



LAKEVIEW UNITED CHURCH

2023 FUND 01- Operating Budget

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INTRODUCTION

1. Church Council is responsible for setting the budget for the Lakeview United Church (LUC) Operating Fund 01, also referred to as the General Fund. The Mission & Service (Fund 02) and Reaching Out (Fund 03) budgets are determined by their income. All other fund budgets are determined by the relevant committees.

2. Church investments from legacy giving is held in the planned giving fund or, Fund 15. Such investments are managed by the LUC Trustees. There are policies and guidelines in place for management of these funds by the Trustees. There are also guidelines that permit withdrawal of amounts from the planned giving fund for certain specific purposes.

3. This report speaks specifically to the General Fund operating budget for 2023 while making reference to other funds, to the extent required to explain changes impacting the General Fund. The 2023 budget, and the 2022 actual results, by code of accounts are set out in Appendix 1.

PLEDGES

4. Pledges for contributions from the LUC congregation constitute the largest source of revenue for the General Fund. As shown in Table 1 the total pledge amount for 2023 decreased by 3.7% compared with 2022.

PLEDGES	2023 Budget	2022 Actual	2021 Actual
PLEDGED CONTRIBUTIONS FUND 01	\$123,521	\$134,381	\$111,589
MISSION AND SERVICE	\$11,950	\$10,077	\$8,432
REACHING OUT	\$12,194	\$8,918	\$8,771
TOTAL PLEDGED	\$147,665	\$153,376	\$128,792

As shown in Table1, while the overall pledged amounts decreased by 3.7% the Fund 1 components of pledged amounts decreased by 8.1%. This significant drop in pledged amounts directed to Fund 1 contributes, among other factors, to a significant operating fund deficiency in 2023.

2022 FINANCIAL RESULTS AND 2023 BUDGET

5. The following table shows the operating fund surplus for 2022 and the projected deficiency for 2023:

	2023 Budget	2022 Actual	2021 Actual
Total Income	\$241,056	\$276,904	\$213,535
Total Expense	\$286,522	\$274,645	\$268,991
Operating Surplus/Deficiency	-\$45,466	\$2,259	-\$55,456
Transfer from Funds	\$0	\$0	\$0
Net after Transfer	-\$45,466	\$2,259	-\$55,456

6. As shown in the above table, the forecast General Fund (Fund 1) operating deficiency in 2023 is projected to be \$45.5K as compared with a small surplus of \$2.3K in 2022.

7. On the revenue side, a \$12K reduction in pledged contributions into Fund 1, in 2023 relative to 2022, is a major factor contributing to the 2023 deficiency. In addition, a reduction of \$6.5K in unpledged donations and a reduction of \$7.4K in miscellaneous and memorial income contribute to the operating deficiency in 2023. The following Table 3 shows a comparison of revenues by category:

Table 3-Operating Fund Income			
	2023 Budget	2022 Actual	2021 Actual
Receipts for Pledged Contributions -Fund 01	\$123,521	\$135,446	\$122,774.00
Unpledged Donations	\$40,000	\$46,455	\$18,518.00
Loose Plate Donations	\$3,500	\$3,233	\$2,148.00
Miscellaneous & Memorial Income	\$11,200	\$18,638	\$7,921.00
Rental of Church Property	\$55,635	\$54,535	\$38,122.00
Canada Summer Jobs	\$0	\$9,899	
Govt. Grants-COVID Relief	\$0	\$1,572	\$24,052.00
Concert ticket sales	\$7,200	\$7,125	
TOTAL CASH INCOME	\$241,056	\$276,904	\$213,535.00

8. On the expense side there is an overall increase in expenses of \$12K in the 2023 budget relative to 2022 actual. Major contributors to the increases are UCC assessments (\$4.1K increase), contract and casual labour \$7.9K, insurance payments \$5.3K (which includes the cost of appraisal \$2.6K) and Church property maintenance \$11.7K. The major contributor to the overall reduction in expenses is due to the reduction in employer paid benefits \$15.7K (pension contribution to UCC and employer paid benefits). The following Table 4 shows a comparison of expenses by category:

