

Treasurer's Report

Second Quarter of FY 2013-14

January 21, 2014

Revenue Trends: October through December

As of the end of the second quarter of fiscal year 2013-14, income was trending ahead of budget projections by close to \$17,000, primarily due to the early receipt of member pledge payments. Income from all sources during the quarter totaled \$61,230, compared to total expenditures of \$62,145. Pledge payments recorded during the October through December period totaled \$49,046, bringing total pledge receipts to \$116,205, or about \$14,000 more than the original budget projection, as of the mid-point of the fiscal year. The differential between actual and projected pledge payments is expected to narrow throughout the remainder of the fiscal year.

Sunday service collections were running slightly ahead of budget projections as of December 31 (+\$219). Since an experimental Share-the-Plate program was launched in October, there have been three StP collections (one per month). The church's portion of the collection on StP Sundays exceeded the amount collected on other second quarter Sundays by an average of \$74 per Sunday. Meanwhile a total of \$1,323 was raised for three local, donor organizations on these Sundays.

Revenue from the annual Holiday Bazaar fell about \$650 short of the initial budget projection. Expenditures in connection with holding this event, however, were under the amount budgeted by about \$350, thereby partially cushioning the revenue shortfall. Revenue from other sources (net receipts from sale of grocery cards; rental fees, etc.) during the quarter were generally in line with the original budget projections.

Expenditure Trends: July through September

Expenditures during the second quarter totaled \$62,145, or about \$3,300 less than the amount budgeted. As of the mid-point of the fiscal year (December 31), overall expenditures were trailing almost \$7,000 behind budget projections. The combined effect of higher-than-expected revenues and lower-than-expected expenditures left the church with a surplus of a little under \$18,000 as of December 31 – again mainly due to the early pledge payments.

Expenditures exceeded budget projections in the following major areas of activity: religious education (123%) and operating expenses (110%). These overages were

more than offset by lower than expected expenditures in the following major activity areas: board and committee activities (64%), staff salaries and benefits (94%), building and grounds (86%) and development expenses (60%).

A table comparing revenues and expenditures through December 31st with the original budget projections is posted on the website for your information. This table contains line-by-line details on revenues and expenditures during the first half of the church's fiscal year.

UUCSV's Overall Financial Status

As of December 31, 2013, the church's assets totaling \$1,372,170, including \$88,964 in cash, \$19,928 in investment accounts (mainly in a certificate of deposit), and \$1,097,330 in fixed assets (primarily the value of the church building and land). The church's liabilities included \$7,026 in accounts payable, \$69 in outstanding credit card charges, \$491,548 in future mortgage payments, \$70,301 set aside for Board-designated purposes, \$3,057 in temporarily-restricted accounts, \$172,013 in permanently-restricted accounts (the Endowment Fund), \$610,196 in unallocated reserves (mainly current equity in the building and land) and \$17,961 in net income for the month. Details regarding the church's financial status can be found in the December 31st balance sheet, which is found on the last two pages of the revenue and expenditure report for December 31, 2013 (see reference above).

Tracking and Reporting on Pledge Payments

In late January the office staff will prepare and mail donation reports to members and friends who have made financial contributions of record to UUCSV during calendar year 2013. Contributors will also receive a statement summarizing the pledge payments and other financial donations they have made to the church during the first half of FY 2013-14 (i.e., through December 31).

Other Financial Developments

The Treasurer continues to work closely with the Finance Committee and the Board on developing policies and procedures governing the management of the church's finances. During the second quarter of the fiscal year, new and revised transmittals were drafted on credit card purchases, managing cash transactions, disbursing church funds, the management of reserve funds and the investment of reserve funds. In addition a revised, working outline of a Financial Transactions Manual was prepared and circulated to members of the Council on Committees for comments. Once this outline is completed, it will be used to guide the development of additional financial transmittals. The goal is to obtain Board approval of the remaining transmittals and assemble the completed manual by the end of the current fiscal year (June 30, 2014).

Conclusion

UUCSV ended the second quarter of the fiscal year in a sound financial position. Church leaders and staff will have to continue to exercise financial discipline, however, if UUCSV is to end the fiscal year with a positive balance in its operating account.

Respectfully submitted,

Robert M. Gettings
UUCSV Treasurer