

# First Unitarian 2020-2021 Budget Information Meeting






Steve Cohen, Treasurer

April 26, 2020

# Agenda

- Financial Health of the Church
- Stewardship Campaign Results to date
- COVID-19 Financial Impact
- Overview of 2020 Budget vs Last 2 Years
- Review 2020-2021 Operating Budget
- Review 2020-2021 Capital Reserve Budget
- What **Can I Do** Now to Help?

# Financial Health vs Last Year

- New Assistant Treasurer: Seth Hammonds
- Continue to be **Sound Financially**
- **Internal Audits Completed Quarterly**
- **Surplus** thru 3 quarters vs last 3 years: **2017: \$64,500; 2018: \$72,800; 2019: \$94,648; 2020: \$83,465** 
- **Endowment Fund: 2016: \$644K; 2017: \$786K; 2018: \$864K; 2019: \$859K; 2020: \$865K** 
- **Maintenance Endowment: 2019: \$511K; 2020: \$528K** 
- **Overall Balance Sheet: 2016: \$2,082K; 2017: \$2,319K; 2018: \$2,539K; 2019: \$2,532K; 2020: \$1,919K** 
- **Reserves: 2016: \$105K; 2017: \$134K; 2018: \$170K; 2019: \$155K; 2020: \$186K** 

# Stewardship Campaign Results to date vs Last Year's Stewardship Campaign as of 4/19/2020

<u>Group</u>	<u>Count</u>	<u>Amount in \$000s</u>
New/Returned	21	\$21
Increases	80	\$35
Same	71	
Decreases	27	(\$18)
Drops	<u>9</u>	<u>(\$13)</u>
Totals	208	\$25
Total Pledges to date		\$468

Pledge units not yet pledged = 47

Last Year: \$512 Goal: \$513 Forecast: \$510

# COVID-19 Impact

## Mid-March – June 30

- Church Auction postponed until Fall **\$10K**
- 6 weeks of No Rentals **\$16K**
- Next 6 weeks of No Rentals? **\$16K?**
- Net Savings from Closed Building 3 months **\$ 8K**
- Total thru June 30 **\$34K**

Applied for Paycheck Protection “Loan” on 4/6

Application still “Under Review”; hope for Round 2

## July – Dec 2020

- Still shutdown after June 30?
- Rental income reduction? Pledge Income reduction?

# Major Changes to Budget

## Current Fiscal Year








### Income:

- Move Library to 2<sup>nd</sup> floor, rent 1<sup>st</sup> floor space to EEC





### Expenses:

- External Audit exchange with Cherry Hill UU Church
- Pay rate increase of + **2%**
- Pension Match of **5%** for all employees (optional)
- Staffing: Music Director / Membership Coordinator
- Add CYRE Paid Guides
- Funding of Building Maintenance Reserves: **\$10K + \$20K** from Maintenance Endowment
- 100% Annual Program Fund Dues = **\$41K**

# Operating Income








Category	2018- 2019 Budget	2019- 2020 Budget	2020- 2021 Budget	Variance	
Certified Members	352	340	346		
Pledge Campaign Income	\$511	\$505	\$513		
Pledge Income (less shrinkage + prior Year)	\$ 499	\$ 488	\$ 497	\$9	
EEC Rentals	\$ 109	\$ 114	\$ 121	\$7	
All other Rentals	\$ 15	\$ 22	\$ 17	(\$5)	
Non-Pledge Giving & Plate Giving	\$ 24	\$ 24	\$ 24	\$0	
Heritage Fund (4%) & Maint Fund	\$ 27	\$ 51	\$ 53	\$2	
Fundraisers	\$ 10	\$ 10	\$ 10	\$0	
Church Income	\$ 6	\$ 4	\$ 5	\$1	
Coffee Sales	\$ 4	\$ 5	\$ 5	\$0	
Counterpoint & Special Collections	\$ 27	\$ 25	\$ 28	\$3	
<b>Total</b>	<b>\$ 721</b>	<b>\$ 743</b>	<b>\$ 760</b>	<b>\$17</b>	

