

**CHAPPELLE GARDENS RESIDENTS ASSOCIATION**  
2023 BUDGET

**REVENUE**

	<b>2023 Budget</b>	<b>2022 Budget</b>	<b>Variance</b>	<b>Notes</b>
Membership fees	933,356	875,550	57,806	<b>A</b>
Rental and programming	225,185	126,220	98,964	<b>B</b>
Sponsorship and grants	42,498	21,445	21,052	<b>C</b>
Contract revenue	88,884	43,577	45,307	<b>D</b>
Interest and other	4,421	60,150	(55,729)	<b>E</b>
<b>TOTAL ESTIMATED REVENUE</b>	<b>1,294,343</b>	<b>1,126,943</b>	<b>167,401</b>	

**EXPENSES**

Salaries and benefits	609,894	505,764	(104,130)	<b>F</b>
Programs and events	90,050	85,000	(5,050)	<b>G</b>
Repairs and maintenance	78,700	72,920	(5,780)	<b>H</b>
Administration	85,419	76,450	(8,969)	<b>I</b>
Utilities	105,340	85,500	(19,840)	<b>J</b>
Professional	59,700	48,600	(11,100)	<b>K</b>
Advertising and promotion	5,400	3,200	(2,200)	<b>L</b>
Insurance	20,020	18,937	(1,083)	
Property tax	10,000	10,000	-	<b>M</b>
<b>TOTAL ESTIMATED OPERATING EXPENSES</b>	<b>1,064,522</b>	<b>906,371</b>	<b>(158,151)</b>	

<b>OPERATING REVENUE OVER EXPENSES</b>	<b>229,821</b>	<b>220,572</b>	<b>9,249</b>
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Interest	(184,850)	(87,399)	(97,450)
Amortization of deferred capital contributions	116,864	116,864	-
Amortization of capital assets	(241,574)	(241,574)	-

<b>TOTAL REVENUE OVER EXPENSES SURPLUS / (DEFICIT)</b>	<b>(79,739)</b>	<b>8,462</b>	<b>(88,201)</b>
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**OTHER CASH COLLECTIONS / (EXPENDITURES)**

Loan Principal Draws / (Repayments)	(163,802)	(151,627)	(12,175)	<b>N</b>
Capital Sales / (Purchases)	(59,200)	(98,000)	38,800	<b>O</b>
Add Back: Amortization of capital assets (non-cash)	241,574	241,574	-	
Subtract: Amortization of deferred capital contributions (non-cash)	(116,864)	(116,864)	-	
<b>TOTAL PROJECTED CASH SURPLUS / (DEFICIT)</b>	<b>(178,031)</b>	<b>(116,455)</b>	<b>(61,576)</b>	

**Notes to the CGRA 2023 Budget**

- A** Membership fees have increased 2.5% from 2022 and the Association is forecasting an additional 201 members to join throughout 2023.
- B** Expecting a return to pre-covid rental & programming levels. Additionally anticipating a 5% increase to room rental rates.
- C** Previous budgets have been conservative on the Association's ability to source grants. The 2023 budget assumes greater success in this regard; primarily related to funding for "in-house" summer camp staff.
- D** Increase in 2023 is related primarily to the following: 1) The reintroduction of a show home village ambassador contract (+/- 10% margin); and 2) Higher maintenance contract revenues from Brookfield landscaping & maintenance.
- E** The termination of a shared GM contract with the Orchards RA will result in lower other income in 2023.
- F** With the return to a full programming schedule, salaries have increased primarily due to the following in 2023: 1) show home ambassador reinstated (offset by contract revenues); 2) summer camp coordinators brought in-house (offset by reduction to instructor costs which fall under 'programming and events'); and 3) a few additional increases to hourly staffing levels to facilitate increased rental bookings. Finally, worth noting are some higher than usual increases to CPP/EI/WCB premiums in 2023 (rates set by the government).
- G** Although costs related to general programming for all ages are expected to increase, a decision to bring summer camp staff 'in-house' will largely offset the increase as costs transition from "Instructors" to "Salaries".
- H** An increase in repairs and maintenance is expected as the facility and majority of equipment is greater than 5 yrs old. Most notably, the association expects to refinish the concrete floors.
- I** Increase related primarily to a larger membership base and increased usage of credit cards for payment of both membership fees and programming/rentals. At this time, the association has no intention of charging additional fees to members selecting credit card as their payment type of choice. Additionally, inflationary increases are expected to our IT/Telecommunications contracts in 2023.
- J** Increase in utility costs are assumed to relate primarily to higher unit rates for services that cannot be fixed & a nominal increase in consumption as facility usage is expected to increase in 2023.
- K** An increase in professional fees relates entirely to the associations expected need for a reserve fund study in 2023.
- L** Increase in advertising and promotions expected to replace some signage throughout facility (tied generally to additional sponsorship revenues).
- M** The Association continues to receive a property tax exemption from the City of Edmonton and expects the same exemption will be received in 2023. A contingency of \$10,000 has been included in the budget in the event the exemption is not approved in 2023.
- N** The Association's ATB loan was originally amortized over 30 years in 2016. At the original approval, it was agreed the loan would be re-amortized in 2022 to reduce it's outstanding repayment period down to 15 years (20 total). Additionally, the variable interest rate of the loan increased from 2.95% to 6.45% in 2022. Our 2023 Budget assumes interest rates remain at this level. Additionally, it is expected that the association will repay a required \$40K to the federal government (CEBA Loan provided during the pandemic).
- O** The capital budget for 2023 includes the following major projects: server replacement, front entry construction, facility storage project, and a placeholder for both a new outdoor and indoor amenity. Where possible, the association will look for sponsors to offset the cost of new amenities.