



- **Lakeview United Church**
- **Annual General Meeting**
March 5, 2023

- **Presented by-Raj Retnanandan**
Finance & Facilities Ministry Team

Annual Financial Meeting (AFM)

The Lakeview United Church Congregation meets annually, typically on the last Sunday of February or whenever possible soon thereafter to:

- receive the annual financial report for the previous calendar year (2022)
- make a decision on the draft budget for the current calendar year (2023)

2022 Financial Statements and 2023 Budget

- Today we will be looking at the Lakeview United Church 2022 Financial Statements as well as the 2023 Proposed Budget. The relevant documents posted to the website are:
 - 2022 Consolidated Income Statement
 - Balance Sheet as of December 31, 2022
 - 2023 Budget Report

Scope of Discussion

- Review of the Income and Expenses for the Operating Fund (Fund 01) for budget year 2023 in the context of 2022 actual results
- Review of the consolidated balance sheet reflecting the financial position of all Funds as of Year end 2022
- Review of Investments held in Canoe Funds

2022 Recorded Results-Fund 1

- In 2022 an operating surplus of \$2.3K was recorded in Fund 1 :
- Main reasons for surplus of \$2.3K vs corresponding 2022 budget deficit of **\$55.5K**:
 - a) Higher than budgeted Unpledged contributions=\$26K
 - b) Higher than budgeted Miscellaneous Income & In Memoriams=\$16K
 - c) Lower than budgeted Expenses, primarily contract labour \$12K

2023 Budget Highlights-Fund 1

- Projected operating deficiency of \$45.5K
 - Reason: Expenses Exceed Income

Operating Surplus/Deficiency	2023 Budget	2022 Actual	2021 Actual	2020 Actual
Total Income	\$241,056	\$276,904	\$213,535	\$264,915
Total Expense	\$286,522	\$274,645	\$268,991	\$248,548
Operating Surplus/Deficiency	-\$45,466	\$2,259	-\$55,456	\$16,367
Transfer from Funds	\$0	\$0	\$0	\$0
Net after Transfer	-\$45,466	\$2,259	-\$55,456	\$16,367

Pledged Amounts

The total pledge amount for 2023 decreased by 3.1% compared with 2022 Actual.

The Fund 1 Component of Pledged Contributions decreased by 8.1%

There seems to be a shift in Contributions from pledged contributions into unpledged contributions.

Operating Fund Income				
	2023 Budget	2022 Actual	2021 Actual	2020 Actual
Receipts for Pledged Contributions -Fund 01	\$123,521	\$135,446	\$122,774.00	\$158,323
Unpledged Donations	\$40,000	\$46,455	\$18,518.00	\$26,656
Loose Plate Donations	\$3,500	\$3,233	\$2,148.00	\$880
Miscellaneous & Memorial Income	\$11,200	\$18,638	\$7,921.00	\$3,471
Rental of Church Property	\$55,635	\$54,535	\$38,122.00	\$32,865
Canada Summer Jobs	\$0	\$9,899		
Govt. Grants-COVID Relief	\$0	\$1,572	\$24,052.00	\$42,720
Concert ticket sales	\$7,200	\$7,125		
TOTAL CASH INCOME	\$241,056	\$276,904	\$213,535.00	\$264,915

Reasons for Changes in 2023 Revenue

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Pledge receipts are forecast to be lower in 2023 by 8.1% relative to 2022

2023

Unpledged donations in 2023 forecast to be lower than in 2022 to reflect one time items

2023

2023

Not participating in Canada Summer Jobs program in 2023-reduction in income of \$9.9K relative to 2022

2023

Memorials forecast to be \$7.4K lower in 2023 relative to 2022

Operating Fund Expense				
EXPENSES	2023 Budget	2022 actual	2021 Actual	2020 Actual
Salaries and employment related costs	\$189,589	\$198,603	\$194,497.00	\$192,010
Administration	\$9,550	\$11,508	\$8,728.00	\$7,588
Church Property	\$56,100	\$37,480	\$44,181.00	\$31,515
Communications	\$1,525	\$1,548	\$522.00	\$331
Music	\$11,000	\$11,073	\$5,310.00	\$1,484
Committees & Miscellaneous	\$2,525	\$2,250	\$1,560.00	\$3,319
Assessments	\$16,233	\$12,183	\$14,193.00	\$12,301
TOTAL EXPENSES	\$286,522	\$274,644.85	\$268,991.00	\$248,548

Reasons for Increase in Expenses

- The Operating Expenses are higher in 2023 compared with 2022 Actual by \$11.9K- contributing Factors are:
 - Increase in Insurance expenses \$5K
 - Increase in Property Maintenance \$11.5K
 - Increase in UCC Assessments \$4.0K
- The above increases are offset by \$9.9K reduction in expenses in 2023 due to LUC not participating in the Canada Summer Jobs (CSJ) program in 2023

Comments on Projected 2022 Deficiency

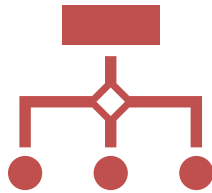
- The General Fund cash operating deficiency in 2022 is projected at \$45.5K
- The above reflects projections based on the best available information at this time
- Pathways to addressing budget deficit
 - Potential to increase Church property rental rates
 - Potential to expedite capital replacements for older assets and reduce maintenance costs
 - Potential to seek energy efficiency incentives offered by different levels of Govt.
 - Potential to prudently manage insurance premiums versus risk exposure

	Current Year
ASSETS	
CURRENTS ASSETS	
CASH	
CHEQUING ACCOUNT	
First Calgary Bank	\$14,452.72
Petty Cash, Office	36.75
Non-Cash Donations	232.71
Subtotal Cash	14,722.18
INVESTMENTS	
FC Shares	1.04
Canoe Capital Balanced	942,817.72
Scotiabank GIC	(0.06)
First Calgary GIC	12,698.84
Subtotal Investments	955,517.54
Subtotal Currents Assets	970,239.72
FIXED ASSETS	
LAND AND BUILDINGS	
Land	100,000.00
Church Building	919,209.83
Subtotal Land And Buildings	1,019,209.83
EQUIPMENT	
Office Equipment	5,088.07
Church Equipment	85,709.57
Furniture	479.22
Organ and Pianos	51,467.37
Subtotal Equipment	142,744.23
Subtotal Fixed Assets	1,161,954.06
OTHER ASSETS	
GST Receivable	491.90
TOTAL ASSETS	\$2,132,685.68
 LIABILITIES	
CURRENT LIABILITIES	
Accounts Payable	
Loan	\$40,000.00
TOTAL LIABILITIES	40,000.00
 FUND BALANCE	
Fund Balance	\$2,092,685.68
TOTAL FUND BALANCE	2,092,685.68
TOTAL LIABILITIES AND FUND BALANCE	\$2,132,685.68

Balance Sheet

- The overall Fund balance as of year end 2022 amounted to \$2.1million
- Canoe Investments amounted to \$942.8K
 - Canoe Investments recorded a gain of \$14K in 2022
- \$40K Canadian Emergency Business Account (CEBA) loan is due for repayment as of year end 2023

Motions



Motion 1:

That the 2022 consolidated financial statements as presented herein and uploaded to the LUC website, be accepted by the congregation



Motion 2:

That the 2023 budget report as presented at this meeting and uploaded to the LUC website be approved by the congregation