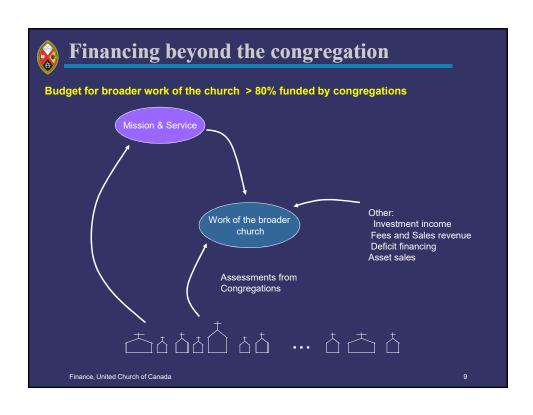
# **2022 Budget Considerations**

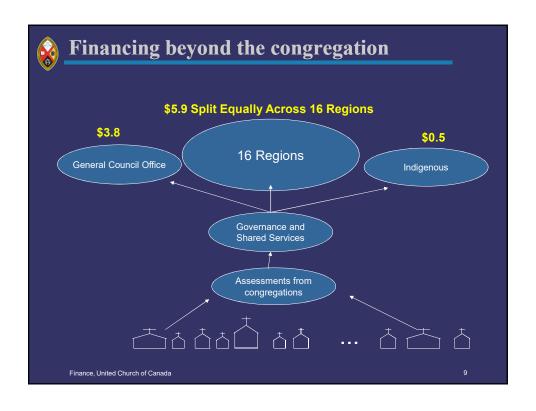
# National perspective – CRA News, Assessments, M&S

The United Church of Canada L'Église Unie du Canada



November 13, 2021 Erik Mathiesen Shining Waters Regional Council





#### **October 21 Federal announcements**

- CEWS and CERB will NOT be extended beyond
   October 23, 2021 (period 21)
- CHRP (Canada Recovery Hiring Program) extended to May 2022 – but with narrowed criteria
  - Won't apply to most of us. Need to be staffing up
  - Same as CEWS for calculations
  - "trust the spreadsheet"
- CEWS reminders
  - Deadline is 180 days after the applicable period
  - Do both CEWS and CHRP calcs to see which better

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#### **CRA** updates

- Having a My Business Account for your charity is the new normal.
- We still offer help desk support for CRA online access matters at crahelp@united-church.ca
- CRA payroll discrepancy notices are being sent if you did not file your PD27
- T3010 filing deadline is six months after your fiscal year and late penalties are being applied again.

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# 2020 was the year of the asterisk \*

- Congregational reported revenue decline in 2020 versus 2019 was 12.7 % AFTER an estimated \$25 million in wage subsidies (otherwise almost 20%)
- Estimated \$7 million in federal CEBA loans too once churches deemed eligible
- 2021 will also be year of the asterisk
- But seeing some bounceback in M&S support
- Covid uncertainty still a big factor.

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### **Assessments Updated on line - NOW**

- 2022 assessment statement is online
  - 73 / 157 pastoral charges will see a decrease.
  - if not yet at target, will be by 2023
    - if increase < \$500, move to target in 2022
    - if increase > \$500
      - half of the gap will be applied in 2022
      - full target by 2023
- all of this explained on your statement

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#### **Assessments Updated on line - NOW**

#### **ON AVERAGE**

- 11 regions decrease in assessment for 2022
- 1 region flat
- but still individual increases for some who chose the freeze option
- as predicted last Spring, church revenues for 2020 did drop and therefore so did target assessment

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#### **Covid implications – Assessments**

- virtually all COFs <u>at target</u> will pay less assessment in 2022 than they did in 2021
- •virtually all COFs who chose the 3 year transition, now looking at much smaller increases than before if any
- the whole idea of the new funding model is that it adjusts for what is happening to COF revenue

