

From the Finance Committee’s report to the December 13, 2023, Board meeting:

**Finance Committee**

1. General Purpose: The FC is responsible for making recommendations to the Board on all matters relating to Church finances, but it is not a canvas, pledge, or fundraising committee.
2. Specific Responsibilities: The responsibilities of the FC include but are not limited to the following:
  - a) Reviewing the Church's goals and needs as defined by the Board and articulating these in terms of short- and long-term financial strategies
  - b) The Finance Committee shall develop the Church’s annual budget in conjunction with the various departments and committees, within the context of the actual financial realities and long term goals, and present a budget to the Board of Trustees for approval by December 15, and then to the congregation two weeks prior to the annual meeting.
  - c) Monitoring the Church's assets, liabilities, income and expenses and making periodic (at least annual) reports to the Board and the congregation
  - d) Advising the Board on investment strategies and long-term needs for raising funds. Arranging for an annual audit or review of the Church's financial records

from our Congregational Handbook on our website

Our 2023 Finance Committee consists of Randi Allfather, Bob Middleton, President Susan Richards, Rev. Althea Smith (non-voting), Treasurer Paul Stewart, Chair, and Jim Sulzer.

Pursuant to the above, and particularly 2.b), the FinCom held a Zoom meeting from Noon to 2:30PM on November 3 to discuss our finances and our 2024 budget recommendation in detail. Also attending that meeting were Trustees Carol, Suse, and Lora.

Then the FinCom zoomed on December 5 from Noon to 1PM to discuss the 2024 budget and agree on their recommendation to the Board (so it could be distributed to the Trustees before our Board meeting on December 13).

**The FinCom was unanimous in its recommendation of the 2024 budget in this document to the Board. However, no one would say it is a satisfactory or sustainable model for the long term.**

Paul explained that we are in a time of transition between called ministers and in our administration. We bid adieu to Rev. Linda (and Gary) at the end of February, 2023. We had a difficult time attracting an interim minister to help us in this transition, and we spent a lot of effort this year in that effort. Rev. Althea started after the usual Interim Minister start. We are mainly trying to keep things moving forward, including several unusual expenses (for example, we must budget \$10-\$15K of relocation costs for each of the Interim minister and the called minister). We’ll have to work with our called minister to adjust our future expenses to our income.

At its December 13 meeting, after discussion, the Board voted unanimously to “(1) accept the Finance Committee’s recommendation for the 2024 annual budget in column AO, (2) accept responsibility for the various FUNdraisers (especially the July 4<sup>th</sup> plan), and (3) distribute this budget to the congregation in early January so it can be the topic of one or more congregational discussions before Annual Meeting.”

The recommended 2024 annual budget, details, and support materials are on the following pages.

The annual budget recommended unanimously by both the Finance Committee and the Board of Trustees:

row	Summaries:	Column AD: 2022B Budget	Column AK: 2023B Budget	Column AM: 2023 Actual	Column AO: 2024D2	Column AO - Column AK
209	Pledge Income Total	\$ 109,500	\$ 109,500	Work in progress	\$ 89,200	\$ (20,300) -19%
210	Sunday Collection and Gifts Total	\$ 17,000	\$ 15,800		\$ 15,000	\$ (800) -5%
211	Rentals (Pars, 2*Prayers, tower, wed, ...) Total	\$ 72,098	\$ 67,899		\$ 64,707	\$ (3,192) -5%
212	FUNdraising (Auction, July 4th, raffles, sales, etc.) Total	\$ 26,116	\$ 18,191		\$ 48,358	\$ 30,168 166%
213	Savings, Reserves, and One-Time-Money Total	\$ 79,275	\$ 73,945		\$ 70,203	\$ (3,742) -5%
214	Sanford Trust at BNY-Mellon	\$ 9,000	\$ 6,800		\$ 6,800	\$ - 0%
215	EXTRA Principal taken from Unrestricted Reserves	\$ -	\$ 92,472		\$ 84,233	\$ (8,239) -9%
216	<b>Income Total</b>	<b>\$ 312,989</b>	<b>\$ 384,607</b>		<b>\$ 378,502</b>	<b>\$ 86,367 30%</b>
217						
218	<b>Expenses:</b>	<b>Based on 3Q2023 inflation of 3.7%, raises for all employees are computed at 4.0%</b>				
219	Ministry Total	\$ 123,505	\$ 139,069	Work in progress	\$ 125,108	\$ (13,960) -10%
220	Building & Grounds Total	\$ 78,451	\$ 87,039		\$ 86,598	\$ (442) -1%
221	Operations Total (Office, Administration, Contractors, etc)	\$ 55,729	\$ 99,098		\$ 101,479	\$ 2,381 2%
222	Music Program Total	\$ 36,421	\$ 39,649		\$ 41,350	\$ 1,701 4%
223	WE/RE Program Total	\$ 8,994	\$ 11,350		\$ 11,692	\$ 342 3%
224	Denominational Affairs (UUA, UUPCC) Total	\$ 6,563	\$ 7,078		\$ 7,375	\$ 297 4%
225	Committee Budgets Total	\$ 1,400	\$ 1,400		\$ 1,400	\$ - 0%
226	Contingency/Slack	\$ 1,927	\$ 3,107	\$ 3,500	\$ 393 13%	
227	<b>Expenses Total</b>	<b>\$ 312,989</b>	<b>\$ 387,790</b>		<b>\$ 378,502</b>	<b>\$ (9,288) -2%</b>

