

FUUSE FY 10 Financial Report

FY 10 Summary

FY 10 shows continuing improvement in support and financial management from our pledging families and our “budget managers” (staff and committee chairs). For the first time in many years Pledge Income was 3% over budget, which we set conservatively at 95% of actual pledges. This significant improvement, along with spending that was \$5,500 under budget, allowed us to show a small \$1,200 surplus—without using any funds from our Investments!

Our Balance Sheet is also stronger by \$25,000, because we used none of our investments to cover operating expense, and investments grew by \$24,000 in the stock market recovery. This represents a 14% increase vs. a 12% increase in the S&P 500 Index. Our Investment Committee has also reviewed our asset allocation strategy and shifted it slightly towards a more conservative and appropriate balance. Although we have received no major gifts this year, we are hopeful our improving financial management will provide an additional incentive for people considering major gifts.

Although we all feel good about our improving financial situation, there is still room for improvement. We have to wonder if some of it may be due to luck (oil prices, stock market, etc) and some may be due to failing to spend money where we really should be spending (Facilities, Program Council, etc).

FY 10 Details

Digging a little deeper provides additional information. Ministry was \$2,100 under budget in Professional and Sabbatical Expenses. Volunteers did an amazing job at negligible expense during Kendra’s absence. Religious Education was over budget by \$1,900 in Child Care and \$1,100 in Youth RE. Music and Office were \$2,000 under budget due to careful management. Mary has been creative in finding less expensive music, and Pat has replaced some supplies and mailings with electronic communication.

Facilities was under budget \$2,600 due to heating oil and \$900 due to continuing postponement of a sexton. We also applied \$5,000 of unused—but overdue and needed— spending in Facilities to establish a new Facilities Fund on the Balance Sheet to pay for emergency repairs and major capital improvements. This fund may also provide some incentive for major gifts in this area.

Denominational Support was \$3,500 over budget. At the end of the year we decided to pay our full “fair share” assessment, rather than the smaller amount we had originally budgeted when things felt much tighter. We still believe the congregation needs to be better informed about how this \$15,000 (6% of our budget) is used by the UUA.

FY 11

FY 11 promises to be another year of financial challenge. Although pledges are up about \$17,000 over FY 10, the number of pledging families has been stable for the last four years. The Finance Committee believes there is a message here for the Board of Trustees to consider—how best to increase the participation of the Society by increasing the number of pledging households.

Other issues to consider: What will we do about plans for improving our facilities? How does a capital campaign fit in this environment? The Finance Committee will be asking the Board of Trustees to consider these questions in FY 11 because they may shape strategy and budget execution in a major way.

Respectfully Submitted:

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