

FINANCE COMMITTEE ANNUAL REPORT AS OF JUNE 30, 2014

UUFLG began the 2013-2014 fiscal year on 1 July 2013 with a membership approved starting budget with expenditures of \$123,997 and anticipated income of \$119,739, projecting a budget deficit of \$4,258. However we had \$22,211 in our Operating Reserve which was the remainder of the \$33,000 operational reserve we had accumulated the year before Rev. Lisa Wiggins joined us, i.e. FY 2010-2011, by not having a minister that year. We also had \$5,954 in our Building and Grounds Reserve.

Highlights of the changes during the year are listed below. A detailed summary of the major changes with explanation is given in Appendix A. The P&L Statement is shown as Appendix B, and the Balance Sheet is shown in Appendix C.

Fiscal year 2014 saw major strengthening of the Lifespan Learning program for the children by adding Denis Paul, a professional curriculum consultant.

- A paid Volunteer Coordinator was added to free the Membership Committee to focus more effectively on building our membership as well as to integrate friends and members into the Fellowship activities.
- The Office Managers responsibilities were restructured to provide increased efficiency and greater availability.
- Our rental program was strengthened through the addition of some regular, periodic renters.
- UUA and PCD dues payments were increased from half to our full share.
- Amortization of our single remaining loan was begun on a schedule to pay it off in five years.
- The Annual Auction was postponed to the fall, reducing our income for the year.

Comparing actual expenses and income for the fiscal year with the Approved Starting Budget, the expenses increased \$6,700 and the income decreased by \$2,700, resulting in the deficit increase from \$4,260 to \$13,700. The Operating Reserve was thus reduced by the amount of the deficit and an additional \$3,100 to fill the Building and Grounds Reserve to its desired level of \$6,000. The one expense during the year paid for by the Building and Grounds Reserve was \$3,100 for plumbing repair.

This leaves \$5,300 in the Operating Reserve to beginning the next fiscal year which is \$5,600 short of the one months expenses which is the desired level. This shortfall will be made up in the next fiscal year, FY15, starting budget.

Appendix A: There have been several major adjustments to the budget during the fiscal year as well as a non-budget event:

The non-budget event was:

- Two unrestricted bequests were received from the estates of Beulah Pease, \$5,000, and Jinni Stahl, \$10,000 which were put into a separate holding fund. \$1,470 was used to purchase a new computer for the office. The rest awaits decision by the Finance Committee with Board approval for the best use.

Changes to expenditures included:

- Rev. Wiggins final payment included \$3,200 extra for a month of accrued vacation specified in her contract.
- Our Lifespan Learning Director, Fa Jun, quit that position early in the year thus saving \$8,000.
- Curriculum Consultant, Denis Paul, was added instead costing an additional \$5,300.
- The position of Administrator was changed to that of Office Manager during the year with a change in personnel (Lea Cox replaced Sharon Potts) and work statement which saved \$2,700.
- A new Volunteer Coordinator position was added to the administrative staff and filled by Carmella Condino at a cost of \$3,500.
- Our Janitorial Services contractor was changed to provide cleaning between the UUFLG service and the Center for Spiritual Living services which are held in the building late in the afternoon. This required an added cost \$1,700.
- Monthly Café Sundays led by in-house volunteers replaced outside ministers saving \$1,900.
- The Board increased payments to PCD and UUA for dues from half our Fair Share to the full Fair Share amount, costing an additional \$3,200.
- Amortization of our last member loan began at the beginning of the year, costing an additional \$3,000 in principal payments.

Changes to income included:

- Pledge write-offs were \$2,000 greater than anticipated due mainly to a couple of families leaving the Fellowship without completing their pledge for the year.
- The December Holiday Donation campaign brought in \$2,100 less than expected.
- The annual Auction was postponed to September, reducing income by \$4,900.
- Some regular periodic renters were added during the year providing an increase in rental income of \$6,400.

