



**NEW HANOVER  
EVANGELICAL LUTHERAN CHURCH**

**2022 GENERAL FUND BUDGET**

Presented to the Congregation by the Congregation Council for review and consideration for approval at the Special Congregational Meeting scheduled on December 12, 2021.

***Mission Statement***

The mission of New Hanover Evangelical Lutheran Church is to utilize the dedication of our church family, the strengths of our programs, the resources of our facilities, and history of our congregation to serve as a beacon of worship, welcome, peace, and support for our community.

***Vision Statement***

The vision of New Hanover Evangelical Lutheran Church is to love our neighbors as ourselves, and live and serve as an example of God's Grace for our community and our world.

Presented below, and on the following pages, is the 2022 General Fund Budget prepared and approved by the Congregation Council for the coming fiscal year. The Congregation will be asked to vote on this budget at a Special Congregational Meeting Scheduled for Sunday, December 12, 2021.

The Congregation Council has deliberately reviewed each expense line item and trimmed the expected costs to remain fiscally responsible while continuing to allocate sufficient resources to advance the mission of our Church and support existing program offerings in full for 2022. Please note that for a balanced budget to be realized in 2022, existing cash reserves are proposed to help offset projected expenses. However, in order to sustain a balanced budget long-term, a sizable increase in regular offerings must be achieved in order to close the gap between projected income and expenses, and reduce the reliance on cash reserves to supplement regular income. The Congregation Council is also committed to seeking out potential alternate sources of funding that will support the Church's mission and help bridge the gap between projected income and expenses.

Please review the enclosed information and please prayerfully consider your action regarding the request for approval. Also, please consider ways you are able to help the Congregation meet its goals of performing Christ's work through the meaningful and effective Ministries as well as the Congregation's fiscal goals. If you have any questions regarding this information, please attend one or both of the scheduled informational meetings to be held in-person on Sunday, December 5 at 10:15 am or Wednesday, December 8 at 6:30 pm. You may also send an email to our Treasurer, Ed Becker at treasurer@newhanoverlutheran.org.

#### GENERAL FUND BUDGET SUMMARY

<u>Income</u>	Approved 2021 Budget	% of Total	Projected 2021 Results	% of Total	2022 Budget Consideration	% of Total
Regular Undesignated Income	\$ 379,700	83.4%	\$ 352,617	84.9%	\$ 346,000	95.4%
Paycheck Protection Grant	\$ 50,200	11.0%	\$ 50,200	12.1%	\$ -	0.0%
Designated General Fund Income	\$ 25,200	5.5%	\$ 12,277	3.0%	\$ 16,700	4.6%
<b>Total Income</b>	<b>\$ 455,100</b>	<b>100.0%</b>	<b>\$ 415,095</b>	<b>100.0%</b>	<b>\$ 362,700</b>	<b>100.0%</b>
<u>Expenses</u>	Approved 2021 Budget	% of Total	Projected 2021 Results	% of Total	2022 Budget Consideration	% of Total
Benevolence	\$ 38,470	8.5%	\$ 35,762	8.4%	\$ 35,100	7.6%
Payroll & Related Expenses	\$ 278,731	61.2%	\$ 255,863	60.0%	\$ 261,883	56.8%
Property & Equipment Expenses	\$ 111,849	24.6%	\$ 110,167	25.8%	\$ 133,852	29.0%
Program Expenses	\$ 26,050	5.7%	\$ 24,765	5.8%	\$ 30,150	6.5%
<b>Total Expenses</b>	<b>\$ 455,100</b>	<b>100.0%</b>	<b>\$ 426,556</b>	<b>100.0%</b>	<b>\$ 460,985</b>	<b>100.0%</b>
<b>Overall Income vs Expenses</b>	<b>\$ 0</b>	<b>0.0%</b>	<b>\$ (11,461)</b>	<b>(2.8%)</b>	<b>\$ (98,285)</b>	<b>(27.1%)</b>
<b>Existing Cash Reserves</b>	<b>\$ 0</b>	<b>-</b>	<b>\$ 11,461</b>	<b>-</b>	<b>\$ 98,285</b>	<b>21.3%</b>
<b>Overall Income+Cash vs Expenses</b>	<b>\$ 0</b>	<b>-</b>	<b>\$ 0</b>	<b>-</b>	<b>\$ 0</b>	<b>0.0%</b>

