

St. John's Lutheran Church and Schools

2023-2024

Budget Assumptions

This budget reflects us being debt free and owning our solar field. We have received all the remaining ERC funds. Acknowledging that, we will have an extra 900k in deposits that will be earning interest. Because of this the Unrestricted Interest account has been increased substantially to 45k. This is the second year that inflation, currently at 8.5%, will impact all aspects of our ministry, especially our most important asset, the people who work here. Therefore, this budget raises ministry wages an average of 5% across the board. St. John's has and will continue to carefully monitor and, if necessary, adjust its budget during the year. This proposed 2023-2024 annual budget is based on the following assumptions:

1. Giving for this past fiscal year has been down just short of 5%. Nothing on the horizon leads us to believe the economy will be better this coming fiscal year. Last year we budgeted 2.002 million in giving we will lower that to 1.902 million.
2. With inflation currently at 8.5% and the California \$18 Minimum Wage Initiative that will be on the ballot in 2024 we felt it necessary to increase most salaries 5.0%. At the school wages went up an average of 5% keeping us aligned to the goal of achieving 90% of Panama Buena Vista United school district. Benefits (Health 7.0%, WC 5%) have been increased based on annual projections.
3. Current SJLS enrollment is 447 students, we are budgeting for 445 and have a deep waiting list for all grades. Children's Center enrollment is budgeted to begin at 161 students (FT and PT) and moving to 170 by the end of the year. We also have a deep waiting list for all programs.
4. Tuition in elementary school will increase 4% this year. Children's Center rates were increased 6% based on FT/PT enrollment. Having had the Holiday Care program at the Children's Center for a year we are able to better gauge our expected enrollment/income. We have adjusted that item to better match what we did last year.
5. Last year was the best year we ever had for ABA. We do not expect to achieve that amount this year and have budgeted to amounts achieved in previous years. ABA, Golf Tournament and Scrip sales support tuition assistance, sibling and employee discounts, and prepayment discounts for tuition.
6. Staffing – We have added hours for a few employees in the office to assist ministries that have needed some extra help. At the school, Patrice Appold will be retiring. We will be moving Kelly Pudiwitr into that position.
7. With the impending sale of SJVF, we have only accounted for renting the space from the buyer and Pastor Marvin's pay. All other expenses have been removed and we are anticipating a minimal amount of offerings.