

**2018-2019 PRELIMINARY OPERATING BUDGET  
NOTES FROM CORY BERGT**

The most noteworthy items included in the 2018-2019 Preliminary Budget are listed below:

1. Enrollment is projected to be 327 students for budget purposes, which will be up from the current enrollment of 321.
2. Tuition increases were set at 2.6% for Member and 2.2% for Non-Member. Registration and Technology fees are unchanged.
3. Congregational Assessment (#410) are up with Immanuel Lutheran joining the Association. Their assessment is stair-stepped over three years, but their students will receive the full member discount in the 2018-2019 school year.
4. LEF Support (#431) is increased by \$8,500 to reflect the passed through increase in personnel expense, largely attributed to health insurance increases.
5. Other revenue items remain unchanged, with the exception of Facility Rental (#441), which was increased \$3,000 to reflect recent activity.
6. Budgeted payroll expense increased \$90,218 or 4.2% from the 2017-18 final budget, and makes up 77% of total expenses.

Key inputs to the payroll budget are as follows:

Base salary increase for teachers of 2.5%. The average increase is 3.62% with education and experience level changes

Budgeted salary increase for administrators of 2.0%

Budgeted salary increase for office & support staff of 3.0%

No staffing changes. (If 6th grade enrollment comes in higher than projected, it could create the need for an additional 6th grade teacher)

Health insurance premiums are increasing 24% in 2018. This budget includes that 24% increase for 6 months and a projected 15% increase for the next 6 months.

HRA reimbursements were lowered to 50% from 60%, to reflect something closer to historical numbers which typically run in the 35-45% range.

No change in stipend pay factor for coaches/sponsors

Salary increases for each category of worker over recent years (including proposal for 2018-2019) are as follows:

	<u>2009-2010</u>	<u>2010-2011</u>	<u>2011-2012</u>	<u>2012-2013</u>	<u>2013-2014</u>	<u>2014-2015</u>	<u>2015-2016</u>	<u>2016-2017</u>	<u>2017-2018</u>	<u>2018-2019</u>
Teacher Base	1.00%	1.00%	2.50%	2.50%	1.50%	2.00%	0.00%	2.00%	2.50%	2.50%
Teacher Avg.	2.29%	3.42%	4.47%	4.20%	3.03%	4.20%	1.77%	4.60%	4.13%	3.62%
Administrator	0.00%	2.76%	4.50%	4.00%	3.00%	3.00%	0.00%	2.50%	2.00%	2.00%
Office/Support	1.00%	1.00%	3.50%	3.50%	2.50%	3.00%	0.00%	3.00%	3.00%	3.00%

7. Account #710 (Contingency) was held at \$0 with this preliminary budget. This account was set up five years ago with the idea that it would enable us to "bank" dollars for future capital improvement needs. The fund currently has \$177,011 in reserves. If enrollment comes in stronger than budgeted, we will consider funding this reserve with the final budget.
8. Transportation Contingency Fund (#722 ) was created in 2015/2016 to begin reserving funds for future transportation replacement needs. We are budgeting \$0 for this reserve at this time. The fund balance is currently \$25,422.
9. Account #810 (Debt Retirement) was held unchanged as higher interest rates are partially offset by a declining loan balance.
10. The 2018-2019 preliminary budget reflects a balanced budget with net income of \$8,985.

Lincoln Lutheran School Association  
Preliminary Operating Budget  
Fiscal Year 2018-2019