#### BUDGET HIGHLIGHTS

1. Bequeaths received in 2020 and 2021 helped bridge the income gap and offset 2020, 2021 and Projected 2022 Expenses.
2. An income deficit is projected for 2022 (income projected lower than expenses). To match budgeted expenses will require use of existing cash reserves, if a significant increase in offerings is not realized. To accomplish the increase in giving, consider the following:

	2021 Offering	2022 Offering Projected	Total Required Giving 2022	Required Giving Increase 2022
Envelope & Simply Giving Offerings	\$318,475	\$318,500	\$416,785	\$98,285
Monthly Average	\$26,540	\$26,542	\$34,732	\$8,190
Weekly Average	\$6,125	\$6,125	\$8,015	\$1,890

COMPARISON TO LAST YEAR	Total 2018 Actual	Total 2019 Actual	Total 2020 Actual	Total 2021 Budget	Required Giving Increase 2021*
Envelope & Simply Giving Offerings	\$299,260	\$309,293	\$330,392	\$352,200	\$21,808
Monthly Average	\$24,938	\$25,774	\$27,533	\$29,350	\$1,817
Weekly Average	\$5,755	\$5,948	\$6,354	\$6,773	\$419

\* Total required increase in giving in 2021 was reduced by \$50,200 due to PPP Loan forgiveness (Paycheck Protection Grant)

3. Benevolence is budgeted to be 10% of regular income plus \$500 for Pastoral Discretionary Benevolence. The 10% of regular income will be divided equally between the SEPA Synod and to others as determined by the Congregational Council with input from various committees.
4. Payroll & Related Expenses include the following:
  - a. Pastor's and staff salaries include a 3.3% cost-of-living increase.

Please note that the 2021 totals are projected through the end of the year based upon actual YTD information through October 31, 2021.

**REGULAR GENERAL FUND INCOME**

<b>Item</b>	<b>Approved 2021 Budget</b>	<b>Projected Total 2021</b>	<b>2022 Budget Consideration</b>
Regular Envelope Offering	\$ 218,200	\$ 172,049	\$ 172,000
Regular Simply Giving Offering	\$ 134,000	\$ 133,474	\$ 133,500
Amazing Raise Contributions	\$ -	\$ 12,953	\$ 13,000
Regular Loose Offering Plate Offering	\$ 5,000	\$ 2,357	\$ 5,000
Trust Fund Interest Income	\$ 15,000	\$ 12,797	\$ 15,000
Thrivent Choice	\$ 5,000	\$ 4,802	\$ 5,000
Miscellaneous Income	\$ 2,500	\$ 14,186	\$ 2,500
<b>Total Regular Income</b>	<b>\$ 379,700</b>	<b>\$ 352,617</b>	<b>\$ 346,000</b>

**OTHER GENERAL FUND INCOME - Designated**

<b>Item</b>	<b>Approved 2021 Budget</b>	<b>Projected Total 2021</b>	<b>2022 Budget Consideration</b>
Fuel Oil Contributions	\$ 11,000	\$ 8,264	\$ 9,000
Bulletin Contributions	\$ 1,200	\$ 432	\$ 1,200
Flower Contributions	\$ 4,000	\$ 2,630	\$ 3,000
Facility Gratuity	\$ 5,000	\$ 636	\$ 1,500
Fellowship Activities	\$ 4,000	\$ 314	\$ 2,000
<b>Total Other General Fund Income - Designated</b>	<b>\$ 25,200</b>	<b>\$ 12,277</b>	<b>\$ 16,700</b>
Paycheck Protection Grant	\$ 50,200	\$ 50,200	\$ -
<b>Total Other General Fund Income</b>	<b>\$ 75,400</b>	<b>\$ 62,477</b>	<b>\$ 16,700</b>

Transfers from Other Funds	\$ -	\$ 8,845	\$ -
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<b>Total Income</b>	<b>\$ 455,100</b>	<b>\$ 415,095</b>	<b>\$ 362,700</b>
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**BENEVOLENCE EXPENDITURES**

