

Finance Committee Report – 2017-2018

Chair: Cindy Hadden, Treasurer

Members: Dave Dessert, John Elder (Bookkeeper), Dick Hildenbrand, Steve Mason, Mike Owens

The Finance Committee is responsible for maintaining the fiscal health of the congregation. The church budget at the start of this fiscal year was at a \$26,750 deficit with income projected at \$299,547 and expense projected at \$326,297. With approval of the Board of Trustees, we made some adjustments to the budget in August, to more closely reflect then current events, namely the hiring of a (temporarily part-time) new Interim DRE. This brought the deficit down to -\$12,195. With two months left to go in the fiscal year, Income has exceeded expenses by \$13,697 and we expect to end the year with a \$3,000 to \$4,000 excess. We have come a long way. We could not have done it without a lot of wonderful volunteers, and everyone who pitched in a little extra.

As of the March 2018 financials, we stand as follows:

FYTD through March 2018	Actual	Budget	Annual Budget
Total Income	\$269,062	\$253,890	\$296,772
Total Expense	\$255,365	\$256,717	\$309,762
Net Income	\$13,697	-\$2,826	-\$12,990

The FYTD positive income variance is mostly due to supplemental pledges (\$2,950), previous' fiscal year's pledges paid after the start of this fiscal year (\$3,803) Loose Offerings – undesignated money collected in the plate on Sundays (\$2,004), and some expenses that have come in a few hundred dollars under budget or been spread differently then budgeted, some of which will get adjusted over the rest of the fiscal year.

The total Dedicated Funds balance as of the end of March is \$94,015.05 and this amount is fully covered by the Legacy Money Market account and the Schwab Money Market account. The money that had been borrow because of the Major Repairs last years, has been repaid as of the sale of the land.

Investment Funds are reported separately by the Investment Committee (see).

This year saw quite a few exciting and unusual events. First, in June, we refinanced the mortgage, (approved by the congregation in May 2017) rolling the existing mortgage (\$259,515) and line of credit (\$58,630) into a new mortgage. Then we got an unexpected inheritance, part of which will be used for improvements to the church, for which Facilities is currently working on a proposal. We sold a portion of our land (approved by the congregation in November 2017), the proceeds were used to replenish cash reserves (\$26,500), paying off an internal loan for Major Repairs from the previous year (\$102,000), paying off the HVAC internal loan (\$37,000), and the remainder went to pay off a part of the internal LOC loan (\$690). And then we received an inheritance from Ian Rule to top the year off.

Other liabilities: In addition to the above loans, over the past four years, our Operating Funds have borrowed \$50,000 from the Unrestricted Planned Giving Fund managed by the Investment Committee. The status of these loans is as follows:

1. HVAC Upgrade: Borrowed \$40,000 in May 2014 to pay back \$45,000 over the course of the number of years of payback. To facilitate computation of payback, Electricity, Gas and HVAC repairs will continue to be budgeted as if we had not upgraded and the accumulated annual savings will be paid back to the Unrestricted Fund at the end of each fiscal year. On a monthly basis, we have been accruing the savings into a Dedicated Fund to ensure the money is available to pay back in this manner. We paid back \$3,300 in May 2015, \$4,700 in May 2016 and made a final payment of \$37,000 in February 2018. This loan is now paid back.

2. LOC Liquidation: Borrowed \$10,000 in December 2014 to pay back \$12,000 over the course of ten years. This is budgeted in future years' budgets and is being accrued into a Dedicated Fund for lump sum annual payments on May 31 of each year. At the end of FY 2015-2016, \$1,700 was transferred back to the Unrestricted Fund, and \$690 was paid in February 2018. Current balance is \$9,610. Accrual for repayment has been put on hold, in face of the deficit budget situation.

An informal review of our financial accounting and records was conducted earlier this year for FY 16-17. No major discrepancies were noted; a few cases of missing or incomplete documentation were found.

Our Share the Plate program has netted \$3,720.36 in the first ten months of this fiscal year. Amounts and recipients are listed below. Additionally, \$4,427.50 was donated from a special end-of-year appeal to replenish the Minister's Discretionary Fund. We thank all who contributed for their generosity.

Mo	Recipient	Amount		Mo	Recipient	Amount
Jun	Minister's Discretionary	\$ 217		Dec	Minister's Discretionary	\$ 855
Jul	HRI	\$ 315		Jan	Community Harvest Garden	\$ 310
Jul	God's Food Pantry	\$ 238		Feb	Texas UU Justice Ministry	\$ 271
Aug	Barron Elementary	\$ 274		Mar	Minister's Discretionary	\$ 204
Sep	Minister's Discretionary	\$ 416		Apr	New Orleans Project	TBD
Oct	God's Food Pantry	\$ 282		May	Immigration/Refugee	TBD
Nov	Plano Community Home	\$ 346				