, in about two weeks, the the week so far, maybe 2, the council will meet and review the budget, any feedback and come up with its final proposed budget we need to make before the meeting.

1:38

So you'll have to do it.

1:41

And of course the meeting, you'll be chance to ratify it, to modify it, whatever that the voting membership would like to do.

1:48

So this point, the budget has been reviewed and contributed to by staff, by executive council, by personality and the finance team myself certainly thanks all them.

2:03

And yeah, take a walk for where we're at.

2:07

Again, no action tonight.

2:08

This is where we're currently in this draft.

2:10

If you have you back to in the future, please council, remember you're going to e-mail me, let us know.

2:18

We're happy to to provide you take your input, provide as soon as we can or just consider how they want to make changes.

2:26

How does this there we go.

2:29

So again, thank you the folks who are already being involved in this process is a long process we start using back in January or February.

2:37

And so thanks everybody has been involved so far and anybody who continues to be involved including who provides provides.

2:49

So we go through what our our proposal is we start with our income.

2:54

So this is how we get money into the church that we use to run our operations, buy off the supplies, all that fun stuff.

3:03

And where income comes from primarily it comes from getting of course the vast majority of it and then about about fifth now comes from church rent a little bit from from interest at this point.

3:26

We're giving today back to where we've been about three years going and this is going to look back.

3:39

I took over 2322, we had a huge year that included both our general giving and our hard campaign.

3:45

We had a great year.

3:48

And then since then we've had, we've definitely, we've had some shortfalls in terms of our, we had to adjust our estimates down.

3:57

You know, I think you want to beginning, you can see that great news at this year three.

4:06

We're, we're doing really well.

4:08

In fact, I just have to say we've got our best April ever.

4:11

We're about \$5000 off our, our, our goal at this point.

4:16

So I'm hoping for a strong end of the year to show that you know, we can get our go up for \$35 and then our 26 goal was 435.

4:33

I think we're going to get pretty close.

4:36

I'm not great on it hopefully and every wrong year for doing for us regardless.

4:43

So big thing and then help us figure out where we want to be.

4:51

So considering that everybody discussion we had, like I said, well, there's an increase over this year.

5:03

We hope to do it.

5:04

We'd like to do it and that will help cover what I'll talk about and also set up and say able to to continue to grow our community and continue to invest in our church, especially something we're talking about also my folks like campaign and your your pledge offers there certainly help us make it.

5:34

That's a realistic number.

5:36

It's interesting.

5:37

This is primarily our CD's.

5:39

There's gonna be changes.

5:42

So being that it is granny comes with 0 for several years now.

5:47

My folks have grades in the past.

5:49

We'd love to find more in the future love volunteers be interesting and find something or or to to let us know we can run into at this point.

6:00

Finally, the last two line items are our rent we get for either using our church from our three church church.

6:09

Just if our person we look to offer a 2% rent increase to those folks curious.

6:18

The general cost of living increase for for the area for the year about 20%.

6:24

I'll talk to you a couple and appreciate your area.

6:29

And we're proposing 2% increase, so 4% income \$22,000.

6:41

This is really you know with expenses, we set a budget this we like to spend really setting our goal.

6:48

Here's how we'd like to bring in to offset that spending.

6:54

So we have savings, we don't make our giving.

6:56

We've got savings to make up for it, but we really like to to make a number of funnel for Delta to show maybe more, more the future organization.

7:09

So that's the operating income question.

7:12

You're going to ask for a few comments.

7:15

I don't give a second questions on the income side before we move on to expenses at this point.

7:21

And again, share your your feedback later as well.

7:24

If you're having now or over not doing sometimes I please do.

7:39

I'm going to keep moving forward to that.

7:46

I would like to be assuming we can get our dingles.

7:51

They're not pretty expensive, but again, we cost us to run the church every year.

7:53

We cost us to pay our our excellence stuff to maintain our building operator office and all our programs.

8:01

We break it down to many line items.

8:03

I've I've kind of used the top of line items here for simplicity.

8:07

If anybody wants to see the Super detailed version, feel free to reach out.

8:12

So here we have our 5.6 budget.

