



WESTMINSTER  
— Presbyterian Church —

# 2025 Budget Report October 27, 2024

**Stewardship and Budget Committee:**  
**Leif Hartmark, Forrest Holroyd, Lisa Petter, Eugene Sit, Kate Gallagher**

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## 2025 Budget Process



The Stewardship and Budget Committee met bi-monthly to develop the 2025 Budget and plan the stewardship campaign.



Session reviewed draft Budget on September 11 and considered selective reductions and recommended a Cost of Living Adjustment (COLA).



Conferred with Session in June regarding priorities and needs.



Final Budget, with minor adjustments, was approved on October 1, 2024.



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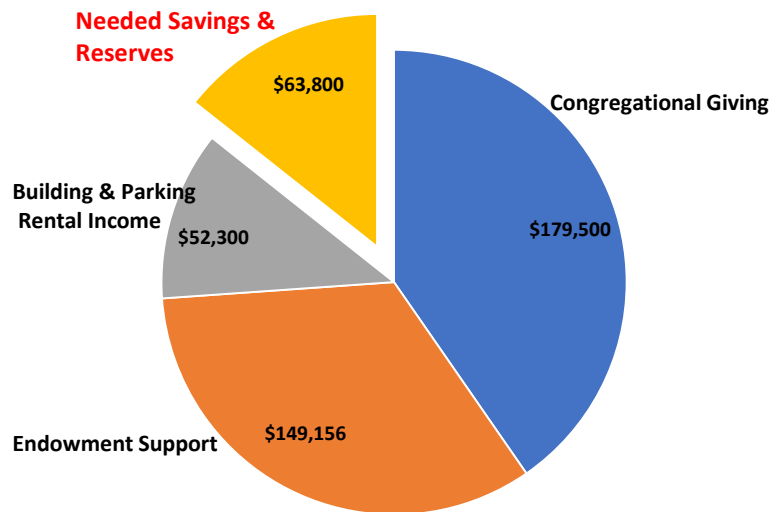
## Budget Context

- Westminster is facing a watershed year in 2025.
- We need to move toward a more sustainable budget for 2025 and beyond.
- The 2024 Budget used \$52,000 in one-time savings to achieve balance. Projected savings available for the 2025 Budget may be \$10,000 or less.
- Without making changes in income and expense, we could face a \$64,000 shortfall in 2025.



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## Projected 2025 Income Gap



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## Taking Corrective Action: Budget Reductions

- The 2025 Budget totals \$431,456; a net **decrease** of \$13,300 or -3.0% from 2024
- Budget reductions of (\$16,220), including two vacant positions and selective reductions in non-personnel costs as follows:



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## Selective Reductions

- Administration: Basic Witness Support (\$2,250) & Bank fees (\$400)
- Office: Cut the conference & training fund (\$1,000)
- Building: Savings in contractual services (\$4,100)
- Christian Life & Learning (CL&L) Budget: Cut vacant Nursery position and reduce Christian Education (\$450), Worship (\$900), and Hospitality (\$1,000) based on current spending
- Music: Cut one vacant paid soloist position (\$2,250)
- Mission: Adjust to 10% of 2025 Budget (\$1,600)
- Communications: Reduce signage (\$300)




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## Selective Increases




**Staff COLAs**

Allow for inflation with a 2.5% Cost-of-Living Adjustment.  
Including a modified COLA for Pastor Heather.  
TOTAL INCREASE: \$1,685




**Administration**

Fund Assistant Treasurer position: \$1,000



**Building**


Increase custodial contract: \$1,020



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## 2025 Budget Summary


	2024 Budget	2025 Budget	Change	
<b>Clergy</b>	\$ 96,231	\$ 96,700	\$ 469	
<b>Administration</b>	\$ 24,821	\$ 23,616	\$ (1,205)	
<b>Office Expense</b>	\$ 56,820	\$ 56,529	\$ (291)	
<b>Building</b>	\$ 114,342	\$ 110,494	\$ (3,848)	
<b>Christian Life &amp; Learning</b>	\$ 39,609	\$ 34,550	\$ (5,059)	
<b>Music &amp; Arts</b>	\$ 62,985	\$ 61,525	\$ (1,460)	
<b>Mission</b>	\$ 38,000	\$ 36,400	\$ (1,600)	
<b>Communications &amp; Outreach</b>	\$ 11,942	\$ 11,642	\$ (300)	
	\$ 444,750	\$ 431,456	\$ (13,294)	- 3.0%



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# Income


- The 2025 Budget maintains a 5.0% draw on the endowment.
- Pledge Income goal increased by \$15,000 to \$190,000.
- Balancing the 2025 Budget with \$36,000 in non-recurring year-end savings and reserves.
- While this is less than what was needed for 2024, it will significantly deplete the \$62,000 Reserve Fund.



