

FINANCIAL UPDATE OCTOBER 2023

The Cathedral is very grateful to each of you who have given as you are able to support it in a variety of ways.

To assist you in your response to the annual stewardship campaign, the following information about Cathedral finances is provided. It is a summary and more details are available in the letter sent to you September 25 from our Priest in Charge on behalf of the Cathedral Management Team.

The chart below is a summary of operating expenses up to the end of August and compared to the budget approved by Vestry for this year.

**Christ Church Cathedral
Summary Operating Profit & Loss
January through August 2023**

	Jan - Aug 23	Budget	Jan - Aug 22
Income			
Offerings & Fees	390,515	397,414	372,970
Bequests	1,693	0	25,000
Special Revenue Initiatives	35,430	35,800	1,440
Investment Income	9,254	20,098	15,605
Facilities Usage	105,302	104,093	100,618
Other Income & Fundraising	1,659	10,666	1,493
Total Income	543,854	568,071	517,126
Expense			
Payroll Expenses	529,067	542,606	513,611
Diocesan Assessment	114,928	114,928	91,083
Parish Programs	14,532	19,457	19,563
Property Costs	55,113	59,862	63,059
Administration & Operations	46,150	50,331	66,317
Other Expenses/Transfers	0	0	-403,750
Total Expense	759,791	787,184	349,882
Net Ordinary Income*	-215,937	-219,113	167,244

The Cathedral also has restricted funds, the greatest portion of which are for music. That fund contributes to Cathedral operations in addition to providing our excellent music ministry.

*Does not include Unrealized Investment Income

We are currently on track to end the year very close to where the budget approved by Vestry predicted we would: with a shortfall of approximately \$450,000. (not including unrealized investment income or losses.)

Fund raising initiatives in October and November will hopefully help reduce this deficit. (50/50 draw, Memorial Hall Gala Auction and St. Cecilia's Day Market)

The Cathedral Management Team is carefully scrutinizing every single expenditure in search of cost savings.

The Cathedral Operating Reserve balance has been gradually declining over the years, with efforts each year to resolve that. Christ Church Cathedral's long-term financial outlook is dependent on the Building for the Future Project. This exciting dream will take a number of years to happen. In the meantime, it will take all of us to do everything we can to bridge the gap. There are things happening:

- This year's stewardship campaign hopefully will result in generous giving.
- The Cathedral owns an investment portfolio worth about \$1.5 million.
- We also have a line of credit secured by the diocese.
- Going forward we anticipate we will need an additional \$30,000 per month.
- Cathedral leadership is carefully weighing options for optimal financial decisions. As well, there are ongoing discussions with the Bishop to determine a pathway for the years ahead.

HOW CAN I MAKE A FINANCIAL CONTRIBUTION?

- Automated preauthorized monthly transfers to the Christ Church Cathedral from your bank account or credit card are an excellent way to give, as the Cathedral then has regular and predictable income. Forms to do so are included in this package. The amount donated can be changed at any time.
- Monthly contributions can be complemented by additional gifts at any time.
- Collection baskets are passed at worship and special services. Open collections provide a significant source of revenue especially at special services such as Christmas and Advent Carols.
- The Cathedral Website has an online donation link which is user friendly.
- The Kiosk at the back of the church accepts donations from anyone at any time, making it is an easy way to make a contribution when an individual does not have cash for giving during worship or when visiting and exploring our magnificent space.
- QR codes are increasingly available in Cathedral communications, offering quick links to information and giving platforms to make donating easier for those who are comfortable with technology.
- Planned Giving/Bequests is an important consideration. A number of parishioners include the Cathedral in their wills and this is much appreciated. Over the years, bequests have made a significant contribution to maintaining the operation and ministries of the Cathedral. Talk to your lawyer and learn more.
- There are tax savings for charitable donations both in cash and in kind.
- Tax savings may be even greater for donating Canadian Securities in kind rather than donating cash. This is a good year to consider this because there are proposed tax changes starting in 2024. We encourage you to discuss this with your accountant/ tax advisor as the amount of tax savings depends on personal taxation circumstances.

Please complete your Intention/Pledge forms in this package at your earliest convenience. This will assist the Cathedral in budgeting and planning for the year ahead.

Place the completed form(s) in the enclosed envelope.

Return the envelope to the Cathedral by November 26th:

- Place it in the collection basket at the Offertory during worship.
- Drop it off at the Deanery office.
- Send it by mail.

All donations are received with sincere gratitude. Each one makes a difference!