

Treasurer's Annual Report Fiscal Year 2022-2023

Statement of Financial Position

Highlights of the Statement of Financial Position (as of May 11, 2023):

- Cash on hand: \$217,232
- Endowment Balance: \$490,575
- Total Fixed Assets: \$2,082,790
- Total Assets: \$2,873,001
- Total Current (Short-term) Liabilities: \$106,850
- Total Long-term Liabilities: \$149,000

The balances in the Endowment and Member Bonds (Long Term Assets and Liabilities) will change slightly with year-end journal entries to balance pass-through accounts.

Long-term Financial Goals

Developmental Goal 3: Stewardship Ministry

We want to strengthen our Stewardship Ministry to manifest passionate support of our mission with time, wisdom, and finances.

To strengthen our financial wellness, our goals are to:

- Continue to meet the operational needs to support the mission and values of the congregation.
- Reduce long-term debt by paying down the unsecured, no-interest loan. The balance of the loan is \$39,000.
- Increase cash reserves, building capacity to meet unexpected needs and adjust to economic trends.
- Increase Building and Grounds reserves to improve the care and maintenance of our physical assets.
- Grow the Endowment Fund to provide a stronger financial legacy for the congregation and to support capital and operational needs.
- Retire the Member Bonds (a long-term \$110,000 liability and asset).

Meeting the Challenges

Expenses

This fiscal year began with unexpected expenses. The year began with two emergency events, a lightning strike that damaged equipment and a flood in the lower hall. After insurance reimbursements, these events cost \$8,718 in unexpected expenditures in the operating budget for cleanup and replacement equipment. We also faced the need to replace the HVAC units for Summit House. The faulty HVAC units caused escalating utility bills and the air conditioning stopped functioning. The replacement of the units was funded by using a combination of cash on hand and the Endowment Fund. Since installation, the utility costs for Summit House have dropped significantly and returned to expected levels.

All other expenses were generally in line with projections with a few expenses running higher and a few lower than projected.

Revenues

Pledges continue as the main revenue support of the budget. As of this writing 90% of the budgeted pledges have been received.

Other revenues that have recovered to pre-COVID times are building rentals and plate collections. The one-time donations have increased but still lag in meeting the budget expectation. Fundraising activities are increasing and generally meeting the goals.

End-of-Year Projection

The budget is anticipated to end balanced with revenues slightly exceeding expenditures. This outcome rests with two musts: First, the pledges are honored to meet the budgeted goal. Secondly, that staff continues the diligent management of expenditures. Managing expenditures is the most predictable of these two variables. If pledges are not honored to meet the budget goal, then the end-of-year projection is that expenditures will slightly exceed revenue, meaning that we will rely on cash on hand to fund operations.

Looking to the future

Next year we look forward to further developing our Stewardship Ministry with the leadership of our Developmental Minister, Rev. Tim Temerson. Stewardship ministry nurtures a culture of caring, sharing, and giving. The financial wellness of the congregation is improving.

- We continue to build budgets that embrace our values and mission.
- The budgets are balanced, meaning budgets are built for expenditures to not exceed revenues.
- This year we had a successful pledge drive, topping \$500,000 in pledges for the next fiscal year.
- Other revenue streams continue to improve and are returning or exceeding pre-Covid levels.
- The Board of Trustees formed and appointed the Stewardship Steering Committee to advance Developmental Goal 3: We want to strengthen our Stewardship Ministry to manifest passionate support of our mission with time, wisdom, and finances. In the coming year, the Stewardship Steering Committee will focus on education and communication, long-range planning, planned giving and increasing the Endowment Fund, championing the gifts of time and talent, and serving as a bridge for the pledge drive teams from one year to the next.
- The Social Action Collections have reached all-time highs and are anticipated to exceed \$40,000 this current fiscal year.
- Special collections have been successful. Most notably the fundraising effort to replace our signage to reflect our name.

We still have challenges.

- We continue to be challenged to fund all priorities at the highest levels.
- Our cash on hand and reserve funds are improving but need to increase over time.
- The care and maintenance of our physical assets (Buildings and Grounds) need more funding than what is currently available.

Financial stability is a cornerstone of our congregation, a cornerstone that is strengthened by realistic and deliberate efforts. Let's pause and give gratitude to all those who have given time, talent, and money this year.

Board of Trustees
Staff

Finance Committee
Stewardship Steering Committee
The Glen Short Trust Committee
All those who nurture a beloved community
Fundraising volunteers
The Pledge Drive Team
Depositors
All those who contribute by doing – the repairers, the builders, the weeders and the planters,
The congregation through the gifts of money and wisdom!

Submitted by: Kay Frazier, Treasurer