

FY2022 Annual Program Area Reports: Income Generation

Report from the Treasurer: Lois Weir

It has been an honor and a pleasure to serve the congregation as treasurer of the Unitarian Universalist Church of Kent during another year of challenge and change. The COVID-19 pandemic continued to prevent us from meeting and worshipping face-to-face for nearly half of the year. It's been exhausting, but it has also provided opportunities for growth. We've seen Hobbs Hall finally become a reality – a beautiful new space where we can join together for worship and gathering. Our campus is becoming equipped with modern audio/video/digital technologies that will allow us to connect with members and friends who cannot be with us in person due to limitations of ability, health, or location. We are becoming a truly inclusive and accessible Church.



All this positive growth has resulted in additional financial obligations. We have increased our part-time staff to include a Technology Manager and Campus Use Manager – critical roles that we could not fill with volunteers. We've increased the weekly hours of the Sexton for maintenance of the new hall and of our Administrator, whose duties have increased significantly with the growth of the campus and staff. After two years of being able to carry over funds from one fiscal year to the next, we have found in FY22 that we need every bit of the reserved funds that we designated for use this year. The timing of our annual Service Auction moved from winter to spring in FY22. Those funds will arrive just in the nick of time this year to keep us operating to the end of June. If the auction is as successful as previous ones have been, we will wrap up the fiscal year pretty close to the budget we approved a year ago. There will be no carrying-over of funds this year.

Which brings me to the difficult topic of the FY2023 budget. This year challenges us with the perfect storm of negative financial news. We no longer have reserved funds or carryover to draw on to provide us with a large amount of non-pledged income. Next year, we will rely on fundraising, rentals, non-pledged donations and the annual auction as our primary sources of income beyond what our members have pledged for FY23. I wish to acknowledge the heroic work of the Generosity Team this year. They did their best to encourage giving from a congregation that is weary from two years of pandemic-related trauma and physical separation from their church community. We have lost some members due to death or relocation. Some members have recently retired or have seen changes in their personal circumstances that necessitated a reduction in their pledges. At the same time, many members increased their pledges to help pick up the slack. Thanks to all of you for your generous pledges. The pledges we have received as of this writing (\$228,907) are down from FY22, at the same time that our expenses have significantly increased with our new campus. So to make the budget work in FY23 we will have to borrow \$133,600 from our Endowment to meet our financial obligations in the coming year. This was a difficult decision to come to, but there is very little we can cut in the way of expenses. In accordance with our values, we want to continue to provide dental, disability, and life insurance to our eligible staff. We have not budgeted for pay increases to the minister and staff (with the exception of the sexton) in this year of national inflation. We need all of our employees to help us grow into the future. We need technology to make church

services and activities inclusive and accessible to our friends and members everywhere, regardless of location or ability. We need to increase our visibility in the community in order to generate rental income and grow our congregation. It's important that we continue to pay our fair share contributions to the UUA and CER. We draw on the support of those organizations during times of crisis, and during ordinary times, to help our ministries grow and thrive. And, of course, our beautiful new building needs care and feeding. I am truly grateful for the generosity of Clinton and Olive Hobbs, Cheryl Casper and Gene Wenninger, and others who bequeathed us with legacy gifts that we can borrow from to keep the church healthy until we grow.

The way we make this sustainable going forward is for all of us to put all of our energy into revitalizing church life. We are exhausted and traumatized by the pandemic and need to find more joy in our Church. We each have the potential to foster growth in ourselves and our church community by re-engaging in all the activities that make up the life and work of this Church. I challenge each of us to identify a project that needs attention and apply our leadership, energy, and talents to breathe life into it. Joyful participation in our many ministries will bring back members who may have drifted away and attract new folks who need what our flavor of Unitarian Universalism has to offer. I truly believe that as we revitalize our congregational life the pledges, donations, rentals, and fundraising will happen as a matter of course.

Finally, I would like to make one last plea to those who have not yet pledged or have been considering increasing their pledge for FY23. It's never too late! Just contact our Congregational Administrator at churchoffice@kentuu.org at your convenience.

