



Letter from the Business Affairs Committee

The Business Affairs Committee, along with the Stewardship Committee of the Session, would like to express deep appreciation to the congregation for financial support of our church missions and programs. Currently, the effects of inflation and overall declining economic conditions has presented income challenges to meet budgeted projections during 2022. The decline began to impact church finances early in 2022, with relatively rapid and negative effects compounding during the year. Through November the building and grounds expenses are 15% above projected and utilities are 25% above budget. Coupled with membership losses resulting in decreased pledge receipts, and largely unrealized investment losses, we will likely end 2022 with nominal reserves.

The committee is currently drafting a 2023 budget for Session approval in January. Pledges for 2023 totaling \$495,000 are anticipated by end of 2022, as compared to \$557,000 upon which the 2022 budget was based. To provide reasonable guidance for 2023 expenditures, it is clear that careful thought must be given to budgeting so that the ministry, staff, music, and church programs are funded as best possible with the anticipated decreased income. It is noteworthy that \$170,000 alone is projected to cover routine building and grounds maintenance, and utilities, along with insurance and accounting services. Additionally, there are two capital projects to address: modernization of the elevator and roofing repair to PresbyPlace. Neither can be readily budgeted and there are currently insufficient reserves to cover a preliminary estimate of \$200,000-\$250,000.

Not unique to our church is decreasing membership spread over much time. The reasons are multifaceted, as are the factors driving an uncertain economy. Taken together, they highlight a critical need for strategic planning of finances and programs, ensuring paths forward for FPC in 2023 and beyond. With this in mind, a subcommittee has been formed to address this important task, reporting to Business Affairs with thoughts then taken to Session and the congregation for consideration. Lee Borck has agreed to chair this subcommittee with members Pastor Jason, Lyle Butler, Dana Hauck, Matt Paquette and Bill Varney, along with the church treasurer and chair of Business Affairs.

On behalf of the Business Affairs Committee, we welcome your questions and input, and appreciate your continuing support of FPC.

Jim Neill, Chair of BAC

Mike Meisenheimer, Treasurer