Paul's comments: You'll immediately note that this budget is significantly out of balance, only brought back into apparent balance by the red "EXTRA Principal taken from the Unrestricted Reserves". Unfortunately, that "EXTRA" is poorly named, we had a significantly unbalanced budget in 2023 and took no extra principal out of our Unrestricted Reserves (we instead didn't spend as much as was budgeted and we drew down our bank accounts somewhat. In fact, our Unrestricted Reserves and our 'financial net worth' grew in 2023; more on that on the last page of this document).

This budget provides for a full time Minister and a full time Business Manager and the same hours for all our other employees for all of 2024.

This budget gives all employees a 4% raise (although that raise takes effect starting on August 1 for our Minister).

At Annual Meeting I will "MOVE we follow the unanimous recommendations of our Finance Committee and Board of Trustees and approve the 2024 budget in column AO above".



	A	B	C	D	E	AD	AK	AM	AO	AQ	AR	
1					Income - Expense ==>	\$ 0	\$ (92,472)		\$ (84,233)	AO	AK	
2	Prior Annual General Operating Budgets; Column AO recommended for 2024						2022B	2023B	2023	2024D2	Column AO	
3							Budget	Budget	Actual	Recommended	- Column AK	
50	Expenses	Ministry	Minister	Salary+Housing (S+H)	Salary (+4% in August)	\$ 53,796	\$ 53,796	Work in progress	\$ 54,692	897	2%	
51				'virtual parsonage rent'	Housing	\$ 27,500	\$ 27,500		\$ 27,500	0	0%	
52	50:51			Salary+Housing subtotal	'S+H'	\$ 81,296	\$ 81,296		\$ 82,192	897	1%	
53		green cells are multiples of 'S+H'		Retirement Plan UUA	10.000%	\$ 8,130	\$ 8,130		\$ 8,219	90	1%	
54				In Lieu of Employer's FICA = SECA	7.650%	\$ 6,219	\$ 6,219		\$ 6,288	69	1%	
55			2024 specific to Rev. Althea	Health Insurance		\$ 13,727	\$ 18,291		\$ 6,600	(11,691)	-64%	
56			2024 specific to Rev. Althea	Dental Insurance inc. in Health		\$ 1,440	\$ 1,440		\$ -	(1,440)	-100%	
57				Life, AD&D Insurance UUA	0.840%	\$ 683	\$ 683		\$ 690	8	1%	
58				Long Term Disability UUA	1.300%	\$ 1,057	\$ 1,057		\$ 1,069	12	1%	
59				Minister's Compensation Package Total		\$ 112,551	\$ 117,115		\$ 105,058	(12,057)	-10%	
60				Workers Comp insurance share		\$ 695	\$ 695		\$ 695	0	0%	
61			\$1K/year for interim	Sabbatical Coverage Provision	(UUA Interim Sabbatical Fund)	\$ -	\$ 1,000		\$ 1,000	0	0%	
62			interim relocation/transportation			\$ -	\$ 10,000		\$ 8,000	(2,000)	-20%	
