

## Q2 Narrative Report for Board

Prepared by Katie Watkins, Director of Finance and Operations

August 2022

Income:

- We are pleased to share that as of August, we have received all of our Employee Retention Credits totaling a net income of \$139,531 between 2021 and 2022. This means that our accrued income from 2021 has been satisfied. However, we are still working with our Finance Team and external reviewer to determine the bestway to account for these funds (and the associated expenses/commissions) - so you do not yet see these funds on the P&L.
- After working with our finance team, we have removed our multi-year restricted income accounts off of our P&L to report more accurate operational costs/income. However, this is out of alignment with our budgeted income - and we are also awaiting some support on how best to account for this. This accounts for approximately \$42,000 of anticipated income not showing as received.
- Based on Q1/2 giving and the 2022 pledge drive shortfall, we are anticipating an approximately \$67,000 shortage in income for the year vs. budget. This is due to the following reasons:
  - Pledge giving is \$50,000 short of budget
  - Unrestricted donations are down by 40% year over year
  - Scheduled fundraiser + auction increase may/may not happen.

Q2 Income Gap Recap:

ERC	\$48,000	Received, not shown
Reduced Giving	\$33,500	Need to plan for this gap
Restricted Income	\$42,000	Accounting will clarify
Auction	\$10,000	
<i>Total explained</i>	<i>\$133,500</i>	

**Total Gap** **\$158,022**

The unexplained \$24,522 is mostly explainable by the fact that our budgeting this year uses an equal monthly split of income/expenses (ie total divided by 12) vs. actual month expected. Giving is always slightly higher in the second half of the year.

Expenses:

Our expenses are slightly under, mostly explained by the aforementioned equal monthly budgeting. Because we added a full time staff person in August, we anticipated that our expenses when divided equally will be slightly under in the first two quarters, and slightly over in the last two. All categories showing a significant overage above 100% have been reviewed accordingly.

This is a brief report to provide an overview of Foothills Unitarian's financial position as of June 30, 2022.

The first two quarters of the year remain fairly in line with how we predicted for the year. Income remains under budget, currently projecting about \$67k shortfall, this is up about \$17k from our initial projection based on giving and will need to be folded into Fall Fundraising to close the gap.

Expenses are on par with expectations for this point in the year. We will look at adjusting some categories as needed in the second half of the year.

The Endowment fund has performed really poorly this year, and has lost about \$50k. This + notable changes in accounting + actual monthly budgeting account for the gap income, which is also explained in greater detail in the narrative report.



### Account Balances

Account	Balance
Checking Account	\$187,044*
Capital Campaign	\$3,508,959
BIPOC Alliance Account	\$147,682
Endowment Fund	\$252,658.27

Balances reflected are as of June 30, 2022

\*\$100,000 is owed to the Capital Campaign

\*\*Loss of \$51,985



### Pledge Giving

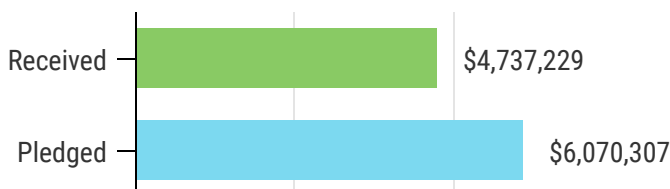
Year	Received YTD	Pledged
2022	\$340,019	\$618,616
2021	\$323,881	660,905

**10% UNDER BUDGETED PLEDGE COMMITMENT**

**51% PLEDGE BUDGET FULFILLMENT**



### Capital Campaign

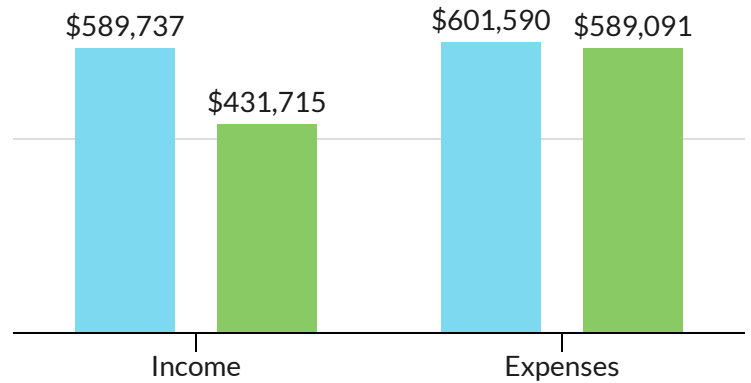


# Financial Overview



### Budget vs. Actual

Jan-June Budget (light blue) | January-June Actual (green)



\*Excludes Capital Campaign Income.



