

# Treasurer's Report

---

## For the Fiscal Year 7/1/2016-6/30/2017

There have been many financial challenges this fiscal year. We saw Rev. Paula leave, we were shocked and dismayed by the sudden death of our chosen interim pastor the Rev. Cynthia Louise Prescott, and found our recent interim the Rev. Ian White Maher. We have chosen a new settled minister who will be joining us in August, the Rev. Ilene Tompkins-Gillispie. Many thanks to the past two Boards of Trustees and the members of the Transitional Search Team for their hard work in managing those transitions; and to the Settled Minister Search Task Force for finding Rev. Ilene for us.

We saw many improvements, and some repairs, to our main building, much of it financed through your donations to Sponsored Projects. And did I mention main building? We purchased not one, but the three adjoining properties – something that had long been desired – rehabilitated two of them for occupancy and cleaned all the grounds. This was truly an amazing feat accomplished by volunteers from our congregation and generous donations from many people. Our first rental check came in last week!

Our accounting was becoming a bit complicated with all this activity, so we established separate funds for several fiscal areas to better manage and report on our financials. Anything to do with the new Varsity properties – construction, rental payments, utilities, etc. is now accounted for inside the Varsity Fund. Sponsored Projects became such a hit that we instituted a fund to handle the donations and project payments, the Sponsored Projects Fund. We always had a separate fund for the Ministerial Discretionary Fund, and that remains untouched. Other funds were setup to handle donations for the Endowment account, Scholarships, and Charitable Giving (Social Action collections and payments to our monthly charities). The General Operating Fund is the big account whose budget members vote on every May, and on which the Treasurer reports monthly to the congregation. We owe many thanks to our bookkeeper Sue Gervais for unraveling the twisted skein of transactions, and to members

Joanna Bliss and Alison Marlett for lending their accounting expertise to the solution.

Despite all the activity and the big changes that happened this fiscal year we managed to end the year quite well. Let me show you the numbers for the Operating Fund:

## I. General Operating Fund

### A. Revenue v. Expense

Revenue		Expenses	
ID Contributions	\$26,455.76	Total Salary & Wages	\$ 150,019.38
Anonymous Cash	\$10,077.68	Total Administration	\$ 21,829.00
Trust Contributions	\$8,400.00	Total Utilities	\$ 8,978.53
Previous Year Pledge	\$0.00	Total Maintenance	\$ 12,040.54
Current Year Pledge	\$168,976.58		
Next Year Pledge	\$ (19,780.00)		
Stock contribution	\$3,370.07		
<b>Total Regular Revenue</b>	<b>\$217,280.09</b>	Total Mortgage	\$ 10,293.96
		Total Insurance	\$ 3,495.00
Music Donations	\$300.00	City of Brevard Loan	\$ 5,325.00
Amazon Smile	\$93.04		
UUTC Logo Merchandise	\$346.78		
iDonate	\$798.75	Total Programming	\$ 5,705.21
Arcadia Rebate	\$30.00	Total UU Connections	\$ 15,300.04
Space Usage Donation	\$1,152.10	Total Member Services	\$ 3,246.02
Chalice Camp Reg Fees	\$630.00	Total Events	\$ 5,214.60
CRE Class Fees	\$110.00	Total Professional Exp.	\$ 3,540.00
Event Registration Income	\$614.09		
Events - Game Night	\$20.00		
Events - Wonderful Wedn.	\$3,108.00		
Event Donations Revenue	\$2,242.06		
Misc Revenue/Donations	\$1,701.35		
<b>Total Other Revenue</b>	<b>\$11,146.17</b>		
<b>Total Revenue</b>	<b>\$228,426.26</b>	<b>Total Expenses</b>	<b>\$244,987.28</b>