63				Reimburse Professional Expenses	10.8%	\$ 8,758	\$ 8,758		\$ 8,855	97	1%	
64	50:63			Minister Total		\$ 122,005	\$ 137,568		\$ 123,608	(13,960)	-10%	
66				Guest Sunday Service Speakers	(some paid, some volunteer)	\$ 1,500	\$ 1,500		\$ 1,500	0	0%	
67												
68	50:66			Ministry Total (includes Guest Speakers \$1.5K, Relocation \$10K, Sabbatical Coverage Provision \$1K, and virtual parsonage rent \$27.5K)		\$ 123,505	\$ 139,068		\$ 125,108	(13,960)	-10%	
70		Building & Grounds (B&G)	Parsonage	Capital Maintenance Provision (roof, siding, windows, heat, etc.)		\$ 6,707	\$ 6,778		\$ 7,019	241	4%	
71				Fire and Liability Insurance	15.0%	\$ 5,330	\$ 5,863		\$ 5,906	43	1%	
72				Repairs and Maintenance	(annual)	\$ 2,700	\$ 2,700		\$ 2,700	0	0%	
73				Utilities	Electricity	\$ 1,000	\$ 1,300		\$ 1,500	200	15%	
74					Fuel Oil, or Conserve!	\$ 4,000	\$ 5,000		\$ 6,000	1,000	20%	
76			Parsonage + Meeting House split 50:50	Solid waste + landfill		\$ 1,050	\$ 1,200		\$ 1,200	0	0%	
78				Water + Sewer		\$ 1,270	\$ 1,397		\$ 1,397	0	0%	
79				Wireless phone/cable		\$ 950	\$ 950		\$ 2,400	1,450	153%	
80	73:79			Utilities Total (oil heat, water&sewer, electricity, phone, etc.)		\$ 8,390	\$ 9,847		\$ 12,497	2,650	27%	
81	70:80			Parsonage Subtotal (includes Provision for Capital Maintenance)		\$ 23,127	\$ 25,187		\$ 28,122	2,934	12%	
86	83:85		Meeting House	'Inside' Sexton Wages+FICA+WComp @ 5.5hr/wk*\$30.76/hr*52wk/yr		\$ 8,775	\$ 9,442		\$ 9,807	364	4%	
91	83:90			Sextons Subtotal Salary+FICA+Worker's Comp		\$ 8,775	\$ 9,442	\$ 9,807	364	4%		
92				Sexton via 1099 for certain events	Baccalaureate, ??	\$ -	\$ -	\$ -	0			
93				Fire and Liability Insurance	85.0%	\$ 30,203	\$ 33,223	\$ 33,466	243	1%		
95				Fire Alarm Monitoring Service (wireless to Wayne Alarm)		\$ 1,000	\$ 1,100	\$ 1,100	0	0%		
96				Repairs and Maintenance	Building Maintenance & Repa	\$ 4,528	\$ 4,528	\$ 4,528	0	0%		
97					Cleaning & Sexton Supplies	\$ 1,500	\$ 1,500	\$ 1,000	(500)	-33%		
98					Equipment Repair/Replace	\$ 843			0			
99					Inspections (COI, Fire)	\$ 125	\$ 275	\$ 275	0	0%		
100	96:99			Repairs and Maintenance Total		\$ 6,996	\$ 6,303	\$ 5,803	(500)	-8%		
104	101:103			Utilities Total (Electricity (heat/cool/light), Solid waste, Water + S		\$ 8,350	\$ 8,600	\$ 8,300	(300)	-3%		
105	83:104			Meeting House Total		\$ 55,324	\$ 58,669	\$ 58,476	(193)	0%		
106	70:105			Building & Grounds Total		\$ 78,451	\$ 83,856	\$ 86,598	2,742	3%		