8:14

We improved last year the proposed 5.7 budget and then you know the overall changes in both dollar value versus overall we're looking at A7 percent increase in spending for next year up assuming that all this gets approved and that's how it is.

8:31

The biggest changes staff those are SRO maybe obviously Pastor David less end of the year.

8:39

We want to hire their higher personal there as well as all the reasons the biggest changes there.

8:51

We we got some prepared to do some improvements to make otherwise most of our our numbers remain pretty good benevolence I should note the 5% increase there that tracks directly to giving.

9:03

So we take 10% are giving and give to benevolence or raising 5%, but it just goes up 5%.

9:15

Council seems very small numbers for occasional counseling and ministry program is primarily because this past year maybe it's a heavily a year next year we don't need that large President Mark has raised.

9:37

Yeah, I was going to call it on that note that basically that \$1000 from these programs is effectively transferred to staff in this next budget, right.

9:48

That was staffing for coverage for for things that we knew we were lacking in staff.

9:54

We put the programs as those language work, paying one person to do it.

9:58

We were paying different passwords, recovering things like that.

10:02

So now this actually we're putting that money into the staff line, Pastor David.

10:06

And so we think we're talking about right.

10:09

So that is that's where that basically just transfer counting.

10:19

Yep, just because last year exact staff technology we just put into that guest area.

10:26

But this year we have more specific plans around staff.

10:31

So into these areas I don't think I have anything.

10:36

I want to highlight some of the changes that are green.

10:41

So staff against that is our biggest area of investment makes up somewhere we need to 85% of our budget staffing changes were we're all doing in consultation with personnel again or do these such changes for our head pastor.

10:58

And then obviously we're going to have Pastor David with us for for 13 weeks into our new fiscal year.

11:07

So the budget for Pastor David approves for next fiscal year, the current year.

11:12

He comes out of that, that large amount that we had set aside earlier this year for full 26 weeks overall.

11:21

The rest of the staff are currently our staff members who've been here for a while, ministry director and our families leave, leave.

11:29

We don't offer 20% raises.

11:31

Tracking the call up.

11:32

We are planning to replace our 22 right now.

11:38

We did both the pay and hours are slightly here and we want to call any person.

11:42

We know that our family programs really drive a lot of membership and really affect decisions as to whether they can attend they want to and so we increased our investment here slightly and we want to do more in the future and the back of nursery person to to to take over what our current can be there more for the we're really multiple people.

12:09

We're very excited.

12:12

She was just compared to what?

12:21

Is being the raises of what increases market leader Ambassador David, we're looking at about \$47 increase this year as was on the previous slide keep going for office area.

12:37

A few small changes here.

12:38

This is mostly shifting around budget.

12:41

We're increasing our supplies and digital communication budget based on currency estimates for next year and then decreasing our software subscription budget.

12:49

This comes from who manages about a lot of those in track spending.

12:55

We want to point out and say thank you to the community.

12:58

Our fees for processing payments through through planning center.

13:03

If we call out if you can use a debit card, not a credit card, we save a bunch of free fees.

13:12

It's not a real impact.

13:13

And so I think we're cutting our budget, our budget planning for this.

13:19

This is clear.

13:21

It's a really, really great community efforts in making that happen.

13:24

It's a great example of a small always say that's elsewhere.

13:29

But first of all, teams here, although we're keeping fairly steady, next year, hopefully having time here, you can provide even more updates, buildings and grounds on this one area.

13:47

We definitely that one.

13:48

So you have a question.

13:51

Yeah, you have a question, please.

13:53

You do.

13:55

I was listening through the personnel razors because they're no phrase for the music.

14:05

If you're preferring to Jason, our mystery director, that's his title.

14:10

So that's that's for for him.

14:12

OK.

14:15

Yeah, yeah.

14:16

I just told the director, yeah.

14:19

So put the tables on here just to kind of keep everything clear.

14:24

Pastor Sarah, Mr.

14:25

Director would be Jason Roll family is Rachel youth leader would be replacement for Elliott who just stepped down.

14:34

Currently we have one of our support folks and we can hire another one and then the this time that we just introduced so.