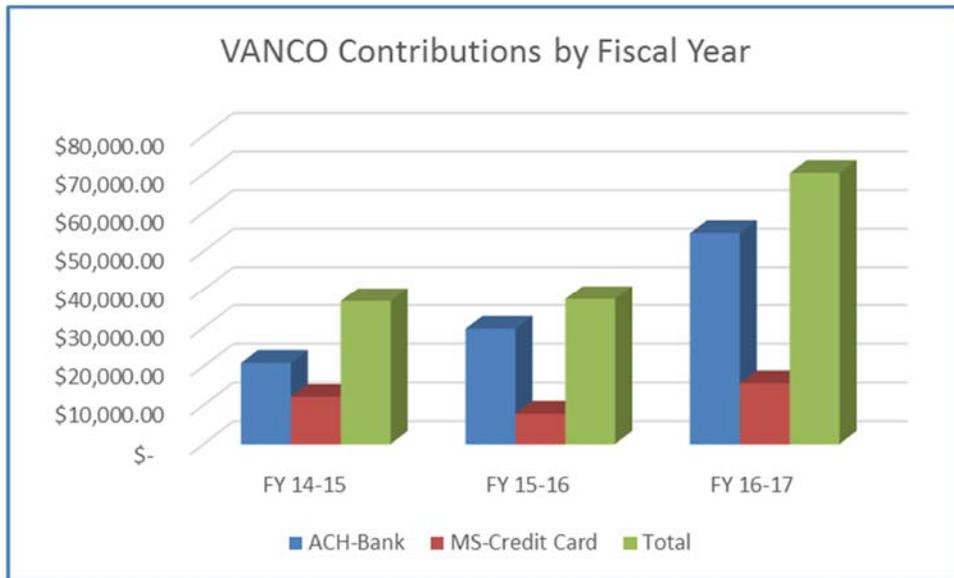
Our total revenues designated for the General Operating Fund were \$228,486.26 for the fiscal year (not including monies received in advance for next year’s pledges) versus expenses of \$244,987.28, giving a deficit of \$16,561.02.

Expenditures exceeded the budgeted amount of \$234,900.00 by \$10,087.28 or 4.3%. The bylaws allow the Board of Trustees to exceed the approved budget by up to 10% without congregational approval.

### B. VANCO Results

More and more of the congregation are using VANCO to manage their pledges and contributions to UUTC. Today, sixty-five congregants have active VANCO accounts.

And it pays off for UUTC in providing a regular monthly income stream.



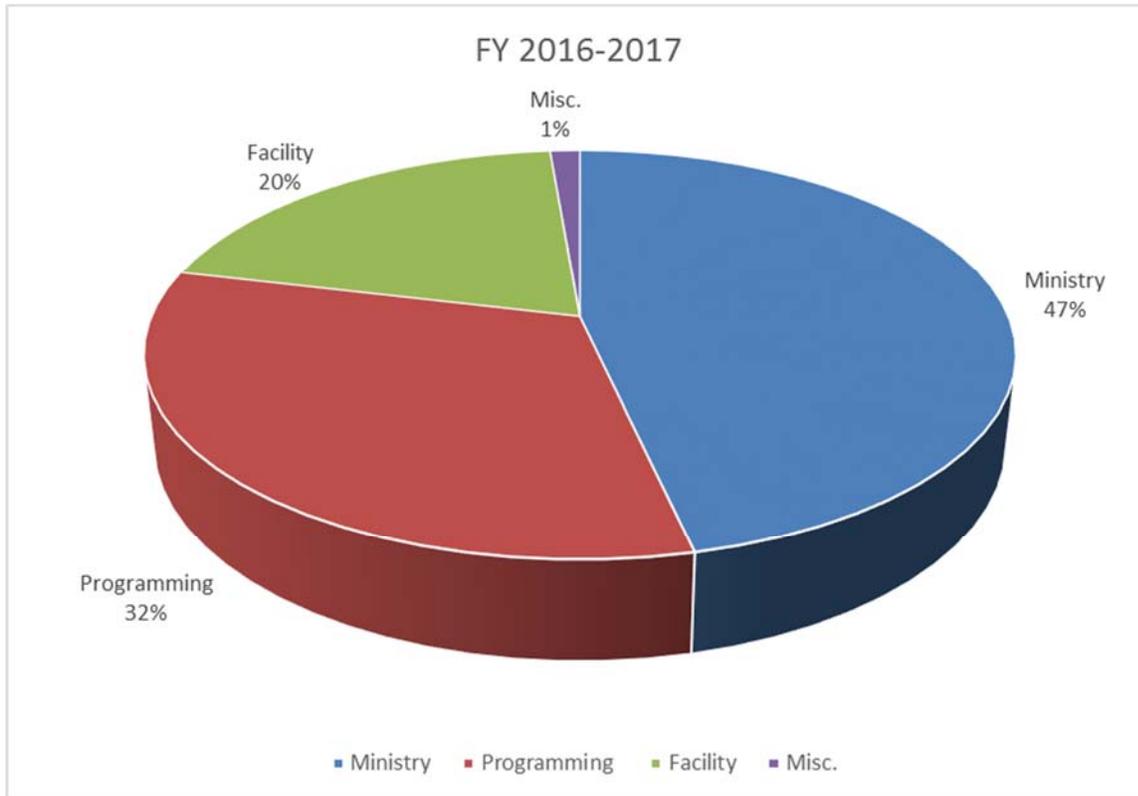
VANCO	FY 14-15	FY 15-16	FY 16-17
ACH-Bank	\$ 20,895.00	\$ 29,709.00	\$ 54,710.00
MS-Credit Card	\$ 12,101.52	\$ 7,758.39	\$ 15,592.08
<b>Total</b>	<b>\$ 36,929.35</b>	<b>\$37,467.39</b>	<b>\$ 70,302.08</b>

### C. Pledge Income Performance

This past fiscal year we had received pledges of financial support from the congregation totaling \$193,033.30. We received pledge income of \$168,426.58, a **shortfall of \$24,606.72**. This works out to pledges being only 87.25% completed. An additional \$24,000 would have gone a long way this past year in providing additional programming or improvements to our property!

