

# AUC Finance Committee

April 2021 AGM

Stephen Crawley



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# OVERVIEW

- 2020 gave us multiple challenges, especially to revenue
- While 2020 total revenue came in below budget, so did expenses, and we continued to balance our budget
- Operating deficits continue to be covered by interest on the insurance payout we have received
- Reduced reliance on insurance revenue in 2020, due to the combination of reduced expenses, Federal support programs and relatively stable congregational givings
- Many of the revenue-positive conditions listed above are continuing into at least a portion of 2021



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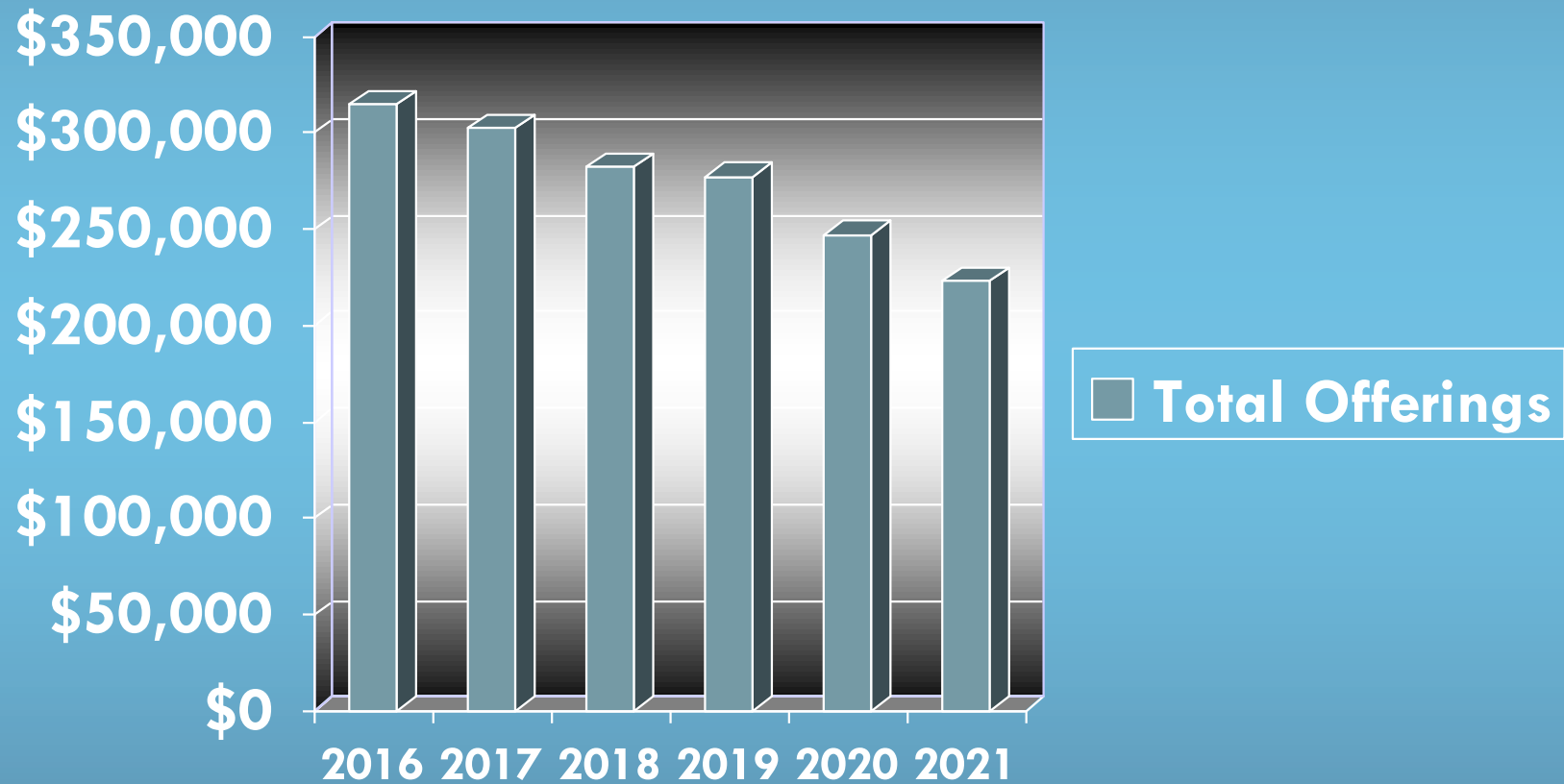
# 2020 Review - Revenue