Income	2018-2019	2017-2018	\$\$	%	2016-2017	\$\$	%
	Prelim. Budget	Final Budget	Change	Change	Actual	Change	Change
<b>410 - Congregational Assessment</b>							
411 - Calvary	13,320	13,320	0	0.0%	13,170	150	1.1%
412 - Faith	24,450	24,450	0	0.0%	25,110	(660)	-2.6%
413 - Immanuel	3,020	0	3,020	0.0%	0	3,020	0.0%
414 - Messiah	61,380	61,380	0	0.0%	59,370	2,010	3.4%
415 - Redeemer	21,960	21,960	0	0.0%	23,670	(1,710)	-7.2%
416 - Trinity	20,250	20,250	0	0.0%	22,260	(2,010)	-9.0%
417 - Christ	70,050	70,050	0	0.0%	67,920	2,130	3.1%
419 - Holy Savior	11,760	11,760	0	0.0%	11,940	(180)	-1.5%
425 - Mission Partners	0	0	0	0.0%	750		0.0%
<b>Total 410 - Congregational Assessment</b>	<b>226,190</b>	<b>223,170</b>	<b>3,020</b>	<b>1.4%</b>	<b>224,190</b>	<b>2,750</b>	<b>1.2%</b>
<b>430 - Fund Development</b>							
431 - LEF Support	223,500	215,000	8,500	4.0%	196,000	27,500	14.0%
434 - SCRIP	8,000	8,000	0	0.0%	5,830	2,170	37.2%
438 - Matching Gifts	13,000	13,000	0	0.0%	11,958	1,042	8.7%
<b>Total 430 - Fund Development</b>	<b>244,500</b>	<b>236,000</b>	<b>8,500</b>	<b>3.6%</b>	<b>213,788</b>	<b>30,712</b>	<b>14.4%</b>
<b>440 - Other Income</b>							
441 - Facility Rental	21,000	18,000	3,000	16.7%	21,495	(495)	-2.3%
442 - Interest Income	0	0	0	0.0%	665	(665)	-100.0%
445 - Fines	300	300	0	0.0%	112	188	168.4%
446 - Transportation Revenue	55,000	55,000	0	0.0%	61,000	(6,000)	-9.8%
447 - Extended Daycare	4,500	4,500	0	0.0%	10,477	(5,977)	-57.0%
448 - Misc. Income	0	0	0	0.0%	1,326	(1,326)	-100.0%
<b>Total 440 - Other Income</b>	<b>80,800</b>	<b>77,800</b>	<b>3,000</b>	<b>3.9%</b>	<b>95,075</b>	<b>(14,275)</b>	<b>-15.0%</b>
<b>450 - Tuition Fees</b>							
451 - Registration	79,450	77,150	2,300	3.0%	80,338	(888)	-1.1%
453 - Family Tuition	1,653,421	1,644,823	8,598	0.5%	1,665,936	(12,514)	-0.8%
457 - Technology Fee	40,875	40,438	437	1.1%	33,200	7,675	23.1%
461 - Calvary	11,531	11,348	183	1.6%	18,578	(7,047)	-37.9%
462 - Faith	49,246	48,463	783	1.6%	51,240	(1,994)	-3.9%
463 - Immanuel	13,617	0	13,617	0.0%	0	13,617	0.0%
464 - Messiah	194,444	191,350	3,094	1.6%	189,292	5,152	2.7%
465 - Redeemer	70,059	68,944	1,115	1.6%	59,355	10,704	18.0%
466 - Trinity	66,203	65,149	1,054	1.6%	61,430	4,772	7.8%
467 - Christ	124,650	122,666	1,984	1.6%	116,778	7,872	6.7%
469 - Holy Savior	49,712	48,921	791	1.6%	39,578	10,134	25.6%
<b>Total 450 - Tuition Fees</b>	<b>2,353,208</b>	<b>2,319,252</b>	<b>33,956</b>	<b>1.5%</b>	<b>2,315,725</b>	<b>37,483</b>	<b>1.6%</b>
<b>Total 400 - Total Current Income</b>	<b>2,904,698</b>	<b>2,856,222</b>	<b>48,476</b>	<b>1.7%</b>	<b>2,848,777</b>	<b>56,671</b>	<b>2.0%</b>
495 - Bad Debt Recovery	0	0	0	0.0%	0	0	0.0%
499 - Out of Period Income	0	0	0	0.0%	6,226	(6,226)	-100.0%
<b>Total Income</b>	<b>2,904,698</b>	<b>2,856,222</b>	<b>48,476</b>	<b>1.7%</b>	<b>2,855,003</b>	<b>50,445</b>	<b>1.8%</b>

