

**FUUSB 2022/2023 Year End Financial Report**  
**For Year Ending: June 2023**

Christina Fulton, Director of Operations & Finance

The First Unitarian Universalist Society of Burlington, Vermont has had a somewhat difficult year financially. The Congregation passed a budget for the 2022/2023 fiscal year with a planned deficit of \$50,952, and we ended the year with a deficit of \$64,223. Which is \$13,271 over budget.

**Balance Sheet**

Some things to note as you look at this year's Balance Sheet are:

1. The overall balance of our Trust Funds increased by 2.2%. In addition to our regular distributions, additional funds were taken for the Ministerial Search Team.
2. The Opportunity Fund was created to hold our PPP Grant money until it was decided how it would be used. As per the Board decision at their June 2022 meeting, \$50,000 of this fund was gifted to the Richard Kemp Center, and the remaining amount (\$58,745.20) was moved into the General Fund.
3. Our total cash on hand decreased by \$161,201.11 over this fiscal year, which is putting a strain on our cash flow situation.

**Treasurer's Report**

**Income:** Our total revenues came in at 99.78% of budget. Without the PPP Loan money, it would have been 93.15% of budget.

**1. Pledge Income:**

- a. Total pledge income came in 18% below budget, and is a 13% decrease from last year, and lowest actual pledge income we've had since before 2013. Though levels of generosity have remained remarkably steady, our community is still clearly struggling from the effect of the pandemic, inflation, and the loss/death of several large pledgers. I continue to struggle with predicting the fiscal trends throughout the year. Everything I thought I knew prior to the pandemic no longer seems to hold true. I believe some serious research into current pledging trends needs to be done as part of our next Stewardship Campaign.

**2. Rental Income:** This section of the budget is 1.6% over budget. This is the first time since the pandemic that we actually over performed on our Church Use Income. The Society hosted many weddings and memorial services this year.

**3. Trust Income:** Trust income came in at budget.

**4. Other Income:**

- a. **Share the Plate Income** came in 4% above budget, and is the highest amount collected in over a decade.

- b. **Fundraiser Income:** Thanks to the hard work of the Board and many other volunteers, Fundraiser Income came in 10% above budget. Both the Greens Sale and the Auction were huge successes.
- c. **Gifts, Grants & Misc. Income** brought in over \$13,700 this year, about \$10,000 over our budgeted amount. This income is a combination of small gifts made online, many memorial gifts, and a few larger gifts that were not restricted to a specific use.
- d. **Opportunities Fund Income:** bringing the PPP Loan money into the general fund this year, assisted our budget by \$58,745. Our congregation, unlike many others, didn't experience a huge decrease in income during the pandemic, but we are experiencing it now. That is exactly what this money was meant to do, to help us get through the difficult times caused by the pandemic. Our financial situation would be quite stressed if we had not had this money to assist us this year.

**Expenses:** Total expenses came in at 1.2% over budget, \$11,326 more than expected.

- 1. **Payroll and Benefits** came in \$4,400 over the budgeted amount. Some reasons for this have to do with staffing decisions: Keeping our Ministerial Intern on staff for an additional two months, choosing to allow our Director of Youth & Creative Arts Ministries work more than the budgeted amount. Asking our pianist to play several memorial services for which we, and not the family, paid him (Bob and Roddy's services, for example). The cost of having David M. train the new Facilities Manager for several weeks. Paying Bob F. extra hours between Facilities Managers, and to do several tasks for the Spruce Up Team.
- 2. **Governance & Ministry:** overall this area of the budget was underspent by 25% or a total of \$16,600. Most lines in this area of the budget were underspent. Many Teams and Committees were unable to do some of the things they had planned, and therefore underspent.
- 3. **Operating Expenses** came in 6.6% over budget. Many of the lines in this section came in under budget, with a few exceptions. The Technology section was overspent by \$2,600. Price increases for our web guy and additional costs to fix our alarm system/doorbell connection. The Insurance section of the budget was over by \$13,255. Insuring our building and workers comp insurance continue to rise beyond my predictions.
- 4. **Building & Site** came in nearly 17% above budget or just over \$11,326. Utilities had an increase of 3.5%, mostly for heating. Our largest increase was in the Church Maintenance area which included many projects that David wanted to finish prior to leaving, the Spruce Up projects, and many other projects which were unavoidable. Also to keep in mind is that the cost of labor has increased by unbelievable amounts this past year, plumbers, electricians, etc. cost a lot more than anyone anticipated.
- 5. **Site Maintenance** was also over budget by 15%. Snow removal costs increased, trash cans, sharps containers, salt, all increased in price. In addition,

our electric lawnmower bit the dust, so to speak and this spring we needed to find someone else to mow our grounds, and that was not budgeted at all.

### **Conclusion**

In conclusion, we had a budget this year where we expected to spend \$50,952 more than we brought in, and we ended the year spending \$64,223 more than we brought in. So while as late as May, I was hoping to actually come in better than budget, we actually ended with a deficit larger than expected. Even though we had the unbudgeted PPP Loan amount of \$58K, we still came in over budget. This is disturbing, to say the least.

We are not bringing in enough pledge income to support a congregation of our size. We will continue to lose more and more of our larger contributors and new families tend to pledge at lower amounts. Our membership is going up, but pledge income is trending downward. Inflation hit our expenses hard this year, and will most likely continue to do so.

Taking all of this information into consideration, I am concerned about our financial position. With this additional deficit, our General Fund is down low enough to cause problems with cash flow for the first time in my 25 years. I believe our positive attitude served us well during the pandemic, but now we need to face some hard truths. How much can our congregation afford? How much staff, how much online presence, how much equipment? Where are our resources best spent?

We have much to be grateful for and so many blessings. I hope to help this congregation turn things around and get on solid footing once again.

Respectfully submitted,

Christina Fulton  
Director of Operations & Finance