



**NEW HANOVER
EVANGELICAL LUTHERAN CHURCH**

2023 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 11, 2022.

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 2023 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 11, 2022.

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 2023. Please note that for a balanced budget to be realized in 2023, 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 Wednesday, November 30 at 6:30 pm or Wednesday, December 7 at 6:30 pm. You may also send an email to our Treasurer, Ed Becker at

GENERAL FUND BUDGET SUMMARY

<u>Income</u>	Approved 2022 Budget	% of Total	Projected 2022 Results	% of Total	2023 Budget Consideration	% of Total
Regular Undesignated Income	\$ 346,000	95.4%	\$ 315,197	95.9%	\$ 318,100	95.4%
Paycheck Protection Grant	\$ -	0.0%	\$ -	0.0%	\$ -	0.0%
Designated General Fund Income	\$ 16,700	4.6%	\$ 13,570	4.1%	\$ 15,200	4.6%
Total Income	\$ 362,700	100.0%	\$ 328,766	100.0%	\$ 333,300	100.0%
<u>Expenses</u>	Approved 2022 Budget	% of Total	Projected 2022 Results	% of Total	2023 Budget Consideration	% of Total
Benevolence	\$ 35,100	7.6%	\$ 32,020	8.1%	\$ 32,310	7.5%
Payroll & Related Expenses	\$ 259,908	56.4%	\$ 249,756	62.8%	\$ 265,002	61.6%
Property & Equipment Expenses	\$ 133,852	29.0%	\$ 96,403	24.3%	\$ 108,381	25.2%
Program Expenses	\$ 32,125	7.0%	\$ 19,319	4.9%	\$ 24,175	5.6%
Total Expenses	\$ 460,985	100.0%	\$ 397,497	100.0%	\$ 429,868	100.0%
Overall Income vs Expenses	\$ (98,285)	(27.1%)	\$ (68,731)	(20.9%)	\$ (96,568)	(29.0%)
Existing Cash Reserves	\$ 98,285	-	\$ 68,731	-	\$ 96,568	22.5%
Overall Income+Cash vs Expenses	\$ -	-	\$ 0	-	\$ 0	0.0%

BUDGET HIGHLIGHTS

1. Bequeaths received in 2020 and 2021 helped bridge the income gap and offset Projected Expenses.
2. An income deficit is projected for 2023 (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:

	2022 Offering	2023 Offering Projected	Total Required Giving 2023	Required Giving Increase 2023
Envelope & Simply Giving Offerings	\$328,766	\$333,300	\$429,868	\$96,568
Monthly Average	\$27,397	\$27,775	\$35,822	\$8,047
Weekly Average	\$6,322	\$6,410	\$8,267	\$1,857

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 4.1% cost-of-living increase.

Please note that the 2022 totals are projected through the end of the year based upon YTD information through October 31, 2022.

GENERAL FUND BUDGET DETAILED BREAKDOWN

REGULAR GENERAL FUND INCOME

Item	Approved 2022 Budget	Actual YTD OCT 2022	Projected Total 2022	2023 Budget Consideration
Regular Envelope Offering	\$ 172,000	\$ 143,042	\$ 171,650	\$ 172,000
Regular Simply Giving Offering	\$ 133,500	\$ 100,270	\$ 120,324	\$ 120,500
Amazing Raise Contributions	\$ 13,000	\$ 58	\$ 70	\$ 100
Regular Loose Offering Plate Offering	\$ 5,000	\$ 3,588	\$ 4,306	\$ 5,000
Trust Fund Interest Income	\$ 15,000	\$ 8,049	\$ 9,659	\$ 15,000
Thrivent Choice	\$ 5,000	\$ 2,157	\$ 2,588	\$ 3,000
Miscellaneous Income	\$ 2,500	\$ 6,600	\$ 6,600	\$ 2,500
Total Regular Income	\$ 346,000	\$ 263,764	\$ 315,197	\$ 318,100

OTHER GENERAL FUND INCOME - Designated

Item	Approved 2022 Budget	Actual YTD OCT 2022	Projected Total 2022	2023 Budget Consideration
Fuel Oil Contributions	\$ 9,000	\$ 4,462	\$ 5,354	\$ 5,500
Bulletin Contributions	\$ 1,200	\$ 305	\$ 366	\$ 1,200
Flower Contributions	\$ 3,000	\$ 2,293	\$ 2,752	\$ 3,000
Facility Gratuity	\$ 1,500	\$ 2,708	\$ 3,250	\$ 3,500
Fellowship Activities	\$ 2,000	\$ 1,540	\$ 1,848	\$ 2,000
Total Other General Fund Income - Designated	\$ 16,700	\$ 11,308	\$ 13,570	\$ 15,200
Paycheck Protection Grant	\$ -	\$ -	\$ -	\$ -
Total Other General Fund Income	\$ 16,700	\$ 11,308	\$ 13,570	\$ 15,200