Unitarian Universalist Fellowship of Los Gatos

Actual vs. Starting Budget for FY14

Final Version

	Actual	Approved	Actual	
	For Year	Starting	minus	
		Budget	Budget	Explanation of variation from Budget
Operating Income				
Pledges received during the drive	98,334	98,334	0	
New Pledges received	2,695	3,000	-305	
400 Pledges Made	101,029	101,334	-305	
405 Pledges Written Off	-5,173	-3,000	-2,173	Write-offs greater from drop outs
410 Contributions	2,941	3,000	-59	
411 Holiday Donations	920	3,000	-2,080	Weak Solicitation
420 Sunday Collections	3,262	3,300	-38	
425 Outreach Collectns and Dontns			0	
426 Collections	3,998	5,000	-1,002	
427 Donations	-3,967	-5,000	1,033	
Total 425 Net Donations	32	0	32	
430 Fund Raising			0	
431 Auction	70	5,000	-4,930	Auction postponed to the Fall
432 Boutique	1,407	1,000	407	
438 Special Fund Raising	95	100	-5	
Total 430 Fund Raising	1,572	6,100	-4,528	
460 Building Rental	12,412	6,000	6,412	Regular periodic renters added
465 Interest and Dividends	2	5	-3	
Total Operating Income	116,996	119,739	-2,743	
			0	
Operating Expenses			0	
500 Board of Trustees			0	
501 Program Development	431	175	256	
508 Pledge Drive Expense	1,363	1,000	363	
Total 500 Board of Trustees	1,795	1,175	620	
510 Minister			0	
511 Salary and Housing	32,804	27,200	5,604	
512 Insurance plus	9,968	12,358	-2,390	
513 Professional Expense	4,755	4,755	0	
Total 510 Minister	47,526	44,313	3,214	Plus 1 month accrued vacation
520 Lifespan Learning Director			0	
521 Salary	820	8,800	-7,980	Fa Jun quit during year as LL Director
522 Professional Expense		340	-340	
Total 520 R.E. Director	820	9,140	-8,320	
530 Finance Committee			0	
532 Bookkeeping Expenses	1,009	1,000	9	
Total 530 Finance Committee	1,009	1,000	9	
540 Administration			0	
541 Office Staff			0	
541.1 Office Manager	16,020	18,720	-2,700	Hired later than anticipated
541.2 Volunteer Coordinator	3,500	0	3,500	Added during the year
Total 541 Office Staff	19,520	18,720	800	
542 Office Expenses	7		7	
542.1 Office Supplies	560	1,000	-440	
542.3 Kitchen Supplies	711	500	211	
Total 542 Office Expenses	1,277	1,500	-223	
543 Web Site	266	120	146	
544 Newsletter Pub. & Mailing	71	140	-69	
545 Publicity	51	40	11	
546 Telephone + DSL	969	800	169	
Total 540 Administration	22,155	21,320	835	
550 Building Committee			0	
551 Bldg. Oper. & Maint.	648	1,200	-552	
552 Janitorial Services	6,915	5,200	1,715	Switched to more expensive service
553 Grounds Oper. & Maint.	716	900	-184	
554 Gardening Service	2,040	2,040	0	
Total 550 Building Committee	10,318	9,340	978	
560 Sunday Programs			0	
561 Ministers	2,111	4,050	-1,940	Added the in-house led Café Sundays
562 Speakers	1,800	1,800	0	12 speaker sessions with Rev. Fa Jun
563 Program Costs			0	

553 Grounds Oper. & Maint.	716	900	-184	
554 Gardening Service	2,040	2,040	0	
Total 550 Building Committee	10,318	9,340	978	
560 Sunday Programs			0	
561 Ministers	2,111	4,050	-1,940	Added the in-house led Café Sundays
562 Speakers	1,800	1,800	0	12 speaker sessions with Rev. Fa Jun
563 Program Costs			0	
563.1 Musicians	6,475	6,500	-25	
563.2 Service Supplies	46	300	-254	
563.3 Choir Expenses	527	1,000	-473	
563.4 Special Prgms	88	300	-212	
Total 563 Program Costs	7,136	8,100	-964	
565 Mileage	370	750	-380	
Total 560 Sunday Programs	11,416	14,700	-3,284	
574 Social Action Expenses		0	0	
580 Lifespan Education Committee			0	
581 Supplies	395	440	-45	
582 Curriculum Consultant	6,240	900	5,340	Denis Paul added during year
583 RE Aide		864	-864	No RE aides hired
584 Teachers	2,380	2,400	-20	
584.5 Head Teacher	2,690	2,400	290	
585 Background Checks	32	50	-18	
Total 580 Lifespan Education Comm	11,737	7,054	4,683	
590 Membership Committee			0	
591 Directory and Brochures	370	200	170	
592 Member Information System	460	100	360	
Total 590 Membership Committee	830	300	530	
593 Caring Committee	43	200	-157	
610 Fellowship Obligations			0	
611 UUA Support	4,380	2,190	2,190	
612 PCD Support	1,898	876	1,022	
Total 610 Fellowship Obligations	6,278	3,066	3,212	Changed to full fair share during year
620 Utilities			0	
621 Water	858	800	58	
622 PG&E	2,505	1,900	605	
623 West Valley Disposal	318	300	18	
Total 620 Utilities	3,682	3,000	682	
630 Insurance			0	
631 Building Insurance	2,732	2,786	-54	
632 Workman's Comp.	1,047	854	193	
Total 630 Insurance	3,779	3,640	139	
640 Taxes and Fees			0	
642 Payroll Taxes	3,914	3,524	390	
646 Fees and Assessments	1,745	1,500	245	
Total 640 Taxes and Fees	5,659	5,024	635	
650 Loan Payments		0	0	
652 Principal	3,030	0	3,030	Pay off remaining loan over five years
653 Interest	669	725	-56	
Total 650 Loan Payments	3,698	725	2,973	
Total Operating Expenses	130,744	123,997	6,747	
Net Operating Income	-13,748	-4,258	-9,490	

