

Finance submits the attached budget for Session consideration and approval. It is not balanced in that Expenses exceed projected income by \$20,384.

#### Income Highlights:

- Pledge income is down by \$116,194
- Investment income is up by \$48,562
- Unrestricted gifts are estimated at \$40,000. This is a historically conservative figure, but something that can't be predicted.
- A surplus carryover from 2021 is \$125,756

#### Expense Highlights:

- Personnel is up by \$34,324. This accounts for a modest staff raise, severance agreements, and full year funding for some positions that were not filled in 2021.
- Property is up by \$20,000. This is due to the cost of liability insurance, and still may not be enough. New quotes are not in yet.
- CITW benevolences have been calculated at 10% of the known 2022 income sources (pledges, endowment draws and user fees) Other sources of unpredictable income have been eliminated from the calculation.
- Other committees are seeing an increased budget from 2021's actual spend, but in many cases the budget figure is lower than historically allocated.

#### Big Picture:

Our 2022 budget is not nearly as dire as it might have been with our large carry-over surplus from 2021. However, it is still not in balance. Stewardship anticipates continued progress with personal contacts and phone calls to recent pledge members that have not yet made a 2022 commitment, and we anticipate that will close the deficit. We also are optimistic that unrestricted gifts to the church will exceed the conservative estimation in the budget. It is possible that Rev. Harris' severance agreement will not be as large if she finds new employment prior to receiving maximum benefits from HPC. It is likely that we will exit 2022 with no surplus, and that will be a real challenge next year. Staff, property and CITW benevolences receive our largest allocation of income. Anticipating a return to normal activities will naturally cause spending in some areas to increase. We would expect investment income to again contribute an increased amount toward the 2023 budget, and it will be important that HPC recover its membership and pledge totals. The endowment is contributing 40.6% of the income. Pledges contribute 34.3% of the income. User fees contribute 14.2% of the income, and miscellaneous sources are estimated to make up 10.8% of 2022 income.

Mike Reed  
Finance Chair