

2016 – 2018 Synod Budgets

November, 2015

For Synod Council Approval

November 2, 2015

- Congregational Benevolence (\$500,000) and Mission as Hope Appeal (\$27,000) have both remained steady over the past few years, so we are budgeting the same for 2016 through 2018. This represents a deterioration in real terms, because of the effect of inflation over the past several years.
- Flat revenues in the face of increasing costs have forced us to make some structural adjustments to our expenses. These are described in the table below. The rest of our expense line items remain largely unchanged (although we can buy less for the same dollars).
- These changes result in modest budget surpluses in each of the 3 years.
- The detailed budgets for 2016 – 2018 are attached. Here are some of the key changes:

Idea	Change from 2015 Budget
<p>Interest Income We are projecting \$2,500 more of interest income, based on our recent results. Basically, we've had a few more dollars earning interest in our accounts, so our actual interest income has been consistently exceeding our budgets.</p>	+\$2,500
<p>Lutheran Urban Ministry We propose to fund LUM's usual \$20,000 from the Our Saviour's Winnipeg closure fund for 2016. We will return to funding it directly from the Synod budget in 2017 and beyond. This gives the Synod breathing room to operate until the cost savings from payroll costs kick in in 2017 and 2018 (see below.)</p>	No reduction to LUM -\$20,000 to Synod budget in 2016
<p>Interfaith Partnerships/Church in Society Committee For many years, the Synod has been funding several Interfaith Partnerships through the Church in Society Committee. We are proposing to fund those partnerships directly from the Synod budget at the same levels, but to wind up the Church in Society Committee. This is part of a longer term plan to revamp the Synod's committee structure to carry out our mission for effectively.</p>	No change to interfaith partnership payments -\$2,000 from winding up Church in Society Committee
<p>Payroll Costs Our payroll costs will be \$5,500 higher than 2015, reflecting a 2% salary increase. Larry will be leaving his part-time position part way through 2017, so there will be a part-year reduction in payroll costs in 2017, and a full-year reduction in payroll costs in 2018. We are also budgeting for 2% annual salary increases throughout the budgeting period.</p>	+\$5,500 in 2016 -\$7,500 in 2017 -\$19,500 in 2018
<p>Deans' Meetings We are not budgeting for Dean's Meetings in 2016 and beyond. Instead, there will be Area Leadership Team meetings that will use conference call technology rather than travel.</p>	-\$1,500

Idea	Change from 2015 Budget
Examinations Committee This committee will only need one member for 2016 and 2017, so the travel expenses are reduced accordingly.	-\$1,000 in 2016 and 2017
Nominations Committee We are dropping this line item from the budget because the Nominations Committee has been doing its work on line or by telephone, so the budget has not been required.	-100
Car Loan Interest We have added this line item to the budget to reflect the interest we are paying on the loan. It was not a budget item in 2015 because the decision to purchase the vehicle was made after the 2015 budget was approved.	+\$600
Depreciation Depreciation is increasing by \$950 per year, to reflect the depreciation on some new computer equipment that has been purchased. This is a non-cash expense, but it is important to keep track of, because otherwise we could find ourselves with worn out equipment and insufficient unrestricted funds available to replace it.	+\$950

- Unfortunately, Allan Francis will not be available to attend the upcoming Council meeting. If anyone has any questions about the budget, please feel free to contact him at any time, at (204) 981-5080, or at afrancis@empind.com.

