

Budget Narrative for the November 19, 2022, Assembly Meeting

BALANCE SHEET

Total assets are down \$97,645 from last December's closing markets. (See "Pres Found monthly closing amount Oct 31 2022" curve. The markets remain very volatile.) Our checking account is up \$50,915 and our investments are down \$148,560 (-18%). (The difference between the investment drop on the Balance Sheet (\$148,560) and the drop reported on the Income Statement (\$148,554) is a \$5.26 transfer from one of our investment accounts into our checking account in August 2022.)

Part of the "bump" in the checking account is the \$15,539 prepaid per capita money from the four churches merging into Grace in Rock Island.

The rest of the "bump" comes from our Income Statement. While discussed below, it shows a deficit of (\$112,701). The main reason for the deficit is the drop in investments of (\$148,554). The actual impact on our cash flow is calculated without our investments included (since we didn't sell any) and becomes \$35,853 – positive!

INCOME STATEMENT

Revenue

The total per capita revenue of \$153,361 consists of 2022 per capita \$145,579 (78% of budgeted amount) and 2021 late paid per capita of \$7,782. Mission giving to PGR is \$48,904 (79% of budgeted amount). Over \$72,000 has also been donated to the Presbyterian Disaster Relief this year. We thank the many churches who have faithfully fulfilled their per capita assessments and their mission pledges.

While the investment income shows a negative \$148,554, none of the funds were sold and our cash flow has not been adversely affected by these investment losses.

Expenses

Staff salaries and benefits remain much lower than budgeted. Having a part time bridge presbyter rather than a full-time lead presbyter accounts for almost \$70k of the under budgeted amount. Most of the remaining underbudgeted amount can be attributed to having a virtual Admin Assistance rather than the part time assistant.

Our new office lease is saving us almost \$1000 per month, which has also reduced costs for office operations & supplies. Both areas are well under budget for the year.

Under Administration costs, our insurance has decreased because of less office space and the 2021 late paid per capita in 2022 reduced the amount of unpaid per capita we owed for last year.

The largest under budget item in Program Expenses is the Visioning Grant line item. While churches are adapting to the new grant process, grants to churches this year are expected to be about \$13,600. Visioning has identified other needs for the remaining budgeted amount.

Excess of Support and Revenue Over Expenses (net income)

The net income is a deficit of \$112,701. As stated above, this is attributable to our lower investments. The actual cash flow is + \$35,853 into the checking account.