Total Income	\$ 362,700	\$ 275,072	\$ 328,766	\$ 333,300
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BENEVOLENCE EXPENDITURES

Item	Approved 2022 Budget	Actual YTD OCT 2022	Projected Total 2022	2023 Budget Consideration
SEPA Synod Benevolence	\$ 17,300	\$ 12,787	\$ 15,760	\$ 15,905
Other Agencies	\$ 17,300	\$ 12,787	\$ 15,760	\$ 15,905
Pastor's Discretionary Benevolence	\$ 500	\$ 200	\$ 500	\$ 500
Total Benevolence Expenses	\$ 35,100	\$ 25,774	\$ 32,020	\$ 32,310

PAYROLL & RELATED EXPENSES

Item	Approved 2022 Budget	Actual YTD OCT 2022	Projected Total 2022	2023 Budget Consideration
Pastor Salary/Housing	\$ 83,797	\$ 69,831	\$ 83,797	\$ 87,233
Pastor Social Security/Medicare Taxes	\$ 6,410	\$ 5,200	\$ 6,240	\$ 6,673
TOTAL DEFINED COMPENSATION	\$ 90,207	\$ 75,031	\$ 90,037	\$ 93,906
Pastor Health Insurance	\$ 24,414	\$ 21,611	\$ 24,870	\$ 21,912
Pastor's Pension & Benefits Contribution	\$ 13,441	\$ 9,808	\$ 11,770	\$ 13,992
TOTAL PASTORAL COMPENSATION	\$ 128,062	\$ 106,450	\$ 126,677	\$ 129,810
Director of Senior Ministry Salary	\$ 10,330	\$ 8,608	\$ 10,330	\$ 10,754
Director of Children/Youth/Family Ministry Salary	\$ 27,519	\$ 22,933	\$ 27,519	\$ 32,519
Director of Music Ministry Salary	\$ 13,800	\$ 12,000	\$ 14,400	\$ 17,100
Office Manager Salary	\$ 36,298	\$ 30,207	\$ 36,248	\$ 37,786
Bell Choir Director Salary	\$ 5,524	\$ 4,819	\$ 5,783	\$ 5,751
Grace Worship Leader Salary	\$ 5,000	\$ -	\$ -	\$ -
Bookkeeper Salary	\$ 3,869	\$ 3,224	\$ 3,869	\$ 4,027
Facility Maintenance Wages	\$ 6,000	\$ 3,375	\$ 4,050	\$ 4,000
Mowers' Wages	\$ 3,500	\$ 2,429	\$ 2,429	\$ 2,500
Staff Social Security/Medicare Taxes	\$ 8,556	\$ 8,556	\$ 10,267	\$ 8,754
Pastoral Automobile & Travel Expenses	\$ 3,500	\$ 3,519	\$ 4,222	\$ 4,500
Other Pastoral Professional Expenses	\$ 500	\$ 195	\$ 234	\$ 250
Pastoral Continuing Education	\$ 700	\$ 683	\$ 683	\$ 700
Staff Mileage	\$ 500	\$ 113	\$ 113	\$ 150
Office Manager Continuing Education	\$ 300	\$ 13	\$ 15	\$ 150
Director of Music Continuing Education	\$ 300	\$ -	\$ -	\$ 150
Dir. of Senior Ministry Continuing Education	\$ 150	\$ -	\$ -	\$ 150
DCYFM Continuing Education	\$ 300	\$ -	\$ -	\$ 300
Synod Assembly/Convocation	\$ 500	\$ 70	\$ 70	\$ 500
State Background Checks	\$ 500	\$ -	\$ -	\$ 500
Workers' Compensation Insurance	\$ 1,500	\$ -	\$ -	\$ 1,500
Payroll Processing	\$ 2,700	\$ 2,122	\$ 2,546	\$ 2,700
Grant Applications	\$ -	\$ 300	\$ 300	\$ 300
Total Payroll & Related Expense	\$ 259,908	\$ 209,615	\$ 249,756	\$ 265,002

