

Council Budget

The grand knight, you should work with the treasurer, financial secretary and trustees of your council to compare the past year's actual figures with the budgeted figures that were approved by the council. The information obtained will be used to develop the budget for the current fraternal year. **Your council's budget should correspond to the fraternal year, which covers the period from July 1 to June 30.** Setting your council's budget should be started immediately after your election as grand knight.

When beginning the budget process, review the actual revenues and expenses for each program and activity and compare those with the budgeted figures from the past year. Questions to consider when setting a budget include:

1. Were the revenues skewed by one large donation?
2. Were items that were donated in the past now being charged for, thus increasing expenses?
3. Was participation in a particular activity up or down? Did it depend on the weather or a scheduling conflict? This could impact both revenues and expenses.
4. Did the council charge too little or too much for the event?

Keep the budgeted figures realistic and attainable. The figures should reflect an approximation of the actual results from the prior year, adjusted as needed for either an extraordinary event or something that will be considered normal going forward. They should also be based on the answers to the sample questions above. However, a good rule of thumb would be to increase revenue and expenses for the cost of inflation (approximately 1-2 percent).

This is also the time to evaluate each activity to determine which ones the council will continue. The budget for a new activity will either take the revenue and expenses from a discontinued activity or new dollars will need to be allocated for the new activity.

Once the budget is prepared and finalized, it should be adopted at a regular council meeting by a vote of the membership. It is recommended that this take place during one of the first meetings early in the fraternal year. This process ensures that future meetings are utilized to the fullest and **are not taken up with voting on each project's expense.** It is also a good practice to ensure that excess funds are transferred from the council's general account to a savings account, as appropriate.