

Unitarian Universalist Church of Berkeley  
October 2021 Treasurer's Report for UUCB's Board of Trustees  
Respectfully Submitted, Lenore Ralston, Treasurer  
February 2, 2022

**SUMMARY:**

Your financial team is immersed in UUCB's audit.

We need to be mindful of two major things: 1) ~108,000 came to us as a one-off from the Fed Government; 2) if we plan on filling the open staff positions, our budget is going to be much bigger. Our current salary savings as of this writing show as \$86,589.

There are a few other things I will point out:

**Good news:** (cf. Budget Comparison Report - attached):

At roughly half way through this fiscal year, UUCB is operating in the black with savings from various sources. In whole terms, our income to expense ratio has us in the black by \$122,984.

Further, if you look at the Balance Sheet we currently have \$604,783 in Mechanics Checking and \$287,560 in Mechanics Savings. Having said that, of the \$604,783 in Mechanics checking, \$400,729.19 is earmarked for the Cope Ministerial Housing Fund, and much of the money in Mechanics Savings represents the Temporarily Restricted Funds (TRNAs) that were replenished by the \$150,000 draw on the Board-designated Endowment earnings at the October 27th Special Congregational meeting.

Where has the Operating Budget surplus come from?

- Salary savings (from the loss of our Family minister, interim minister, absence of child care workers, and loss of our custodian);
- Associated salary savings (payroll taxes, employee health benefits, life ins, worker's comp, and UUCBs share of the retirement contributions);
- Low use of the campus as a result of COVID: (lower charges for garbage, water, electricity, and kitchen supplies);
- Intake of Angel (unexpected) gifts (~\$70,000);
- Stabilization of RE school rentals, including built-in annual increases (\$14,077/mo);
- Cottage rental (\$3100/mo);
- Sharing our campus with a Tongan Community church (\$1500/mo);
- Receipt of a federal COVID loan (forgiven) for over \$100,000 for the year.

In addition, the Finance Committee has freed-up money hitherto stranded in accounts with no signatories or means of access (~\$40,000);

**Not such good News:**

- This report hasn't yet entered many items in the expense column.
- The Bay Area as a whole are experiencing the highest inflation rates in forty years;
- Our anticipated pledge income is down \$10,865;

- Our anticipated Good Neighbor Collections are down \$1,844 (note - this figure could be off. Our Congregation displayed exceptional generosity during our last two food drives).

**What we can expect in the immediate future:**

Because of stock market fluctuations, our **Endowment earnings have been going down** for a time. Further, in the last six months of calendar year 2021, some indicators of returns (27.3 in June 2021 cf UUCEF Performance report June 2021) slipped to 8.2% in December 2021. There is no way to predict the ebbs and flows of the stock market. Concerns about record inflation might be tempered by economic pundit predictions that we will experience economic recovery by the end of the summer. Further, "The roughly \$1.2 trillion infrastructure bill contains an estimated \$550 billion in new spending above baseline levels will begin trickling through our economy. This spending touches every sector of infrastructure, from transportation and water to energy, broadband, and the resilience and rehabilitation of our nation's natural resources." This money will act as a huge stimulus. (<https://www.brookings.edu › the-avenue › 2021/11/21>)

**Future:**

**Pledge catch-up** - those who have pledged will catch up with their payments.

**Increased pledges** fed by the pledge drive and generosity of newly joining members.

**Stabilization of the U.S. economy** as the Fed raises interest rates.

**When the church re-opens**, we should be poised to **take advantage of all sorts of celebrations that have been postponed** due to COVID yielding a surge in our short-term rentals.

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Attach.

January Endowment Report

Comparison Budget report

Balance Sheet Report

UUCEF Performance reports for November and December 2021