



# 2021 Budget Presentation

Lakeview Covenant Church  
Duluth, Minnesota

# Looking Back at 2020

Jennifer Borkholder

Leadership Team Financial Officer

# Thank you for your generosity!

- Your regular giving.
- Support for our benevolence fund.
- Support for Union Gospel Mission's beverage needs.
- Support for Myers-Wilkins families in the food drive.
- Providing "Packs of Hope" backpacks.
- Other special gifts during the year.

# Where we're at as of October 31:

- Total receipts of \$763,934
- Total Expenses of \$777,242
- Year-to-Date Deficit of \$13,308

# Where we're at as of October 31:

- Benevolence Fund Balance of \$25,248
- Memorial Fund Balance of \$4,643
- Long-Term Maintenance Funds of \$68,125
- Other Cash Reserves of \$246,582

What we've  
been able to  
do in 2020:

- Stay current on obligations.
- Provide financial support to employees affected by COVID.
- Provide renewal leave for several staff members.
- Add vacation & sick leave for staff not previously covered.

What we've  
been able to  
do in 2020:

- Serve families and individuals with our benevolence fund.
- Reduce our mortgage through special gifts.
- Invest approximately \$30,000 in new online technology.

Looking to the  
end of 2020:

- Projected Income of \$925,000
- Projected Expenses of \$945,423
- Projected Deficit of \$20,423

# A Look at the Proposed Budget

Jill Broman

Bookkeeper

# Aspects of Preparing The Budget for 2021:

- A review of what a “healthy” church budget looks like:
  - Approximately 20% of the total to local & foreign missions.
  - 50%-60% to staffing and staff-related expenses.
  - The balance to programming, facilities, & other expenditures.

# Aspects of Preparing The Budget for 2021:

- A thorough review of staff compensation against nationwide data.
- Input from staff and other ministry leaders.
- Multiple reviews by leadership team, finance team, and staff.
- A lot of “guesswork” in light of COVID.

# Basic Goals for 2021:

- Bring budget more into balance:
  - Increase Missions to 15% of total. (Long-term goal is 20% by 2023.)
  - Staff-related expenses under 60%.
- Continue paying down mortgage as rapidly as possible. (Final payment is November 2024.)
- Make prudent use of reserve funds in the present pandemic.

# Basic Goals for 2021:

- Reduce over-all budget without cutting “bone.”
- Encourage continued strong financial stewardship.

# Some Assumptions:

- “Normal” programming will be limited for many more months because of COVID.
- As onsite programming is restored, online engagement is here to stay.

# Some Assumptions:

- We will pursue both a lead pastor and a new children's staff person during 2021.
- Accumulated reserves can be used if necessary.
- God will continue to provide.

# Proposed Budget At-a-Glance:

- Operating Budget of \$996,108  
(Compared to \$1,100,000 for 2020)



# Proposed Budget At-a-Glance:

- Use Maintenance Funds for:
  - Parking Lot Repairs (\$10,000)
  - Youth Room Carpeting (\$3,500)
- Use Undesignated Funds for:
  - Search Committee and Relocation (est. \$10,000)
  - Additional Online Technology (\$10,000)



# Looking Ahead from Here

Steve Allison

Finance Team Chair

# Your Part in the Process:

- Review the detailed budget (Follow the attached link)
- Submit any questions or comments to Jill Broman no later than Sunday, November 29.
- Watch for responses to questions and comments, along with any budget revisions after December 1.
- Participate in our annual meeting: Dec. 8 at 7PM.

# What we ask you to consider before Year-End:

- Make an extra cash gift either via check or online.
- Give appreciated assets (e.g. stocks or mutual funds)
- If you're over 70-1/2, consider giving out of your IRA

# Opportunities for 2021:

- Participate in *Financial Peace University* (Starts in January)  
(This is about much more than what you give to Lakeview!)
- Consider increasing your giving by 1 percentage point.  
(If you give 5% of income now, how about 6% next year?)
- Consider supporting four special appeals in 2021:
  - First Quarter: For Covenant Park Bible Camp
  - Second Quarter: For Missions
  - Third and Fourth Quarters: To Be Announced
- Look into stewardship “tools” like Donor Advised Funds



Thank You!