**MNO SYNOD
SYNOD BUDGET
2016 - 2018**

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Line #		2015 Total Budget	2015 Forecast Actual	2016 Total Budget	2017 Total Budget	2018 Total Budget
1	RECEIPTS					
2	BENEVOLENCE FROM CONGREGATIONS	500,000	500,000	500,000	500,000	500,000
3	MISSION AS HOPE APPEAL	27,000	27,000	27,000	27,000	27,000
4	FOUNDATION INCOME GRANT	15,000	15,000	15,000	15,000	15,000
5	INTEREST INCOME	5,000	7,500	7,500	7,500	7,500
6	OTHER INCOME	0	(-1,600)	0	0	0
7	TOTAL RECEIPTS	547,000	547,900	549,500	549,500	549,500
8	EXPENSES					
9	PARTNERSHIP SUPPORT					
10	BENEVOLENCE TO NATIONAL CHURCH	130,000	130,000	130,000	130,000	130,000
11	LUTHERAN THEOLOGICAL SEMINARY	40,000	40,000	40,000	40,000	40,000
12	LUTHERAN URBAN MINISTRY	20,000	20,000	0	20,000	20,000
13	LUTHER VILLAGE	20,000	20,000	20,000	20,000	20,000
14	INTERFAITH PARTNERSHIPS			3,500	3,500	3,500
15	PROGRAM COMMITTEES					
16	MISSION	5,000	2,500	5,000	5,000	5,000
17	CHURCH IN SOCIETY	5,500	3,600	0	0	0
18	CANDIDACY	1,500	1,600	1,500	1,500	1,500
19	YOUTH MINISTRY	3,700	3,700	3,700	3,700	3,700
20	AD HOC COMMITTEES	500	250	500	500	500
21	GENERAL EXPENSES					
22	SALARY COSTS	253,500	253,500	258,000	246,000	234,000
23	OFFICE EXPENSES	36,250	35,000	36,250	36,250	36,250
24	STAFF TRAVEL	20,000	20,000	20,000	20,000	20,000
25	SYNOD COUNCIL	4,600	5,200	4,600	4,600	4,600
26	CANADA LUTHERAN, MNO INSERT	4,500	4,500	4,500	4,500	4,500
27	DEANS' MEETINGS	1,500	200	0	0	0
28	STUDY CONFERENCE SUPPLEMENT	0	0	1,500	0	0
29	EXAMINATIONS COMMITTEE	1,000	600	1,000	1,000	2,000
30	NOMINATIONS COMMITTEE	100	0	0	0	0
31	CAR LOAN INTEREST	0	600	600	600	600
32	DEPRECIATION	6,850	8,000	7,800	7,600	7,400
33	TOTAL EXPENSES	554,500	549,250	538,450	544,750	533,550
34	OPERATING SURPLUS (DEFICIT)	(-7,500)	(-1,350)	11,050	4,750	15,950
35	OPERATING SURPLUS TO BE DIVIDED AS FOLLOWS					
36	To Mission as Hope New Initiatives		0	8,288	3,563	11,963
37	To Contingency Reserve	(-7,500)	(-1,350)	2,762	1,187	3,987

**MNO SYNOD
SYNOD BUDGET
2016**

For Synod Council Approval

November 2, 2015

Line #	A 2016 Base Budget	B 2016 Additional Budget	2016 Total Budget	Comments
1	RECEIPTS			
2	480,000	20,000	500,000	Based on 2015 levels
3	22,000	5,000	27,000	Based on 2015 levels
4	15,000		15,000	
5	7,500		7,500	Based on 2015 levels
6			-	
7	524,500	25,000	549,500	
8	EXPENSES			
9	PARTNERSHIP SUPPORT			
10	124,800	5,200	130,000	26% of cong benev, max of 150K
11	32,250	7,750	40,000	
12	-	-	-	\$20K funded from Our Saviour's fund
13	15,000	5,000	20,000	
14	3,500		3,500	See list of partnerships below
15	PROGRAM COMMITTEES			
16	5,000		5,000	
17	-		-	
18	1,500		1,500	
19	3,700		3,700	
20	500		500	
21	GENERAL EXPENSES			
22	258,000		258,000	2% salary increases
23	36,250		36,250	
24	20,000		20,000	
25	4,600		4,600	
26	4,500		4,500	
27	-		-	
28	1,500		1,500	includes \$500 carryover from 2013/2014
29	1,000		1,000	
30	-		-	
31	600		600	
32	7,800		7,800	
33	520,500	17,950	538,450	
34	4,000	7,050	11,050	

Operating surplus to be divided as follows

75%	8,288	To Mission as Hope New Initiatives
25%	2,762	To Contingency Reserve

Notes:

Column B payments would be made on a pro-rata basis up to the Total Budget maximums shown.

If congregational benevolence exceeds Total Budget, National Church will receive 26% of this excess until total National Church benevolence reaches \$150,000. Further National Church benevolence payments would be subject to Synod Council review and approval.

Interfaith Partnerships: Manitoba Interfaith Council, Manitoba Interfaith Immigration Council, Jubilee Economic Initiatives, Initiatives for Just Communities, Interfaith Task Force on Northern Hydro Development.