14:51

Other area of investment and so it has the biggest changes and increases here, the formula, insurance, gas bills, properties and taxes, these two things we can't avoid.

15:04

They're just they're going up and we have to get choice.

15:11

There's just properties like sewage and that's sort of things they don't take the properties, pay tax on the property, but we still have to pay those, those fees that King County charges us and that's going up a little bit.

15:23

The part of itself that we do pay property taxes and they're going up a few \$1000 based on the current on the county website.

15:32

So that's where they're coming from.

15:34

We really can't affect those at all.

15:37

The other increase is I want to call out building improvements.

15:40

So this is things we know we want to do.

15:43

The building over the next year is not for like emergency repairs everything say these areas want to invest in.

15:50

I've talked to James Calder as a Culver as a building ground Rep.

15:55

There's doors to prove some more roof work to do other things and he asked for additional \$1000 last year.

16:02

So we're putting that from three thousand \$4000 for security monitoring cost increases.

16:09

We also need to this year and so we're going to add \$2500 in that budget to cover those things and there's more than spending we're doing this year.

16:25

And the big is last year you know as a congregation go to decrease emergency fund we spent about starting with about \$20,000.

16:33

We are slowly replacing it with interest from our our accounts from our RC's.

16:38

That's our small increase side frequently.

16:40

And as you know, as a congregation we do want to maintain the minimum level and that fund for when things happen.

16:48

So we'd like to to refill that fund back out to \$21.00 value.

16:55

Yeah, that fund is it's not the data, it's really for, you know, some major thing council can access that quickly and get repaired quickly.

17:09

And so filling improvements were forward.

17:12

We're looking at planned reactionary.

17:16

We would like to refund 20 1000 dollars part again major decrease in terms of pastors the budget working the budget, the budget for two guest pastors at least per month and then a buffer for some additional ones or maybe some some folks who need some extra funds for travel during the year.

17:52

And that's what our our plan is going forward for next year.

17:56

So overall went from this year past year budget \$30,000 this needs \$8000 for FY20.

18:04

7 had a small increase in other area these increases food supplies we'd be together like to do that.

18:12

We want we're going to continue to support that as much as our community grows in that area, our welcome team, our welcome area.

18:20

I want to continue us there as welcome.

18:23

So smokers there and then the family has one of major reasons called out is one of the reasons they stay or in some cases don't stay if we don't for a certain week.

18:35

We want to investigate the families would like to increase increase.

18:41

We need to grow out the in the basement, you know, be able to find more activities, more programs.

18:48

So we'd like to continue to increase that budget up by \$1000.

18:53

Otherwise all the programs, there's some small things here and there, but these are all the significant ones about 30 or \$50.

19:08

So this is the summary slide.

19:13

Yeah, I'm sorry, difference.

19:18

So over \$1000 surplus for FY20 7.

19:29

Currently we're off about \$1700.

19:31

This is pretty close to balance percent wise.

19:32

It's less than a percent off of the balance.

19:37

And so I'm very happy to say some staff are building able to have our interest here and then assuming we do our getting goals that, you know, we would actually have a close, if not a balance budget next year.

19:53

And so then the real difference is just basically an extra \$15,000 instead of having a a fortune or 15,000 plus balance or off of its own.

20:04

That's the high level of the budget and and kind of.

20:10

If you want, again, our religious grows community is the biggest question and how much we can in terms of giving the biggest investment.

20:17

We just want to make as always, the biggest investment is our staff and then our building and the facilities here and make sure that we can maintain it for our community, our people.

20:26

So are there any questions about a few more things for this?

20:31

We want to get a chance to see if there's any further questions on any of the budget items or comments.

20:38

Happy to dive into that answer now.

20:40

We'll follow up after the meeting.

20:44

Yeah, please.

20:45

I'm sorry to ask another question, but I appreciate it.

20:48

Thank you for being here now.

20:51

Great.

20:52

So I'm a verification on that, the guest ministers or guest preacher that's going down, right?

21:01

So are we budgeting for still for two guest preachers or pastors or what Speakers, I guess what I'm looking for two guest speakers every month going forward that that physical plan, that's our budget.

