



Tapestry, A Unitarian Universalist Congregation Congregational Meeting - Finance Report Fiscal Years 2008-2009 and 2009-2010

Recap of Fiscal Year 2008-2009

The balanced budget approved at last year's congregational meeting included a total of \$244 thousand in pledges and pledge growth. To achieve this level of income, a number of aggressive assumptions were made regarding increased pledges, conversion of current year capital contributions to operating income, and member growth. Unfortunately, these assumptions proved to be overly optimistic.

Combining this situation with the general economic conditions of the past year has led to pledge fulfillment below what was necessary to meet expenses. Through April, 73% of pledges had been fulfilled, compared to 83% that should have been achieved by that date. Overall, income for the year is anticipated to be below budget by \$36 thousand, or 11.7%.

There were, however, some bright spots for the year. Ways and Means once again exceeded their goal, raising more than \$31.5 thousand for Tapestry. Scrip sales were up over 30%, as more people participated. On the expense side, there was also good news. Costs were down significantly, below budget by \$24 thousand, or 7.7%.

The reduced spending was comprised of several components. The largest was lower-than-fairshare giving to PSWD and UUA. Despite reduced contributions, Tapestry will continue to remain in good standing, and full fairshare giving is included in the budget for next year.

Other components of the lower spending included savings on minister relocation costs and reduced DRE hours. In addition, negotiations with the landlord resulted in a rent reduction of \$1.4 thousand per month beginning in June, 2009.

Netting the reduced income and the lower spending resulted in a deficit of \$12 thousand. Through exceptional cash management, the Treasurer has so far avoided drawing on the reserve account to make up this shortfall, but it is anticipated that reserve funds will be needed before the end of the fiscal year.

Outlook for Fiscal Year 2009-2010

Pledges for the next fiscal year are anticipated to be \$165 thousand. Of this amount, \$155 thousand has been committed, and an additional \$10 thousand is expected from the members who have not yet formalized their commitment. Other major income categories such as Ways and Means and rental income are included in the budget at current year levels. Overall, the income portion of the budget is much more conservative – and achievable – than last year's

Expenses are once again down year over year, with a decrease of \$51.6 thousand or 18%. A major element of reduced expenses is minister and staff compensation. Through a combination of non-cash compensation, reduced hours, and rate and benefit changes, a total savings of \$21

thousand is expected. (These changes do not affect Tapestry's status as a Fair Compensation Congregation.)

The largest element of the cost reduction is lower rent. As noted above, the landlord agreed to a rent reduction of \$1.4 thousand per month to \$7.5 thousand. However, with expected income, Tapestry can only afford a monthly rent payment of \$5 thousand. It is therefore necessary for Tapestry to relocate to a less expensive facility as soon as possible.

It is anticipated it will take three months to complete the move, so two months of rent (July – August) at \$7.5 thousand and 10 months of rent (September – June) at \$5.0 thousand are included in the proposed budget. As indicated, Tapestry rent can not exceed \$5.0 thousand per month in order to balance the budget. Because two months of rent will be paid at \$7.5 thousand, the proposed budget includes a deficit of \$5.0 thousand. By passing the proposed budget, the congregation agrees that this deficit will be taken from the unrestricted reserve account.

Respectfully submitted,

Julia Rampone
VP Finance

Attachments:

- Summary Budget
- Detailed Budget

Tapestry

FY2007-2010 Actual, Forecast, and Budget Income and Expenses

	FY07-08 Actual	FY08-09 Forecast	FY09-10 Budget
<u>Income</u>			
Pledges current year	217,687	206,863	165,000
Plate Income	5,308	4,466	4,500
Unpledged Contributions	5,221	5,305	5,200
Scrip Income	4,762	5,718	5,500
Ways & Means (Fund Raising)	30,804	32,129	31,500
Building Use Income	17,624	16,200	16,200
Other Income	10,677	3,982	2,450
Total Income	292,083	274,663	230,350
<u>Expenses</u>			
Leadership			
Subtotal Minister	91,696	98,533	91,846
Subtotal DRE	30,243	28,935	21,760
Subtotal Office Administrator	28,645	19,948	12,810
Employer Expenses	1,831	1,818	1,800
Total Leadership	152,415	149,234	128,217
Administrative Expenses			
Subtotal Advertising	2,065	402	535
Subtotal Office Supplies	5,432	4,496	4,500
Subtotal Other	5,266	4,126	3,925
Subtotal Website	513	106	730
Total Administrative Expenses	13,276	9,129	9,690
Total Building & Grounds Expenses	110,987	109,788	69,525
Total Life of the Church	14,743	15,133	14,900
Total Community Life	12,967	3,820	13,184
Total Expenses	304,388	287,104	235,516
Net Income/(Expenses)	(12,305)	(12,441)	(5,166)

