

Financial Report

By Rev. Jen Crow

Photo by Jeff Corde cordspography.com



The pandemic has brought unprecedented operational and financial challenges to organizations around the world. With our building largely closed and all ministries occurring online, the church has made significant changes in staffing and operations. Thanks to the continued generosity of members and

friends and a restrained approach to spending, we expect to end our current fiscal year with a balanced budget.

As we prepare for a new fiscal year beginning July 1, 2021, we are in a transitional time. With Rev. Justin's departure, the continued impact and unpredictability of the COVID-19 pandemic on our lives and our ministries, and the continued impact of oppression and our collective awakening and empowerment for liberation and justice—so much is in flux. While transitional times can be challenging and full of anxiety, they can also offer opportunities. My hope is that in this transitional time for the congregation and our larger community, we will grasp hold of the possibilities before us while continuing to care for each other with generosity and steadiness.

As we prepare to imagine our shared future through the creation of new visionary goals, return to in-person offerings and hire new staff, now is the time to double-down on our commitment to spiritually grounded racial justice and collective liberation. Fear could lead us to slow down, but now is not the time to pump the brakes on the momentum we are experiencing. We need each other, and we need continued intensive support as a congregation if we are going to do what few other Unitarian Universalist churches have been able to do and live into our vision of becoming a multiracial, multicultural, intergenerational faith community of mutual caring and support where people bring all of who they are and welcome each other with joy. A church where our sense of who we are as a community of faith is ever-expanding. The budget we present includes the necessary and bold support for the inclusive future we collectively long for.

The proposed operating budget includes the Board's direction to proceed with hiring a full-time minister/director of worship arts, focus our resources on youth and BIPOC needs, continue progress toward our visionary goals, and deliver a balanced budget.

Over the next 3 years, we will continue to diversify our income streams through building rentals, coaching and consulting that supports individual and institutional anti-racism and anti-oppression goals, and launching a family spiritual resource center. These efforts will support not only our church community, but our larger community. We'll continue to transform our focus so that our building and ministries are truly Not for Ourselves Alone. Recognizing that two income streams (PPP loans and capital campaign operating budget support) will end at the conclusion of the 2021–22 church year, we intend to use the 2021–22 fiscal year as a runway to help us build the needed infrastructure and staffing to successfully grow our income through consulting, coaching, rentals, and our new family spiritual resource center.

Now, for the details.

2021–22 Operating Budget

Our operating budget is a tangible expression of our values, vision, and mission. The budget presented focuses on:

- Responsible financial stewardship
- Maintaining the staffing levels needed to care for our congregation and our community
- Continuing progress toward our visionary goals, especially our third Visionary Goal which states that First Universalist is a multi-racial, multicultural, and intergenerational faith community of mutual caring and support where people bring all of who they are and welcome each other with joy. Our sense of who we are as a community of faith is ever-expanding.

There are significant increases in expenses to meet our basic operating needs. As we re-open to in-person gatherings while maintaining our online presence and accessibility, we will incur significant new costs in staffing.

(continued)

Financial Report (continued)

Changes in income include:

- Annual Giving total of \$1,200,000
- Includes Paycheck Protection Plan forgivable loan of \$102,000
- Rental income of \$92,000, welcoming Freedom School and a preschool
- Combined Close the Gap and Fundraising planned for \$40,000
- Coaching for religious professionals and congregations seeking to build anti-racist and multicultural/multi-racial communities
- Staff continue to allocate hours to the capital campaign budget for work done to prepare for and accomplish building renovation projects (\$20,000)

Changes in expenses include:

- Additional staffing for Facilities and Office Management while maintaining current tech and membership support staffing.
- A full-time Director of Liberation & Transformation Ministries (previously known as our half-time Director of Anti-Racism & Anti-Oppression Ministries)
- An increase in Rev. Karen Hutt's time with us from .25 to .33 FTE.
- Increased Children, Youth & Family Ministry staffing.
- Increased health insurance costs.
- Increased building related costs.
- A 5% increase in our commitment to the UUA.
- Continued steps to pay all staff positions within minimum salary guidelines.

Proposed 2021–2022 Operating Budget

	<u>2020–21</u> <u>Budget</u>	<u>2020–21 Year End</u> <u>Projections</u>	<u>2021–22</u> <u>Proposed Budget</u>
REVENUE			
Support			
Annual Giving	1,005,400.00	1,028,574.96	1,140,000.00
Donations/Fundraising	350,100.00	299,132.34	320,200.00
Released from Restriction	166,866.80	121,628.32	20,000.00
Total Support	1,522,366.80	1,449,335.62	1,480,200.00
Earned Revenue			
Rental Income	15,400.00	15,083.64	92,500.00
Investments	9,125.00	17,306.54	11,500.00
Other Income	12,333.00	19,428.00	40,000.00
Total Earned Revenue	36,858.00	51,818.18	144,000.00
Total Revenue	1,559,224.80	1,501,153.80	1,624,200.00
EXPENSES			
Expenses			
Personnel Expenses	1,132,050.00	1,058,879.71	1,279,499.31
Program Expenses	71,350.00	41,132.21	67,900.00
Administrative Expenses	179,737.96	127,395.52	176,130.26
Building & Grounds	113,150.00	96,327.84	100,600.00
Other Expenses	57,000.00	170,934.28	0
Total Expenses	1,553,287.96	1,494,669.56	1,624,129.56
NET TOTAL	5,936.84	6,484.24	70.44