

2022 Narrative Financial Report, Doc 6.0

March 16, 2022

The following documents make up the 2022 ABMB Finance Report:

- 2022 Narrative Financial Report, Doc 6.0
- Financial Report (w/o Goshen), Doc 6.1
- Consolidated Financial Report, Doc 6.2
- 2022 Statement of Financial Position, Doc 6.3
- Summary Budget w/ 2022 Actuals, Doc 6.4
- Budget 2023, Doc 6.5

2022 Financial Report Explanations & Comments:

Special thanks to our churches who are invested in this ministry! We continue to use the One Stream Funding model as a unified way to support our churches in Alberta and Canada, with thirty (30) percent designated for our National Ministry. Also, note that ABMB had a Transitional Pastor on contract, fully reimbursed by the local church.

1. **Positive year-end balance:** 2022 continues to build on a cash surplus from the previous two years. The Net Balance for ABMB operations is \$10,167! The *Financial Report (w/o Goshen)* shows a net balance of \$33,257 which includes funds designated for the conference minister's salary. Further, many thanks to individual donors who have made it possible to realize a positive balance.
2. **Conference Minister** (line 4320-100): Very special THANK YOU to those who have graciously supported the role of the conference minister (Laurence Hiebert). The balance of \$22,206 is rolled into 2023 for the designated purpose to support the role of Conference Minister.
Donations received: \$54,345
Salary/benefits: \$32,139
Rolled into 2023 \$22,206
3. **Reporting format:** The Financial Reports format is not always perfectly aligned with the format used for reporting to AGM. We will continue to address this challenge, which we anticipate will become clearer following a professional Review. We continue to provide two reports— "Consolidated" that includes Goshen and, "Without Goshen". The additional columns in the 2023 BUDGET delineates *operations, internal designated, and flow thru.*"
4. **Church Support for 2022:** The 2022 budget planned for Church Support was set at \$245,000, slightly higher from 2020 and about \$20,000 higher from 2021. In 2022, however, church support was down by \$41,315 from what we had budgeted, at \$203,685. The good news is our expenses were also less than budgeted and we were able to attain a small Net Balance of \$10,167.

Budget 2023:

5. **Collaborating in our Support:** The board believes that collaborating in our common mission also means providing the opportunity to dialogue about our collective goal for ABMB Church Support. We recognize that each church has their unique goals, obligations, and resources to accomplish their mission, and a range of support is the reality. For reference, church support varies from less than 1% to about 7% of church operating revenue, and in 2022 the reported average Church Support for ABMB was about 3.5%. This year we are inviting discussion and decision for a more unified understanding of church support for ABMB. In this spirit, we are bringing forward this resolution. The motion reads as follows:
 - ***Each member church is encouraged to contribute 4 – 6% of church operating revenue to ABMB.***

6. **Budget Reporting Format:** The format this year includes a column for “internal designated.” This contains the monies for the conference minister, Goshen Church, and a few additional items that were internally designated. The “flow thru” column is specific to the hire of a transitional pastor for which the church was billed for reimbursement. There is an amount for Pincher Creek (Vertical church) support (7311-100) that came in 2021 but was dispersed in 2022.

7. **Conservative Forecasting:** The 2023 budget is registering a small increase in church support compared with 2022 actuals (\$210,000 vs. \$203,685). The pledged support for the conference minister is a two-year commitment; this arrangement may change for 2024. Our strategic plan calls for increased effort toward investing in young leaders, specifically for those going to camp and/or Bible college/seminary through a church-matching scholarship; details of this program are being developed.

8. **Extra expenses:**
 - a. Website: The website needs to be re-built and external services will be engaged to develop this important communication tool.
 - b. Bookkeeping/Accounting: We are grateful to Legacy (national office) who has done our bookkeeping and accounting at their expense over the last decade or so. They are asking us to carry half the cost for 2023. For 2024 we anticipate carrying our full responsibility (approx. \$12,000).
 - c. Professional Review: For the past few years we have been promising a professional review of our finances and related processes. We will begin this process in 2023. We anticipate that the first review will cost about \$10 – 12K; half to be paid in 2023 and the rest in 2024. A \$5000 shortfall is planned in the budget, to be offset by previous years’ surplus.

9. **Other Questions/Comments:**

ABMB Board Finance Committee:

Donna-Lynn Ratzlaff, Dele Ajele