

Operations Financial Overview

October 10, 2023

Praise God for His financial blessings on our church through your faithful and generous contributions from many in our congregation. After our 2022-2023 fiscal year on August 31st, we can celebrate the following together as a church.

- Giving to Operations increased 1% (\$33,073) from last year. We missed our target giving by \$178,128. Giving has remained relatively flat over the past four fiscal years.
- Due to proactively managing our expenses, we were able to save \$211,161 from our anticipated budget. As a result, we concluded the year with a positive variance of \$33,033 of income above expenses.
- We remain in a strong cash position with a total of \$1,810,337 cash on hand, representing daily operating expenses of 90 days of cash on hand.

Summary of Operations Financial Results for 2022-2023 Fiscal Year

Budget vs. Actual

Anticipated Income (Budget):	\$ 3,092,200
Actual Income:	\$ 2,914,072
Variance (below budget):	-\$ 178,128

Income vs Expense

Operations Income:	\$ 2,914,072
Operations Expense:	\$ 2,881,039
Variance (Surplus):	\$ 33,033

Proposed 2023-2024 Operations Budget

This year we are proposing an increase in the Operations Budget for the fiscal year 2023-2024. Due to the pace of inflation, regular operating expenses and compensation have increased significantly in the past year. Therefore, we are recommending a 5% increase in our Operations budget for the 2023-2024 fiscal year. This is following a 2% reduction in budget last fiscal year.

Proposed Operations Budget:	\$ 3,260,000
2022-2023 Operations Budget:	\$ 3,092,200
2021-2022 Operations Budget:	\$ 3,162,500
2020-2021 Operations Budget:	\$ 3,060,000
2019-2020 Operations Budget:	\$ 3,056,920

MOTION: *Resolved that the Browncroft Community Church Operations budget for the fiscal year 2023-2024 commencing September 1, 2023, is approved in the amount of \$3,260,000.*

Operations Budget Overview

ACCOUNT NAME	2022-2023 Budget	2022-2023 Actual	Budget vs. Actual	2023-2024 Proposed Budget
Employee Salaries	1,480,000	1,357,467	(122,533)	1,615,000
Employee Benefits	370,000	322,036	(47,964)	420,000
Salaries & Benefits	1,850,000	1,679,503	(170,497)	2,035,000
Administration	181,000	178,641	(2,359)	185,000
Building Operations	255,000	237,760	(17,240)	250,000
Communications	56,500	41,462	(15,038)	42,000
Discipleship	81,000	97,328	16,328	84,000
Family Ministry	60,700	69,777	9,077	61,000
Financing	375,000	357,480	(17,520)	390,000
Ministry Support	55,500	53,981	(1,519)	45,000
Worship & Production	77,500	65,106	(12,394)	68,000
Ministry Expenses	1,142,200	1,101,535	(40,665)	1,125,000
SUMMARY				
Salaries & Benefits	1,850,000	1,679,503	(170,497)	2,035,000
Ministry Expenses	1,142,200	1,101,535	(40,665)	1,125,000
Capital Reserves	100,000	100,000	0	100,000
Total Expenses	3,092,200	2,881,038	(211,162)	3,260,000

Missions Financial Overview

October 10, 2023

Missions giving of \$441,868 this fiscal year was below our budget of \$484,500, which resulted in a deficit. This represents an 8% decrease (\$35,012) in giving from the previous year. Although we were below budget, we were able to meet all of our obligations to our missionaries. Expenses exceeded giving by only \$2,720. During this year, \$20,000 was moved from our Missions Fund reserves to further the funding of the discipleship & residential centers in Senegal, representing the remaining variance.

Summary of Missions Financial Results for 2022-2023 Fiscal Year

Budget vs. Actual

Anticipated Income (Budget): \$ 484,500

Actual Income: \$ 441,868

Variance (below budget): \$ 42,632

**Actual Income includes \$7,500 in Missions House rent received.*

Income vs. Expense

Missions Income: \$ 441,868

Missions Expense: \$ 464,588

Variance (Deficit): - \$ 22,720

**Deficit was covered by reserves in Mission Fund.*

Proposed 2023-2024 Missions Budget

We have budgeted flat to last year anticipating a rebound in giving. We will meet commitments to missionary support. Discretionary funds, such as one-time gifts, will be used if giving is sufficient and the needs present itself.

Proposed Missions Budget: \$ 476,000

2022-2023 Missions Budget: \$ 484,500

Wolof Partnership

Total giving to the Wolof Partnership this fiscal year of \$51,475 was short our target of \$55,000. However, we underspent the budget by not using some of our discretionary funds. The Wolof budget this next fiscal year will be flat at \$55,000.