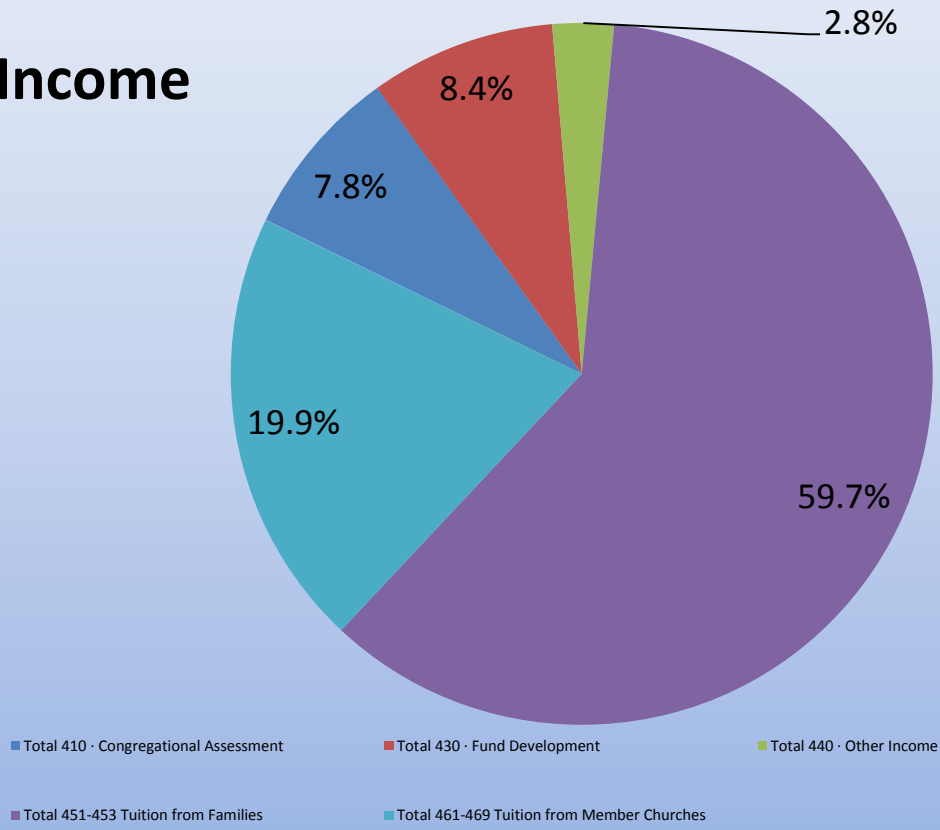
Lincoln Lutheran School Association  
Preliminary Operating Budget  
Fiscal Year 2018-2019

