

General Update

- 1) August Financials: Revenues are slightly higher than Budget = \$25K. Expenses are slightly below Budget. But we need to remember that it's early in the Fiscal Year, and the numbers will change as the year progresses. Pledge Income and Restricted Contributions account for most of the increase in Revenue. See page 2 for a summary of the August 31st Financials.

- 2) 2021-2022 Annual Budget: Last year's actual Income & Expense Statement (as of June 30th) was much better than budgeted, but still showed a large negative = **(\$117K)**. As has been stated many times before, TUCW cannot continue to operate with an annual Budget Gap.

- 3) 2022-2023 Budget: This year's Approved Budget also projects a Budget Gap = **(\$183K)**. We anticipate this Budget Gap will be covered mostly by using our Available Cash, plus \$56K from Endowment. By using our Available Cash, at the end of the year we will have only \$125K Available Cash remaining.

- 4) Capital Campaign Funds ADM Internet Account: Current balance as of 08/31/2022 = \$229K.

- 5) Fiscal Targets: Current Fiscal Target for Endowment Funds is 2-3 times Annual Expense Budget. Current Fiscal Target for Available Cash is 3 times Monthly Expenses. As of August 31st:

Endowment Funds* = \$3,332,108
Annual Expense Budget = \$858,630
Multiple = 3.88 x

Available Cash** = \$251,487 (FCB Checking/Savings-no organ \$)
Monthly Expenses = \$71,553
Multiple = 3.51 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 = 6.50%. There are no guarantees or mortgage type liens attached to the Line of Credit.

*72% of Endowment Funds are in "Restricted" accounts **73% of Available Cash is earmarked for "Reserves"

Monthly Financial Statements – As of August 31, 2022

Balance Sheet

- 1) Total Assets* = \$8.035M, up \$36K since June 2022 = 0.45% increase
- 2) Total Liabilities = \$2K, down \$102K since June 2022, due to Advance Pledge Payments = 97% decrease.
- 3) Total Equity = \$8.033M, up \$139K since June 2022 = 1.76% increase
- 4) Current Liabilities and Total Liabilities remain extremely low compared to Current Assets and Total Assets. The key factor is that we do not have a mortgage on our property.
- 5) Capital Campaign funds available total \$285K as of August 31st, with an additional \$350K due from the Endowment match. If all Capital Campaign pledges are received, we will have a total of \$780K available.

Profit & Loss Statement

- 1) YTD Income = \$200K = **\$25K over Budget** = 14% increase, due to higher Pledges and Restricted Contributions
- 2) YTD Expenses = \$113K = **\$1K under Budget** = 1% decrease, due mostly to lower People Cost.
- 3) **Net Income = \$88K = \$26K better than Budget** = 43% increase. But it's early in the Fiscal Year, and the numbers will change as the year progresses. At year-end, we anticipate a Budget Gap of **(\$182K)**.

*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) The Board needs to develop a vision and a plan for TUCW's future. We have evolved into a different Congregation than we were 10 years ago, and that difference is being reflected in our annual finances. We are a strong , vibrant community, but we need to live within our means = no future Budget Gaps