<b>Item</b>	<b>Approved 2021 Budget</b>	<b>Projected Total 2021</b>	<b>2022 Budget Consideration</b>
SEPA Synod Benevolence	\$ 18,985	\$ 17,631	\$ 17,300
Other Agencies	\$ 18,985	\$ 17,631	\$ 17,300
Pastor's Discretionary Benevolence	\$ 500	\$ 500	\$ 500
<b>Total Benevolence Expenses</b>	<b>\$ 38,470</b>	<b>\$ 35,762</b>	<b>\$ 35,100</b>

## PAYROLL & RELATED EXPENSES

Item	Approved 2021 Budget	Projected Total 2021	2022 Budget Consideration
Pastor Salary/Housing	\$ 81,120	\$ 81,120	\$ 83,797
Pastor Social Security/Medicare Taxes	\$ 6,206	\$ 5,967	\$ 6,410
<b>TOTAL DEFINED COMPENSATION</b>	<b>\$ 87,326</b>	<b>\$ 87,087</b>	<b>\$ 90,207</b>
Pastor Health Insurance	\$ 29,304	\$ 26,616	\$ 24,414
Pastor's Pension & Benefits Contribution	\$ 13,012	\$ 12,976	\$ 13,441
<b>TOTAL PASTORAL COMPENSATION</b>	<b>\$ 129,641</b>	<b>\$ 126,679</b>	<b>\$ 128,062</b>
Supply Pastor Gratuity	\$ 1,925	\$ 875	\$ 1,225
Supply Organist Gratuity	\$ 800	\$ 7,380	\$ 750
Director of Christian Education Salary	\$ 37,705	\$ 19,413	\$ -
Director of Senior Ministry Salary	\$ -	\$ 5,000	\$ 10,330
Director of Children/Youth/Family Ministry Salary	\$ -	\$ 11,100	\$ 27,519
Director of Music Ministry Salary	\$ 25,631	\$ -	\$ 13,800
Office Manager Salary	\$ 35,138	\$ 35,138	\$ 36,298
Bell Choir Director Salary	\$ 3,565	\$ 10,695	\$ 5,524
Grace Worship Leader Salary	\$ 7,860	\$ 7,390	\$ 5,000
Bookkeeper Salary	\$ 3,745	\$ 3,745	\$ 3,869
Facility Maintenance Wages	\$ 6,000	\$ 8,637	\$ 6,000
Mowers' Wages	\$ 3,500	\$ 3,414	\$ 3,500
Staff Social Security/Medicare Taxes	\$ 9,421	\$ 10,291	\$ 8,556
Pastoral Automobile & Travel Expenses	\$ 4,000	\$ 2,740	\$ 3,500
Other Pastoral Professional Expenses	\$ 1,500	\$ 184	\$ 500
Pastoral Continuing Education	\$ 700	\$ 240	\$ 700
Staff Mileage	\$ 500	\$ -	\$ 500
Office Manager Continuing Education	\$ 300	\$ -	
Director of Christian Education Continuing Education	\$ 300	\$ -	
Director of Music Continuing Education	\$ 300	\$ -	
Other Staff Continuing Education	\$ 150	\$ -	
Staff Continuing Education	\$ 1,050	\$ -	\$ 1,050
Synod Assembly/Convocation	\$ 1,000	\$ 256	\$ 500
State Background Checks	\$ 500	\$ -	\$ 500
Workers' Compensation Insurance	\$ 1,500	\$ -	\$ 1,500
Payroll Processing	\$ 2,000	\$ 2,686	\$ 2,700
Misc	\$ -	\$ -	
<b>Total Payroll &amp; Related Expense</b>	<b>\$ 278,731</b>	<b>\$ 255,863</b>	<b>\$ 261,883</b>