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Assessment Table - October 9 DRAFT		2022	2023	2021	
	Sum of Step Increase	Sum of Final Value	Sum of Final Value	Sum of 2021 Billed	% increase(+) decrease (-) in 2022 denom portion only -
Row Labels	for 2022	2022	2023	Assessment	on average
⊕ (1) Pacific Mountain Regional Council	114,985	1,325,993	1,440,978	1,519,578	-12.7%
⊕ (2) Northern Spirit Regional Council	18,383	507,311	525,693	564,228	-10.1%
⊕ (3) Chinook Winds Regional Council	38,916	562,429	601,344	624,865	-10.0%
⊕ (4) Living Skies Regional Council	24,732	547,359	572,091	648,979	-15.7%
⊕ (5) Prairie to Pine Regional Council	11,816	557,820	569,636	650,652	-14.3%
⊕ (6) Canadian Shield Regional Council	9,835	264,847	274,682	279,677	-5.3%
⊕ (7) Antler River Watershed Regional Council	57,894	722,301	780,195	722,010	0.0%
⊕ (8) Western Ontario Waterways Regional Council	40,292	755,830	796,122	819,863	-7.8%
⊕ (9) Horseshoe Falls Regional Council	140,158	882,315	1,022,473	771,714	14.3%
⊞ (10) Shining Waters Regional Council	233,819	1,491,052	1,724,871	1,387,679	7.4%
⊞ (11) East Central Ontario Regional Council	107,339	716,302	823,641	649,304	10.3%
⊞ (12) Eastern Ontario Outaouais Regional Council	56,407	717,521	773,928	755,724	-5.1%
⊞ (13) Conseil Regional Nakonhaka Regional Council	45,939	238,670	284,608	216,075	10.5%
⊞ (14) Fundy St. Lawrence Dawning Waters Regional Council	28,052	543,019	571,070	549,940	-1.3%
⊕ (15) Regional Council 15	43,406	647,371	690,777	664,700	-2.6%
⊞ (16) First Dawn Eastern Edge Regional Council	6,077	352,101	358,178	405,311	-13.1%
Grand Total	978,049	10,832,241	11,810,290	11,230,300	-3.5%
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#### Admin rules now ratified

- Full assessment to be collected for any year of partial operation
- Use CRA wind-up date (final filing) as end date for how long assessments will be owing.
- For amalgamations and partial closures, use most current revenue data to adjust assessment (avoid 2 year lag)

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# **Assessing investment income (GCE23)**

<u>Effective 2020</u> statistical reporting, calculate assessment amount owing from investments as:

0.25% x investment balance

(implied is  $4.5\% \times 5.67\%$  gain = .0025)

- Provides transparency, easy to explain, easy to verify
  - First \$100,000 exempt

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	Or more				Assessment
0.0025	Threshold	Number	Assets	Cum Assets	0.0025
	4,000,000	20	270,800,729	270,800,729	677,002
	3,000,000	8	28,032,911	298,833,640	747,084
	2,500,000	11	30,327,426	329,161,066	822,903
	2,000,000	12	26,481,113	355,642,179	889,105
	1,500,000	27	44,818,357	400,460,536	1,001,151
	1,000,000	47	56,294,245	456,754,781	1,141,887
	750,000	54	45,905,999	502,660,780	1,256,652
	500,000	122	72,539,309	575,200,089	1,438,000
	250,000	315	107,885,597	683,085,686	1,707,714
	100,000	537	86,318,541	769,404,227	1,923,511
	-	929	30,495,034	799,899,261	1,999,748
	Totals	2,082	799,899,261		
> \$49,999	< \$100,000	294	21,303,060	forego	53,258

#### **⊗**MISSION&SERVICE

Thank you for supporting and promoting Mission & Service in your community of faith.

Your generosity transforms lives at home and around the world!

Children learn about farming thanks to

Children learn about farming thanks to your support.

Photo credit: Emmanuel Baya

#### **⊗**MISSION&SERVICE

Please share our quarterly digital impact report with your community of faith.

"A generous person will prosper; whoever refreshes others will be refreshed."

-Proverbs 11:25

Rose enjoys a warm meal at Centre 507 thanks

Rose enjoys a warm meal at Centre 507 thanks to your support.

Photo credit: Centre 507