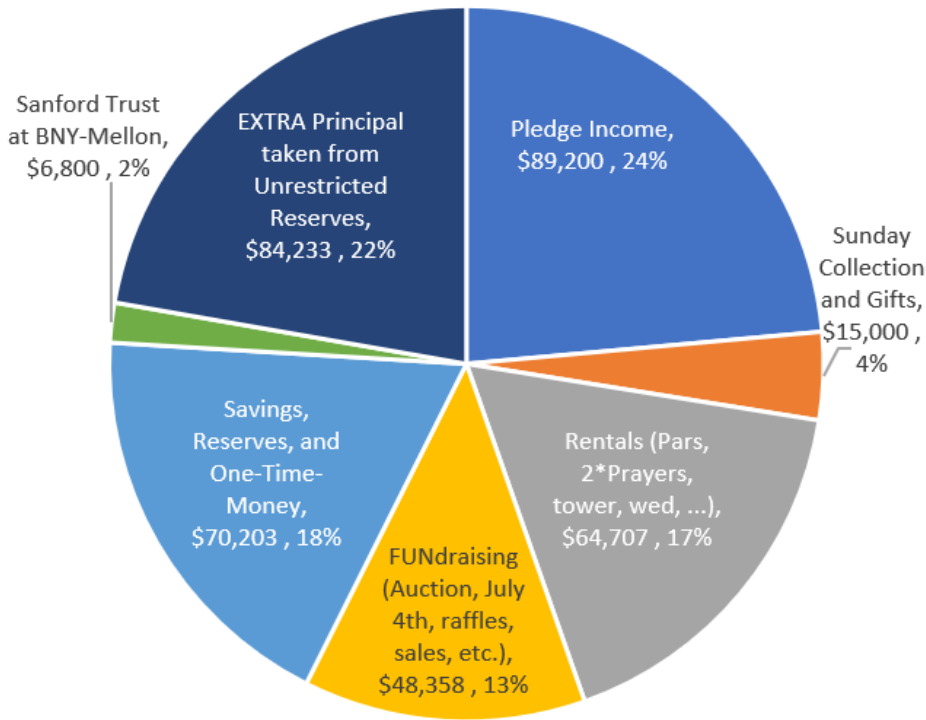


	A	B	C	D	E	AD	AK	AM	AO	AQ	AR
1					Income - Expense ==>	\$ 0	\$ (92,472)		\$ (84,233)	AO	AK
2	Prior Annual General Operating Budgets; Column AO recommended for 2024					2022B	2023B	2023	2024D2	Column AO	
3						Budget	Budget	Actual	Recommended	- Column AK	
115	108:114	Operations (Office, Admin, ...)	Office Manager Total Wages, Benefits, FICA, and Worker's Comp	14hr/wk*\$25.50/hour*52	\$ 37,293	\$ 20,199	Budgeted full year Office Mgr and additional for Business Mgr to sum to \$60K annual.	\$ -			
116	48.00		Business Manager	Salary		\$ 31,534		\$ 62,400	30,866	98%	
117		2/1/2023	Budget assumed hire	Retirement Plan UUA	10.000%	\$ 5,840		\$ 6,240	400	7%	
118		2/16/2023	Actual hire Ray Haskell	Health and dental	assume-UUA	\$ 13,938		\$ 7,000	(6,938)	-50%	
119				Life, AD&D Insurance UUA	0.840%	\$ 491		\$ 524	34	7%	
120	45.43	12/31/2023	hired weeks in all 2023	Long Term Disability UUA	1.300%	\$ 759		\$ 811	52	7%	
121	13.00	10/1/2023	hired weeks in 4Q23	Employer's FICA	7.650%	\$ 3,047		\$ 4,774	1,726	57%	
122				Workers Comp insurance share		\$ 427		\$ 427	0	0%	
123	116:122		Business Manager total Salary, Benefits, FICA, and Workers Comp		\$ -	\$ 56,036		\$ 82,176	\$26,140	\$ 0	
124	108:123		Total Office Manager and Business Manager		\$ 37,293	\$ 76,234		\$ 82,176	\$ 5,942	\$ 0	
125			Dues, permits, ...	Nantucket Chamber of Commerce, Animal Blessing, etc.	\$ 150	\$ 195		\$ 720	525	269%	
126			CC/Stripe/Tithe.ly/PayPal costs	annual costs plus some transaction fees	\$ 1,500	\$ 1,500		\$ 1,560	60	4%	
127			Office Expenses	Equipment: Copier Service + Supplies	\$ 250	\$ 250		\$ 250	0	0%	
128				ComCast Internet,Phone	Meeting House only	\$ 3,519	\$ 3,519	\$ 4,000	481	14%	
129				Postage, Shipping & Delivery		\$ 300	\$ 400	0	0%		
130			programs, checks, ...	Supplies and printing	\$ 1,000	\$ 1,500	\$ 1,332	(168)	-11%		
131	127:130		Office Expenses Total		\$ 5,069	\$ 5,669	\$ 5,982	313	6%		
132			Payroll Processing & Tax Prep fees		\$ 2,117	\$ 3,300	\$ 3,500	200	6%		
133			Website hosting and support	and Zoom costs	\$ 1,000	\$ 1,000	\$ 1,221	221	22%		
134			Front flowers	est. 2020 (Meeting House, Parsonage, and Sanctuary)	\$ 500	\$ 500	\$ 200	(300)	-60%		
135	new		Hybrid Sunday Service technology operator		\$ 3,100	\$ 5,200	\$ 3,120	(2,080)	-40%		
136	separate		Outside computer tech support (computers, networks, printers, ...)		\$ 500	\$ 500	\$ 500	0	0%		
137	separate		Bookkeeper	(expert support)	\$ 4,500	\$ 5,000	\$ 2,500	(2,500)	-50%		
138	108:137		Operations Total (Office, Administration, Contractors, etc.)		\$ 55,729	\$ 99,098	\$ 101,479	2,381	2%		

