

FY11 Financial Reports

Background:

This past year has been highly unusual in that we had gathered enough in pledges to come close to supporting a full time minister when Victoria informed us she was taking another position. We then decided to search for a half-time minister which the pledges we had gathered would support. We formed a Search Committee to find a half-time consulting minister, hoping to have that minister under contract to start the next fiscal year, 2010/2011 on July 1. The budget approved by the membership in May reflected that.

The Search Committee was unable to provide a suitable minister during FY 2010-11 resulting in a \$41.2 K savings in this line item. Another major expense reduction was a decision to delay payment of \$14.8 K loan payments and withhold payment of \$4.1 K in UUA/CPD obligations. Income was negatively impacted by \$20.8 K, the greatest amount of which was \$17.3 in pledges being written off. We ended with a \$31.2 K surplus.

The Board decided that this surplus should be used to strengthen our finances by putting enough aside as Operating Reserves to cover future potential deficits. The rest is to be used for paying off some of our debt which is in the form of loans to the Fellowship by members to pay for classroom additions which were added to the building in 1992. This will reduce our sizeable loan payments to these lenders.

Profit and Loss vs Budget Statement:

The attached P&L statement has three columns of numbers: the actual income and expenditures for each line item during the year, the budget approved by the membership in May, 2010 for comparison, and the difference between the two. The last column gives an explanation of those differences which are over \$1,000. An additional page shows expenditures from the account 242, Building and Grounds Reserve, which is on the Balance Sheet. Note that a surplus of \$31,157 is shown.

Proposed use of the surplus:

Operating Reserve: Recognizing that the economy is not likely to recover for most of our families for several years yet, and that the Fellowship is going through a period of instability in our membership, it is the judgement of the Finance Committee that a balance of at least \$15,000 in the Operating Reserve is required to cushion against potential deficits. The Operating Reserve currently holds \$2,400. Thus, at least \$12,600 needs to be added.

Loan Repayments:

There are five lenders with outstanding balances. These are:

Bob Bixler - \$3,108
Charles Walton - \$10,987
Walt Main - \$3200
Cal Clauer's Estate - \$6,401
Sue Fera - \$14,495

The proposed disposition is thus:

Pay off Walton loan: \$10,987 Financial need
 Pay off Bixler loan: \$ 3,108 Financial need
 Pay off Main loan: \$ 3,200 Not needed for Op. Res.
 Remainder for Op Res: \$13,862 Provides \$16,262 balance
 Total surplus: \$31,157

Unitarian Universalist Fellowship of Los Gatos
Budget vs. Actuals: FY11 BUDGET - FY11 P&L
 June 2011
 Final Version

	YTD Actual	Approved Budget	Actual Minus Budget	Explanation of Variation from Budget
Income				
Pledges received during the pledge drive	106,894	108,574	-1,680	Some expected pledges didn't materialize
Pledges received after the pledge drive	1,090	3,000	-1,910	
400 Pledges Made	107,964	111,574	-3,610	
405 Pledges Written Off	-16,733	-3,000	-13,733	Deaths, economy. moves and disaffection
410 Contributions	3,857	3,000	857	includes \$1000 special donation
420 Sunday Collections	3,313	3,500	-187	
430 Fund Raising				
431 Auction	6,154	8,000	-1,846	Proceeds \$1,000 less than last year
432 Boutique	1,474	1,677	-203	
438 Special Fund Raising	478	500	-22	
Total 430 Fund Raising	8,105	10,177	-2,072	
460 Building Rental	6,000	8,000	-2,000	Effect of economy + lack of promotion
465 Interest and Dividends	5	75	-70	Exceedingly low interest and dividend rates
Total Income	112,511	133,326	-20,815	
Expenses				
500 Board of Trustees				
501 Discretionary Expense Account	1,541	0	1,541	Search Committee expenses
508 Pledge Drive	446	300	146	
509 Long Range Planning	40	0	40	
Total 500 Board of Trustees	2,027	300	1,727	
510 Minister				
511 Salary and Housing		29,500	-29,500	
512 Insurance plus		8,862	-8,862	
513 Professional Expense		2,950	-2,950	
Total 510 Minister	0	41,312	-41,312	No half-time minister
520 R.E. Director				
521 Salary	9,452	10,000	-548	
Total 520 R.E. Director	9,452	10,000	-548	
530 Finance Committee				
532 Bookkeeping Expenses	596	600	-4	
Total 530 Finance Committee	596	600	-4	
540 Administration				
541 Administrator				
541.1 Salary	14,839	10,000	4,839	Includes \$2/hr and 1 hr/wk raise
Total 541 Administrator	14,839	10,000	4,839	
542 Office Expenses				
542.1 Office Supplies	1,328	1,800	-472	
542.3 Kitchen Supplies	408	400	8	

