

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

PRESCHOOL & KIDS KAMP

| | <u>Weekly</u> | <u>Monthly</u> | <u>Annual</u> | | <u>2016</u> | <u>change</u> |
|-----------------|-----------------------|------------------------|-------------------------|-------------------------|-------------------------|------------------|
| INFLOWS | | | | | | |
| 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% |
| TOTAL | \$8,147 | \$35,306 | \$423,666 | | \$407,868 | 4% |
| OUTFLOWS | | | | | | |
| 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% |
| TOTAL | <u>\$6,013</u> | <u>\$26,055</u> | <u>\$312,656</u> | | <u>\$308,459</u> | <u>1%</u> |
| NET | \$2,135 | \$9,251 | \$111,010 | | \$99,409 | 12% |

CHURCH

| | <u>Weekly</u> | <u>Monthly</u> | <u>Annual</u> | | <u>2016</u> | <u>change</u> |
|-----------------|-----------------------|------------------------|-------------------------|-------------------------------|-------------------------|-------------------|
| INFLOWS | | | | | | |
| 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% |
| TOTAL | \$1,467 | \$6,358 | \$76,300 | | \$97,055 | -21% |
| OUTFLOWS | | | | | | |
| 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% |
| TOTAL | <u>\$3,608</u> | <u>\$15,634</u> | <u>\$187,610</u> | | <u>\$189,220</u> | <u>-1%</u> |
| NET | -\$2,141 | -\$9,276 | -\$111,310 | | -\$92,165 | 21% |