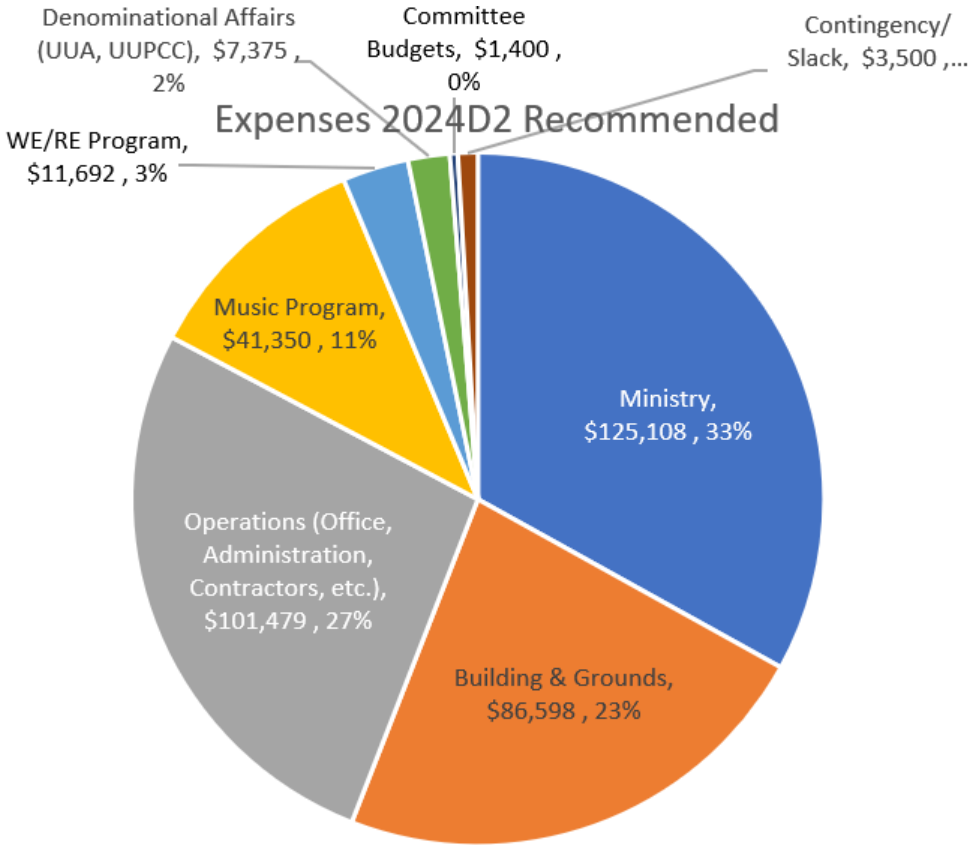
	A	B	C	D	E	AD	AK	AM	AO	AQ	AR
1					Income - Expense ==>	\$ 0	\$ (92,472)		\$ (84,233)	AO	AK
2	Prior Annual General Operating Budgets; Column AO recommended for 2024					2022B	2023B	2023	2024D2	Column AO	
3						Budget	Budget	Actual	Recommended	- Column AK	
147	140:146	<b>Music Program</b>	Director Total Wages, Benefits, FICA, and Worker's Comp		14hr/wk*\$47.13/hr*52wk/yr	\$ 32,531	\$ 35,759	Work in progress	\$ 37,180	1,421	4%
148			Professional Development		\$90/year = uumn.org	\$ 1,090	\$ 1,090		\$ 1,090	0	0%
149			Replacement Musician (1099)							0	
150			paid sick day replacement (1099)	2 Sundays a year; else a cappella		\$ 500	\$ 500		\$ 500	0	0%
151			Paid Vacation replacement (1099)	2 weeks per year		\$ 500	\$ 500		\$ 500	0	0%
152			Guest Supplemental Musicians (1099)	Actual Guest Supplemental Musicians, players and singers		\$ 1,000	\$ 1,000		\$ 1,250	250	25%
153			Organ playing first funded from Organ Playing Fund, q.v.			\$ -	\$ -			0	
154			Pianos - Maintenance and Tuning			\$ 500	\$ 500		\$ 530	30	6%
155			Organ Maintenance and Tuning is separate Restricted Fund, q.v.			\$ -	\$ -			0	
156			Sheet Music and supplies			\$ 300	\$ 300		\$ 300	0	0%
157	140:156	<b>Music Program Total</b>				\$ 36,421	\$ 39,649		\$ 41,350	1,701	4%
162	159:161	<b>WE Religious Exploration Program</b>	Children and Youth Pgm Director Wages, FICA, and Worker's Comp		5hr/wk*\$28.92/hr*52wk/yr	\$ 7,842	\$ 8,621		\$ 8,963	342	4%
