

Living Word 2016 Narrative Budget

Church Revenues

Pledged Giving

The majority of Living Word revenue comes in the form of pledged giving. The fall 2015 stewardship campaign resulted in pledges of \$1,822,853.32. In recent years, Living Word has either exceeded or come very close to receiving 100% of pledged annual giving. For conservative budgeting purposes, 98% of pledges were used in projecting 2016 annual revenue from pledges. (\$1,786,396.26)

Non-pledged Giving

Non-pledged giving includes gifts to the church from identifiable givers who have not made a pledge commitment. The amount budgeted for this revenue area comes from extrapolation of historical data. (\$270,000.00)

Loose Plate Giving

A small additional amount of revenue comes in the form of “loose plate” offering – cash put in the offering plates, with no identified giver. The amount budgeted for this revenue area comes from extrapolation of historical data. (\$10,000.00)

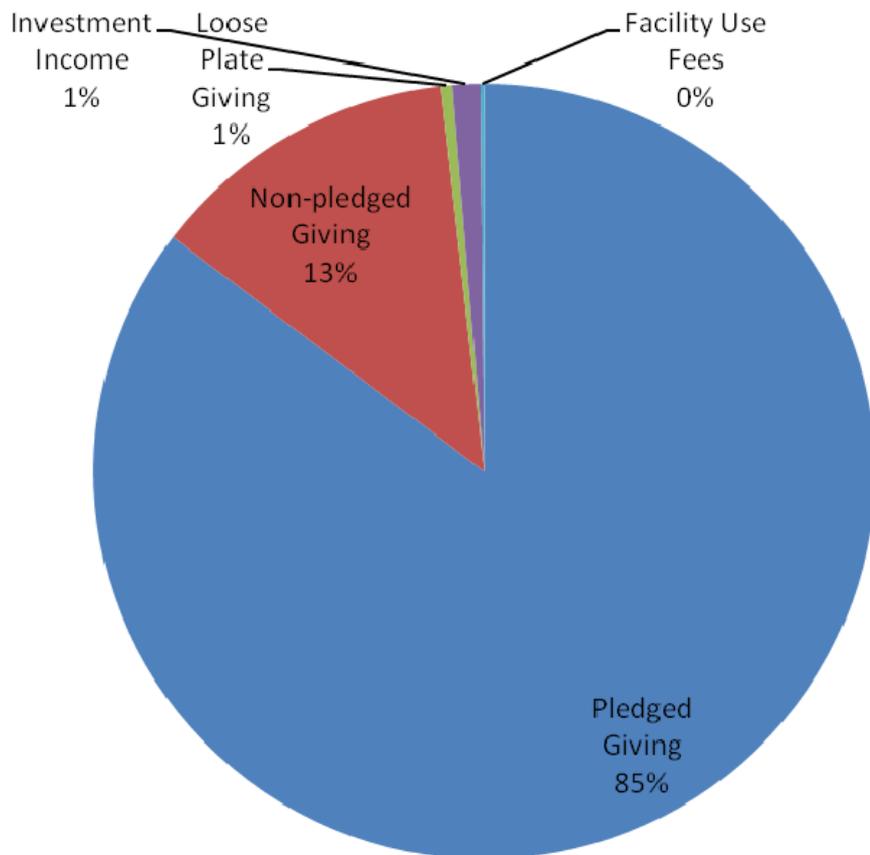
Investment Income

Living Word also gains income from investments – primarily interest and dividends, but also appreciation of donated stocks. Annual projected investment income is provided by our investment firm, Merrill Lynch. This category also accounts for the income generated through parishioners’ use of the Scrip card program at Schnuck’s Markets. (\$24,000.00)

Facility Use Fees and Weddings

Finally, Living Word receives some income from fees charged to outside groups and non-members for the use of our facilities for non-church events and weddings. (\$3,300.00)

2016 Living Word Budget Revenues



Church Expenses

Worship

Along with LEARN, SERVE, and CELEBRATE, WORSHIP is one of the pillars of the Living Word community, and so a significant portion of our expenses goes toward supporting our worship services. These expenses include materials for choirs, bands, dramas, occasional paid musicians, sacramental supplies, worship center Bibles, candles, and decorations, as well as a pro-rated portion of the salary support for staff members involved in worship planning and leadership. (\$297,474.65)



Trustees



This category includes all church expenses associated with operating the Living Word physical plant and parsonage – including property insurance, janitorial services, landscaping and lawn care, equipment maintenance contracts, snow removal, utilities (gas, electric, water/sewer, trash), and bus maintenance, as well as a prorated portion of the salary support for staff members with responsibility and oversight of these areas. (\$315,353.30)