Expense	2018-2019		2017-2018		2016-2017		
	Prelim. Budget	Final Budget	Change	% Change	Actual	Change	% Change
<b>500 - Payroll Expenses</b>							
510 - Wages	1,611,043	1,566,056	44,987	2.9%	1,544,098	66,945	4.3%
520 - Benefits	568,592	522,715	45,877	8.8%	467,400	101,192	21.7%
530 - Payroll Taxes	62,928	63,574	(646)	-1.0%	64,963	(2,035)	-3.1%
<b>Total 500 - Payroll Expenses</b>	<b>2,242,563</b>	<b>2,152,345</b>	<b>90,218</b>	<b>4.2%</b>	<b>2,076,461</b>	<b>166,102</b>	<b>8.0%</b>
<b>600 - Professional Expenses</b>							
610 - Administrative/Office							
611 - Office Supplies	5,000	5,000	0	0.0%	5,126	(126)	-2.5%
612 - Postage	5,000	3,750	1,250	33.3%	3,788	1,212	32.0%
613 - Public Relations	500	500	0	0.0%	40	460	1150.0%
614 - Administrative Expense	7,500	7,000	500	7.1%	5,888	1,612	27.4%
615 - Bank Fees	3,000	3,500	(500)	-14.3%	2,764	236	8.6%
617 - Billing Service Fees	3,000	3,000	0	0.0%	6,670	(3,670)	-55.0%
618 - Equipment Purchases	500	500	0	0.0%	0	500	0.0%
619 - Advertising	7,000	6,000	1,000	16.7%	4,000	3,000	75.0%
620 - Professional Fees	7,550	7,550	0	0.0%	4,550	3,000	65.9%
621 - Chaplain's Office	1,000	500	500	100.0%	500	500	100.0%
623 - Technology Support	45,000	43,500	1,500	3.4%	39,110	5,890	15.1%
624 - Graduation	1,250	1,250	0	0.0%	991	259	26.2%
625 - Counselors Office	1,000	1,100	(100)	-9.1%	445	555	124.8%
626 - Copier Expense	10,000	11,000	(1,000)	-9.1%	12,183	(2,183)	-17.9%
627 - Recruitment	5,000	5,000	0	0.0%	3,797	1,203	31.7%
<b>Total 610 - Administrative/Office</b>	<b>102,300</b>	<b>99,150</b>	<b>3,150</b>	<b>3.2%</b>	<b>89,852</b>	<b>12,448</b>	<b>13.9%</b>
630 - Instructional							
631 - Art	2,500	2,500	0	0.0%	2,993	(493)	-16.5%
632 - Journalism	1,500	2,500	(1,000)	-40.0%	1,500	0	0.0%
633 - Business	1,500	1,750	(250)	-14.3%	1,398	102	7.3%
634 - English	2,500	2,500	0	0.0%	1,468	1,032	70.3%
635 - Foreign Languages	1,000	1,500	(500)	-33.3%	806	194	24.1%
636 - Mathematics	2,000	2,500	(500)	-20.0%	2,596	(596)	-23.0%
637 - Music	10,000	9,500	500	5.3%	9,105	895	9.8%
638 - Religion	4,000	2,000	2,000	100.0%	3,083	917	29.7%
639 - Instructional Supplies	2,500	3,000	(500)	-16.7%	2,097	403	19.2%
640 - Media Center	5,000	4,500	500	11.1%	3,964	1,036	26.1%
643 - Health	1,500	1,000	500	50.0%	826	674	81.7%
645 - Social Studies	3,000	2,000	1,000	50.0%	1,302	1,698	130.4%
646 - Science	6,000	5,000	1,000	20.0%	4,873	1,127	23.1%
647 - Testing	4,500	5,000	(500)	-10.0%	4,441	59	1.3%
650 - Physical Education	2,000	1,000	1,000	100.0%	344	1,656	481.4%
651 - Family & Consumer Sciences	2,750	2,500	250	10.0%	2,516	234	9.3%
<b>Total 630 - Instructional</b>	<b>52,250</b>	<b>48,750</b>	<b>3,500</b>	<b>7.2%</b>	<b>43,313</b>	<b>8,937</b>	<b>20.6%</b>
<b>Total 600 - Professional Expenses</b>	<b>154,550</b>	<b>147,900</b>	<b>6,650</b>	<b>4.5%</b>	<b>133,165</b>	<b>21,385</b>	<b>16.1%</b>