A few more words of gratitude are in order before I close. Thanks to all of you who helped raise funds, large and small, by organizing or supporting activities that help our congregation financially. Thanks to the Auction team, ably led by Trudy Diehl, for flexing with the format of the event in challenging times. I would also like to recognize and thank the folks who are key to our ability to effectively monitor and administer our fiscal needs. They include our Financial Secretaries and their assistants, the Finance Committee, and the Endowment Committee. I would also like to recognize the invaluable leadership of Kay Eckman, who not only serves as treasurer for our capital campaign, but has also led the Generosity Team for the past few years.

Thanks to you all.

In Peace,

Lois Weir
April 19, 2022



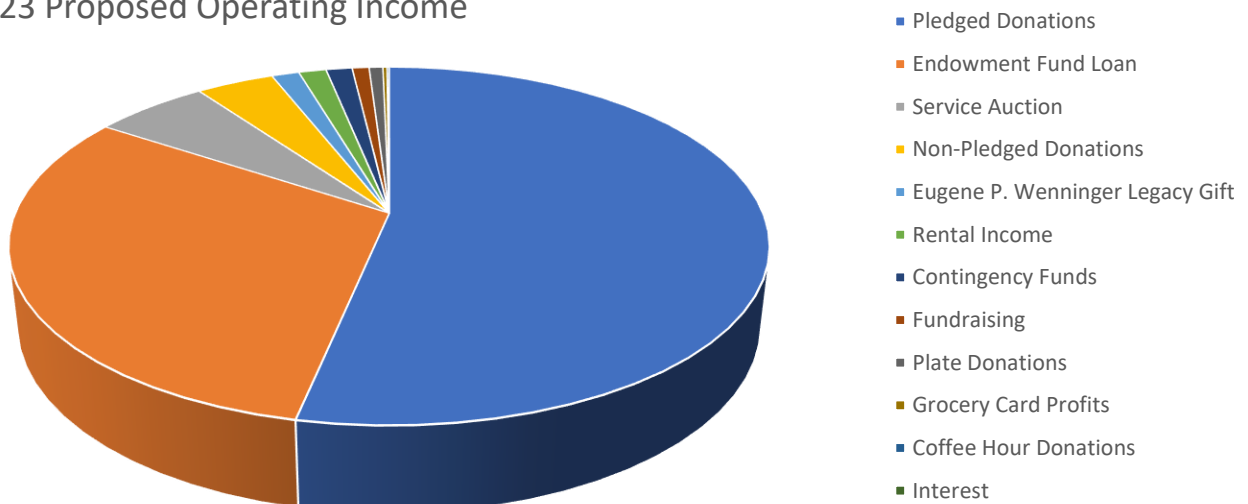
Ballot Item: FY2022 Operating Budget

Note: A simple majority 51% affirmative vote of the Active Members in attendance and by absentee ballot is required for this ballot item to be adopted.

FY2023 Proposed Revenues

Pledged Donations	\$229,282
Endowment Fund Loan	\$133,226
Service Auction	\$25,000
Non-Pledged Donations	\$17,000
Eugene P. Wenninger Legacy Gift	\$6,000
Rental Income	\$6,000
Contingency Funds	\$5,690
Fundraising	\$3,700
Plate Donations	\$3,000
Grocery Card Profits	\$900
Coffee Hour Donations	\$400
Interest	\$100
Total	\$430,298