Mortgage

At the beginning of 2016, the balance on the church building mortgage was \$4,048,379. In previous years, the principal payments were made from the NOW capital campaign fund that was established when the Living Word facility was in the planning stages, while interest payments were paid as part of our annual operating expenses. NOW campaign funds were depleted at the end of March 2015, at which time the full mortgage (principal plus interest) began to be paid as part of our annual operating expenses. (\$299,431.68)

Learn

Growing in Christian discipleship is the mark of the Christian life. These expenses include support of all children's, youth, and adult programming, such as Sunday School curriculum and supplies, Vacation Bible School, summer camps, confirmation, youth groups and retreats, Wednesday Night Connection, adult small groups and Bible studies, the Good Shepherd children, youth, and vulnerable adult protection program, and leadership training, as well as a prorated portion of the salary support for staff members with responsibilities in these areas. (\$402,330.36)



Apportionments

Apportionments are the way local United Methodist churches support the greater United Methodist Church, and are billed by the Missouri Conference to every local church in Missouri. The expenses help pay for congregational development, pastoral development, financial support for District Superintendents, conference level administration, clergy pensions, United Methodist camps, and missional thrusts in Missouri, the United States, and across the globe. (\$213,931.00)

Serve

Serving those in need is how we show the love of Jesus Christ to the world. Expenses in this area include benevolent giving to the Mozambique Initiative, Circle of Concern, Haven House, Agape House, UMCOR, and support for our sister church in Slovakia; support for our annual Backpack Attack; funds to be able to support tragedies, outreach to our community such as support of Alcoholics Anonymous, Sunday morning hospitality for visitors and new members, and support for the pastoral care needs of our congregation including Stephen Ministry training, flowers, care packages, and meals for members who experience loss, pastoral counseling, and hospital and nursing home visitation. These expenses also include the salary support for staff members with responsibilities in these areas. (\$186,560.50)



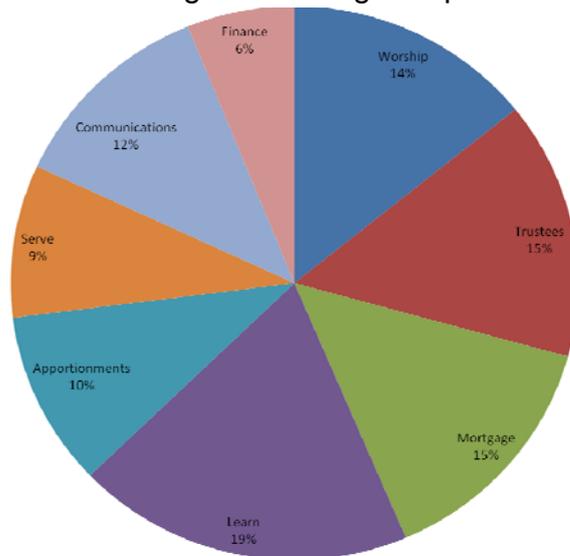
Communications

The Living Word communications budget supports all newspaper advertising, production of the church newsletter (the Beacon), signage, the church website, and production of all other church communications, such as the Ghana Project Shareholders report, software and supplies for multi-media ministries such as video production, as well as a prorated portion of the salary support for staff members with responsibility and oversight of these areas. (\$250,343.07)

Finance

This area includes all expenses associated with administration of Living Word's finances. This includes such items as the annual external audit of our finances, administration of the annual stewardship campaign, contribution envelopes, bank charges for accepting credit cards and automatic deposits/withdrawals, management fees for our investments, and a prorated portion of the salary support for staff members with responsibility and oversight of Living Word's financial matters. (\$128,249.89).

2016 Living Word Budget Expenses



FAQ's

What about Fundraisers?



Occasionally, ministries of the church hold fundraisers. These activities are always toward a specified, targeted use (like a choir tour or to purchase playground equipment), and the funds raised are not added to the Living Word operating revenues, but are held separately, and used to finance activities that are NOT part of the Living Word ministries operating expenses.

What about the Early Childhood Center?

The Living Word Early Childhood Center (ECC) is a huge ministry of Living Word, operating with its own revenues (primarily tuition) and expenses (primarily teacher and administrator salaries, curriculum and supplies). The goal, and 2016 budget, is for the ECC to be completely self-supporting, with zero net income or expense to the greater church. Therefore, ECC revenues and expenses are not visible in this report.



What about The Ghana Project?