Tapestry
FY2007-2010 Actual, Forecast, and Budget Income and Expenses

150 Members	April					Full Year			FY09-10 Preliminary Budget	Comments
	FY07-08	YTD	YTD	Budget	YTD % of	Forecast	Budget	Forecast		
	Actual	Actual	Budget	B/(W) Act	FY Budget	Forecast	Budget	B/(W) Bud		
Income										
Pledges from previous year received in current year	4,923	673	2,000	(1,327)	34%	673	2,000	(1,327)	500	
Pledges current year	217,687	172,863	197,245	(24,382)	73%	206,863	236,694	(29,831)	165,000	Current estimate of total pledges
Pledge Growth (new members)	-	-	5,917	(5,917)	0%	-	7,101	(7,101)	-	None anticipated
Plate Income	5,308	3,766	4,500	(734)	70%	4,466	5,400	(934)	4,500	Based on prior year's actuals
Unpledged Contributions	5,221	4,505	4,167	338	90%	5,305	5,000	305	5,200	Based on prior year's actuals
Scrip Income	4,762	4,318	6,250	(1,932)	58%	5,718	7,500	(1,782)	5,500	Based on prior year's actuals
Literature/Coffee/etc. Income	1,086	462	833	(372)	46%	542	1,000	(458)	750	Based on prior year's actuals
Bridge Income	206	135	167	(32)	68%	168	200	(32)	200	Based on prior year's actuals
Ways & Means (Fund Raising)	30,804	31,929	30,400	1,529	101%	32,129	31,500	629	31,500	Assumes same as last year
Non-Cash Contributions (offset by expense)	1,801	779	1,250	(471)	52%	779	1,500	(721)	-	None included
Interest Income	4	1	4	(3)	28%	2	5	(3)	-	None included
Building Use Income	17,624	12,450	14,333	(1,883)	72%	16,200	17,200	(1,000)	16,200	Corrected amount per month (\$1,350)
Miscellaneous Income	862	1,267	625	642	169%	1,417	750	667	1,000	Based on prior year's actuals
Pass Through Income	6	233	-	233	0%	233	-	233	-	None included
Memorial Gifts	1,789	94	-	94	0%	94	-	94	-	None included
Minister's Discretionary Fund	-	75	-	75	0%	75	-	75	-	None included
Pledge Loss	-	-	(2,367)	2,367	0%	-	(4,734)	4,734	-	None included
Chalice Lighter Grant	-	-	-	-	0%	-	-	-	-	
Total Income	292,083	233,549	265,325	(31,775)	75%	274,663	311,116	(36,453)	230,350	16.1% decrease from last year
Expenses										
Leadership										
Minister										
Salary & 7.65% SECA	48,800	41,855	40,666	(1,189)	86%	49,363	48,799	(564)	60,727	
Housing	23,000	19,727	19,167	(560)	86%	23,265	23,000	(265)	21,378	
Minister Relocation	-	3,355	7,180	3,825	47%	3,355	7,180	3,825	-	
Retirement (14% of Salary & Housing)	10,052	8,686	8,377	(309)	86%	10,232	10,052	(180)	1,705	Rev. Tom's total compensation package set equivalent to Rev. Mitra's. Assumes non-cash compensation equivalent to \$500 per month for local housing. Assumes two week overlap of salaries in August.
Insurance (Med, Dent, Life, Disab)	1,715	4,239	4,497	258	79%	5,138	5,396	258	856	
Professional Expenses	8,129	4,290	5,983	1,693	60%	7,180	7,180	(0)	7,180	
Sabbatical Fund	-	-	-	-	0%	-	-	-	-	
Minister's Discretionary Fund	-	-	-	-	0%	-	-	-	-	
Subtotal Minister	91,696	82,152	85,869	3,718	81%	98,533	101,607	3,074	91,846	
DRE - 20 hours/week										
Salary & Vacation Accrual	23,667	19,565	20,511	946	79%	22,721	24,614	1,893	16,500	
Retirement	2,787	2,853	2,872	19	83%	3,313	3,446	133	2,406	
Insurance	913	377	833	456	38%	461	1,000	539	1,092	
Professional Expenses	1,065	203	917	714	18%	703	1,100	397	500	
Payroll Taxes	1,811	1,497	1,569	72	79%	1,738	1,883	145	1,263	
Subtotal DRE	30,243	24,494	26,702	2,208	76%	28,935	32,043	3,107	21,760	
Office Administrator - 15 hrs/wk										
Salary & Vacation Accrual	20,280	12,434	11,498	(936)	90%	14,557	13,798	(759)	11,900	
Retirement & Insurance	-	-	-	-	0%	-	-	-	-	
Retirement	1,820	1,679	1,610	(70)	87%	1,989	1,932	(58)	-	
Insurance	4,994	2,288	1,823	(465)	105%	2,288	2,188	(100)	-	
Payroll Taxes	1,551	951	880	(72)	90%	1,113	1,056	(58)	910	
Subtotal OA	28,645	17,353	15,811	(1,542)	91%	19,948	18,973	(975)	12,810	
Employer Expenses										
Payroll Service Expenses	1,794	1,493	1,524	31	82%	1,793	1,828	35	1,800	
Board Discretionary Fund	37	25	-	(25)	0%	25	-	(25)	0	
Total Leadership	152,415	125,517	129,906	4,389	81%	149,234	154,451	5,217	128,217	

