

## **BUDGET 2025 - Preamble**

As noted in the Treasurer's Report, we finished the year with undesignated givings of \$229,197, just slightly under what we received in 2023. We did not hit our targeted budget of \$241,000, largely due to a parishioner's passing. The chart on the following page notes that with the amount donated for the window replacement campaign, we exceeded last year's undesignated givings.

While one might wonder if the window replacement project took away from people's ability to donate to undesignated givings. We believe that based on the donor profiles, the window program created an opportunity for these donors to give. In other words, with the majority of window sponsors, the donations were above and beyond what the donor typically donates.

We are extremely grateful to everyone who gives of their time and talent, and to those who are able to support St. Olave's ministry financially. Every parishioner's circumstance and ability to give differs from the next, but the desire to give from a spirit of abundance and gratitude is shared by everyone. As followers of Christ, we give freely in order to spread his gospel and encourage others to know the love of Jesus.

## **INCOME**

There are three components that make up our revenue and that we consider when setting a budget: givings, other income (rentals and fundraising) and investments.

**Givings:** Taking into account the current challenges of the economy on our donors, and the upward pressures of rising costs to the parish, the stewardship committee recommended an increase of 2 to 2.5% over 2024 actual giving. This is the lowest increase we have set since 2018, but we feel it is important to provide a realistic target for our parishioners.

There are two ways to increase givings: through parishioners increasing their gifts, or through an increase of parishioners. We endeavour to realize both of these: the former through stewardship updates and appeals, and the latter through growth and outreach initiatives.

**Other income, Rentals:** The Wardens took a hard look at the rental rates of our paying tenants and have implemented increases on most. We have worked hard to ensure the building is properly cleaned for our dance school tenant, which will ensure classes continue in the summer. We are therefore projecting rental income of \$55,000 (up from \$43,000). We also now have 12 parking tenants (up from 11 last year), and intend to attract more music rentals.

**Other income, Fundraising:** This year's Christmas Market, led by Siobhan Carmichael, increased its earnings significantly in 2024, and we think there's room to go higher in 2025. The ACW has also indicated an interest to do more fundraising.

**Investments:** In 2024 we withdrew \$60,000 from our investment fund to support operational expenses, and \$9,780 to support non-operating expenses (capital improvements to the building). We are grateful for the many parishioners who remembered St. Olave's in their will over the years and helped build this fund. Their generous donations have made our present possible. If you are considering your estate planning, a gift to St. Olave's in your will ensures that the parish will thrive long after your passing.

For decades, St. Olave's received investment income as part of its revenue stream. In 2020, the Capital Investment Fund Committee determined it was better instead to reinvest any income earned and let the fund grow, and withdraw money as needed. In 2025, we project needing \$53,000 to meet operational needs. If givings or rental income increases, this amount could decrease.

## **EXPENSES**

Rob, Judy, Jeremy and Siobhan work very hard and are dedicated to St. Olave's ministry. In the 2025 budget we propose adopting the 3.1% Cost of Living Allowance increase (as determined by the Diocese) to ensure their income can keep up with rising costs.

We are also facing some unavoidable fee hikes: the Diocesan allotment fee has increased by almost 25%, our insurance has increased by 9.1%, and we expect the Rectory property tax to increase by 6.9%.

The allotment is like a membership fee we pay to the diocese, and by far our biggest line item. The Wardens and Treasurer are working with the Diocese's financial department to determine why this fee has increased so drastically this year and if there is any way we can reduce it.

Of note, the \$9,500 legal fee incurred this year to properly end our relationship with the Mission to Romania will not be a factor this year.

We are also able to eliminate our lawn maintenance contract (about \$6,000) and supplementary cleaner costs (\$1,000) with the addition of a 15-hour-a-week sexton, Romario Maharaj.

These two decreases to our expenses will neutralize the increases. Combined with an increase in rental income and a slight increase to givings, this budget produces a deficit of - \$11.