163		<b>World Explorers (WE)</b>	Children and Youth Pgms Director	Professional Development		\$ 150	\$ 150		\$ 150	0	0%
167	164:166		Assistant Total Wages, FICA, and Worker's Comp		2hr/wk*\$20/hr*52wk/yr	\$ 702	\$ 2,279		\$ 2,279	0	0%
168	159:167		Subtotal all teachers above			\$ 8,694	\$ 11,050		\$ 11,392	342	3%
169			Food, supplies, volunteer training, expenses			\$ 300	\$ 300		\$ 300	0	0%
170	159:169	<b>WE/RE Program Total</b>				\$ 8,994	\$ 11,350	\$ 11,692	342	3%	
172		<b>Denominational Affairs</b>	UUA+NERegion Dues: new system, 300% increase, capped at 10%/year; we: Personnel cost increase			\$ 6,488	\$ 7,003	\$ 7,300	297	4%	
173			UU Partner Church Council Membership			\$ 75	\$ 75	\$ 75	0	0%	
174	172:173	<b>Denominational Affairs (UUA, UUPCC) Total</b>	Denominational Affairs is 1.9% of our total budget			\$ 6,563	\$ 7,078	\$ 7,375	297	4%	
176		<b>Committee Budgets</b>	Social Action (7th Principle Project, Food Rescue, Immigration Resource Center, ...)			\$ 350	\$ -	\$ -	0		
177		These add to their corresponding Restricted Funds	Growing Connections between Friends and Members (nee Membership)			\$ 250	\$ 600	\$ 600	0	0%	
178			Caring Team	Cards, Yarn, Meals, etc.		\$ 350	\$ 300	\$ 300	0	0%	
179			Lay Led			\$ 450	\$ 500	\$ 500	0	0%	
180	176:179	<b>Committee Budgets Total</b>	Committee Budgets total 0.4% of our total budget			\$ 1,400	\$ 1,400	\$ 1,400	0	0%	
181		<b>Contingency/Slack</b>	Unforeseen, emergencies, or slack on other items ...			\$ 1,927	\$ 3,107	\$ 3,500	393	13%	
182		<b>Expenses Total</b>				\$ 312,989	\$384,607	\$ 378,502	(6,104)	-2%	