Operating Reserve

	Expense	Income	Balance	Status
Actual Op. Res. Balance as of 7/1/2013			22,211	
Adjusted by estimated surplus/deficit			-13,748	
To fill Bldg. & Grnds. Reserve			-3,132	
Est. Oper. Res. Balance as of 7/1/2014			5,331	

Adequate Reserve (1/12 expenses)			10,895	
Building and Grounds Reserve	Expense	Income	Balance	Status
Actual Balance as of 7/1/2013			5,954	
Plumbing Repair	3086			
To fill to Adequate level(\$6,000)			<u>3,132</u>	
Est. Bldg. Res. Balance as of 7/1/2014			6,000	

Unitarian Universalist Fellowship of Los Gatos
Balance Sheet
As of June 30, 2014
Final Version

	<u>Total</u>
ASSETS	
Current Assets	
Bank Accounts	
101 Checking Account	13,495
Total Bank Accounts	13,495
Accounts Receivable	
120 Pledges Unpaid	-1
Total Accounts Receivable	-1
Other current assets	
129 Undeposited Funds	1,431
130 Invested Cash	
131 Fidelity Cash Reserves - FDRXX	13,825
132 Fidelity Money Market - FTXX	<u>0</u>
Total 130 Invested Cash	13,825
135 Next Year's Expenses	4,288
140 Endowment Funds Invested	0
141 Partner Church Fund	8,851
142 CA Children Fund	4,466
143 CC Grants & Loans Fund	4,466
144 Unrestricted Fund	14,485
145 Building Fund	<u>4,927</u>
Total 140 Endowment Funds Invested	37,195
Total Other current assets	56,739
Total Current Assets	70,233
Fixed Assets	
161 Land & Bldg. - Original Cost	344,524
162 Building Additions	132,630
163 Bldg. & Grnds Improvements	<u>14,163</u>
Total Fixed Assets	491,317
Other Assets	
164 Directed Donations	<u>10,225</u>
Total Other Assets	10,225
TOTAL ASSETS	571,775

LIABILITIES AND EQUITY**Liabilities****Current Liabilities****Credit Cards**

202 Master Credit Card 3640 154

206 Office Mgr. 3657 190

Total Credit Cards 344**Other Current Liabilities****210 Payroll Liabilities**

211 Federal Payroll Liabilities 1,319

212 State Payroll Liabilities 602

Total 210 Payroll Liabilities 1,920

228 Pledges Paid in Advance 8,041

240 Funds and Reserves

241 Operating Reserve 22,211

242 Bldg. & Grnds. Reserve 2,868

243 Snack Fund 282

244 Minister's Discretionary Fund 623

246 Sales Tax Holding Fund 64

250 Bequest holding fund 13,630

Total 240 Funds and Reserves 39,680**Total Other Current Liabilities 49,642****Total Current Liabilities 49,985****Long-Term Liabilities****270 Loans Outstanding**

274 4th Loan Set 11,465

Total 270 Loans Outstanding 11,465**Total Long-Term Liabilities 11,465****Total Liabilities 61,451****Equity**

300 Opening Balance Equity {4} 398,443

310 Net Asset Changes 64,720

390 Retained Earnings 60,934

Net Income -13,773**Total Equity 510,324****TOTAL LIABILITIES AND EQUITY 571,775**