# Operating Expenses – 61%

Category	2018-	2019-	2020-	Variance
	2019	2020	2021	
	Budget	Budget	Budget	
Salaries	\$ 343	\$ 338	\$ 341	\$3 
Health Insurance	\$ 28	\$ 26	\$ 30	\$4 
Benefits - all other	\$ 29	\$ 36	\$ 30	(\$6) 
Employer Taxes & Workmen's Comp	\$ 30	\$ 30	\$ 30	\$0
Contractors	\$ 7	\$ 11	\$ 16	\$5 
Professional Expenses	\$ 14	\$ 13	\$ 13	\$0
Subtotal	\$ 451	\$ 454	\$ 460	\$6
70% of Income Maximum	\$ 505	\$ 524	\$ 532	61%



# Operating Expenses – 39%

Category	2018- 2019 Budget	2019- 2020 Budget	2020- 2021 Budget	Variance
Office & Financial Mgmt	\$ 35	\$ 32	\$ 35	\$3 
Property Insurance	\$ 23	\$ 24	\$ 26	\$2 
Building: Utilities & Maintenance	\$ 96	\$ 94	\$ 100	\$6 
Programs includes Donations	\$ 65	\$ 59	\$ 65	\$6 
Reserves	\$ 19	\$ 41	\$ 33	(\$8) 
APF UUA Dues (100%, 100%, 100%)	\$ 35	\$ 39	\$ 41	\$2 
<b>Subtotal</b>	<b>\$ 273</b>	<b>\$ 289</b>	<b>\$ 300</b>	<b>\$11 </b>
<b>Grand Total</b>	<b>\$ 724</b>	<b>\$ 743</b>	<b>\$ 760</b>	<b>\$17</b>

# Capital 2019-2020

## **Completed Projects**

### **Funded by Maintenance Reserve**

New Doorbell System for Garden Entrance

Repaint classrooms in EEC Wing

Replace sinks in second floor classrooms

Replace hot water heater in basement

# Maintenance Capital 2020 -2021

## Next Year Projects

### Funded by Maintenance Reserve \$79K

Roof over Old RE Wing \*

Roof over New RE Wing \*

HVAC on New RE Wing roof \*

Roof over Chancel Ante Room \*

Upgrade walkie-talkie system\*

Carpets and bathroom floor in Office wing

New outdoor shed

*\*only if needed*

# What Can I Do to Help for 2020?

- Our Budget Assumptions are the **Most Uncertain** since 2009 especially on Pledge & Rental income
- If you know or believe you will not be able to fulfill your pledge this fiscal year (before June 30) or next fiscal year (June 2021): **PLEASE INFORM** the Church office staff so we can adjust our budget
- If you have not pledged yet, please do so by calling the Church or Steve Cohen (302-475-5814) or emailing [stevenrcohen@comcast.net](mailto:stevenrcohen@comcast.net)
- Communicate with your Church to help all of us!

# What Can I Do to Help Long-Term?

- Our biggest RISK is that our generous long-service members will be unable to continue pledging sometime in the 2020s
- Members who are 90–100= **\$50K** of Pledge Income
- On average, newer members pledge less
- Just 30 families out of 240 (**13%**) have made a Bequest to the Heritage (Endowment) Fund
- So what can you do to help the Church long-term??

# Make a Bequest to our Endowments

- Two Options:
  - Heritage for Operating Funds - “giving forever”
  - Maintenance Endowment for our Facilities
- **\$10K** Bequest provides **\$400** every year forever
- **\$50K** Bequest provides **\$2000** every year

# It is NOT that Hard!

- If you have an IRA, Investment or Life Insurance policy, you can name our **Church's Heritage Fund** as one of your **beneficiaries**

Request the **Beneficiary form** and send it in

- **Change your Will** or Estate Plan to name our Church's Heritage Fund or Maintenance Endowment as one of your **beneficiaries**

Action: meet with an estate attorney

QUESTIONS??