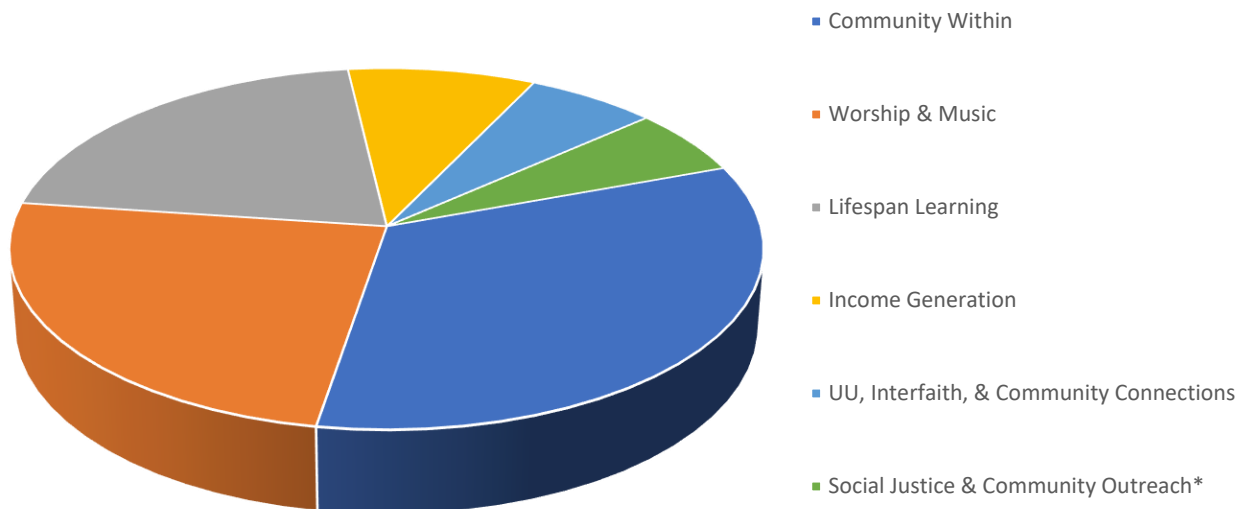
FY2023 Proposed Operating Income



FY2023 Proposed Program Expenses

Community Within	\$142,866
Worship & Music	\$105,344
Lifespan Learning	\$90,391
Income Generation	\$38,969
UU, Interfaith, & Community Connections	\$27,199
Social Justice & Community Outreach*	\$25,529
FY2023 Proposed Program Expenses	\$430,298

FY2023 Proposed Program Expenses



**Reflects only social justice programming supported by the operating budget; this figure does not include monies donated for special collections.*

Facility operations and staff compensation expenses have been allocated to the UU Church of Kent Program Areas based on a percentage of staff time spent supporting our programs, ministries, committees, and events.

	Fiscal Year to Date 7/1/21-3/31/22	Annual Fiscal 7/1/21-3/31/22	Percent of Annual Budget
Budgeted Income			
Offerings			
FY2022 Pledged Income	\$ 209,268.00	\$ 277,704.00	
Non-Pledged Donations	\$ 7,425.64	\$ 17,000.00	
Plate Offerings	\$ 344.00	\$ 2,250.00	
Total Offerings	\$ 217,037.64	\$ 296,954.00	73%
Other Income			
Carryover from FY21	\$ 11,901.03	\$ 11,901.03	
Coffee Hour Donations	\$ -	\$ 300.00	
Bank interest	\$ 59.77	\$ 100.00	
Fundraising	\$ 454.86	\$ 2,775.00	
Grocery Card Profits	\$ 350.00	\$ 937.50	
Rentals	\$ -	\$ 3,750.00	
Service Auction	\$ 473.00	\$ 25,000.00	
Total Other Income	\$ 13,238.66	\$ 44,763.53	30%
Reserved Income for Operations			
Reserved Gifts for Operations	\$ -		
Fellowship Hall Reserves	\$ 10,005.36	\$ 10,005.00	
Eugene P Wenninger Legacy	\$ 15,000.00	\$ 15,000.00	
Transfers from Contingency Fund	\$ -	\$ 5,690.00	
Total Reserved Income for Operations	\$ 25,005.36	\$ 30,695.00	81%
Total Budgeted Income	\$ 255,281.66	\$ 372,412.53	69%
Program Budget Operating Expenses			
Worship & Music			
Music Committee	\$ 69.80	\$ 1,000.00	
Worship Arts Team	\$ 665.00	\$ 800.00	
Worship Supplies	\$ 696.26	\$ 500.00	
*Program Budget for Worship & Music	\$ 62,435.03	\$ 87,875.05	
Total Worship & Music	\$ 63,866.09	\$ 90,175.05	71%
Community Within			
CUUPs	\$ -	\$ -	
Aesthetics Committee	\$ -	\$ -	
Board of Trustees	\$ -	\$ 100.00	
Care Team	\$ -	\$ 200.00	
Childcare for Meetings	\$ -	\$ 225.00	
Committee on Ministry	\$ -	\$ 250.00	
Fellowship and Coffee Hour	\$ 3.56	\$ 600.00	
Lay Leader Development	\$ -	\$ 500.00	
Library Committee	\$ -	\$ -	
Membership & Directory	\$ 371.24	\$ 1,200.00	
Personnel Expenses	\$ -	\$ 50.00	
*Program Budget for Community Within	\$ 84,047.16	\$ 118,293.33	
Total Community Within	\$ 84,421.96	\$ 121,418.33	70%
Lifespan Learning			
Adult RE	\$ 120.76	\$ 500.00	
Children's RE Program	\$ 1,498.70	\$ 2,000.00	
*Program Budget for Lifespan Learning	\$ 52,829.64	\$ 74,355.81	
Total Lifespan Learning	\$ 54,449.10	\$ 76,855.81	71%