For those who want to complete their pledge, please send in those funds with a notation they are to be applied to last year’s records.

### D. Expenditures as program



Where Our \$\$ Go	Fiscal Year '15-'16		Fiscal Year '16-'17	
	Amount	Percentage	Amount	Percentage
<b>Ministry</b>	\$ 128,085.98	54%	\$ 113,870.01	46%
<b>Programming</b>	\$ 73,419.22	31%	\$ 79,037.83	32%
<b>Facility</b>	\$ 33,548.26	14%	\$ 48,853.03	20%
<b>Misc.</b>	\$ 2,862.28	1%	\$ 3,226.41	1%
<b>Grand Total</b>	\$ 237,915.74	-100%	\$ 244,987.28	-100%

We saved some money this past year on Ministry expenses because Rev. Ian was only with us for eleven rather than twelve months. Facility spending was up because of the new mortgage for the Varsity properties and some big repair bills

for the HVAC system and parking lot lights. The Board approved an HVAC maintenance contract to help prevent these problems in the future.

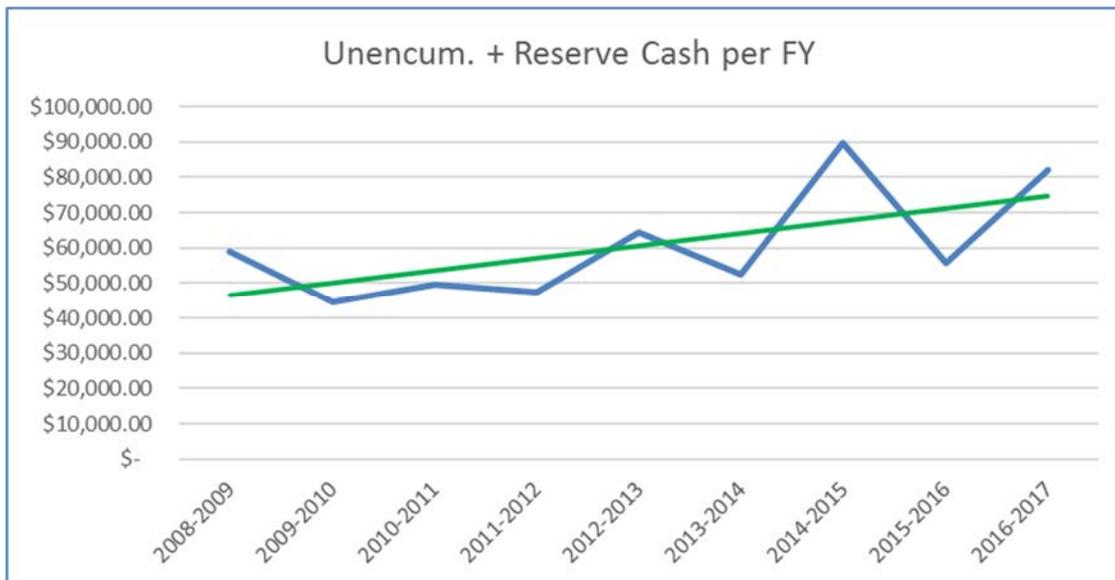
### D. Assets v Liabilities

Total Assets are \$1,052,988.35 against Total Liabilities of \$424,772.67 for Net Assets of \$628,215.68

Liabilities, itemized:

a)	Mortgage Balance:	\$411,375.00
b)	City of Brevard Loan Balance:	\$ 10,650.00
c)	Line of Credit Balance:	\$ 0.00
d)	Payroll Withholding & Misc.	\$ 2,747.67

Unencumbered Cash on Hand, the money ready to pay bills sitting in the operating fund checking account, and Reserve Cash, money sitting in a saving account for “rainy day” expenditures, are strong indicators of a congregation’s financial health. At the end of the fiscal year we had \$41,885.36 cash on hand and a balance in reserve savings of \$40,136.37, for a total of **\$82,021.73 in cash**. This has been our second-strongest year since 2008.