Total 542 Office Expenses	1,736	2,200	-464	
543 Web Site	149	120	29	
544 Newsletter Pub. & Mailing	505	500	5	
545 Publicity	48	500	-452	
546 Telephone + internet	1,270	1,600	-330	
Total 540 Administration	18,547	14,920	3,627	
550 Building Committee				
551 Bldg. Oper. & Maint.	1,063	800	263	
552 Custodian Services	4,800	4,800	0	
553 Grounds Oper. & Maint.	753	900	-147	
554 Gardening Service	2,040	1,800	240	Increase to \$170/month
Total 550 Building Committee	8,656	8,300	356	
560 Sunday Programs				
561 Ministers	6,500	0	6,500	Added two ministers for two sundays/month
562 Speakers	5,494	6,000	-506	
563 Program Costs			0	
563.1 Music	6,275	6,500	-225	
563.2 Service Supplies	85	100	-15	
Total 563 Program Costs	6,360	6,600	-240	
565 Mileage	716	1,200	-484	
Total 560 Sunday Programs	19,071	13,800	5,271	
580 Lifespan Education Committee			0	
581 Children & Youth Education	422	400	22	
583 Child Care		0	0	
584 Teachers Salaries	3,728	5,400	-1,673	Reduced to two teachers during the year.
585 Background Checks	210	50	160	More background checks than anticipated.
Total 580 Lifespan Education Committee	4,359	5,850	-1,491	
590 Membership Committee			0	
591 Directory and Brochures	28	200	-172	No directory expense
592 Member Information System	100	100	0	
Total 590 Membership Committee	128	300	-172	
610 Fellowship Obligations				
611 UUA Support	2,968	5,936	-2,968	Half payment approved by Board
612 PCD Support	1,272	2,438	-1,166	Half payment approved by Board
Total 610 Fellowship Obligations	4,240	8,374	-4,134	
620 Utilities			0	
621 Water	461	800	-340	Garden changes to native plants
622 PG&E	1,716	1,900	-184	
623 West Valley Disposal	284	250	34	
Total 620 Utilities	2,460	2,950	-490	
630 Insurance			0	
631 Building Insurance	2,596	2,720	-124	Bldg. Ins. Less than previous year
632 Workman's Comp.	1,136	1,224	-88	Workman's Comp less than previous year.
Total 630 Insurance	3,732	3,944	-212	
640 Taxes and Fees				
642 Payroll Taxes	3,779	3,490	289	
646 Fees and Assessments	1,500	1,500	0	
Total 640 Taxes and Fees	5,279	4,990	289	
650 Loan Payments			0	
652 4th Loan Set	2,039	11,801	-9,762	Lenders agreed to interest only thru this fiscal
653 5th Loan Set	768	5,885	-5,117	Lenders agreed to interest only thru this fiscal
Total 650 Loan Payments	2,807	17,686	-14,879	
Total Expenses	81,354	133,326	-51,972	
Net Operating Income	31,157	0	31,157	

Building and Grounds Reserve - from Balance Sheet

Balance at beginning FY11	\$21,083
Expenditures during year:	
New carpet in Sanctuary	\$8,454
Clauer Garden Memorial	\$192
Deck repair - materials	\$3,173
Deck repair - labor	\$4,030
Total Expenditures	<u>\$15,849</u>
Balance at end FY11	\$5,234

Unitarian Universalist Fellowship of Los Gatos Balance Sheet As of June 30, 2011

	<u>Total</u>
ASSETS	
Current Assets	
Bank Accounts	
101 Checking Account	29,463
Total Bank Accounts	<u>29,463</u>
Accounts Receivable	
120 Pledges Unpaid	2,033
Total Accounts Receivable	<u>2,033</u>
Other Current Assets	
130 Invested Cash	
131 Fidelity Cash Reserves - FDRXX	12,873
Total 130 Invested Cash	<u>12,873</u>
135 Next Year's Expenses	4,088
140 Endowment Funds Invested	0
141 Partner Church Fund	7,193
142 CA Children Fund	3,630
143 CC Grants & Loans Fund	3,630
144 Unrestricted Fund	11,772
145 Building Fund	5,890
Total 140 Endowment Funds Invested	<u>32,115</u>
Total Other Current Assets	<u>49,076</u>
Total Current Assets	<u>80,573</u>
Fixed Assets	
161 Land & Bldg. - Original Cost	344,524
162 Building Additions	132,630
163 Bldg. & Grnds Improvements	14,163
Total Fixed Assets	<u>491,317</u>

TOTAL ASSETS	571,889
LIABILITIES AND EQUITY	
Liabilities	
Current Liabilities	
Credit Cards	
202 Master Credit Card	10
205 Admin - Sharon	290
Total Credit Cards	300
Other Current Liabilities	
210 Payroll Liabilities	
211 Federal Payroll Liabilities	634
212 State Payroll Liabilities	382
Total 210 Payroll Liabilities	1,016
228 Pledges Paid in Advance	10,182
240 Funds and Reserves	
241 Operating Reserve	2,400
242 Bldg. & Grnds. Reserve	5,234
243 Sound System Fund	149
244 Minister's Discretionary Fund	271
245 Music Fund	50
247 Sanctuary Improvement Fund	352
248 Easter Sox Reserve	229
249 Social Action holding fund	158
Total 240 Funds and Reserves	8,842
Total Other Current Liabilities	20,040
Total Current Liabilities	20,339
Long Term Liabilities	
270 Loans Outstanding	
274 4th Loan Set	25,482
275 5th Loan Set	12,710
Total 270 Loans Outstanding	38,191
Total Long Term Liabilities	38,191
Total Liabilities	58,531
Equity	
300 Opening Balance Equity {4}	398,443
310 Net Asset Changes	66,009
390 Retained Earnings	17,749
Net Income	31,157
Total Equity	513,359
TOTAL LIABILITIES AND EQUITY	571,889