Program Budget Operating Expenses Continued

UU & Interfaith Ministries			
UUA Annual Program Fund	\$ 13,300.00	\$ 19,000.00	
Publicity	\$ 337.62	\$ 200.00	
*Program Budget for UU & Interfaith	\$ 4,802.69	\$ 6,759.62	
Total UU & Interfaith Ministries	\$ 18,440.31	\$ 25,959.62	71%
Income Generation			
Fundraising Expenses	\$ -	\$ 225.00	
PayPal Processing Fee	\$ 515.25	\$ 700.00	
EasyTithe Processing Fee	\$ 173.62	\$ 280.00	
Service Auction Expenses	\$ -	\$ 1,500.00	
Stewardship Committee	\$ -	\$ 100.00	
*Program Budget for Income Generation	\$ 21,612.13	\$ 30,418.29	
Total Income Generation	\$ 22,301.00	\$ 33,223.29	67%
Outreach Ministries			
Racial Justice	\$ -	\$ 500.00	
Social Justice	\$ -	\$ 500.00	
*Program Budget for Outreach	\$ 14,408.08	\$ 20,278.86	
Total Outreach Ministries	\$ 14,408.08	\$ 21,278.86	68%
New Fellowship Hall Operations	\$ -	\$ 18,000.00	
Anticipated Uncollected Pledges	\$ 765.00	\$ 8,331.12	
Total Program Budget Operating Expenses	\$ 258,651.55	\$ 395,242.07	65%

***Note:** Facility operations and staff compensation expenses have been allocated to the UU Church of Kent Program Areas based on a percentage of staff time spent supporting our programs, ministries, committees,

Other Income

Capital Campaign	
Cap Campaign donations received	\$ 10,906.24
Trans from Cap Acct for expense	\$ 2,229.92
Total Capital Campaign	\$ 13,136.16
Designated Monies	\$ 3,444.00
Total Endowment donations	\$ 25.00
Total Grocery Card sales	\$ 13,076.98
Hogwarts	\$ 450.00
Income Received in Prior Year	\$ (23,085.00)
MDF donations and transfers	\$ 163.80
Memorial donations	\$ 50.00
Total RE Program donations	\$ (35.03)
Social Justice	
Fair Trade Sales	\$ 1,097.90
Special Collection donations	\$ 6,427.01
Total Social Justice	\$ 7,524.91
Non-Budgeted Monies - Other	\$ 190.00
Total Non-Budgeted Income	\$ 14,940.82

Program Budget Operating Expenses Continued

Other Expense

Capital Campaign Expenses	\$ 81,917.53
Total Grocery Cards transfers & exp.	\$ 12,328.98
Hogwarts transfers	\$ 450.00
Major Improvements expenses	\$ -
MDF transfers	\$ 441.80
Misc. Non-GF expense	\$ 1,000.00
Music non-budgeted	\$ 300.00
Outreach expenses	\$ 5,025.00
Prior-year Monies carried over	\$ 29,906.39
Religious Education Other	\$ 480.00
Social Justice expenses	
Fair Trade expenses	\$ 877.02
Race for Justice Team expenses	\$ 250.00
Social Justice Committee Exp	\$ 651.34
Special Collection expenses	\$ 5,158.01
Social Justice expenses - Other	\$ 243.50
Total Social Justice expenses	<u>\$ 7,179.87</u>
Total Non-Budgeted Expenses	\$ 136,794.96