## II. Other Funds

I earlier mentioned the establishment of additional funds separate from the General Operating Fund to manage donations to, income from, and expenses related to other areas of our UUTC operations not included in the Congregational Operating Budget voted on each May. These funds differ from the Operating Fund in that they do not close at the end of the fiscal year and start anew, they record continuously because they do not have a set budget, much like using your personal checkbook. Below are descriptions of those funds and their year-end balances.

### A. UUA Endowment Fund

The UUA Endowment Fund is supported exclusively by designated gifts to the Endowment Fund. These gifts are deposited in an investment fund operated by the UUA for the sole use of UUTC. Once the fund reaches a principal value of \$100,000.00 we may start using some of the interest for social justice and social action support. These monies cannot be used for operating support of UUTC except under extreme conditions and specific circumstances authorized by the members of the congregation. The current balance of the UUA Endowment Fund is \$44,955.94.

### B. Ministerial Discretionary Fund

The Ministerial Discretionary Fund is supported exclusively by designated donations made during the month set aside for this purpose. The fund has its own checking account and a debit card associated with it. The monies in this account are used by the minister at the minister's discretion to support and aid people in our fellowship and our community. The minister makes an annual report of the general disposition of the funds without revealing the names of the recipients. Our bookkeeper Sue Gervais manages the accounting for this fund by transaction number rather than payee information to maintain the confidentiality between the minister and the person in need. Unusual amounts or patterns are monitored by the Treasurer and if necessary brought to the attention of the Executive Committee of the Board of Trustees.

At the end of the fiscal year this fund had a balance of \$1,413.77.

### **C. Varsity Fund**

The Varsity Fund was established to separate from the General Operating Fund those transactions specifically related to the renovation, management and rental of the three properties we purchased earlier this year. The mortgage is handled in toto from the operating fund because of the way the bank structured the loan, but all other donations, rental income and expenses are managed within the Varsity Fund. The Varsity Fund has its own checking and savings account as well as a credit card account specifically used for purchases for those properties.

The Varsity Fund had a combined balance of \$726.27 at the end of the fiscal year [We received the first rental check for the Oxford House on July 10<sup>th</sup>, 2017].

### **D. Sponsored Projects Fund**

The Sponsored Projects Fund grew out of the need of make certain improvements to the main property in the spring of 2016, which could not be supported by the operating fund. The plea for donations to support a list of authorized projects was enthusiastically received, much-needed upgrades and improvements were made, and so was born the Sponsored Projects Fund. The fund is supported totally through designated donations and provides better accounting of these donations and projects without comingling those donations and expenses in the operating fund.

As of June 30th, the Sponsored Projects fund had a balance of \$7,987.47 which has been authorized for improvements to the building entry vestibule.

### **E. Scholarship Fund**

The Scholarship Fund came into being because of a desire by certain members of the congregation to help fund the education of member youth and the children of employees in need of educational financial aid.

The details of how this fund will be administered are still being worked out by the Board and its committees, and will be published when completed.

The Scholarship Fund has an initial balance of \$500.00 and is totally supported through designated donations.

## **F. Charitable Giving Fund**

In fiscal year '15-'16 the UUTC congregation raised \$21,909.00 for local charities and social action needs through the monthly contributions program. In fiscal year '16-'17 that amount was \$22,670.00. Many thanks to those who gave so generously supporting our beliefs and our community.

There was a problem brewing with the way these donations were managed. To date, everyone made out their checks to the chosen monthly cause, and our bookkeeper would store them for the month until the charity picked up the checks and cash. We had thousands of dollars in donations sitting around for weeks, and you often had to wait up to six weeks for your checks to clear. Many congregants were disturbed by additional pleas for support throughout the year, as the charities had names and addresses to solicit from those checks.

The Board of Trustees approved a change in the way donations will be accepted from now on. Checks will be made payable to UUTC and the designated charity listed in the memo portion of your check. Deposits can then be promptly made, you don't wait outrageous times for the check to clear and UUTC doesn't have someone else's money sitting around to potentially be lost. The chosen charity will receive one check from UUTC encompassing everyone's donations. You don't get bothered by additional solicitations and UUTC is recognized for our combined charitable giving and our support of the local community

This new procedure also benefits your tax accounting, as we will provide on your annual UUTC tax record an itemized listing of each social cause you supported.

The Charitable Giving Fund ended the fiscal year with a balance of \$90.00

I hope that this information helps make clear our current financial picture and presents a good overview of the past fiscal year. We remain on sound financial ground, and expect with your continued support to proceed confidently into the future.

Should anyone have a question, please contact me and I'll try to resolve the issue.

Sincerely,

Dave Roberts, UUTC Treasurer

treasurer@uutc.org