### Community Outreach



**OFFERING PLATE RECEIVED \$42,526**



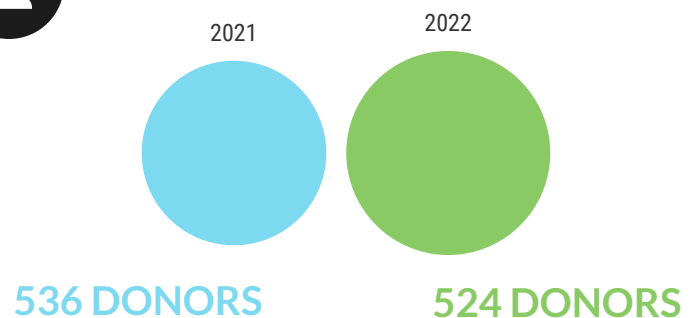
**SHARE THE PLATE GIVEN \$21,863**

Recipient Organizations:

La Cocina, Homeward Alliance, Cultural Enrichment Center, Poudre Wilderness Volunteers, Be More Gay Movement, Moms Demand Action, BIPOC Alliance & Sanctuary Everywhere



### Donors



Foothills Unitarian Church  
**ORGANIZATION TOTAL**  
 P&L - Budget vs. Actual

	<u>Jan - Jun 22</u>	<u>Budget</u>	<u>\$ Over Bud...</u>	<u>% of Budget</u>
<b>Ordinary Income/Expense</b>				
<b>Income</b>				
41000 · Contributions				
41100 · Pledges				
41101 · Pledges - Current	324,033.94	340,500.00	-16,466.06	95.2%
41171 · Pledges - Postpaid	7,766.00			
41190 · Pledges - Allowmance for Unpaid	0.00	-17,025.00	17,025.00	0.0%
<b>Total 41100 · Pledges</b>	<u>331,799.94</u>	<u>323,475.00</u>	<u>8,324.94</u>	<u>102.6%</u>
41200 · Share the Plate				
41201 · Share the Plate Collections	42,526.56	44,500.00	-1,973.44	95.6%
<b>Total 41200 · Share the Plate</b>	<u>42,526.56</u>	<u>44,500.00</u>	<u>-1,973.44</u>	<u>95.6%</u>
41300 · Donations				
41301 · Donations - Unrestricted	34,640.35	49,999.99	-15,359.64	69.3%
41351 · Donations - Restricted				
41355 · Restricted MDF Donations	0.00			
41365 · Restricted Music Director Donat	0.00			
41351 · Donations - Restricted - Other	0.00	27,000.00	-27,000.00	0.0%
<b>Total 41351 · Donations - Restricted</b>	<u>0.00</u>	<u>27,000.00</u>	<u>-27,000.00</u>	<u>0.0%</u>
<b>Total 41300 · Donations</b>	<u>34,640.35</u>	<u>76,999.99</u>	<u>-42,359.64</u>	<u>45.0%</u>
41400 · Fundraising				
41401 · Fundrasing Rcpts.-Unrestricted	0.00	14,250.00	-14,250.00	0.0%
41451 · Fundraising Rcpts.-Restricted	0.00	3,500.02	-3,500.02	0.0%
<b>Total 41400 · Fundraising</b>	<u>0.00</u>	<u>17,750.02</u>	<u>-17,750.02</u>	<u>0.0%</u>
<b>Total 41000 · Contributions</b>	<u>408,966.85</u>	<u>462,725.01</u>	<u>-53,758.16</u>	<u>88.4%</u>
43100 · Program Fees				
43110 · Camps & Retreats				
43115 · Grand Canyon Fees	0.00			
43110 · Camps & Retreats - Other	10,693.30			
<b>Total 43110 · Camps &amp; Retreats</b>	<u>10,693.30</u>			
43120 · Classes & Workshops	320.00			
43100 · Program Fees - Other	0.00	15,262.50	-15,262.50	0.0%
<b>Total 43100 · Program Fees</b>	<u>11,013.30</u>	<u>15,262.50</u>	<u>-4,249.20</u>	<u>72.2%</u>
44950 · Capital Campaign Charge	0.00	11,000.02	-11,000.02	0.0%
45100 · Facility Rentals	8,375.00	7,500.00	875.00	111.7%
47100 · Product Sales				
47115 · Memorial Plaque	1,400.00			
47190 · Merchandise Sales- Other				
47195 · Merch-Sticker Sales	43.00			

