

UUCB Treasurer's Report

Reported in December 2017
For the Four Months Jul 1, 2017 – Oct 31, 2017

Summary

This month Treasurer's report is a repeat of October financial statements. November's financial statements will be provided at our January meeting.

Our prior year operating deficit continues to put a strain on cash.

As discussed at our November meeting, the Treasurer's ad hoc committee met on Tuesday, November 28. We determined that the cash position was not as grave as reported in November, but still critical. Our preliminary review determined the cash position is (\$207,000) required to meet all restricted obligations and operations.

The ad hoc committee met with the Coordinating Team to review suggestions to release restricted funding. We have limited options to meet the cash shortfall. In order to relieve the current cash requirements, we expect to include a line item in the request made to the congregation at special meeting called for January.

Attached is the report submitted to the CT along with a preliminary report prepared by Linda Laskowski shortly after the ad hoc Treasurer's committee met.

The ad hoc Treasurer's committee will meet again next week to review and assess where we stand with November preliminary financial statements.

Revenues	YTD Actual	YTD Budget ¹	Bud Var	% var
Pledge income ¹	\$ 188,152	\$ 180,000	\$ 8,152	4.5%
Rental income	100,126	118,514	(18,388)	-15.5%
All other unrestricted	83,188	121,596	(38,408)	-31.6%
Unrestricted	371,466	420,110	(48,644)	-11.6%
Board Restricted ²	29,888		29,888	
Total Revenues	401,354	420,110	(18,757)	

Expenses	YTD Actual	YTD Budget	Bud Var	% var
Personnel	250,879	247,655	3,224	1.3%
All other unrest.	105,788	129,003	(23,214)	-18.0%
Unrestricted	356,667	376,657	(19,990)	-5.3%
Board Restricted ²	23,098		23,098	
Total Expenses	379,765	376,657	3,108	
Net Unrestricted	14,799	43,453	(28,654)	-65.9%
Net Board Restricted ²	6,790	-	6,790	
Net Excess (Deficit)	\$ 21,588	\$ 43,453	\$ (21,865)	-50.3%

¹ YTD Budget is adjusted for known variances, not divided into 12ths (number of months in fiscal year). YTD budget and actual Includes prior year pledge receipts.

² Board Restricted is voluntary. Traditionally boards will voluntarily restrict funds in order to prudently manage extraordinary line items. The Board has restricted realized and unrealized endowment fund gains and losses.

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Endowment Report

Operating Endowments	Balance at 6/30/17	Increase (Decrease)*	Fiscal YTD Net Income	Current Balance	YTD Balance Prior Year
Board Designated Fund	\$ 1,264,003	\$ (58,142)	\$ 64,922	\$ 1,270,783	\$ 1,208,148
Donor Pooled Fund ****	\$ 34,791		\$ 1,832	\$ 36,623	\$ 31,462
Kay Davis Memorial Fund	\$ 128,478		\$ 6,766	\$ 135,245	\$ 116,184
Loan - Land Use TF**	\$ 31,225		\$ -	\$ 31,225	\$ 31,225
Totals	\$ 1,458,498	\$ (58,142)	\$ 73,520	\$ 1,473,876	\$ 1,387,019
Building Fund ***	\$ 32,055		\$ 1,688	\$ 33,743	\$ 28,988

* Increases (Decreases) are deposits and withdrawals; increase to loan is decrease to fund.

** Terms for loan repayment pending final draw

*** Building Fund donor gift received in December 2016 \$10,000 pending transfer to endowment bldg fund.

**** Donor designated gift received in November 2016 \$10,864.91 pending transfer to endowment pooled fund.

ROI (net of fees)	As of Oct 31, 2017	As of Oct 31, 2016
5-year	6.40%	4.80%
3-year	5.10%	1.20%
1-year	16.70%	1.00%
1 month	1.40%	-1.70%

Comparative Years

YTD Oct 31	<u>FY 17-18</u>	<u>FY 16-17</u>	<u>FY15-16</u>
Community Rentals Income	\$ 31,340	\$ 30,806	\$ 33,333
Pledges Received	\$ 188,152	\$ 217,801	\$ 232,020

Other Items of Note This Month

Prior Year Pledge Receipts The net shortfall of FY1617 pledge receipts was (\$37,466). YTD prior year pledges received \$7,013.

Confidentiality

Due to confidentiality, the balance sheet appears in summary format. Detail is available in hard copy upon

Summary prepared by Linda Laskowski with limited distribution 11/28-30

Deficit estimate as of June 30, 2017

All numbers \$000s

1. Cash required for restricted operating funds	\$328	
minus known adjustments	22	
adjusted total	\$306	
2. Available cash	\$102	from bank statements
plus known adjustments	7	
adjusted cash	\$109	
3. Net Deficit (1 minus 2)	\$207	
4. Known deficits in past two years		
2015/16 Operating Deficit	\$63	
2016/17 Operating Deficit	\$91	
Off P/L Capex	\$40*	
Known two-year deficits	\$198	

Estimates created and concurred with current and previous treasurers November 28, 2017:

Mary Muelbach
Linda Laskowski
Anne Greenwood
Jan Setchko

* Capital expenditures that did not impact P/L: Building Repairs \$18 K, Office Equipment 10 K, expenditure for the caretakers cottage \$13 K

Ad Hoc Treasurer's group report to the Coordinating Team November 30
Unitarian Universalist Church of Berkeley – November 28, 2017

Treasurer's Review of Temporarily Restricted Net Assets and cash position

Source of cash deficit:

- Use of funds \$40,000 in capital expenditures October 2015 through June 2017 (included below in TRNA)
- FY16-17 unrestricted deficit \$90,795
- FY15-16 unrestricted deficit \$67,682
- Total cash used \$198,477

One other way to get more cash is to release TRNA –

- Ladd Griffith release for Safir room mold remediation, \$7,333 WIP
- Armstrong Garden Fund \$4417 spent on irrigation
- Eliminate the CT fund \$11,700 not best practices to carry forward surplus for extra-budgetary items
- Recommend releasing CC TRNA for either CC expenditures made or Ladd Griffith bldg. FY16-17 unless otherwise noted
 - Office equipment \$9728 (wireless access points, listening system)
 - Building improvements \$6987 (Freezer, Thermostat)
 - Building improvements, FY15-16 \$5087, (playground fence)
 - Building improvements, FY15-16 \$6247 (sanctuary sound system)
 - Cottage improvements \$10,304 (furnace)
- Total recommended to be released from TRNA \$61,803

Temporarily restricted net assets as of 6/30/17

\$328,537 Subtotal

\$20,824 Armstrong Garden Fund

(\$61,803) release of TRNA suggested

\$287,558 revised TRNA

Cash transactions in process:

- Drawing from Endowment (Quasi) for land use task force FY16-17 transactions \$9901
- On receipt, transfer to Endowment (pooled) for donor funds received 11/9/16 \$11,386.95 plus interest, total \$11,999
- Drawing from Vanguard Pooled trust (FY 15-16 and 16-17 pledges transferred to restricted account)
- On receipt, transfer to Endowment Building fund donor funds received 10/2017 \$10,000 plus interest, total \$11,543