

Treasurer's Report April 2022

Budget Proposal FY 2022-2023

The Finance Committee unanimously supports this proposed budget and recommends affirmation by the Board.

Budget Priorities

In January the Finance Committee and the Board identified the budget priorities for FY 22-23 as follows:

- Pay and support for Developmental Minister
- Support for hybrid services
- Continued support for our ministries, community, and social actions
- Fair pay for staff (based on the UUA recommendations)
- Increase contribution to the UUA Annual Program Fund
- Increase funding for the Buildings and Grounds Reserves
- Make payment on no-interest loan

Revenue Challenges

To fully fund the priorities a 5% increase in pledges (pledges + pledge matches) was needed. The total pledges and match for FY 21-22 was \$475,719. The total pledges and pledge match, to date, for FY22-23 total is \$479,132. It is encouraging that the total for FY23 is slightly higher than FY 22, but we did not meet the goal of a 5% increase.

The Finance Committee has also expressed concerns regarding lagging revenues through facility rentals, unpledged donations, plate offerings, and fund raising. COVID restrictions have certainly negatively impacted revenue streams in some areas. Also, fund raising projections have not been met for several years and need to be reevaluated.

A significant factor in balancing the budget for FY 22-23 was the elimination of the Assistant Minister position in FY 21-22, a savings of \$13,769 for FY 22-23.

FY 22-23 Budget Proposal

The priorities funded in the proposed budget are:

- Salary and benefits for our new Developmental Minister, the Rev. Tim Temerson. The budget reflects **11 months of funding** for the position as Rev. Temerson begins work August 1st.
- Pay increases for staff, per the recommendations of the Personnel Committee.
- Staff support for dual platform services and video editing is funded at \$17,000. Staff requested funding of \$18,000.
- Increased costs for grounds maintenance contractual services for mowing and snow removal, an increase of \$2,500.
- \$3,000 allocated to the Buildings and Grounds Reserves, an increase of \$1,000 from FY 21-22.
- A \$1,000 payment on the unsecured loan.

Priorities reduced and items not funded in the proposed budget are:

- Fulltime staff professional expenses for next FY have been reduced, including expenses for Rev. Temerson. These reductions were agreed upon by fulltime staff.

- UUA Program Contribution remains at \$5,000, the same level as in FY 22-23. The recommended contribution is \$37,733.
- Although there is an increase in Buildings and Grounds Reserves, more funding is needed. Arboriculture services are not funded in this budget.
- The HVAC system replacement for Summit House is not funded, an estimated cost of \$15,000 - \$17,000.

Recommendations for Board Consideration

Along with review and affirmation of this budget the Finance Committee recommends the following in support of sound fiscal management for the next year and into the future:

- Embrace and develop a stewardship ministry in the coming fiscal year, with leadership from Rev Temerson.
- Form a committee/taskforce to lead fund raising, to research and develop fund raising ideas, identify leadership for the events/ activities, and develop a fundraising event calendar.
- Support the work of the Facility Rental Team. The team is already formed; work is underway with tentative plans to complete a preliminary report to the Finance Committee and Board in June 22.
- If during the next fiscal year, COVID restrictions require closing or severely limiting access to the buildings for services, classes, meetings, and rentals; the Finance Committee and Board should take quick action to curb expenses.
- Conduct a mid-year budget review. If revenues are exceeding projections consider funding these priorities mid-year:
 1. Restore fulltime staff professional expenses.
 2. Increase our contribution to the UUA Annual Program Fund
 3. Increase the Buildings and Grounds Reserves

Submitted by Kay Frazier, Treasurer