

Budget Narrative for February 25, 2023, Assembly Meeting: 2022 wrap-up.

Investments

Looking at the Presbyterian Foundation Account History which shows the closing amounts each month in the New Covenant funds, the value of our investments dropped over 16% in 2022: -\$133,432. We did not actually sell any funds because our checking account remained strong, so the loss is on paper only.

Balance Sheet

As you can see our assets declined in 2022 due to the drop in our investments. Our checking account remains strong. At the end of 2022 we purchased \$100,000 worth of CDs: half at 2.5% interest maturing in 7 months and half at 3.25% maturing in 11 months. Thus, should the need for cash occur in 2023, these CDs will be available.

The Liabilities were higher due to the amount of pre-paid per capita for 2023. That money was moved to the Income Statement in January, 2023. Visioning also established a "Church Support for Family Leaves." This fund is to support churches whose pastors are on family leave and the church must pay for pulpit supply and session moderators.

Income Statement

Support & Revenue

While our Total Congregational Support was slightly higher than budgeted, this was due to higher missional giving. Per Capita was down – even more than the 15% we usually budget. The attached summary of per capita and mission giving is included in the financials. Our total budgeted receipts was hampered by the large loss sustained in our investments. That loss did not impact our cash flow as shown at the bottom of the income statement.

Expenses

Personnel expenses were well under budget mainly due to the difference in the budgeted cost of a lead presbyter and our bridge presbyter.

Our new lease for office space with FFC has dramatically reduced our occupancy charges.

Administrative expenses were below budget primarily due to reduced per capita shortfall payments from the previous year and virtual General Assembly attendance.

Program Expenses were also 15% underspent.

Overall, total expenses exceeded our Budgeted Receipts by \$114,064. However, since we didn't actually sell any of our investment funds, the actual impact on our cash flow was a positive \$21,842.

Respectfully submitted,

Bill Strawbridge