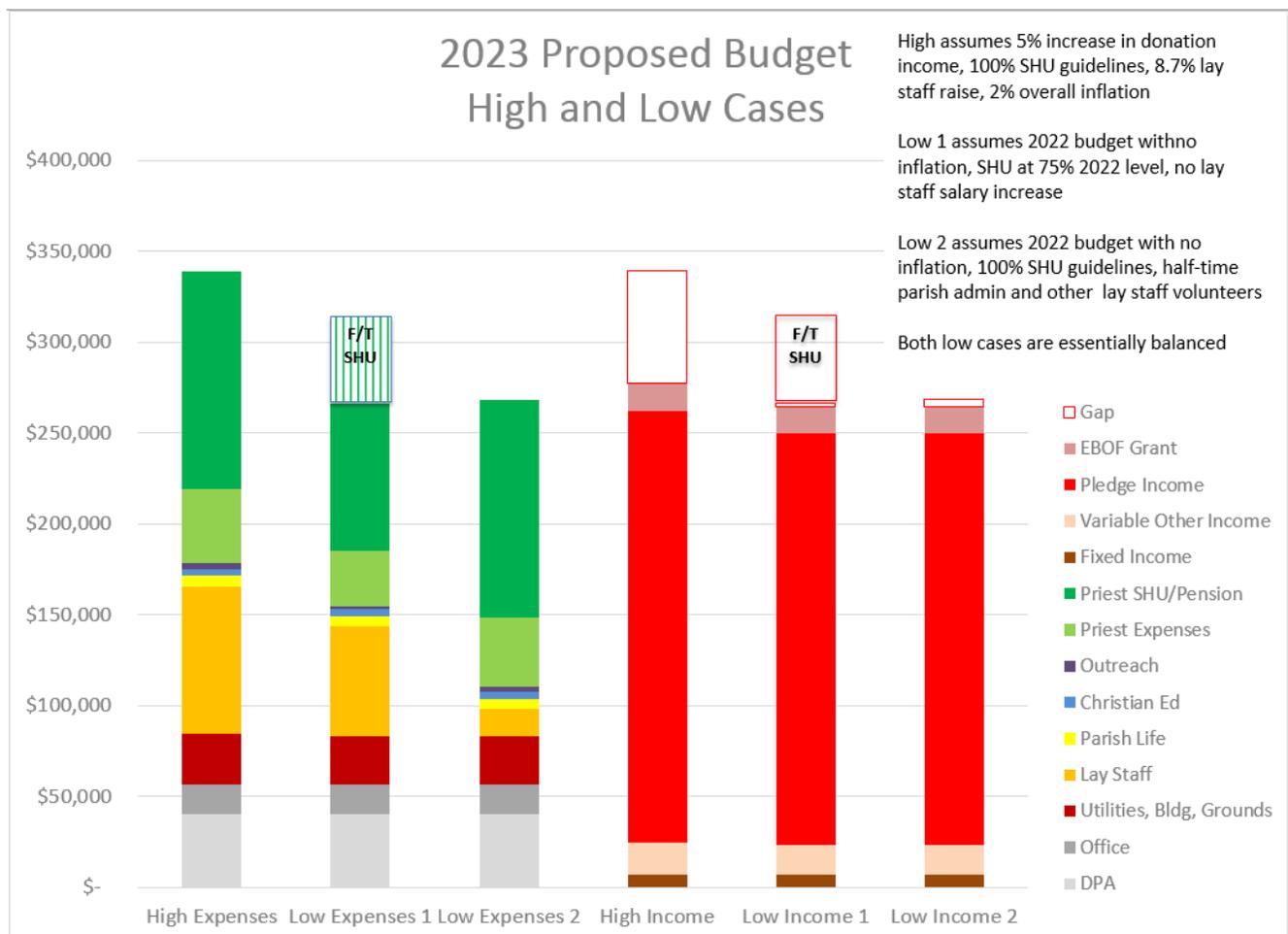


Here is a preliminary look at three budget cases for 2023. The high case assumes we pay Birch at the diocese guidelines for 2023; lay staff salaries grow 8.75%, expenses inflate at 2% over 2022 and donation income grows by 5%. That results in a \$339,106 expense budget with income of \$277,188 which leaves us with a \$61,918 deficit. To balance this budget would require and increase in pledge income from our 2022 budget of about \$226,000 to about \$300,000. There are two low cases which are both essentially balanced. The first low case assumes that Birch works 75% part-time at his current rate, no lay staff salary growth, expenses remain at 2022 levels as does donation income, resulting an expense budget of \$266,575 and income of \$264,652, essentially a balanced budget. The graph also shows that case with 100% rector SHU at his current rate. The second low case assumes that we pay Birch at the diocese recommended SHU; but shift to an all volunteer lay staff except for a half-time parish administrator. This is not a recommended case, but a sensitivity to show extremes of how we can balance our budget at current forecast income. Kay Sogge, who is a member of the finance committee suggested a slightly different low case where we pay Birch at 100% of current salary, pay DJ at half-time, and cut the remainder of the lay staff salaries from their current rate to 90% of that. I also included her suggestion to increase the drawdown on our endowment fund from 4% to 5%; but I strongly recommend that we do not increase draw from the endowment unless we reach the point where there are no other alternatives and our operation reserve is exhausted. That budget sensitivity has an income for 2023 of \$278,548 vs. the base (high) case of \$277,188 and expenses of \$284,839 vs. \$339,106. That would cut the shortfall to \$6,291 vs. \$61,918.



If you have questions, please let me know.

Frank Koch

Treasurer, Church of the Resurrection