Foothills Unitarian Church  
**ORGANIZATION TOTAL**

P&L - Budget vs. Actual

	<u>Jan - Jun 22</u>	<u>Budget</u>	<u>\$ Over Bud...</u>	<u>% of Budget</u>
Total 47190 · Merchandise Sales- Other	43.00			
Total 47100 · Product Sales	1,443.00			
48100 · Other Income				
48105 · Grocery Cards	1,708.90			
48120 · Corporate Affinity Programs	208.52	2,499.98	-2,291.46	8.3%
48450 · Fiscal Sponsorship Fees	0.00	2,750.02	-2,750.02	0.0%
48985 · Investment Income (Loss) - R	-51,985.16	7,500.00	-59,485.16	-693.1%
48990 · Interest Income	0.01			
Total 48100 · Other Income	-50,067.73	12,750.00	-62,817.73	-392.7%
48125 · Employee Retention Credit	0.00	45,500.02	-45,500.02	0.0%
49990 · Release of Restricted Funds	51,985.16	35,000.02	16,985.14	148.5%
Total Income	431,715.58	589,737.57	-158,021.99	73.2%
Gross Profit	431,715.58	589,737.57	-158,021.99	73.2%
Expense				
500000 · Ministries and Programs				
50100 · Personnel Costs				
50101 · Salaries & Wages - Staff	264,899.02	324,229.50	-59,330.48	81.7%
50105 · Wages - Childcare- Sunday	5,099.25	2,250.00	2,849.25	226.6%
50110 · Housing Allowance	63,500.06			
50115 · Additional Compensation	9,567.42			
50121 · Payroll Taxes	16,405.78	24,803.53	-8,397.75	66.1%
50125 · Workers Comp Insur.	4,353.00	2,490.00	1,863.00	174.8%
50130 · Health & Dental Insur.	18,385.71	15,923.93	2,461.78	115.5%
50135 · Life & LT Disability Insur.	3,194.08	3,189.34	4.74	100.1%
50140 · Pension Plan Contributions	24,734.85	28,794.77	-4,059.92	85.9%
50150 · Professional Expenses	19,725.88	14,575.00	5,150.88	135.3%
50160 · Training & Dev - Staff	300.00			
50165 · Training & Dev - Volunteers	450.00			
50170 · Contract Labor	15,383.00	22,650.00	-7,267.00	67.9%
50175 · Education and Development	0.00	890.00	-890.00	0.0%
50180 · Advertising and Recruitment Exp	449.00	150.00	299.00	299.3%
50190 · Background Checks - Staff	59.38	100.00	-40.62	59.4%
50195 · Background Checks - Volunteers	117.72			
Total 50100 · Personnel Costs	446,624.15	440,046.07	6,578.08	101.5%
50200 · Operating Expenses				
50210 · Operating Supplies	9,230.18	9,274.98	-44.80	99.5%
50212 · Equipment Purchase	4,402.45	249.99	4,152.46	1,761.1%
50218 · Equipment Repairs & Maint.	0.00	474.99	-474.99	0.0%
50220 · Transportation & Mileage	235.64			
50225 · Travel	1,878.22			
50240 · Gifts & Recognition				
50241 · Volunteer Gifts and recongition	4,163.43	3,395.00	768.43	122.6%
50242 · Staff Gifts and Reconigation	651.40	450.00	201.40	144.8%

