

Finance Chair Report to Congregation Council for December 2022

(1) In financial statements for December, the budget summary shows net receipts less expenses for the month of \$165,192 (budget was \$156,002), after applying the \$120,800 reserved from 2021 from the PPP grant. For December, Membership Envelopes are over budget by \$21,117, and over budget for the year by \$13,395. This is possibly a continued current-year effect of the Stewardship emphasis, but also possibly intended Christmas offering that was not in a Christmas envelope. Christmas offerings for the year were \$8,202 (budget was \$27,500, and 2021 actual was \$34,265). Total Receipts for the year are \$1,510,725, which is over budget by \$4,574. Total Expenses year to date are \$1,447,850 (budget was \$1,506,151). The net receipts less expenses (net income) for the year are \$62,875. This was a better outcome than projected in October (\$27,000) for budget preparation.

(2) Salaries and Benefits were under budget by \$24,800 for the year, and Faith Formation is under budget by almost \$33,000. Property is slightly over budget. Worship is over budget for the year (due to a continuation of individual worship elements), but this is offset by contributions (Expense Reimbursements) for worship elements. Finance is over budget due to the internal controls study prompted by Paul's retirement.

(3) The 2023 budget includes \$25,000 as a Balance Carried Forward. Finance Committee moved at its January 3 meeting that the additional surplus from 2022 (about \$37,000) be placed in a operating reserve fund until March 2023 when it may be more clearly indicated that the anticipated increase in Membership Envelopes will be attained. Motion carried unanimously and comes as a recommendation to Congregation Council.

(4) With the normal loan payment in the beginning of January, the S&T Bank loan will be less than \$50,000. In order to eliminate interest payments and the fixed monthly payment, as well as to use the \$5,000 being held in reserve each month, Finance moved and approved unanimously at its January 3 meeting that up to \$50,000 be borrowed from Quasi-Endowment (current balance about \$61,000) to pay off the remaining principal on the S&T Bank loan. The Quasi-Endowment loan would be repaid from continued Capital Appeal contributions (Bob Frymoyer estimates \$25,000 during the first half of 2023 and \$20,000 during the second half), as well as the \$5,000 currently being held in reserve. By the end of 2023, the loan is expected to be fully paid back to Quasi-Endowment.

(5) Finance Committee moved and approved that any money that is received post-debt to paying the S&T loan be added to the Quasi-endowment fund to repay back the \$200,000 that was used for capital improvements, including the parking lot and steeple. This is an intentional action to pay down that debt and restore the Quasi-Endowment Fund, which acts as Trinity's operating reserve.

(6) The Honor Our Past, Plan Our Future (Capital Appeal) balance as of December 31 was \$11,944. On January 4, the loan payment and an extra principal payment was made, and the balance in the S&T Bank loan is now under \$43,000.

(7) The Quasi-Endowment balance as of December 31 is \$61,386.

(8) The MIRA balance at the end of December was \$26,544.

(9) Trinity received \$25,000 from the estate of Judith Shearer. The family has directed the funds toward the solar array. The funds will be directed to the solar array portion of the 2023 budget, which totals \$60,000.