The Ghana Project is a covenantal partnership between Living Word and the Northern Diocese of the Methodist Church-Ghana to bring clean water, education, medical and agricultural assistance to God's children in northern Ghana in sub-Saharan West Africa. Funds raised throughout the year and during the Christmas Miracle Offering are not part of the Living Word operating budget, and 100% of funds collected are used towards projects in Ghana, as reported in our Ghana Shareholders Report. Participants in mission trips to Ghana pay or



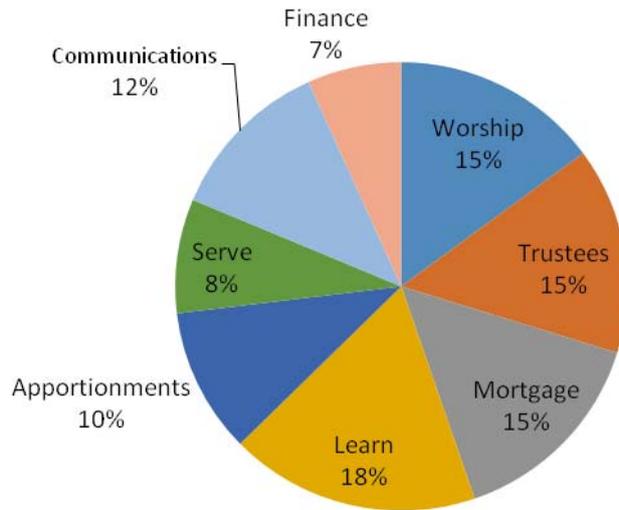
fundraise for 100% of the cost of their trips separate from the Ghana offering. Similarly, the cost of staff administration of the Ghana Project does not come from the Ghana Project offering, but is included in the Serve ministries of Living Word as part of the church operating budget.

What about the NOW Campaign?

The NOW capital campaign supported the construction of our Living Word facility in 2008. The NOW fund was fully depleted in the first quarter of 2015, so contributions to the NOW campaign are no longer accepted. Until the fund was depleted, principal payments on our building loan were made from this NOW account, but with the depletion of the fund, principal payments are included in the annual budget as of early 2015.



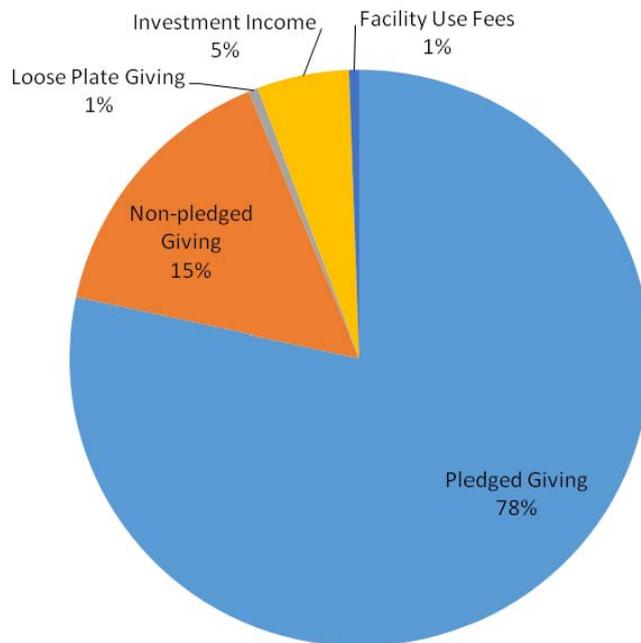
Living Word 2016 2nd Quarter Actual Expenses through June 30, 2016



2nd Quarter (January 1 through June 30, 2016)

<u>Church Expenses</u>	<u>Actual</u>	<u>Budget</u>
Worship	\$148,886.67	\$150,617.11
Trustees	\$149,005.35	\$159,844.32
Mortgage	\$149,715.84	\$149,715.84
Learn	\$178,921.12	\$198,989.02
Apportionments	\$104,632.46	\$112,000.52
Serve	\$ 82,334.32	\$ 98,057.16
Communications	\$119,611.19	\$126,031.15
Finance	\$ 67,339.66	\$ 67,486.77
TOTAL	\$1,000,446.61	\$1,062,741.89

Living Word 2016 2nd Quarter Actual Revenues through June 30, 2016



2nd Quarter (January 1 through June 30, 2016)

Church Revenues	Actual	Budget
Pledged Giving	\$837,465.96	\$893,198.16
Non-pledged Giving	\$164,343.20	\$135,000.00
Loose Plate Giving	\$ 5,776.00	\$ 5,000.00
Investment Income	\$ 54,846.26	\$ 12,000.00
Facility Use Fees/Weddings	\$ 6,119.71	\$ 1,650.00
TOTAL	\$1,068,551.13	\$1,046,848.16