

Some things to note regarding the 2023 budget: (as provided by the Church Treasurer)

- The **Green Team** has funds on hand which they directed to use to purchase recycled paper for use in the Church office in 2023.
- The 'General contributions' line - **\$40K over budget for 2022**. The 2023 budget amount reflects the midline between 2022 actual and 2022 budget or a projection of \$20,000 over the 2022 target (\$170, 000 vs \$150,000).
- Last week we received a cheque from the **United Church Foundation**. Back in November, one of our givers gifted us some Royal Bank securities and the Foundation was directed to liquidate to cash. **The cheque received was for approx. \$30,000 to be deposited on Jan. 30th**. These funds are going to be reflected as a new budget line in the Operating Income section in the non-receiptable category. These funds included in draft 2023 budget will allow the budget to show a projected positive position at 2023-year end. However, it needs to be noted that continued support of the congregation will need to keep pace with the projected income to ensure this projection remains true. It will be important for the Leadership Team to regularly keep the Church' financial situation in front of the congregation, at least on a quarterly basis.
- The General Fundraising line shows a reduction from 2022 as a couple of events are not planned to take place in 2023. e.g., pancake breakfasts
- The **annual UCC Mission & Service commitment**, as in recent history, reflects the same amount in the budget as used in previous years, as we unclear as to who actually has set the figure in the past.
- The Trustees met last week and it was decided that the funds that are currently sitting in the church bank account will be invested next week. Since the end of December, another one of the Trustee investments matured and it is now also sitting in the church bank account. That amount will be included in next week's investment transactions.
- There was discussion regarding the Trustee commitment to assist with any funding shortfall the church may encounter in 2023 and it was agreed that they will still be able to do that since there are more investments that will be maturing in 2023 which will provide cash if needed.
- On December 31st, the church owed the Trustees \$177,854.69. A small amount of those funds will continue to be held in the church bank account to cover the expense of the property insurance payments that are withdrawn from the church bank account monthly.
- The 'Grant Funded Projects' Fund Balance belongs to Christian Ed (Grant Funded Projects line) and to Pastoral Care (Necessary Journey). The expense budget for those two lines matches the

balance remaining in the fund. We do not know whether all of those funds will be used in 2023 so those expenses may be less than budgeted.

Other 2023 Budget Items:

- The **Ministerial salary** component is based on a part-time minister for a 6-month period and based on the recommended base salary for a Minister in category A (1 to 2 years of experience and living in COL group #3). It also includes prorated costs for education and travel based on UCC reimbursement costs for 2023.
- The **Office Manager** figure is reduced for 2023 based on reduced hours.
- The **Worship Committee** expense budget expresses an expenditure for 6 months for Ministerial Supply/Lay Minister with costs based on the 2023 UCC salary grid. As such the 2023 expense projection for Worship Committee is higher than 2022 budget or actual due to increase in supply Minister costs. The final figures included for ministerial supply and travel are slightly higher than those budget figures provided by the Worship Committee in case this period of time is extended.
- The **Choral** budget reflects a slight increase over 2022 budget and actual. More activity is projected for 2023.
- The **Pastoral Team** budget reflects a decrease from 2022 budget but increase over 2022 actuals.
- The **Christian Education** budget reflects a slight decrease from the 2022 budget but a significant increase over 2022 actuals. More activity is projected for 2023.
- The **Mission & Service** budget reflects a significant increase over the 2022 budget but only a slight increase over 2022 actuals. The committee has projected an increase cost for outreach and supplies.
- The **Benevolent** budget remains similar to 2022 actuals. Projected expenses are offset by projected income. Needs in the community for support for groceries continues to increase.
- The **Media** budget remains unchanged from 2022 budget.
- The **Church Property Committee** budget continues to increase due to cost of living cost increases such as hydro and heat. The increase is approx. 20% over 2022 actuals. Church repairs will continue due to the age of the infrastructure.
- The **Church House Property Committee** budget is approx. the same as the 2022 actuals.
- The **Grounds** maintenance budget reflects a slight decrease from 2022 actuals but an approx. increase of 18% over 2022 budget figure. There was little snow removal for the majority of January.

- The **Finance Admin** budget remains virtually the same for 2023 as the 2022 budget but with a slight decrease from 2022 actuals due to reduction in printing costs as “recycled” paper is now in use and supported by Green Team funds on hand.
- The **WOW assessment** shows a 30% reduction from 2022 due to a new formula for the 2023 target assessment approved by the UCC. Not all Church revenue is included as part of the Churches revenue for assessment purposes. E.g., funds received as bequest, CRA rebates and government/other grants are not counted as part of revenue subject to assessment. The **Treasurer spent significant time** identifying each category amount subject to assessment. The Treasurer was also able to assess that portion of the expense attributable to Woodland. This final tabulation was received January 11th.
- The **Fundraising** budget is reduced to reflect that a number of events will not be occurring from 2022. The projected revenue for Fundraising was also reduced as noted above.
- The **TOTAL projected operating expense** for 2023 shows a reduction of approx. \$20,000 from 2022 actuals and a reduction of approx. \$38,500 from the 2022 budget projection.
- The **TOTAL projected “Excess of Income over Expenses”** is projected at approx. **\$13,000** for 2023. The 2022 projected **deficit** was forecast at approx. \$71,800.
- The 2022 actual **TOTAL “Expenses over Income”** was \$9,700 vs the projection of \$71, 800. This significant “shift” was due in part to a significant increase in general contributions over budget in 2022 of approx. **\$40,000** and a number of **committee budgets being underspent** in 2022 with a savings of approx. **\$20,000**. This translated into an approx. positive difference of \$60,000 for 2022 and as such at the end of 2022 there was an excess of expense over revenue of only approx. \$10,000.
- The Chair of M&P and I have requested the Office Manager and Administrative Assistant to prepare a list of their “actual” day to day activities so that an updated position description can be drafted and kept on file in the Church office. We have met with the Administrative Assistant and have an updated list of daily duties and responsibilities for this position based on current activities and should receive the same information shortly for the Office Manager/Treasurer position.

The finance committee would like to offer a huge thank you to Annette, the Treasurer/office manager for the effort put forth to manage the budget on a daily basis and compile the draft 2023 figures as supplied by the various Church committees. We would also like to thank Juliann for all her work and office support over 2022 as there was a lot of activity throughout the year.

Submitted by.

Al Leach

Al Leach, Finance Committee Chair