Table 4-Operating Fund Expense			
EXPENSES	2023 Budget	2022 actual	2021 Actual
Salaries and employment related costs	\$189,589	\$198,603	\$194,497.00
Administration	\$9,550	\$11,508	\$8,728.00
Church Property	\$56,100	\$37,480	\$44,181.00
Communications	\$1,525	\$1,548	\$522.00
Music	\$11,000	\$11,073	\$5,310.00
Committees & Miscellaneous	\$2,525	\$2,250	\$1,560.00
Assessments	\$16,233	\$12,183	\$14,193.00
TOTAL EXPENSES	\$286,522	\$274,644.85	\$268,991.00

CONCLUSION

9. Decreasing contributions with increasing costs are contributing to a forecast budget deficit in 2023. Some of these costs are controllable, while others are not. More focus is needed in 2023 to reduce costs that are controllable while ensuring the effectiveness of the Church is not compromised in any manner.

Appendix 1

		Lakeview United Church		
		Income and Expense Statement		
		GENERAL FUND 01, 2023 Budget/2022 Actual		
			2022 Actual	2023 Budget
			A	B
INCOME		4000		
CONTRIBUTIONS		4050		
Contributions		4060	\$100.00	
Pledged		4061	135,445.88	\$123,521.00
Unpledged		4062	46,455.44	\$40,000.00
Plate		4063	3,233.25	\$3,500.00
Non-cash Donations		4064	337.38	
Subtotal Contributions		4050	\$185,571.95	\$167,021.00
FUND RAISERS		4100		
Other Fund Raisers		4103	210.45	\$200.00
GOVERNMENT GRANTS		4200		
STEP ALBERTA		4220	9,899.00	\$0.00
Covid Grant/Income		4225	1,572.38	\$0.00
Subtotal Government Grants		4200	\$11,471.38	\$0.00
INVESTMENT INCOME		4400		
GIC Interest		4410		
Investment Fund Income		4420		
Bank Interest		4430	\$4.44	\$0.00
Subtotal Investment Income		4400	\$4.44	\$0.00
MISCELLANEOUS INCOME		4500		
RENTALS		4510		
Rental - Annual Lease		4511	44,720.00	\$45,820.00
Rental - Other		4512	9,815.00	\$9,815.00
Rental - Honorarium		4513		
Subtotal Rentals		4510	\$54,535.00	\$55,635.00
In Memoriams		4515	11,837.59	\$5,000.00
Miscellaneous Income		4520	6,148.17	\$6,000.00
Concert ticket sales		4550	7,125.00	\$7,200.00
Subtotal Miscellaneous Income		4500	\$79,645.76	\$73,835.00
TOTAL INCOME			\$276,903.98	\$241,056.00
EXPENSES		5000		
GENERAL EXPENSES		5050		
SALARIES		5100		
ADP Salaries		5110	\$113,370.75	\$113,418.48
Accompanists		5112	\$200.00	\$600.00
Pulpit Supply		5114	\$1,344.00	\$1,411.20
Contract Labour		5116	\$31,143.55	\$35,500.00
Casual Contr. Labour		5116-001	\$483.50	\$4,080.00
Temporary Office Contract		5119	\$702.00	\$1,000.00
Music Director Contract		5120	\$28,680.00	\$26,064.00
Subtotal Salaries		5100	\$175,923.80	\$182,073.68