PROPERTY EXPENSES

Item	Approved 2022 Budget	Actual YTD OCT 2022	Projected Total 2022	2023 Budget Consideration
Fuel Oil	\$ 19,530	\$ 14,631	\$ 17,557	\$ 24,000
Propane	\$ 1,000	\$ 643	\$ 772	\$ -
Electric	\$ 10,026	\$ 10,076	\$ 12,091	\$ 13,000
Trash/Recycle	\$ 600	\$ 451	\$ 541	\$ 750
Telephone	\$ 2,400	\$ 1,753	\$ 2,104	\$ 2,200
Sewer	\$ 1,300	\$ 1,200	\$ 1,200	\$ 1,400
General Maintenance	\$ 12,500	\$ 2,896	\$ 3,475	\$ 5,200
Grounds Maintenance	\$ -	\$ 1,130	\$ 1,130	\$ 1,000
Janitorial Services	\$ 38,000	\$ 9,050	\$ 10,860	\$ 13,500
Janitor Supplies	\$ 1,800	\$ 924	\$ 1,109	\$ 1,600
Equipment Rental	\$ 750	\$ -	\$ -	\$ 500
Fire Alarm Contract	\$ 1,300	not pd yt	not pd yt	\$ 1,500
Water Testing	\$ 1,000	\$ 1,085	\$ 1,085	\$ 1,300
Snow Removal	\$ 2,500	\$ 1,212	\$ 1,454	\$ 2,500
Fire/Liability Insurance	\$ 17,350	\$ 17,982	\$ 21,578	\$ 20,000
Food Service License	\$ 100	\$ 100	\$ 100	\$ -
Totals	\$ 110,156	\$ 63,133	\$ 75,057	\$ 88,450

OFFICE EQUIPMENT EXPENSES

Item	Approved 2022 Budget	Actual YTD OCT 2022	Projected Total 2022	2023 Budget Consideration
Copier Leases	\$ 6,500	\$ 5,320	\$ 6,384	\$ 6,500
Equipment Purchase	\$ 3,000	\$ 379	\$ 379	\$ 1,500
Email/Internet Subscription	\$ 2,100	\$ 845	\$ 1,014	\$ 1,100
Professional IT/Network Support	\$ 2,500	\$ 2,534	\$ 2,534	\$ 2,500
Office Supplies/Bulletins	\$ 3,000	\$ 2,239	\$ 2,687	\$ 3,000
Simply Giving Fees	\$ 2,500	\$ 1,993	\$ 2,391	\$ 2,500
One Call (Auto-Messaging Service)	\$ 900	\$ 904	\$ 904	\$ 900
CDM+ (Membership Management Software)	\$ 1,020	\$ 1,020	\$ 1,020	\$ 1,020
Office 365 Subscription	\$ 106	\$ -	\$ -	\$ 106
Postage	\$ 1,500	\$ 522	\$ 626	\$ 750
Bank Deposit Box	\$ 70	\$ 55	\$ 55	\$ 55
Miscellaneous	\$ -	\$ 198	\$ 238	\$ -
Totals	\$ 23,696	\$ 16,010	\$ 21,346	\$ 19,931

Total Property & Equipment Expenses	\$ 133,852	\$ 79,143	\$ 96,403	\$ 108,381
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PROGRAM EXPENSES

Item	Approved 2022 Budget	Actual YTD OCT 2022	Projected Total 2022	2023 Budget Consideration
Advertising	\$ 500	\$ 231	\$ 277	\$ 300
Fellowship Expenses	\$ 1,500	\$ 438	\$ 526	\$ 750
Historical Research/Archives Committee	\$ 250	\$ -	\$ -	\$ 50
Memorial Fund Supplies	\$ 100	\$ 102	\$ 123	\$ 100
Evangelism Committee	\$ 250	\$ 40	\$ 40	\$ 200
Stewardship Offering Envelopes	\$ 1,000	\$ 1,171	\$ 1,171	\$ 1,200
Word in Season	\$ 1,500	\$ 137	\$ 164	\$ 1,000
Other Expenses	\$ 500	\$ -	\$ -	\$ -
Worship/Music				
Supply Pastor Gratuity	\$ 1,225	\$ 625	\$ 625	\$ 1,225
Supply Organist Gratuity	\$ 750	\$ 600	\$ 600	\$ 600
Choir Music/Supplies	\$ 500	\$ 853	\$ 853	\$ 700
Handbell Music/Supplies	\$ 400	\$ 215	\$ 258	\$ 400
Copyright License	\$ 1,400	\$ 653	\$ 784	\$ 1,400
Guest Musician Gratuity	\$ 500	\$ 150	\$ 180	\$ 1,000
Video Services	\$ 16,000	\$ 6,135	\$ 7,362	\$ 9,000
Organ Maintenance	\$ 1,000	\$ 735	\$ 735	\$ 1,000
Piano Maintenance	\$ 750	\$ 235	\$ 282	\$ 750
Handbell Maintenance	\$ -		\$ -	\$ -
Supplies	\$ 500	\$ 886	\$ 1,063	\$ 1,000
Altar Flowers	\$ 2,000	\$ 2,814	\$ 3,377	\$ 2,000
Altar Guild	\$ 1,500	\$ 749	\$ 899	\$ 1,500
Totals	\$ 32,125	\$ 16,770	\$ 19,319	\$ 24,175

Transfers to Other Funds	\$ -	\$ 9,321	\$ 9,321	\$ -
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Total Expenses	\$ 460,985	\$ 331,301	\$ 397,497	\$ 429,868
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