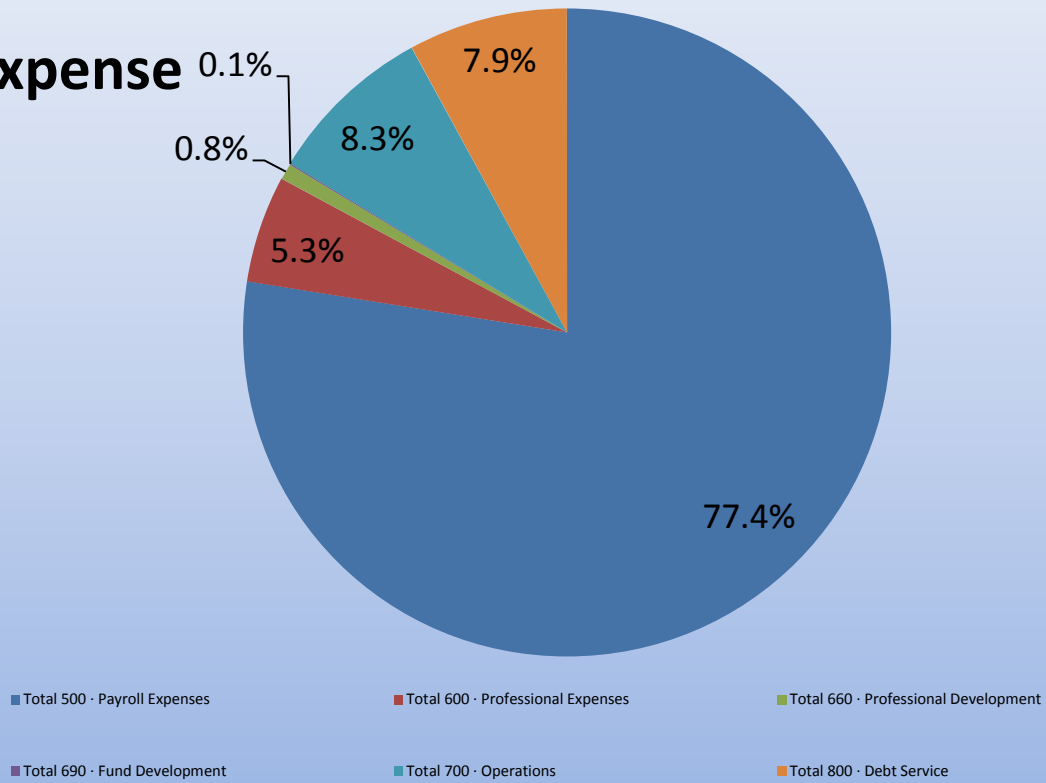
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Preliminary Operating Budget  
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	2018-2019	2017-2018	\$\$	%	2016-2017	\$\$	%
	Prelim. Budget	Final Budget	Change	Change	Actual	Change	Change
<b>660 - Professional Development</b>							
661 - Conference	4,000	4,000	0	0.0%	1,729	2,271	131.3%
662 - Lodging	1,000	1,000	0	0.0%	447	553	124.0%
663 - Professional Fees	100	100	0	0.0%	0	100	0.0%
664 - Dues	3,500	3,500	0	0.0%	3,420	81	2.4%
665 - Mileage	5,000	5,000	0	0.0%	4,240	760	17.9%
666 - Professional Education	8,500	8,000	500	6.3%	5,934	2,566	43.2%
667 - Relocation	1,000	0	1,000	0.0%	0	1,000	0.0%
<b>Total 660 - Professional Development</b>	<b>23,100</b>	<b>21,600</b>	<b>1,500</b>	<b>6.9%</b>	<b>15,769</b>	<b>7,331</b>	<b>46.5%</b>
<b>690 - Fund Development</b>							
694 - Other	2,000	2,000	0	0.0%	985	1,015	103.1%
<b>Total 690 - Fund Development</b>	<b>2,000</b>	<b>2,000</b>	<b>0</b>	<b>0.0%</b>	<b>985</b>	<b>1,015</b>	<b>103.1%</b>
<b>700 - Operations</b>							
710 - Plant Maintenance							
711 - Service Contracts	5,000	5,000	0	0.0%	4,065	935	23.0%
712 - Maintenance Bldg & Grnds	30,000	30,000	0	0.0%	26,270	3,730	14.2%
714 - Custodial Supplies	8,000	8,000	0	0.0%	8,728	(728)	-8.3%
715 - Custodial Service	37,000	36,000	1,000	2.8%	36,171	829	2.3%
716 - Equipment/Furnishings	8,000	25,000	(17,000)	-68.0%	7,714	286	3.7%
710 - Contingency	0	20,000	(20,000)	-100.0%	140,000	(140,000)	-100.0%
<b>Total 710 - Plant Maintenance</b>	<b>88,000</b>	<b>124,000</b>	<b>(36,000)</b>	<b>-29.0%</b>	<b>222,949</b>	<b>(134,949)</b>	<b>-60.5%</b>
720 - Bus Operations	40,000	40,000	0	0.0%	38,575	1,425	3.7%
722 - Transportation Contingency	0	5,000	(5,000)	-100.0%	15,000	(15,000)	-100.0%
730 - Utilities							
731 - Heat	18,000	18,000	0	0.0%	15,271	2,729	17.9%
732 - Water	5,000	5,000	0	0.0%	5,658	(658)	-11.6%
733 - Telephone	1,500	1,500	0	0.0%	1,290	210	16.3%
734 - Refuse	3,000	3,000	0	0.0%	2,851	149	5.2%
735 - Electricity	58,000	58,000	0	0.0%	58,095	(95)	-0.2%
736 - Other	0	0	0	0.0%	0	0	0.0%
<b>Total 730 - Utilities</b>	<b>85,500</b>	<b>85,500</b>	<b>0</b>	<b>0.0%</b>	<b>83,165</b>	<b>2,335</b>	<b>2.8%</b>
750 - Insurance							
751 - Workmens Comp	12,000	11,500	500	4.3%	10,945	1,055	9.6%
752 - General Business Insurance	15,000	14,000	1,000	7.1%	13,011	1,989	15.3%
754 - Other	0	0	0	0.0%	0	0	0.0%
<b>Total 750 - Insurance</b>	<b>27,000</b>	<b>25,500</b>	<b>1,500</b>	<b>5.9%</b>	<b>23,956</b>	<b>3,044</b>	<b>12.7%</b>
<b>Total 700 - Operations</b>	<b>240,500</b>	<b>280,000</b>	<b>(34,500)</b>	<b>-12.3%</b>	<b>383,645</b>	<b>(128,145)</b>	<b>-33.4%</b>
<b>800 - Debt Service</b>							
810 - Debt Retirement	230,000	230,000	0	0.0%	223,918	6,082	2.7%
<b>Total 800 - Debt Service</b>	<b>230,000</b>	<b>230,000</b>	<b>0</b>	<b>0.0%</b>	<b>223,918</b>	<b>6,082</b>	<b>2.7%</b>
895 - Bad Debt Expense	3,000	3,000	0	0.0%	4,644		
899 - Out of Period Expense					1,306		
<b>Total Expense</b>	<b>2,895,713</b>	<b>2,836,845</b>	<b>63,868</b>	<b>2.3%</b>	<b>2,839,892</b>	<b>73,771</b>	<b>2.6%</b>
<b>Net Income</b>	<b>8,985</b>	<b>19,377</b>			<b>15,111</b>		