Foothills Unitarian Church  
**ORGANIZATION TOTAL**

P&L - Budget vs. Actual

	<u>Jan - Jun 22</u>	<u>Budget</u>	<u>\$ Over Bud...</u>	<u>% of Budget</u>
50240 · Gifts & Recognition - Other	1,000.00			
Total 50240 · Gifts & Recognition	5,814.83	3,845.00	1,969.83	151.2%
Total 50200 · Operating Expenses	21,561.32	13,844.96	7,716.36	155.7%
50300 · Contractual Services				
50310 · Printing & Copying	5,579.54	2,940.00	2,639.54	189.8%
50315 · Postage & Shipping	1,513.32	750.00	763.32	201.8%
50320 · Software Licenses & Fees	14,701.17	8,000.00	6,701.17	183.8%
50340 · Payroll Processing	1,555.85	1,300.00	255.85	119.7%
50350 · Program Providers and Consultin	1,776.03	16,500.00	-14,723.97	10.8%
50353 · Prof. Fees - Consulting	438.60			
50360 · Insurance - General	7,858.60	7,500.00	358.60	104.8%
50370 · Facility Rental	-1,002.75	2,100.01	-3,102.76	-47.7%
Total 50300 · Contractual Services	32,420.36	39,090.01	-6,669.65	82.9%
50500 · Building Occupancy				
50510 · Building Supplies	997.48	1,000.00	-2.52	99.7%
50515 · Building Maint. & Repairs	991.86	2,310.00	-1,318.14	42.9%
50525 · Landscape Maint. & Repairs	8,674.27	10,500.00	-1,825.73	82.6%
50550 · Utilities	11,259.74	9,500.00	1,759.74	118.5%
50560 · Building Security	706.44			
Total 50500 · Building Occupancy	22,629.79	23,310.00	-680.21	97.1%
Total 500000 · Ministries and Programs	523,235.62	516,291.04	6,944.58	101.3%
60000 · General & Admin				
60120 · Telephone & Internet	1,855.85	1,500.00	355.85	123.7%
60125 · Office Supplies	471.21	300.00	171.21	157.1%
60130 · Bank Charges	123.79			
60135 · Merchant & CC Fees	3,115.04	3,024.00	91.04	103.0%
60150 · Licenses, Fee, Dues, Permits	0.00	725.02	-725.02	0.0%
60160 · Dues - Membership - UUA & MDD	24,125.00	12,000.00	12,125.00	201.0%
60170 · Dues & Subscriptions - Other	159.16			
Total 60000 · General & Admin	29,850.05	17,549.02	12,301.03	170.1%
65000 · Operations				
65030 · Printing and Copying	323.48			
Total 65000 · Operations	323.48			
65100 · Other Types of Expenses				
65120 · Insurance - Liability, D and O	700.00			
Total 65100 · Other Types of Expenses	700.00			
66900 · Reconciliation Discrepancies	202.16			
68300 · Travel and Meetings				
68320 · Travel	1,614.75			

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Accrual Basis

Foothills Unitarian Church  
**ORGANIZATION TOTAL**  
P&L - Budget vs. Actual

	<u>Jan - Jun 22</u>	<u>Budget</u>	<u>\$ Over Bud...</u>	<u>% of Budget</u>
Total 68300 · Travel and Meetings	1,614.75			
70000 · Stewardship & Finance				
70100 · Grants to Other Organizations	21,863.26	25,750.00	-3,886.74	84.9%
Total 70000 · Stewardship & Finance	21,863.26	25,750.00	-3,886.74	84.9%
99990 · Transfer to Restricted Funds	0.00	42,000.00	-42,000.00	0.0%
Total Expense	577,789.32	601,590.06	-23,800.74	96.0%
Net Ordinary Income	-146,073.74	-11,852.49	-134,221.25	1,232.4%
Net Income	<u>-146,073.74</u>	<u>-11,852.49</u>	<u>-134,221.25</u>	<u>1,232.4%</u>