ALLOWANCES			5121		
Personal Devel. & Books			5123	\$952.85	\$1,500.00
Travel/Parking			5124	\$365.59	\$400.00
Mileage			5125	\$197.70	\$200.00
Staff training & develop			5126	\$150.00	\$150.00
Minister Phone & Internet			5127	\$1,200.00	\$1,200.00
Subtotal Allowances			5121	\$2,866.14	\$3,450.00
SALARY EXPENSE			5130		
Church CPP			5131	730.13	\$0.00
Church EI			5132	2,707.28	\$2,109.46
Church UCC Pension			5133	8,359.81	\$0.00
Employer Paid Benefits			5134	7,384.04	\$1,306.32
Workers Compensation			5136	387.36	\$400.00
Vacation Pay			5138	244.27	\$250.00
Subtotal Salary Expense			5130	\$19,812.89	\$4,065.78
ADMINISTRATION			5500		
Admin - Office Supplies			5510	829.26	\$1,000.00
Admin - Phones & Internet			5520	2,415.84	\$2,500.00
Admin - Computer Software			5530	1,655.37	\$250.00
Admin - Copier costs			5540	3,687.16	\$3,750.00
Admin - Postage			5550	271.21	\$300.00
Admin - Bank Charges			5560	127.05	\$150.00
Pre-Authorized Remittance			5561	304.09	\$300.00
ADP Payroll Charges			5562	758.94	\$800.00
Admin - Misc/Audit			5570	1,459.37	\$500.00
Subtotal Administration			5500	\$11,508.29	\$9,550.00
CHURCH PROPERTY			5600		
Insurance - B&C			5605	4,824.00	\$10,100.00
Ch. Prop - Supplies			5610	783.44	\$1,000.00
Ch. Prop - Maintenance			5620	10,151.07	\$21,700.00
Ch. Prop - Renovate/Upgra			5630	2,078.70	\$2,500.00
UTILITIES			5640		
Natural Gas			5641	9,268.02	\$10,000.00
Electricity			5642	5,365.36	\$5,500.00
Water and Sewer			5643	2,838.96	\$3,000.00
Waste Disposal			5644	1,945.91	\$2,000.00
Subtotal Utilities			5640	\$19,418.25	\$20,500.00
Renters Expenses			5680	\$225.00	\$300.00
Subtotal Church Property			5600	\$37,480.46	\$56,100.00
COMMUNICATIONS			5700		
Comm-Misc			5710	\$196.56	\$200.00
Comm. - Advertising			5720	\$1,044.72	\$1,000.00
Comm. - Website			5730	\$306.60	\$325.00
Subtotal Communications			5700	\$1,547.88	\$1,525.00
MUSIC			5900		
Music - Supplies			5910		
Music - Equipment Mainten			5920	\$399.75	\$400.00
Music Special Performance			5930	\$5,355.00	\$5,400.00
Music Licenses			5940	\$1,196.87	\$1,200.00
Subtotal Music			5900	\$6,951.62	\$7,000.00

COMMITTEES			6000		
LUC COUNCIL EXPENSES			6010		
Council - Operating			6020	\$97.19	\$100.00
Vol. Support / Training			6030	\$560.00	\$560.00
Police Checks			6031	\$15.00	\$15.00
Chinook Winds Meetings			6032		
Subtotal Luc Council Expenses			6010	\$672.19	\$675.00
FAITH FORMATION & WORSHIP			6040		
Worship			6050	\$434.82	\$500.00
library			6055	\$51.15	\$100.00
Faith Formation			6060		
Program licencing			6162		
Subtotal Faith Formation & Worship			6040	\$485.97	\$600.00
MINISTRY & PERSONNEL			6070		
FELLOWSHIP & CARING			6093		
Fellowship			6095	\$1,044.35	\$1,200.00
Coffee Supplies			6096	\$47.01	\$50.00
Subtotal Fellowship & Caring			6093	\$1,091.36	\$1,250.00
AFFIRMING MINISTRY			6098		
Subtotal Committees			6000	\$2,249.52	\$2,525.00
			7000		
Assessments			7010	\$12,183.00	\$16,233.00
Musicians			7040	\$4,121.25	\$4,000.00
TOTAL EXPENSES				\$274,644.85	\$286,522.46
TRANSFER TO			9200		
Transfer into Fund			9201		
TOTAL TRANSFERS				\$0.00	\$0.00
EXCESS INCOME/EXPENSES				\$2,259.13	-\$45,466.46