**MNO SYNOD
SYNOD BUDGET
2017**

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Line #	A 2017 Base Budget	B 2017 Additional Budget	2017 Total Budget	Comments
1 RECEIPTS				
2 BENEVOLENCE FROM CONGREGATIONS	480,000	20,000	500,000	Based on 2015 levels
3 MISSION AS HOPE APPEAL	22,000	5,000	27,000	Based on 2015 levels
4 FOUNDATION INCOME GRANT	15,000		15,000	
5 INTEREST INCOME	7,500		7,500	Based on 2015 levels
6 OTHER INCOME			-	
7 TOTAL RECEIPTS	524,500	25,000	549,500	
8 EXPENSES				
9 PARTNERSHIP SUPPORT				
10 BENEVOLENCE TO NATIONAL CHURCH	124,800	5,200	130,000	26% of cong benev, max of 150K
11 LUTHERAN THEOLOGICAL SEMINARY	32,250	7,750	40,000	
12 LUTHERAN URBAN MINISTRY	15,000	5,000	20,000	
13 LUTHER VILLAGE	15,000	5,000	20,000	
14 INTERFAITH PARTNERSHIPS	3,500		3,500	See list of partnerships below
15 PROGRAM COMMITTEES				
16 MISSION	5,000		5,000	
17 CHURCH AND SOCIETY	-		-	
18 CANDIDACY	1,500		1,500	
19 YOUTH MINISTRY	3,700		3,700	
20 AD HOC COMMITTEES	500		500	
21 GENERAL EXPENSES				
22 SALARY COSTS	246,000		246,000	2% salary increase, Assistant .4 position 6 months
23 OFFICE EXPENSES	36,250		36,250	
24 STAFF TRAVEL	20,000		20,000	
25 SYNOD COUNCIL	4,600		4,600	
26 CANADA LUTHERAN, MNO INSERT	4,500		4,500	
27 DEANS' MEETINGS	-		-	
28 STUDY CONFERENCE SUPPLEMENT			-	Occurs every 3 years (\$1,000 scheduled for 2019)
29 EXAMINATIONS COMMITTEE	1,000		1,000	
30 NOMINATIONS COMMITTEE	-		-	
31 CAR LOAN INTEREST	600		600	
32 DEPRECIATION	7,600		7,600	
33 TOTAL EXPENSES	521,800	22,950	544,750	
34 OPERATING SURPLUS (DEFICIT)	2,700	2,050	4,750	

Operating surplus to be divided as follows

75%	3,563	To Mission as Hope New Initiatives
25%	1,187	To Contingency Reserve

Notes:

Column B payments would be made on a pro-rata basis up to the Total Budget maximums shown.

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Interfaith Partnerships: Manitoba Interfaith Council, Manitoba Interfaith Immigration Council, Jubilee Economic Initiatives, Initiatives for Just Communities, Interfaith Task Force on Northern Hydro Development.

**MNO SYNOD
SYNOD BUDGET
2018**

For Synod Council Approval November 2, 2015
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Line #	A 2018 Base Budget	B 2018 Additional Budget	2018 Total Budget	Comments
1 RECEIPTS				
2 BENEVOLENCE FROM CONGREGATIONS	480,000	20,000	500,000	Based on 2015 levels
3 MISSION AS HOPE APPEAL	22,000	5,000	27,000	Based on 2015 levels
4 FOUNDATION INCOME GRANT	15,000		15,000	
5 INTEREST INCOME	7,500		7,500	Based on 2015 levels
6 OTHER INCOME			-	
7 TOTAL RECEIPTS	524,500	25,000	549,500	
8 EXPENSES				
9 PARTNERSHIP SUPPORT				
10 BENEVOLENCE TO NATIONAL CHURCH	124,800	5,200	130,000	26% of cong benev, max of 150K
11 LUTHERAN THEOLOGICAL SEMINARY	32,250	7,750	40,000	
12 LUTHERAN URBAN MINISTRY	15,000	5,000	20,000	
13 LUTHER VILLAGE	15,000	5,000	20,000	
14 INTERFAITH PARTNERSHIPS	3,500		3,500	See list of partnerships below
15 PROGRAM COMMITTEES				
16 MISSION	5,000		5,000	
17 CHURCH AND SOCIETY	-		-	
18 CANDIDACY	1,500		1,500	
19 YOUTH MINISTRY	3,700		3,700	
20 AD HOC COMMITTEES	500		500	
21 GENERAL EXPENSES				
22 SALARY COSTS	234,000		234,000	2% salary increase No Assistant position
23 OFFICE EXPENSES	36,250		36,250	
24 STAFF TRAVEL	20,000		20,000	
25 SYNOD COUNCIL	4,600		4,600	
26 CANADA LUTHERAN, MNO INSERT	4,500		4,500	
27 DEANS' MEETINGS	-		-	
28 STUDY CONFERENCE SUPPLEMENT			-	Occurs every 3 years (\$1,000 scheduled for 2019)
29 EXAMINATIONS COMMITTEE	2,000		2,000	
30 NOMINATIONS COMMITTEE	-		-	
31 CAR LOAN INTEREST	600		600	
32 DEPRECIATION	7,400		7,400	
33 TOTAL EXPENSES	510,600	22,950	533,550	
34 OPERATING SURPLUS (DEFICIT)	13,900	2,050	15,950	

Operating surplus to be divided as follows

75%	11,963	To Mission as Hope New Initiatives
25%	3,987	To Contingency Reserve

Notes:

Column B payments would be made on a pro-rata basis up to the Total Budget maximums shown.

If congregational benevolence exceeds Total Budget, National Church will receive 26% of this excess until total National Church benevolence reaches \$150,000. Further National Church benevolence payments would be subject to Synod Council review and approval.

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