21:21

So you just passed it by default on guest speakers fee is \$250.

21:28

Two of those two of those a month times 12 months will be 6000.

21:31

We're actually budgeting \$8000.

21:32

So we're budgeting 2 per month plus extra in case we need it or so often we bring in speaker who needs to help with travel budget or things like that.

21:42

That's the plan to see budget for that for right here.

21:47

OK, that's I just wasn't listen.

21:50

I was thinking of listening at the same time that it doesn't work always.

21:55

Nope.

21:57

So I appreciate the question.

22:00

So absolutely no problem.

22:05

Awesome.

22:07

Is there anybody I did want to talk about?

22:14

So that's the plan for the next year.

22:17

This is some small tweaks.

22:20

Council, council review and published a final budget that we really will ask the congregation to approve our meeting.

22:28

The congregation of course has not approved it to modify it.

22:31

You know whatever else in past year, it's only been approved, which we appreciate.

22:39

And so and so that's what'll happen over the next couple weeks.

22:46

I think next slide.

22:49

Yep.

22:49

So currently our next council meeting is scheduled for next week.

22:53

We may push it out to one more time, but our next council meeting is we plan to review visible council and hopefully prove it and the congregation has a chance to to vote on the 14th.

23:06

You all mind folks that are watching this and not a number and like to participate please, we need to have you and so that's the budget portion.

23:24

One thing we could have a lot of about our future staffing.

23:28

We're not budgeting as I showed we are budgeting for.

23:33

We're not just budgeting for a new new you're higher there what's discussed if they're not opportunity to discuss that over next year, but we're really to see you know the big question handy forward a new hire.

23:52

I know what left.

23:54

So we want to see what play campaign does, how giving goes the response to the, the, the sharing and response to the wisdom council would look like we think about next year in the future.

24:11

A new full time would be probably 120 one \$100,000 per year.

24:16

It depends on a lot of things, whether they're experienced or not, but they have a family, all sorts of options.

24:22

But you know, minimum we're probably looking \$120,000 for a new full time tester, for example.

24:30

And I did some research.

24:31

The city provides estimates when hire a pastor.

24:34

They provide worksheets for their salary, which I I did a couple of estimates on, as well as with their benefits.

24:41

A new pastor full time with absolutely no experience, fresh grad, \$77,000.

24:49

Is that the same recommended start salary for a full time pastor?

24:54

Yeah.

24:54

It's somebody with like a master's ability and in fact experience that jumps to 94,000.

24:59

So depending on their experience, their education can jump quickly.

25:04

But 77,000 again, same person if they're 25 years old, no experience, single, no family, minimum for benefits for them would cost us 16,000 a year.

25:14

If they include a partner or partner with kids, again that jumps up pretty quickly.

25:20

And so hiring up would be a major investment for our community.

25:24

I know we all like to have another pastor, but we do have to figure out like how we make that happen not just for one year, but for going forward in the future.

25:32

Another person probably would replace some of these staffing.

25:38

The primary our family area would need a a youth and whatnot.

25:44

They might replace those roles, Pastor David's office with us inter.

25:49

They need to help those additional weekends when Pastor Sarah's not preaching.

25:52

So it's not a one to one.

25:53

But yeah, but that might be replacing those existing roles would be for some of that most significant investment community again, actually going forward.

26:04

So as you're thinking about pledges, as you're thinking about how you give or even how you give, but how you contribute to the community, can you help our community grow?

26:14

These are the kinds of nerves we're looking at and we need to support them forward.

26:17

We're going to need a full time password.

26:21

Consider part time passwords.

26:22

Other second changes.

26:24

Salt House currently has two full time employees.

26:26

We never have three full time employees.

26:29

So we have to dive in and think about what do we like, Is it possible for us to maintain and sustain over the long term.

26:37

So just want to share that as you think about previous budget, but our longer term planning, our longer term giving and really we need to think about people over the year.

26:56

After that, the comment along that few areas, I think we'll wrap up.

27:05

It's not a plan at all.

27:10

Do you want to say a few things?

27:14

Yeah, thanks everybody.

