

October 1, 2024

To: UUCB Board of Trustees  
From: Lisa Maynard, Treasurer

RE: FY 2023-24 Yearend Financial Report for Board Meeting - October 2, 2024

Please see the enclosed Budget Comparison Report for FY 2023-24.

Our 2023-24 budget projected operating revenue of \$1,084,233 and expenses of \$1,078,962, with a planned surplus of \$5,271. As of this report our actual 6/30/24 revenue is \$1,102,325, which exceeds the budgeted amount by \$18,092. Our total expenses are \$1,097,914, \$18,952 more than the approved budget projected. We therefore ended the year with an operating surplus of \$4,411.

Though a line by line comparison of budgeted vs. actual revenue shows areas where our experience this year did not match with the projections, it's important to note that overall our major revenue generating activities are robust. Our largest sources of income, pledge payments (Pledge Income + Prior Year Pledge Payments) and space rentals (Craft Cottage Rental, Community Use-Space Rental, and Campus Rental-All Schools) yielded reliable results and in fact exceeded expectations.

As I explained at the June Board meeting, our expenses did exceed our budget in some areas. We made staffing changes as we returned to a full in person activities schedule, and continued to adjust to new ways of operating (streaming worship services, expanding our online presence). These positive developments resulted in larger expenses than originally planned. We spent more than expected in order to resolve some longtime accounting issues, and are now operating better financially. Costs for some of our operational necessities (phones, computers, utilities) went up, as did our insurance and our property taxes. We learned about most of these increases before finalizing the 2024-25 budget, so we were able to make adjustments in planning for the fiscal year that started July 1.

As a nonprofit organization, our basic financial goal for general operations is to break even at the end of a fiscal year, and this year we succeeded remarkably. There will be years when we have a surplus, such as the small one this year, and other years when we have a deficit (also small, we hope). An organization of our size can survive yearend operating deficits, though we want to avoid large or repeated deficits with no balancing surpluses. Our financial security comes partly from balanced (break-even) operations, and also from our assets of property and endowments. The assets show up on a balance sheet (not this report).

My hope is to begin providing a balance sheet to the Board quarterly. And to provide a more complete picture, we will also work out a schedule for providing the Board with a report that includes expenditures supported by withdrawals from our donor-restricted and endowment accounts (a Budget Comparison without Exclusions).

Please see the enclosed 2023-24 Annual Report-Financial (draft) for another way to look at the last fiscal year.