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150 Members	April					Full Year			FY09-10 Preliminary Budget	Comments
	FY07-08	YTD	YTD	Budget	YTD % of		Forecast			
	Actual	Actual	Budget	B/(W) Act	FY Budget	Forecast	Budget	B/(W) Bud		
Life of the Church										
Aesthetics	416	-	375	375	0%	100	450	350	150	
Membership	667	210	458	249	38%	270	550	280	300	
Hospitality	68	294	63	(231)	392%	294	75	(219)	150	
Visitor Materials (Hospitality & Books)	394	101	292	190	29%	160	350	190	250	
Ways & Means	2,234	2,394	2,083	(310)	96%	2,644	2,500	(144)	2,500	
Stewardship	11	-	417	417	0%	-	500	500	75	
Music										
Piano Fund		-	-	-	0%	-	-	-	-	
Piano Tuning	225	100	208	108	40%	200	250	50	200	
Musicians	5,725	4,900	5,000	100	82%	5,900	6,000	100	5,900	
Music Supplies		-	42	42	0%	8	50	42	25	
Worship										
Speaker Expense	2,000	1,950	1,667	(283)	98%	2,550	2,000	(550)	2,500	
Worship Supplies	543	119	417	298	24%	202	500	298	350	
Hymnals to be Purchased		-	-	-	0%	-	-	-	-	
Adult Religious Exploration	60	-	125	125	0%	25	150	125	75	
Children's Religious Exploration										
Supplies	679	304	625	321	41%	388	750	362	500	
Childcare	1,616	1,640	1,333	(307)	102%	1,970	1,600	(370)	1,800	
Miscellaneous	105	424	125	(299)	282%	424	150	(274)	125	
Total Life of the Church	14,743	12,434	13,229	795	78%	15,133	15,875	742	14,900	
Community Life										
ADR	-	-	-	-	0%	-	-	-	-	
Books & Literature (Misc Expenses)	45	132	208	76	53%	174	250	76	100	
Scrip Expense	241	232	208	(23)	93%	273	250	(23)	275	
Leadership School		-	-	-	0%	-	-	-	-	
GA/DA Registration		-	-	-	0%	-	-	-	-	
Equal Exchange Expense	626	-	667	667	0%	133	800	667	300	
Caring Network		-	42	42	0%	8	50	42	25	
Social Action/Outreach	214	259	333	75	65%	325	400	75	500	
Transfer to UBS Account		-	-	-	0%	-	-	-	-	
FY10 \$ 20 PSWD Fairshare	3,297	1,826	3,652	1,826	50%	1,826	3,652	1,826	3,060	\$20 FY09-10 estimated rate
FY10 \$ 58 UUA Fairshare	8,478	-	9,296	9,296	0%	1,000	9,296	8,296	8,874	\$58 FY09-10 rate from UUA website
Welcoming Congregation	66	80	83	3	80%	80	100	20	50	
Total Community Life	12,967	2,528	14,490	11,962	17%	3,820	14,798	10,978	13,184	
Total Expenses	304,388	240,991	262,618	21,627	77%	287,104	311,116	24,012	235,516	18% decrease from last year
Excess Income/(Expenses)	(12,305)	(7,442)	2,707	(10,149)	NM	(12,441)	0	(12,441)	(5,166)	

Acronyms:

B/(W)	Better/(Worse)
DRE	Director of Religious Education
FY	Fiscal Year
GA/DA	General Assembly/District Assembly
PSWD	Pacific South West District
SECA	Self-Employment Contributions Act
UBS	Union Bank of Switzerland - the investment firm managing Tapestry's reserve and capital accounts
UUA	Unitarian Universalist Association
YTD	Year to Date