27:15

Yeah, definitely as you're adjusting that see questions come up, use the ME for stuff, we'll try to get out.

27:26

People have questions, but thank you all for coming to those are watching us later.

27:32

Yeah, I wanted to talk about kind of staffing kind of things and just how we where our money is, where it goes because you know, you've seen the numbers, they can be large and at the same time trying to live in \$77,000 while paying over the \$3000 rent for a one bedroom apartment, you know it, it sucks that money down real fast.

28:00

So we want to not be at a minimum bar and have somebody meeting from do a rented, but you can and that's where those estimates are coming from in terms of spending.

28:18

You know, I've, if it seems obvious like I've, it's always clear how, how like even right don't make sense from not making a profit.

28:38

We're not getting full dividends to shareholders.

28:42

We're not your money deficit.

28:50

That may be a pull from the last five years.

28:56

We've been able to do that because we have some savings from selling our land for the shelter.

29:03

You know, I believe we sold that for about \$600,000 and we immediately spent something on building improvements that needed to be made to our building.

29:12

And you know some just some improvements that we're longstanding needed.

29:18

And then over the last four years we build down about half the point.

29:22

We have about \$200,000 left of those things and as any kind of Health Organization you need about two to three to four months of operating expenses in savings just to be, you know in good like should something happen, you need to have that kind of buffer to make sure you keep and you go to work OK done and things like that.

29:45

So you know I'm leaving 40,000 dollars 30,000 you're muted 50.

29:58

Well, I think between 55 here yeah, maybe between hundred 120,000 for two months operating income in the bank goes up as we higher and as we grow.

30:20

So right because we don't need immediately and that gives us the return of the you know, a couple years ago.

30:37

Most churches and some just have once they've had no gifts in people bills and things like that.

30:45

You put in the accounts that earn the money and interest overtime.

30:49

They use some of that that was some discussion about we sell that land, put the money into and downward fund that would give us an interested about 30.

30:59

You just score a budget.

31:01

Most churches that I don't operate 8 months a month and so they make a budget and if the giving comes in a budget, great.

31:09

Everything, everything goes on.

31:11

If giving comes in lower the budget then after don't pay as much and staff don't spend as much.

31:18

Obviously you can't still see Kirkland, but everything else get back to that's the actual giving that comes in savings from the So that's kind of like the basics of church finance is something that would going forward, making back the money that we where we need to spend within our needs.

31:50

And that was one reason, the reason that we, you know, as we debated backwards actually put in money the budget.

32:01

You know, we if we do come around to like, yes, hiring is right move for us then real let's be looking at next spring.

32:18

So we would be talking about budgeting for that should that happen.

32:22

Yeah, yeah.

32:27

Pertinent to what you're saying right now, but it it goes back to when you talked about the money that we received for the, the sale of the property, part of that money we got building expenses.

32:43

I'm not sure it wasn't, it was like paying off.

32:48

I think we had some things that we had done when we remodeled the church and we also paid some money, gifted some money back to Holy Spirit as a, as a way to say thank you for helping fund us and support us.

33:04

And, and everything else you said is right.

33:06

You know, that we've used this money over time to meet our budget.

33:10

But just because I was president or I was on, on church council back then, I just wanted to clarify that.

33:20

Thanks.

33:21

And yeah, I love that I speak to our university and, you know, gave us like around and you guys rolling in our scrutiny appreciation there.

33:40

Yeah.

33:41

So talking about staffing, we literally didn't put that 30,000 into the budget because then we'd be running a deficit again and planning for deficit spending without a plan to solve all of that, you know, isn't how we want to move forward.

34:00

And so we literally left out.

34:02

Now at the same time, I think there's a pretty good feeling that some as it relates to and something that is, you know, something we love to do.

34:20

So we're talking to the council on how to represent that back to the congregation.

34:27

I committed to bringing with the council's work and you know, we're doing that as council now.

34:34

Look over it and we discussed our next meeting and then bringing that to the congregation in a sub reform with a proposed path forward about how we get that into, you know, getting to a staffing decision as a community, because we don't want to impose anything to people that the majority of congregations.

34:59

Wait, what doesn't make sense want everyone.