Account Balances, Assets, and Liabilities as of March 31, 2022

GENERAL CHECKING

General Funds for Operations	
Loan to Grocery Card Acct.	\$ (2,362.00)
General Funds for Operations - Other	\$ (3,848.77)
Total General Funds for Operations	\$ (6,210.77)
Capital Campaign monies	
Hobbs Hall Gift	\$ 7,492.45
Furnishings Budget	
A/V	\$ 323.05
Kitchen	\$ 5,090.00
Other Furnishings	\$ 4,221.77
Total Furnishings Budget	\$ 9,634.82
Kitchen appliances and cabinets	\$ 215.31
Undesignated Capital Campaign	\$ 1,219.15
Capital Campaign monies - Other	\$ 0.31
Total Capital Campaign monies	\$ 18,562.04
Coffee Hour monies	\$ 1,648.05
Contingency Fund	\$ 4,344.00
Designated Monies	
Advertising	\$ 7.99
B&G funds	\$ 15,084.54
Care Team	\$ 100.00
Computer fund	\$ 1,000.00
Guest at Your Table	\$ 250.38
Hobbs Bequest	\$ 570.00
Race 4 Justice Task Group	\$ 288.04
Sunday Flowers	\$ 10.00
Total Designated Monies	\$ 17,310.95
Green Sanctuary monies	\$ 16.00
Library monies	\$ 184.80
Memorial Fund monies	
Designated memorials	\$ 700.00
Harry Noden Memorial Music Fund	\$ 4,135.00
Memorials - undesignated	\$ 2,168.15
Total Memorial Fund monies	\$ 7,003.15
Music Fund	\$ 539.50
FY23 Prepaid Pledge Monies	\$ 8,447.00
Religious Education	
Children's RE Program	\$ 761.91
Coming of Age monies	\$ 212.74
OWL monies	\$ 219.80
Youth Group monies	\$ 1,832.00
Total Religious Education	\$ 3,026.45
Reserves for Operations	
Minister/Staff Sabbatical Fund	\$ 4,650.77
Total Reserves for Operations	\$ 4,650.77
Social Justice	
Fair Trade Sales	\$ 1,133.34
Social Justice Fund	\$ 588.87
Special Collection monies	\$ 1,501.00
Total Social Justice	\$ 3,223.21
GENERAL CHECKING - Other	\$ (201.00)
Total GENERAL CHECKING	\$ 62,544.15

HOMETOWN BANK MM SAVINGS

Aesthetics - savings	
Art in the Sanctuary	\$ 655.00
Chancel Decorations fund	\$ 522.69
Total Aesthetics - savings	\$ 1,177.69
Contingency Fund	\$ 1,346.40
Endowment Fund monies	
Heritage Program	\$ 1,250.00
Simple Gifts	\$ 494.76
Total Endowment Fund monies	\$ 1,744.76
Grant Fund (UUCK)	\$ 10,000.00
Green Sanctuary savings	\$ 566.14
Library savings	\$ 174.56
HTB MM SAVINGS ACCT. - Other	\$ 862.76
Total HTB MM SAVINGS ACCT.	\$ 15,872.31

OTHER ACCOUNTS

HTB Capital Campaign Account	\$ 9.67
Vanguard	\$ 370,772.35
Grocery Card Checking Account	\$ 1,624.65
Hogwarts Checking Account	\$ 3,369.82
Minister's Discretionary Fund	\$ 5,221.35

Real Estate Assets \$ 430,000.00

Grocery Card Inventory \$ 6,955.00

Major Liabilities

Debt Service (mortgage) \$ 39,183.68

Credit Available

HTB Commercial Loan \$ 218,326.53