Pie for dessert?

Income 2024D2 Recommended



Expenses 2024D2 Recommended



Here is a table of all our financial assets over several years:

	A	B	C	D	E	F	S	AF	AR
2		Column: B	C	D	E	F	S	AF	AR
3	Row:	<b>All Financial Assets at</b>	<b>Institution</b>	<b>Account</b>	<b>Start Jan '20</b>	<b>Start Jan '21</b>	<b>Start Jan '22</b>	<b>Start Jan '23</b>	<b>End Dec '23</b>
4		<b>Amounts directly from statements</b>			<b>'As of' date:</b>	<b>1/1/2020</b>	<b>1/1/2021</b>	<b>1/1/2022</b>	<b>1/1/2023</b>
5	5	IRC Restricted Fund	Bank of America *3260	Immigrat. Res. Ctr.	opened 1/2021		\$ 12,836	\$ 8,780	\$ 3,719
10	10	General Operating \$\$	Bank of America *6218	Main Checking	opened 2020	\$ 35,779	\$ 132,628	\$ 96,176	\$ 41,106
11	11	General Operating \$\$	Bank of America *5490	Debit Card	opened 2020	\$ 11,326	\$ 9,094	\$ 7,005	\$ 6,726
12	12	General Operating \$\$	Rockland Trust/NanBank	Checking		\$ 198,829	\$ 168,551	\$ 99,158	\$ 102,730
13	13	General Operating \$\$ Subtotal (w/Funds)		Rows 10:12		\$ 198,829	\$ 215,656	\$ 240,880	\$ 205,911
14	14	Unrestricted Reserves	UUCCommonEndowFund	est. 2/2015 \$100K		\$ 130,458	\$ 150,096	\$ 161,742	\$ 127,272
15	15	Unrestricted Reserves	Vanguard	all		\$ 1,590,170	\$ 1,953,598	\$ 2,075,319	\$ 1,636,342
16	16	Subtotal Unrestricted Reserves		Rows 14:15		\$ 1,720,628	\$ 2,103,694	\$ 2,237,061	\$ 1,763,614
17	17	Subtotal all Unrestricted (include General Op \$\$)		Rows 10:15		\$ 1,919,457	\$ 2,335,381	\$ 2,477,941	\$ 1,969,525
18	18	Restricted Reserves	TIAA Nuveen	Organ Maintenance		\$ 82,863	\$ 91,839	\$ 98,103	\$ 85,680
19	19	Subtotal Restricted Accounts (separate accounts)		Rows 5:9 + 18		\$ 82,863	\$ 107,870	\$ 130,423	\$ 94,460
20	20	Subtotal all above		Rows 5:18		\$ 2,002,320	\$ 2,427,220	\$ 2,608,364	\$ 2,063,985
21	21	Subtotal all except 'IRC Restricted Fund'		Rows 10:18		\$ 2,002,320	\$ 2,411,189	\$ 2,576,043	\$ 2,055,206
22	22	vs prior visible	comparing row 21				\$ 408,869	\$ 164,854	\$ (520,838)
24	24								
25	25					<b>Start Jan '20</b>	<b>Start Jan '21</b>	<b>Start Jan '22</b>	<b>Start Jan '23</b>
26	26	<b>1/9/2024 7:32 AM</b>	<b>Consumer Price Index (CPI) = Inflation</b>			256.974	260.474	278.802	296.797
27	27		<b>inflation vs same date prior year</b>			2.3%	1.4%	7.0%	6.5%
29	29	Sanford Trust (not ours; right to income only) BNY-Mellon				\$ 231,962	\$ 224,998	\$ 269,311	\$ 214,370

We have no debt, and we have several physical assets (the Meeting House, the Parsonage, and the land and furnishings of both).

Row 16 is the total of our Unrestricted Reserves. We took no 'extra principal' from those accounts in these years (we do take 3.5% of deemed income). Those investments at Vanguard rise and fall with the stock and bond markets. We have not had to cash out any shares of any of those in recent years (we do sell some to rebalance or rediversify sometimes, but not to spend).

Row 21 is our 'financial net worth' (again, we have no debt). It is currently unclear if the IRC Fund balance is ours or must be returned to grantors.

Our "General Operating \$\$" (row 13) decreased \$84K this year for two main reasons: (1) we spent more than we took in in our 2023 annual budget, and (2) we spent nearly \$60K on parsonage capital repairs while the parsonage was unoccupied.

final Inflation (CPI-u) numbers are not published until mid-month; above shows November 2023.