MOTION: *Resolved that the Browncroft Community Church Missions budget for fiscal year 2023-2024 commencing September 1, 2023, is approved in the amount of \$476,000.*

The Reach Initiative Update

October 10, 2023

The Reach Initiative capital campaign ended on December 31, 2019, but contributions have continued to be received for unfilled pledges and additional non-pledged giving. The fund closed on August 31, 2023 and is no longer receiving donations. The campaign was a tremendous success as we saw more than 100% of all pledged dollars received to date. This far exceeded expectations and was a blessing from God through the 3-year commitment of over 500 people in our congregation.

- Pledges Dollars: \$ 4,793,476
- Total Contributions Received: \$ 5,176,841

Reach Income 2022-2023

Contributions Received:	\$ 29,548
Total Reach Income:	\$ 29,548

Reach Expenses 2022-2023

Reach Partnerships:	\$ 48,868
❖ Flower City Outreach	\$ 20,000
❖ Peru Partnership:	\$ 4,800
❖ Rochester City Schools:	\$ 758
❖ Short-term Mission Trip Scholarships:	\$ 11,450
❖ Staff Mission Trip Scholarships:	\$ 11,860
Total Reach Expenses:	\$ 48,868

Reach Fund Balance

Current Reach Fund Balance:	\$ 136,956
Funds reserved for Reach Partnerships:	\$ 42,965
Reach Funds Available for Use:	\$ 93,991

**A total of \$470,000 (10% of pledged dollars) has been set aside to support Reach Partnerships. To date, \$534,031 of those dollars have been given to support these partnerships.*

STATEMENT OF ACTIVITIES & CHANGES IN ASSETS
MODIFIED CASH BASIS
FOR THE TWELVE MONTHS ENDED AUGUST 31, 2023 AND AUGUST 31, 2022

	12 MONTHS ENDED	
	8/31/2023	8/31/2022
REVENUE		
Operations Contributions	\$ 2,832,546	\$ 2,850,711
Missions Contributions	434,368	471,629
Mercy Fund Contributions	151,439	165,601
Reach Initiative Income	29,549	48,535
Special Projects Donations	167,421	154,909
Program Income	41,117	25,589
Mission House Rent	7,500	5,250
Misc Income	2,000	2,997
Interest Income	38,408	1,702
TOTAL REVENUE	\$ 3,704,348	\$ 3,726,923
EXPENSES		
Salaries & Benefits	\$ 1,831,907	\$ 1,718,008
Administration	178,641	195,578
Building Operations	237,760	251,659
Church Ministries	340,687	418,695
Missions Expense	464,587	469,575
Mercy Fund Expense	119,888	145,460
Reach Initiative Expenses	36,660	140,594
Special Projects	177,357	171,792
Preschool Expenses	-	369
Interest Expense	162,761	169,424
Depreciation	496,945	510,871
TOTAL EXPENSES	\$ 4,047,193	\$ 4,192,025
CHANGE IN NET ASSETS	\$ (342,845)	\$ (465,102)
NET ASSETS, BEGINNING OF YEAR	\$ 8,356,981	\$ 8,822,083
NET ASSETS, END OF YEAR	\$ 8,014,136	\$ 8,356,981

STATEMENT OF FINANCIAL POSITION
MODIFIED CASH BASIS
AUGUST 31, 2023 AND AUGUST 31, 2022

	<u>8/31/2023</u>	<u>8/31/2022</u>
ASSETS		
CURRENT ASSETS:		
Cash	\$ 1,810,337	\$ 1,885,884
TOTAL CURRENT ASSETS	1,810,337	1,885,884
Building, Land, and Equipment - Net	10,437,122	10,899,138
TOTAL ASSETS	<u>\$ 12,247,459</u>	<u>\$ 12,785,022</u>
 LIABILITES AND NET ASSETS		
 LIABILITIES:		
Mortgage Loan	4,233,322	4,428,041
TOTAL LIABILITIES	<u>\$ 4,233,322</u>	<u>\$ 4,428,041</u>
 NET ASSETS:		
Missions Reserves	101,730	1,918
Other Restricted Assets	\$ 362,613	\$ 438,576
TOTAL RESTRICTED ASSETS	<u>\$ 464,343</u>	<u>\$ 440,494</u>
Unrestricted	6,483,400	6,864,975
BOARD DESIGNATED RESERVES:		
Replacement Reserves	\$ 803,835	\$ 762,460
Church Groups	115,066	120,116
Planned Expenses	147,492	168,937
TOTAL NET ASSETS	<u>\$ 8,014,136</u>	<u>\$ 8,356,981</u>
 TOTAL LIABILITIES AND NET ASSETS	<u>\$ 12,247,459</u>	<u>\$ 12,785,022</u>