

2022 AGM Treasurer's Report

Summary

Here we are starting into the third year of this ongoing pandemic. The past year of 2021 began and ended under restrictions and in the presence of variants of the Corona Virus that have caused us to delay plans to open our little church to "In-Person" -Hybrid services.

In the face of these ongoing difficulties, we have maintained our Faith Community and have managed to open our doors to community groups, including a number of 12 Step groups that have been in need of a place to meet. During this time, we have gathered our Faith Community together each Sunday on Zoom to worship together, and we have met in weekly Bible Study and our weekly Men's Group. We are finding ways to be the Body of Christ with and for our members and with and for our wider community.

As Members of Hope Lutheran Church, you have maintained your sense of generosity and responsibility in so many ways, including ensuring throughout the year that our church has the financial resources to carry out its functions as the Body of Christ in the world.

In 2021 you managed to exceed your Budget expectations for donations, and we managed to spend less than we had planned so we ended the year with more in our bank account than we had at the start of the year.

The Budget document shows us the proposed 2022 Budget as proposed by the Church Council. It also shows the 2021 Budget as you approved last year and in the right-hand column the actual 2021 figures.

Donations-

Included in Sunday Donations on the attached Budget document was a one-time contribution from the BC Synod of \$10,000. This was a donation given to each congregation in BC to help with the impact of Covid on Congregations. After deducting that donation from the total, we still exceeded the 2021 budget for donations by over \$10,000.

Facility Rental

While we did not move to Hybrid/In-Person services this past Fall as a result of the Covid resurgence, we did open our Church building to user groups this fall. We did this primarily to provide local community 12 step groups with a place to meet. They are the front line of defence against the deadly drug poisoning crisis and Council has considered this to be an important part of our faith journey to be the Body of Christ in our community. We expect rentals will increase moderately to reflect year-round use of our facilities. I must pause here to thank Erika Blakeman for all her efforts in welcoming and making arrangements to facilitate these rentals. This is about more than money.

Operations Expenses

Generally, we spent less this past year for Operating Expenses than we had budgeted. We did have building improvement projects this spring involving painting, new gutters, soffits, and fascia. The total cost of those improvements including GST was \$22,333.50. Last year you approved these projects and authorized us to make use of our savings accounts to pay for these expenses. We were able to navigate

through the year without accessing these accounts, instead we paid for these expenses out of general revenue. Even after paying for these improvements we ended the year with a cash surplus of \$7,487.95!

Challenges and Opportunities for 2022

This coming year presents us with the ongoing challenge of dealing with Covid 19 (including current and future variants) while the pandemic gradually transitions to something like an endemic, a virus that will be in the background into the future.

As this occurs, we will prepare for re-opening to in-person services as a hybrid where some members will participate on zoom and others will participate in our worship space.

Hybrid Worship Equipment

We will need equipment to make the Hybrid services happen. Council allocated \$6,000 for this purpose in December AND there may be more expenses than this AND we believe an allocation extra to the budget of \$6000 will cover the major portion of these expenses and that anything over that can be handled within the regular budget allocations.

Carpet Replacement

We also need to replace the carpet in our worship area, the narthex and down the stairs. We have one estimate of \$25,000 plus GST for this. We are suggesting an allocation extra to the budget of \$30,000 will cover this improvement.

Worship and Narthex Ventilation

We need to address the fact that our narthex and worship area lack the kind of ventilation and air purification that could significantly reduce the chance of infection being transmitted during worship services. We have a large volume exhaust fan which could be used in combination with opened windows and doors, which would work except during winter months. With closed windows and doors we need to consider using HEPA filters and possibly a heat recovery ventilation system. In order to exchange/purify air 3 times per hour in the worship area we would need to move approximately 950 Cubic ft per minute. Filters that move that much air cost about \$1500 to \$2500 per unit.

A built-in heat recovery ventilation system would cost over \$10,000 and would require retrofitting a large amount of duct work.

Summary of capital improvement projects:

• Hybrid Service equipment:	\$6,000.00
• Carpet replacement:	\$30,000.00
• Ventilation HEPA equipment:	<u>\$3,000.00</u>
TOTAL:	<u>39,000.00</u>

Budget

Council presents this budget to you for approval. The budget contains modest increases in Pastor's salary consistent with the Synod and National Church guidelines.

The budget also contains an addition under the heading of Local Benevolence just under the BC Synod Pledge.

Some years ago, this congregation made a decision to treat the BC Synod as "Hope Lutheran's Church" and to pledge approximately 10% of our general donations to the Synod. At our Council meeting we discussed whether to possibly reduce this and to direct some of those funds to local needs.

There was a strong consensus at Council to continue our pledge of 10% to the Synod, AND in our discussion, we considered that there are very healthy and vibrant congregations in this and other denominations that pledge significantly more than 10% for benevolent causes. In light of this and considering our congregation's willingness to "show up" with generosity when needs arise; Council decided to propose in the Budget that we create an allowance for \$5,000 to be directed for local needs with prioritization of allocation to be set by the Witness and Mission Committee.

This is a challenge, and, as a Congregation that strives in so many ways to be the Body of Christ in the World, Council was of the view that our little faith community is up for such a challenge.

In conclusion, I want to say that it is a privilege to serve this Congregation as Co-Chair and as Treasurer. Thank you all for showing up in all the different ways you participate and for your generosity.

With a great deal of appreciation

Gerry Owen
Co-Chair and Treasurer