## Foothills Unitarian Church

## Balance Sheet

As of June 30, 2022

	Jun 30, 22
<b>ASSETS</b>	
<b>Current Assets</b>	
<b>Checking/Savings</b>	
10000 · Cash	
10001 · Petty Cash	225.00
10003 · Cash Box Change	40.00
10010 · Checking - First National #894	181,415.97
<b>Total 10000 · Cash</b>	181,680.97
<b>Total Checking/Savings</b>	181,680.97
<b>Accounts Receivable</b>	
12000 · Accounts Receivable	
12205 · Accounts Receivable - Other	-50,732.86
12510 · Accounts Receivable - CC Use	-236.49
<b>Total 12000 · Accounts Receivable</b>	-50,969.35
<b>Total Accounts Receivable</b>	-50,969.35
<b>Other Current Assets</b>	
10019 · Undeposited Funds	-1,325.02
11100 · Investments	
11125 · UUA Common Endowment Fund	252,658.27
<b>Total 11100 · Investments</b>	252,658.27
12100 · Inventory Asset	
13115 · Scrip & Grocery Cards	2,179.00
<b>Total 12100 · Inventory Asset</b>	2,179.00
<b>Total Other Current Assets</b>	253,512.25
<b>Total Current Assets</b>	384,223.87
<b>Fixed Assets</b>	
15000 · Fixed Assets	
15225 · Buildings	1,735,200.00
<b>Total 15000 · Fixed Assets</b>	1,735,200.00
<b>Total Fixed Assets</b>	1,735,200.00
<b>TOTAL ASSETS</b>	<b>2,119,423.87</b>
<b>LIABILITIES &amp; EQUITY</b>	
<b>Liabilities</b>	
<b>Current Liabilities</b>	
<b>Accounts Payable</b>	
20100 · Accounts Payable - Operating	1,148.33
<b>Total Accounts Payable</b>	1,148.33
<b>Credit Cards</b>	
20150 · Credit Cards Payable	16,743.72
<b>Total Credit Cards</b>	16,743.72
<b>Other Current Liabilities</b>	
20125 · Accounts Payable - Other	4,138.90
20172 · Due To (From) SMOLLUCC	-4,961.95
20175 · Due to (From) Cap Campaign Fund	122,924.20
20176 · Due to (From) BIPOC	10,795.12
21000 · Accrued Liabilities	
21100 · Accrued Payroll	11,193.48
21130 · Employee Health & Dental W/H	6,719.20
21140 · Employee Pension W/H	560.25
21145 · Employee HSA W/H	50.00

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08/12/22

Accrual Basis

Foothills Unitarian Church

Balance Sheet

As of June 30, 2022

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	<u>Jun 30, 22</u>
Total 21000 · Accrued Liabilities	18,522.93
Total Other Current Liabilities	151,419.20
Total Current Liabilities	169,311.25
Total Liabilities	169,311.25
Equity	
30000 · Equity	
30200 · Temporary Restricted Net Assets	
30201 · Grand Canyon Retreat	28,925.00
30205 · History Project	3,420.50
30210 · Minister's Discretionary Fund	9,853.49
30225 · Endowment Discretionary Funds	1,254.22
30240 · Required Operating Reserves	115,000.00
30255 · Music Director	20,146.64
30265 · Sanctuary Everywhere	4,337.79
30270 · Wellspring Spiritual Dir. Fund	759.28
30285 · Be More Gay	-1,544.83
30295 · SMOLUUC	8,070.28
Total 30200 · Temporary Restricted Net Assets	190,222.37
Total 30000 · Equity	190,222.37
30300 · Permanently Restricted Assets	
30310 · Endowment Fund	251,779.05
30350 · Net Fixed Assets	1,735,200.00
Total 30300 · Permanently Restricted Assets	1,986,979.05
32000 · Unrestricted Net Assets	-81,015.06
Net Income	-146,073.74
Total Equity	1,950,112.62
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>2,119,423.87</b>

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