- Total revenue all sources in 2020 was \$504.9K, -9.7% vs 2019, reflecting a reduced draw on the insurance interest vs budget
- Total Offerings came in \$30.2K (-10.9%) below 2019 and - \$13.4K (-5.1%) below our pre-Covid 2020 budget
- Due to no in-person services, Seasonal appeals (Christmas, Easter, etc) and cash (loose) offerings came in well below budget in 2020. However, we had our highest online donation number ever in 2020 at ~\$5.2K, well ahead of budget
- CERS/CEWS revenue of \$55.4K was a huge help to AUC's liquidity
- In total, AUC ran an operating deficit of approx. \$154K in 2020, \$106K less than budget forecast. All of this operating deficit was covered by the interest on the insurance payout



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# 2016-2021 Total Offerings



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# 2020 Review - Expenses

- Total Operating Expenses in 2020 were \$484.3K, \$52.4K (-9.8%) less than 2019 and \$66.8K (-12.1%) below budget due to cost containment measures taken in 2020
- Biggest cost savings came from our reduced rent charges with Trinity after the church was closed to services & activities
- However, the majority of Committee expenses were also below budget in 2020, contributing to the reduced overall spend in 2020
- Thanks to all Committees and their Chairs for managing their individual budgets so effectively in 2020!
- All programs such as M & S, Welcoming Arms, Rise & Shine, etc continued to be fully funded to budgeted levels



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# 2020 Year End Balances

## AUC Fund Balances

- AUC Future Fund \$10.4K + \$125.0K invested = \$135.4K
- Earmarked donations \$9.7K + \$15.0K invested = \$24.7K
- Insurance claim account \$2.5K + \$22.1K invested = \$23.6K
- Bank Balance Dec 31, 2020: \$81.3K (\$33.3K booked in Dec but not reflected in the balance)



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# 2021 Budget - Revenue

- We are budgeting a further decline in (non-insurance) revenue in 2021 of ~\$36K or 11%, driven by an anticipated decline in Total Offerings (-\$24K) due to congregational attrition and strong Federal support programs in 2020
- This will result in our Operating Deficit in 2021 being \$239,000 versus \$175,000 in 2020
- This deficit is budgeted to be fully funded by the interest from the insurance payout (if approved by the congregation). While building expenses will begin to be incurred in 2021, this is not expected to impact insurance interest availability this year



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# 2021 Budget - Expenses

- All 2020 AUC programs have been maintained in 2021 with no funding cuts, but savings where possible
- Total Operating Expenses projected to increase (+9.8%) in 2021 to \$531.5K from \$484.3K in 2020
- Rental at Trinity (plus storage) is our largest non-staff cost at \$72.8K (up from \$58.5K in 2020, assumes back in the church in the Fall of 2021)
- M&S, Welcoming Arms, Music, Worship, Rise & Shine, UCC Assessment, and Youth events are among the many programs our AUC congregation continues to generously support



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# Q1 2021 snapshot

	<u>Year to Date</u>	<u>Budget YTD</u>	<u>YTD Mar</u>
	<u>Mar-21</u>	<u>Mar-21</u>	<u>2020</u>
<b>INCOME</b>	\$ 110,839	\$ 141,980	\$ 167,040
<b>EXPENSES</b>	\$ 109,832	\$ 138,750	\$ 137,730
<b>NET INCOME</b>	\$ 1,007	\$ 3,230	\$ 29,310

- Operating Bank Account balance March 31/21: \$60,460
- No money received YTD from Insurance interest, projecting not to need until June
- Income significantly below budget due to no insurance payout (\$75K received in Q1 2020 revenue)
- While only one quarter, net income is close to YTD budget
- Expenses down vs budget due to cost containment measures
- All M&S and UCC assessments fully up to date



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# Summary

- While 2020 was a difficult and unique year for AUC, we came through it financially healthy
- Thanks to our amazing congregation, our revenue from Offerings has held up amazingly well given our absence from regular in-person service
- We will balance our budget again in 2021, and with a little luck, continue to reduce our overall reliance on the insurance interest to fill our Operating Deficit
- While upcoming capital spending will reduce the insurance interest available, our 5-year projections show that we can continue to balance our budget in the foreseeable future



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# Questions or Comments?



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