

Bethlehem Lutheran Church

Proposed Budget 2023

The year 2022 has seen many things return to “normal” after passing through a pandemic. We no longer wear masks, we have only one service on Sunday mornings, and we have a new pastor. Much of 2022 was spent in a serious deficit situation. As of October, the situation has improved. The budget being presented to the congregation is a \$13,698 deficit budget. After the usual explanation of line item changes, the words of Pastor Jay will address this budget proposal.

Explanation of Line Items

Line #1 General Fund Offerings: The budgeted amount has remained the same at \$525,500.

Line #8 Benevolence: This line item reflects income for monthly mission projects and other contributions directed to a specific benevolence. It is a wash with expense line #107.

Lines #8 – 19 Offerings Temporarily Restricted: These items have remained the same.

Line #21 Mortgage Reduction: Anticipated receipts for mortgage reduction. This is the amount of the actual mortgage payments. Much more will be received.

Lines # 23 - 38 Other Income Unrestricted: Some items have been adjusted slightly to reflect trends.

Lines #51 - 58 Boards: Some items have been adjusted slightly to reflect trends.

Lines #60 - 76 Music & Worship: Some items have been adjusted for a total decrease of \$950.

Lines #78 - 96 Family Faith Formation: Some items have been adjusted for a total decrease of \$850.

Lines #101 - 111 Benevolence: Synod benevolence has a \$1,000 increase. Green Lake Bible Camp and the REACH meal program will now be monthly mission projects.

Lines #113 - 140 Administration: After several line item adjustments, there is a total increase of \$1,730.

Line #143: mortgage payments (\$8,187 x 12)

Lines #148 - 159 Property: Some items have been adjusted slightly for a total decrease of \$700.

Line #172 - 178 Pastoral Compensation: Increase for senior pastor and addition of full-time associate pastor.

Line #182 - 191 Lay Staff Compensation: 4% increase for lay staff

Please see message from Pastor Jay on the reverse of this sheet.

Message from Pastor Jay regarding the 2023 proposed budget

The budget presented by the council for consideration by the congregation is a deficit budget in the amount of -\$13,698.

Because of concern with the deficit at the time of the preparation of the budget, neither the finance committee, nor the council, felt confident in raising projected income for 2023.

At the same time, the congregation voted for an increase in the second pastor position from $\frac{3}{4}$ to full time. The council also felt it was necessary to reward our existing staff with modest raises of 1% for the lead pastor, and 4% for the lay staff. The amount of the staff increases listed above, exceeds the deficit projection of \$13,698.

Cuts were made in other areas of the budget. The budget lines for the Reach Food Programs and Green Lake Bible Camp were reduced to zero, and they will receive funding by becoming monthly mission partners in 2023.

The Endowment Committee will decide on awarding scholarships to our music scholars. Other minor cuts were made in areas where that was possible.

We have had an outstanding October in regard to member giving, making up much of the deficit. We are hopeful that the congregation will enthusiastically support our staff and programming in 2023, increasing our general fund offerings in order to overcome the proposed budget deficit.