

**General Update**

- 1) January Financials: Revenue continues to trend higher than Budget (much higher!), and Expenses continue to trend lower than Budget. Because of this, the January 31<sup>st</sup> NOI is \$121K better than Budget. Receipts from Pledge Income and Other Contributions both show good growth. See page 2 for a summary of the January 31<sup>st</sup> Financials.
- 2) 2021-2022 Annual Budget: This year’s Budget Gap is now projected to be reduced to ~\$160K. As stated previously, TUCW cannot continue to operate in the negative. **A reminder that this is a Transitional Year. We had planned that the 2022-2023 Budget would be a “balanced budget”, but we may want/need to phase-in the balanced budget changes. We need to discuss how best to approach the timing of the needed changes.**
- 3) 2021-2022 Budget Reforecast: The first Reforecast shows a better balance between Revenue and Expenses, but still a large negative (\$161K)
- 4) Draft 2022-2022 Annual Budget: Hope to have first draft available for the March Board Meeting.
- 5) Capital Campaign/Building Renovations: The glass replacement work continues. Flooring work is next. **We need to discuss proposed bathroom renovations (\$322K).**
- 6) Capital Campaign Funds ADM Internet Account: Current balance as of 01/31/2022 = \$328K. We will probably need to make another drawdown very soon.
- 7) Fiscal Targets: Our Fiscal Targets should be reviewed (see #7 below). Current target for Endowment Funds is 2-3 times Annual Expense Budget. Current target for Available Cash is 3 times Monthly Expenses (NB: See also #7 below). As of January 31<sup>st</sup>, both balances are above target:

Endowment Funds\* = \$3,220,551  
 Annual Expense Budget = \$882,244  
 Multiple = 3.65 x

Available Cash\*\* = \$323,824 (FCB Checking/Savings-no organ)  
 Monthly Expenses = \$73,520  
 Multiple = 4.40 x

NB: TUCW also has a \$250K Line of Credit at Fairfield County Bank (FCB), which remains unused and is available until 02/14/2023. Interest rate is 1% over prime = 4.75%. There are no guarantees or mortgage type liens attached to the Line of Credit.

\*82% of Endowment Funds are in “Restricted” accounts      \*\*47% of Available Cash is earmarked for “Reserves”

- 8) Fiscal Policies: The Endowment and Finance Committees continue to discuss our “Available Cash” Fiscal Target, as it relates to the Budget Gaps that we have been experiencing the last couple of years. Since Endowment funds are “earning assets” but Cash in the bank earns nothing, Endowment has suggested that we use Available Cash to the maximum extent possible to fill the Budget Gap, rather than asking Endowment to liquidate a portion of our earning assets. Since Endowment funds are always available to support TUCW as needed, they are in essence a form of “Available Cash”. For Fiscal Target purposes, it has been suggested that Endowment funds could be added to our cash balances, to ensure our “Available Cash” Fiscal Target never falls below 3x Monthly Expenses. When Cash is needed, Endowment could quickly liquidate some of its investments and transfer funds over to the Operating Budget. Funds in “Restricted” accounts make this more complicated. As it has in the past, Endowment will continue to contribute \$30,000 annually to the Operating Budget.

## Monthly Financial Statements – As of January 31<sup>st</sup>, 2022

### Balance Sheet

- 1) Total Assets\* = \$8.436M, up \$399K since June 2021 = 04.97% increase
- 2) Total Liabilities = \$2K, down \$92K since June 2021 = 98% decrease, due to the reallocation of 2021 Advance Pledge Payments.
- 3) Total Equity = \$8.434M, up \$491K since June 2021 = 6.18% increase since June 2021
- 4) Current Liabilities and Total Liabilities remain extremely low compared to Current Assets and Total Assets. The most important factor is that we do not have a mortgage on our property.
- 5) Capital Campaign funds available totaled \$407K as of January 31<sup>st</sup>, with an additional \$350K due from the Endowment match.

### Profit & Loss Statement

- 1) YTD Income = \$568K = **\$115K over Budget** = 25.39% increase, due to Pledge Income + Unrestricted Contributions
- 2) YTD Expenses = \$493K = **\$6K under Budget** = 1.20% improvement, due to several items trending lower
- 3) **Net Income = \$75K = \$121K improvement over Budget** = Large improvement over Budget. Income/Expenses should realign as the year proceeds, but the year will should remain better than Budget.

\*Due to the lack of historical cost data, the Book Value of our Land and Buildings was estimated to be = \$3.000M in 2014. However, as of October 2020, the Town has valued our land and buildings at = \$8.629M. Since we do not pay real estate taxes, any change in value (up or down) does not affect our finances.

### To-Do's

- 1) Found \$400 and another ~\$100 in a CT list of "unclaimed funds" showing the funds belong to TUCW. I am continuing to apply to have the funds returned to TUCW, but the process is cumbersome. I will keep you informed.
- 2) March will start the 2022-2023 Draft Budget cycle.

**Parking Lot Revenue from Bridgewater:** Bridgewater has given notice that they will be ending their use of our parking lot for cars as of April 30<sup>th</sup> (\$13,800/yr). Bus use will continue (\$26,400/yr). If Covid continues to recede, Bridgewater may again need to use the lot for cars.