

2022 PROPOSED BUDGET

The Finance Committee directed the Treasurer to put together a number of budget options using different assumptions of income and projected deficit. The Finance Committee took several factors into consideration when deciding on the budget including:

- Our strong cash position (we have almost one third of our budget in retained earnings);
- There is an additional \$104K in Job Keeper surplus from 2020 (taking away the \$60K amount we'll utilise in 2021) which should be used to retain current staffing levels for another year;
- Society is moving back to a more normal state quite quickly and we have faith that this will translate in our context;
- Our ability to pivot if required, as we have in 2020 and 2021.

The Finance Committee also discussed biblical examples such as:

- Joseph stored up food for 7 years prior to famine, we believe the money saved from previous years should be used when needed (not all, but enough).
- We don't want to be the servant who buried the talents.

The Finance Committee recommended to CLT that the Income budget should be set at a realistic amount in line with the 2019 actuals, being \$66K per month or \$792,000 total. The expenditure option chosen included realistic levels of expenditure including maintaining the current staffing levels except for known natural attrition). The 2022 expenditure budget is over \$50,000 less than the original 2021 budget.

The Finance Committee and CLT want to communicate to the congregation that this large deficit budget is not sustainable and will be just for 2022. As was the case in 2021, budget checks will be completed by the Finance in Committee in April and July and we will pivot if required.

Comments on the Proposed Budget table below:

Income

- Tenants: The rent relief will cease in January and rent will go back to the pre-covid amounts. This amount does provide some flexibility for some tenants to continue with rent relief.
- Other: There is no JobKeeper or other government funding anticipated in 2022 which explains the significant decrease in this line.

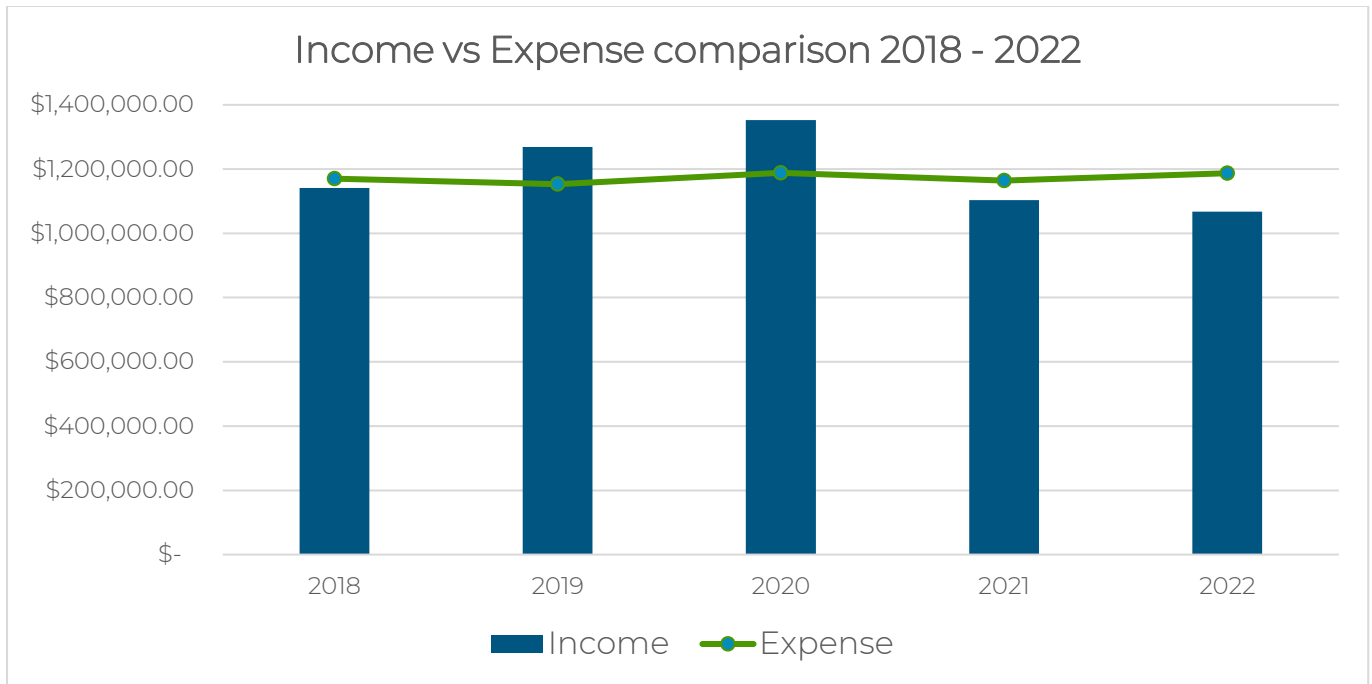
Expenses

- Staffing: Staffing levels are being maintained, however the costs of employment increase each year as awards increase and super increased in 2021.
- Admin/ Resource: Budget allocation was removed in 2021 for the purchase of equipment to run our live streams. This has been put back in the budget for 2022.
- Fees/ Services: It has been decided for 2022 to reduce our donation to the Baptist Association as we are struggling. GRLC supports the association in other ways other than financial including a number of our staff providing support to various Association committees and teams.
- Chipping Norton: It is not certain whether Moorebank High School will continue to provide free use of their school hall for our CN site gatherings. Allocation has been set aside for room hire.

INCOME			
	Original 2021 Budget	Projected 2021	Budget 2022
Giving	\$850,500.00	\$715,609.00	\$792,000.00
Tenants	\$ 163,000.00	\$168,217.44	\$173,000.00
Mission	\$100,000.00	\$105,749.91	\$100,000.00
Other	\$30,730.81	\$114,165.27	\$2,650.00
Total	\$ 1,144,230.81	\$1,103,741.62	\$1,067,650.00

EXPENDITURE			
	Original 2021 Budget	Projected 2021	Budget 2022
Staffing	\$ 891,032.32	\$844,312.49	\$865,858.56
Property	\$ 118,160.00	\$105,282.83	\$100,700.00
Mission	\$ 100,000.00	\$105,699.91	\$100,000.00
Admin/Resource	\$35,747.00	\$26,594.21	\$36,625.00
Fees/ Services	\$46,200.00	\$49,110.07	\$30,900.00
Ministries	\$28,555.00	\$28,140.72	\$28,355.00
CN	\$22,000.00	\$4,988.85	\$24,800.00
Total	\$1,241,694.32	\$1,164,129.08	\$1,187,238.56

This graph shows our 2018 – 2020 actuals (based on the audited figures), 2021 projections and 2022 budget income vs expenses. It shows that we have had some years where the income has exceeded our expenses and in 2021 and 2022 we expect that our expenses will exceed our income. Hence we project a \$60K deficit in 2021 and are budgeting for a \$120K deficit in 2022.



These graphs show the original 2021 Budget and the 2021 projected income and expenditure compared with the 2022 budget income and expenditure.

