

# CHRIST LUTHERAN CHURCH & PRESCHOOL

## Pre-Meeting Draft Notes for Proposed 2017 Budget

Revised 4/12/17

### **OVERALL SUMMARY OF CHURCH/PRESCHOOL PROJECTIONS**

- For the Church and Preschool combined: Projected Total Income of \$499,666 (-1%) vs. Total Expenses of \$500,266 at 1%, for a projected Net Cash Flow of **negative \$300**.
- For the Church: **-21% decrease** for Total Income. Total Expenses projected to remain flat; Net Cash Flow is planned at **-\$111,310** versus -\$92,165 actual in 2016.
- Last year's income included an anonymous windfall for end-of-year expenses. Not expected again.
- Preschool Income projected to **increase 4%** and Preschool Expenses projected to **increase 1%**. (This includes tuition increase, online payment processing fee, and 1.5% preschool salary increase. PreSchool part-time aide will continue to support church office as appropriate – this position appears in PreSchool staff line item. No plan/resources to hire church support staff at this time.)
- Church giving falls short of covering pastoral expenses; PreSchool/Kamp projected to continue to cover approximately \$10,000 of Pastoral salary/benefits as well as mortgage, utilities, expenses.
- That said, we are holding even, assuming no major changes or expenses.

### **CHURCH INCOME (not counting PreSchool Income)**

- General Offerings – 2017 church offerings projected at **\$50,000/year (\$961/wk)** vs. actual average of \$958/wk. in 2016.
- Designated Giving – Planned giving projected at \$1,500 (including Caring Hands).
- MANNA – Projecting \$7,200 in cards purchased. Net income: \$1,200 (Note that for accounting purposes, MANNA is listed as both income and expense as we “pass through” the payments to MANNA)
- Other Giving – Projected at \$6,500.

### **CHURCH EXPENSES**

- Pastoral – expenses much the same as in 2016, which includes health benefits and travel allowance. If a new pastor is hired, that compensation level should support a part-time call.
- Benevolence – plan calls for giving the parent church **5.0% of General Offerings**, or \$2,500.
- Capital Improvement Expenditures - For 2017, we recommend \$0. Pay as we go.
- Line of Credit Payments – Plan to pay down the line by \$2,600.
- Budgets for Ministry Programs (Christian Ed, Worship, Fellowship, Outreach, Stewardship) – same as last year when all combined.

### **PRESCHOOL MINISTRY**

- Salary Increases – Proposal shows 1.5% increase in salary compensation for the Preschool Director and staff, effective September 1.
- We anticipate a stable enrollment level, at 120 children (functional capacity)
- After-class programs (lunch bunch, enrichment, extended day) continue to grow
- Net Income projected at **\$111,010**, an increase over year-end 2016 actual of \$99,409.

### **“IF” Factors**

- Projected Giving holds as planned or better.
- Projected Net Income for Preschool and Kids Kamp holds true.
- No unanticipated expenses (building repairs, etc.).
- If a new pastor is called, assume similar part-time compensation. (Because Pastor Pdraig is an Interim Pastor, we must plan accordingly, though no plans are in the works now.)

**THE BIG PICTURE for 2017**  
*Because Everyone Ought to Know Jesus*

3/7/17

Fourth Draft

**COMBINED ANNUAL**

	<u>Weekly</u>	<u>Monthly</u>	<u>Annual</u>		<u>2016</u>	<u>change</u>
<b>INFLOWS</b>	\$9,615	\$41,664	\$499,966		\$504,923	-1%
<b>OUTFLOWS</b>	<u>\$9,621</u>	<u>\$41,689</u>	<u>\$500,266</u>		<u>\$497,679</u>	<u>1%</u>
<b>NET</b>	<b>-\$6</b>	<b>-\$25</b>	<b>-\$300</b>		<b>\$7,244</b>	<b>891%</b>

**PRESCHOOL & KIDS KAMP**

	<u>Weekly</u>	<u>Monthly</u>	<u>Annual</u>		<u>2016</u>	<u>change</u>
<b>INFLOWS</b>						
Tuition	\$5,134	\$22,246	\$266,955	(rate increase)	\$252,999	6%
Registration	\$159	\$688	\$8,260		\$8,120	2%
Extended Day	\$1,577	\$6,833	\$82,000	(rate increase)	\$81,590	1%
Fund Raisers	\$59	\$255	\$3,061		\$3,076	-0%
Kids Kamp	\$1,154	\$5,000	\$60,000	(rate increase)	\$58,705	2%
Other	\$65	\$283	\$3,390		\$3,378	0%
<b>TOTAL</b>	<b>\$8,147</b>	<b>\$35,306</b>	<b>\$423,666</b>		<b>\$407,868</b>	<b>4%</b>
<b>OUTFLOWS</b>						
Compensation	\$5,639	\$24,435	\$293,216	(teacher turnover)	\$286,191	2%
Operating Costs	\$374	\$1,620	\$19,440	(copier costs decrease)	\$22,268	-13%
<b>TOTAL</b>	<b><u>\$6,013</u></b>	<b><u>\$26,055</u></b>	<b><u>\$312,656</u></b>		<b><u>\$308,459</u></b>	<b><u>1%</u></b>
<b>NET</b>	<b>\$2,135</b>	<b>\$9,251</b>	<b>\$111,010</b>		<b>\$99,409</b>	<b>12%</b>

**CHURCH**

	<u>Weekly</u>	<u>Monthly</u>	<u>Annual</u>		<u>2016</u>	<u>change</u>
<b>INFLOWS</b>						
Offerings	\$962	\$4,167	\$50,000	(\$961/wk)	\$49,847	0%
Rent	\$23	\$100	\$1,200		\$1,140	5%
MANNA	\$138	\$600	\$7,200	Net at \$1200 income	\$5,160	40%
Other	\$154	\$667	\$8,000	(Des Giv, Capital, Miscel)	\$24,053	-67%
	<u>\$1,277</u>	<u>\$5,533</u>	<u>\$66,400</u>		<u>\$80,200</u>	<u>-17%</u>
Cash Transfers	\$190	\$825	\$9,900		\$16,855	-41%
<b>TOTAL</b>	<b>\$1,467</b>	<b>\$6,358</b>	<b>\$76,300</b>		<b>\$97,055</b>	<b>-21%</b>
<b>OUTFLOWS</b>						
Benevolence	\$48	\$208	\$2,500	(5% of offerings)	\$2,000	25%
Mortgage	\$1,113	\$4,825	\$57,898		\$57,898	0%
Property	\$404	\$1,750	\$21,000		\$22,376	-6%
Utilities	\$269	\$1,167	\$14,000		\$13,519	4%
Insurance	\$264	\$1,143	\$13,712		\$12,828	7%
Office & Staff	\$154	\$667	\$8,000	phone, copier, supplies	\$13,701	-42%
Pastoral	\$1,154	\$5,000	\$60,000	(25 hours/week)	\$56,590	6%
Ministries	\$13	\$58	\$700		\$636	10%
Capital Improv.	\$0	\$0	\$0		\$0	0%
MANNA	\$115	\$500	\$6,000		\$5,782	0%
Other	\$73	\$317	\$3,800	(Line of Credit, Social Min.)	\$3,890	-2%
<b>TOTAL</b>	<b><u>\$3,608</u></b>	<b><u>\$15,634</u></b>	<b><u>\$187,610</u></b>		<b><u>\$189,220</u></b>	<b><u>-1%</u></b>
<b>NET</b>	<b>-\$2,141</b>	<b>-\$9,276</b>	<b>-\$111,310</b>		<b>-\$92,165</b>	<b>21%</b>