# Income



# Expense



**Lincoln Lutheran School Association  
Preliminary Budgeted Tuition Income**

<b>2018-2019</b>						
	<b>Estimated Enrollment</b>	<b>Tuition Rate</b>	<b>Reg/Tech Fee</b>	<b>Tuition/Fee Income</b>	<b>Tuition \$\$ Inc</b>	<b>Tuition % Inc</b>
<b>6th Grade:</b>						
Member	50	\$5,875		\$293,750	\$150	2.6%
Non-Member	5	\$7,025		35,125	\$150	2.2%
Registration			\$225	12,375		
Technology			\$125	6,875		
Total	55			\$348,125		
<b>7th &amp; 8th Grade:</b>						
Member	90	\$6,900		\$621,000	\$175	2.6%
Non-Member	7	\$8,050		56,350	\$175	2.2%
Registration			\$225	21,825		
Technology			\$125	12,125		
Total	97			\$711,300		
<b>9th-12th Grade:</b>						
Member	150	\$8,325		\$1,248,750	\$200	2.5%
Non-Member	25	\$9,475		236,875	\$200	2.2%
Registration			\$250	43,750		
Technology			\$125	21,875		
Total	175			\$1,551,250		
<b>Grand Total:</b>						
Member	290			\$2,163,500		2.5%
Non-Member	37			328,350		2.2%
Registration				77,950		
Technology				40,875		
Total	<u>327</u>			<u>\$2,610,675</u>		2.4%
<b>Gross Tuition &amp; Registration Fees</b>				<b>\$2,610,675</b>		
Financial Aid		-2.50%		(62,296)		
Multi-Child Discount		-4.06%		(101,188)		
Church Worker Discount		-3.40%		(84,822)		
1 & 2 Pay Discount		-0.43%		(10,661)		
Estimated Late Fees				1,500		
<b>Net Tuition &amp; Fees</b>				<b>\$2,353,208</b>		
Less: Registration & Technology Fees				(120,325)		
<b>Net Tuition Income</b>				<b>\$2,232,883</b>		