**PROPERTY EXPENSES**

<b>Item</b>	<b>Approved 2021 Budget</b>	<b>Projected Total 2021</b>	<b>2022 Budget Consideration</b>
Fuel Oil	\$ 16,000	\$ 9,446	\$ 19,530
Propane	\$ -	\$ 863	\$ 1,000
Electric	\$ 9,000	\$ 9,115	\$ 10,026
Trash/Recycle	\$ 600	\$ 440	\$ 600
Telephone	\$ 2,200	\$ 2,124	\$ 2,400
Sewer	\$ 1,200	\$ 1,260	\$ 1,300
General Maintenance	\$ 5,200	\$ 9,401	\$ 12,500
Janitorial Services	\$ 28,000	\$ 26,361	\$ 38,000
Janitor Supplies	\$ 1,500	\$ 1,597	\$ 1,800
Equipment Rental	\$ 750	\$ 600	\$ 750
Fire Alarm Contract	\$ 1,300	\$ 1,300	\$ 1,300
Water Testing	\$ 1,350	\$ 960	\$ 1,000
Snow Removal	\$ 2,500	\$ 2,813	\$ 2,500
Fire/Liability Insurance	\$ 13,000	\$ 14,347	\$ 17,350
Food Service License	\$ 100	\$ 100	\$ 100
<b>Totals</b>	<b>\$ 82,700</b>	<b>\$ 80,727</b>	<b>\$ 110,156</b>

**OFFICE EQUIPMENT EXPENSES**

<b>Item</b>	<b>Approved 2021 Budget</b>	<b>Projected Total 2021</b>	<b>2022 Budget Consideration</b>
Copier Leases	\$ 6,500	\$ 6,384	\$ 6,500
Equipment Maintenance/Supplies	\$ 500	\$ 259	\$ 500
Equipment Purchase	\$ 4,500	\$ 2,757	\$ 3,000
Email/Internet Subscription	\$ 1,200	\$ 2,088	\$ 2,100
Professional IT/Network Support	\$ 2,500	\$ 7,258	\$ 2,500
Office Supplies/Bulletins	\$ 3,000	\$ 2,332	\$ 3,000
Simply Giving Fees	\$ 1,500	\$ 2,370	\$ 2,500
One Call (Auto-Messaging Service)	\$ 900	\$ 892	\$ 900
CDM+ (Membership Management Software)	\$ 1,400	\$ -	\$ 1,020
Office 365 Subscription	\$ 1,200	\$ 127	\$ 106
Postage	\$ 2,000	\$ 1,264	\$ 1,500
Bank Deposit Box	\$ 70	\$ 30	\$ 70
Miscellaneous	\$ 439	\$ -	\$ -
<b>Totals</b>	<b>\$ 25,709</b>	<b>\$ 29,440</b>	<b>\$ 23,696</b>

<b>Total Property &amp; Equipment Expenses</b>	<b>\$ 108,409</b>	<b>\$ 110,167</b>	<b>\$ 133,852</b>
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**PROGRAM EXPENSES**

<b>Item</b>	<b>Approved 2021 Budget</b>	<b>Projected Total 2021</b>	<b>2022 Budget Consideration</b>
Advertising	\$ 500	\$ -	\$ 500
Fellowship Expenses	\$ 3,500	\$ 571	\$ 1,500
Historical Research/Archives Committee	\$ 250	\$ -	\$ 250
Memorial Fund Supplies	\$ 50	\$ 80	\$ 100
Evangelism Committee	\$ 500	\$ 195	\$ 250
Stewardship Offering Envelopes	\$ 1,000	\$ 795	\$ 1,000
Word in Season	\$ 1,500	\$ 1,152	\$ 1,500
Other Expenses	\$ 500	\$ 2,500	\$ 500
<b>Worship/Music</b>			
Choir Music/Supplies	\$ 700	\$ 403	\$ 500
Handbell Music/Supplies	\$ 400	\$ -	\$ 400
Copyright License	\$ 1,400	\$ 838	\$ 1,400
Guest Musician Gratuity	\$ 500	\$ -	\$ 500
Video Services	\$ 9,000	\$ 15,402	\$ 16,000
Organ Maintenance	\$ 1,000	\$ 547	\$ 1,000
Piano Maintenance	\$ 750	\$ -	\$ 750
Handbell Maintenance	\$ -	\$ -	\$ -
Supplies	\$ 1,000	\$ 387	\$ 500
Altar Flowers	\$ 2,000	\$ 378	\$ 2,000
Altar Guild	\$ 1,500	\$ 1,518	\$ 1,500
<b>Totals</b>	<b>\$ 26,050</b>	<b>\$ 24,765</b>	<b>\$ 30,150</b>
Transfers to Other Funds	\$ -	\$ 9,321	\$ -