CONCORDIA FINANCIAL PICTURE
2013 – 2018
JUNE 2019

In continuation of the conversations we have been having over the last year regarding Concordia’s finances, I wanted to “paint” a picture of the past 5 years in an effort to exhibit where we could potentially be in the future, and when I say future, I’m mean in the next 2 – 3 years.

I have put together several graphs which identify envelope offering and other revenue streams from 2013 – 2018 as well as expenditure for the same time period.

REVENUE

Envelope Offering
Over the last 5 years, envelope offering has dropped an average of 2.6% each year. This trend is likely continue over the next few years.

Other Funding
Stretch giving, Thrivent Choice giving, revenue from fund-raising events, etc., are included in this category. As we continue to hold fund-raising events and explore other sources of income, this source of revenue will assist in minimizing the loss of envelope offering.

Other Offering
This category of income includes Open Offering, Initial Offering, Festival Offering and Concordia Nursery School Offering. Substantial increase in other offering occurred from 2017 to 2018 primarily due to increase in the CNS offering ($5,000 to $10,000 per year).

Non-Operating Income
Starting with the 2017 budget, we included the amount of income received from Legacy (MACC & Nursery School) and Scholarship Fund (Education Assistance) to fulfil our commitments to these organizations and our contractual obligations to our pastor.

Building Use
Use of our facility significantly increased from 2015 to 2016 primarily to Families in Crisis. Unfortunately they lost their grant in mid-2017 resulting in a reduction in revenue for 2017. We continue to receive donations from New Horizons (increases consistently over the last 4 years) and AA. General building use increased 20% from 2017 to 2018. With the completion of the For this Holy House projects we are optimistic that this income will increase.

Fuel Assistance
Concordia’s are extremely generous when it comes to giving to this income category to help with the heating of our facility. A big “THANK YOU” to those who continually give. In 2019 we added a Snow Removal Assistance envelope which greatly assisted in paying our snow removal bills early in 2019.

Funds from Legacy & Memorial & Tributes/Miscellaneous Gifts
This category identifies the monies withdrawn from Legacy and the Memorial & Tributes account to primarily meet our Synod Mission Support obligation and to assist with bill payment. As illustrated in the graph, the amounts withdrawn from these funds has increased considerably over the last 3 years. **Without these funds we would not have been able to not just meet our Synod obligations but we would not have been able to pay our vendors, utilities, staff, etc.**
EXPENDITURES

Benevolence
Our giving has stayed consistent over the past 5 years, however as stated previously, the majority of our benevolence has been funded via Legacy and the Scholarship Fund instead of envelope giving.

Staff Salaries
With the exception of 2014 and 2015, salaries have stayed relatively flat. Pastor Post left the end of June in 2014 and for 8 months of 2015 we had a transitional pastor, Pastor Rolf Hedberg. We continue to employ organist on a weekly basis instead of having a staff position which eliminates the need for us to pay SS/Medicare as well as benefits.

Fringe Benefits
The increase to Fringe Benefits which began in 2016 was due to Concordia’s payment of the employer portion of Social Security and Medicare which is required by Synod.

Program Expenses
Expenses for the category have been consistently low due to the fact that we have not budgeted for programs over the last 5 years. The spike in 2015 was due to expenses related to the call process.

Program Support Expenses
Expenses for office supplies, printing, periodical booklets, etc., fall within this category. The slight spike in 2017 had to do with hosting the 500th Anniversary of the Reformation at Concordia.

Facility Maintenance
Expenses consistently hovered around the $25,000 - $30,000 range each of the 5 years. With the new HVAC system and other improvements to the building, 2019 expenses are already lower then this time in 2018. That being said, this category also includes cleaning services, trash hauling and snow removal, which tend to increase each year.

Utilities
Cost of utilities was consistent over the past 5 years. We are still trying to determine the impact of the new HVAC system and solar. An increase in electricity is possible with the use of air conditioning.

Insurance
The good thing is our insurance costs have not increased significantly over the last 5 years. This trend is expected to continue.

I hope this information is helpful in outlining what we can anticipate over the next few years. If you have any questions, please feel free to reach out to me.

Thank you.

Carol Stoneman
Treasurer