35:04

We understand where you're coming from.

35:08

And so we think everybody participated in the Wisdom Council interviews, in the survey that we did and in surveys we did and in helping input that process because now a lot of information about who we are and who we want to be to sort of sit through and then to try to navigate a path from here to there over the next few years.

35:36

So that's that's what I wanted to share about and where we are, where something's going, we're thinking about wise, why we came up with which we did and where we hope to be in the future.

35:49

Yeah.

35:50

Questions, Dad.

35:52

Oh, sorry, quick question.

35:54

So is is Pastor Sarah only contracted to preach twice a month and is that why we're having the the guest speakers and in that case more cost effective just to continue having guests present to higher.

36:22

You made a division between a fruit out of right out of school, pastor.

36:26

They would have an M give no matter whether, I mean, if they just graduated and they were an ordinary, they have to have an M give to do that, to go through ordination.

36:40

So, you know, so I appreciate that.

36:53

Yeah, I would just note.

36:55

And so I would say Mark give my comment as well.

37:04

You know, I guess pastors, you know, the Narrows speak for now or leave anybody hire.

37:12

There would also be program development would be it's a lot more than that, right.

37:17

So that's the that's the big difference is so much more than just reach.

37:24

So I was I was secretary for for five years.

37:28

So I'm I'm very familiar.

37:32

Yeah, no, that's OK.

37:33

You didn't know.

37:35

No, I mean, I was like, why are we paying somebody so much?

37:38

Just 250 a week to do A to do a certain what are we paying for now?

37:41

The amount of work she does is outside of those hours.

37:46

Sorry if you want to comment there.

37:49

I know what you're saying.

37:51

I think what you're you're asking he's with he's an option to just continue paying guest speakers to cover that time and let Sarah cover the other programs.

38:00

That would be an option.

38:00

Yeah.

38:01

That's something we've we have done last year and that we are continuing this year.

38:07

And so there's a possibility of moving forward with that because so she made a teammate counsel a breakdown for hours, which she's actually spending her time on.

38:23

And then also the things that she wishes she could spend time on that she can't because she is doing.

38:29

And now this was about 1/2 to two half to 3/4 time time worth of work in what she's done before.

38:39

And what that's what I was doing, we did have right.

38:49

And now with only one preaching is pretty small part of that, right?

38:54

Like it's for sure we're paying that contract basis, but there's a bunch of other things that we'd hope to fill in and sharing, You know, getting a shared understanding of what those ministries are, what the gaps are, and what we could hope to fill them is exactly what we're talking through and hoping to bring towards the community before we make decisions about going forward with staffing.

39:19

OK, well I said that she was only contracted for twice a month.

39:25

That's not true.

39:26

No, that's not that's not a pure contract.

39:29

Does not preach this much.

39:30

It's after this church, right?

39:33

And and so whatever that takes about me didn't pay anybody and she preach 4 times a week.

39:40

You know, that would be one thing, but you know, the amount of time she spends, she doesn't turn in on development and planning and prep and right now it's good for you that time elsewhere, a couple of week months.

39:52

Yeah.

39:53

OK.

39:53

Just just wondering.

39:55
OK.

39:56
Yeah, thank you for my questions.

39:58
Sure, that was great.

40:00
Happy to.

40:00
Yeah.

40:02
Any other questions or thoughts we can back to the Council as we as we as Council discuss the budget and if this is the right move to bring forward to the community.

40:36
Sitting in silence and I'm sure the other folks who had probably some more questions.

40:42
Yeah, for those of you who are between later, please reach out and grab myself, Mark and council member e-mail with your questions or feedbacks or comments.

40:55
We do honestly want to hear it all.

40:57
We want to get community and and appreciate during you know, budgets are not most we can talk about, but it's very important for our church.

41:07
Really thank you much Irwin, you are incredible.

41:17
You make a budget.

41:18
It makes so much sense and I really appreciate it.

41:22
Thank you.

41:24

Thank you.

41:25

Whatever.

41:27

Appreciate it.

41:27

Bye.

41:28

Bye.

41:28

I agree.

41:28

Thank you, Irwin.

41:31

Thank you.