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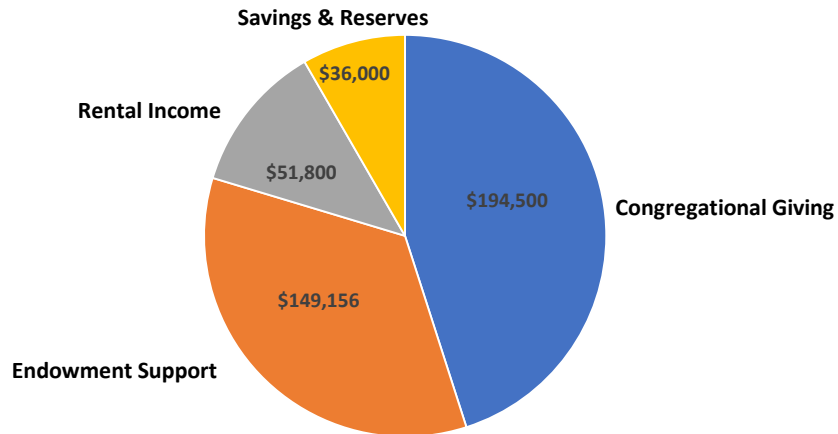
Income	2024 Budget	2025 Budget	Change
Congregational Giving *	\$ 187,800	\$ 194,500	\$ 6,700
Building & Parking Rentals	\$ 53,800	\$ 51,800	\$ (2,000)
Endowment Draw	\$ 151,950	\$ 149,156	\$ (2,794)
Savings, Reserves & Misc Income **	<u>\$ 51,200</u>	<u>\$ 36,000</u>	<u>\$ (15,200)</u>
	\$ 444,750	\$ 431,456	\$ (13,294)

\* 2025 Congregational Giving includes increased pledge goal and declining offerings  
\*\* Savings, Reserves, & Misc Income = 8.3% of total 2025 Budget



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## Budgeted 2025 Income: \$431,456



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## Notes on the Pie Chart

- **Congregational Giving represents 45.1% of Income**, which supports our **“Living Ministry”**:
  - Clergy
  - Christian Life and Learning
  - Communications & Outreach and a portion of Music
- **Operating support from the Endowment represent about a third (34.6%) of our income**
  - Supports the Building, Administration, and a portion of Music
  - “Keeping the doors open and the lights on”
- **Rental Income is 12% of income** and it supports office expenses
- **The remaining 8.3% of the budget** is supported by savings and reserves
  - While the allocation of expenses here is illustrative, this portion of income is equal to our Mission Budget.



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## A Final Note

### Planned Congregational Giving is less than half of the 2025 budgeted income.

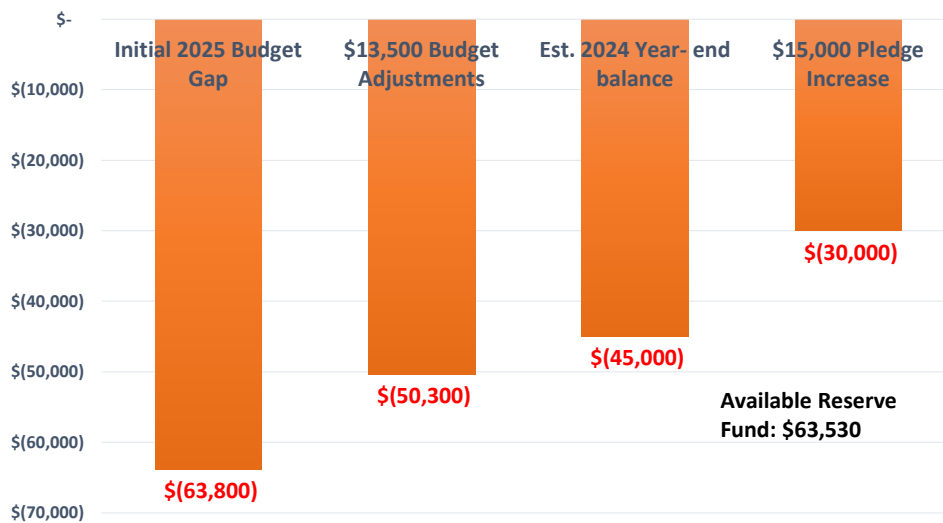
- This is an improvement from previous years when it supported only one-third of the budget
- However, for 2025 **increased giving** in the form of pledges will be vital for Westminster's the future
- At the projected rate, our Reserve Fund will be exhausted by 2026, requiring some difficult decisions going forward

Your **continued support is vital** to Westminster's future.



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### Projected 2025 Income Gap



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