**Lincoln Lutheran School Association  
Historical Tuiton Rates**

Year	1999-00	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10
6th Gr Member							\$3,000	\$3,120 4.00%	\$3,215 3.04%	\$3,310 2.95%	\$3,800 14.80%
6th Gr Non-Mbr							\$3,885	\$4,040 3.99%	\$4,160 2.97%	\$4,285 3.00%	\$4,935 15.17%
7th/8th Gr Member	\$3,200	\$3,360 5.00%	\$3,360 0.00%	\$3,630 8.04%	\$3,775 3.99%	\$3,926 4.00%	\$4,085 4.05%	\$4,250 4.04%	\$4,380 3.06%	\$4,510 2.97%	\$4,645 2.99%
7th/8th Gr Non-Mbr	\$4,150	\$4,360 5.06%	\$4,360 0.00%	\$4,710 8.03%	\$4,898 3.99%	\$5,094 4.00%	\$5,300 4.04%	\$5,515 4.06%	\$5,680 2.99%	\$5,850 2.99%	\$6,025 2.99%
9th - 12th Gr Member	\$3,900	\$4,100 5.13%	\$4,100 0.00%	\$4,430 8.05%	\$4,607 4.00%	\$4,791 3.99%	\$4,985 4.05%	\$5,185 4.01%	\$5,340 2.99%	\$5,500 3.00%	\$5,665 3.00%
9th - 12th Gr Non-Mbr	\$4,950	\$5,200 5.05%	\$5,200 0.00%	\$5,620 8.08%	\$5,845 4.00%	\$6,079 4.00%	\$6,325 4.05%	\$6,580 4.03%	\$6,780 3.04%	\$6,985 3.02%	\$7,195 3.01%
STRAIGHT 5% Eval.											
9th - 12th Gr Member	\$3,900 5.00%	\$4,095 5.00%	\$4,300 5.00%	\$4,515 5.00%	\$4,740 5.00%	\$4,977 5.00%	\$5,226 5.00%	\$5,488 5.00%	\$5,762 5.00%	\$6,050 5.00%	\$6,353 5.00%
9th - 12th Gr Non-Mbr	\$4,950 5.00%	\$5,198 5.00%	\$5,457 5.00%	\$5,730 5.00%	\$6,017 5.00%	\$6,318 5.00%	\$6,633 5.00%	\$6,965 5.00%	\$7,313 5.00%	\$7,679 5.00%	\$8,063 5.00%
Year	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19		
6th Gr Member	\$4,400 15.79%	\$4,700 6.82%	\$4,960 5.53%	\$5,200 4.84%	\$5,300 1.92%	\$5,460 3.02%	\$5,670 3.85%	\$5,725 0.97%	\$5,875 2.62%		
6th Gr Non-Mbr	\$5,600 13.48%	\$5,850 4.46%	\$6,110 4.44%	\$6,350 3.93%	\$6,450 1.57%	\$6,610 2.48%	\$6,820 3.18%	\$6,875 0.81%	\$7,025 2.18%		
Registration Fee	\$175	\$200	\$200	\$200	\$225	\$225	\$225	\$225	\$225		
7th/8th Gr Member	\$5,200 11.95%	\$5,500 5.77%	\$5,790 5.27%	\$6,050 4.49%	\$6,280 3.80%	\$6,470 3.03%	\$6,680 3.25%	\$6,725 0.67%	\$6,900 2.60%		
7th/8th Gr Non-Mbr	\$6,400 6.22%	\$6,700 4.69%	\$6,940 3.58%	\$7,200 3.75%	\$7,430 3.19%	\$7,620 2.56%	\$7,830 2.76%	\$7,875 0.57%	\$8,050 2.22%		
Registration Fee	\$175	\$200	\$200	\$200	\$225	\$225	\$225	\$225	\$225		
9th - 12th Gr Member	\$6,350 12.09%	\$6,700 5.51%	\$7,050 5.22%	\$7,350 4.26%	\$7,610 3.54%	\$7,840 3.02%	\$8,050 2.68%	\$8,125 0.93%	\$8,325 2.46%		
9th - 12th Gr Non-Mbr	\$7,650 6.32%	\$7,900 3.27%	\$8,200 3.80%	\$8,500 3.66%	\$8,760 3.06%	\$8,990 2.63%	\$9,200 2.34%	\$9,275 0.82%	\$9,475 2.16%		
Registration Fee	\$200	\$225	\$225	\$225	\$250	\$250	\$250	\$250	\$250		
Technology Fee					\$100	\$100	\$100	\$125	\$125		
STRAIGHT 5% Eval.											
9th - 12th Gr Member	\$6,670 5.00%	\$7,004 5.00%	\$7,354 5.00%	\$7,722 5.00%	\$8,108 5.00%	\$8,513 5.00%	\$8,939 5.00%	\$9,386 5.00%	\$9,855 5.00%		
9th - 12th Gr Non-Mbr	\$8,466 5.00%	\$8,889 5.00%	\$9,334 5.00%	\$9,801 5.00%	\$10,291 5.00%	\$10,805 5.00%	\$11,345 5.00%	\$11,913 5.00%	\$12,508 5.00%		