



Budget Information Session

Heather Packard, Treasurer
Standing Committee Financial Sustainability Subcommittee

Agenda



- Understanding First Parish's Budget Process
- Annual Pledge Campaign Round-Up
- Context for the Proposed Budget
- Next Year's Budget

- Budget and Budget Process Questions?

First Parish Budget Process

Budget Process



- Staff prepares a draft budget for Standing Committee
 - “The budget should reflect the priorities of the Congregation, staff, and Standing Committee. The projections for income and expenses should reflect a prudent approach to our financial conditions.” (Finance Policies, 2018)
- Budget information and listening sessions held with congregation during budget preparation.
- Standing Committee reviews and recommends a budget for approval by members at the June Annual Meeting
- **Standing Committee members and staff hold informational sessions about the proposed budget prior to the Annual Meeting**
- Members approve a budget at the Annual Meeting

Annual Pledge Campaign Results

Annual Campaign Results



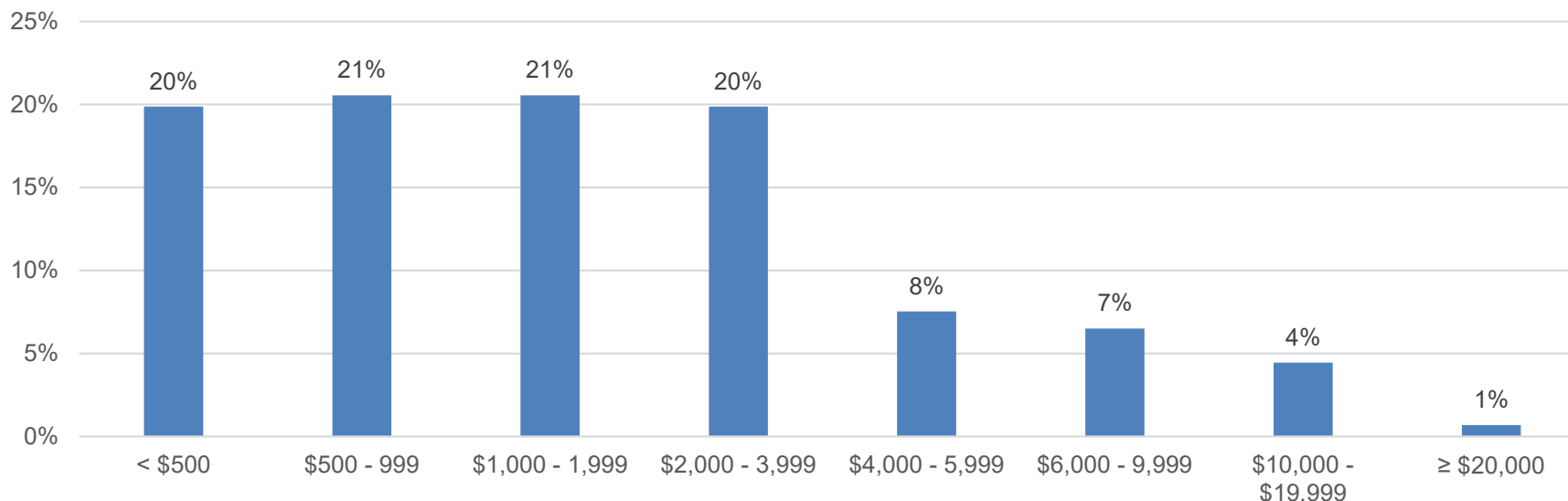
Pledge Commitments Timing	Fiscal Year (July – Jun)	Stewardship Campaign Goal	Pledges Received (to date)	Households Pledged (to date)	Median Pledge
Spring 2021	FY2022	\$1,080,000	\$1,078,268	371	\$1,150
Spring 2022	FY2023	\$970,000	\$971,123	328	\$1,150
Spring 2023 (Now)	FY2024	\$1,025,000	\$923,810	301	\$1,000
Difference - FY23 to FY24		\$55,000	-\$47,313	-27	-\$150
Difference % - FY23 to FY24		5.7%	-7.55%	-18.3%	4.3%

Average pledge FY23: \$3,025 per household FY24: \$3,069 per household
 Cost to run First Parish: \$3,180 per year per Active household (467) based on FY23

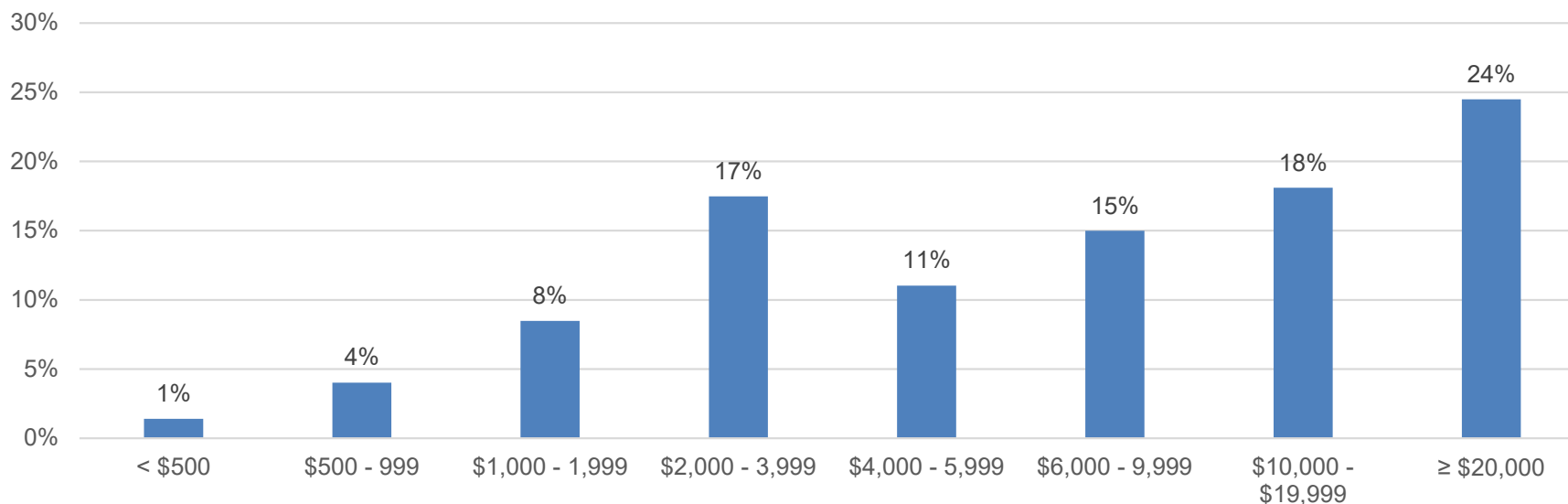
Annual Campaign Results – Pledge Breakdown



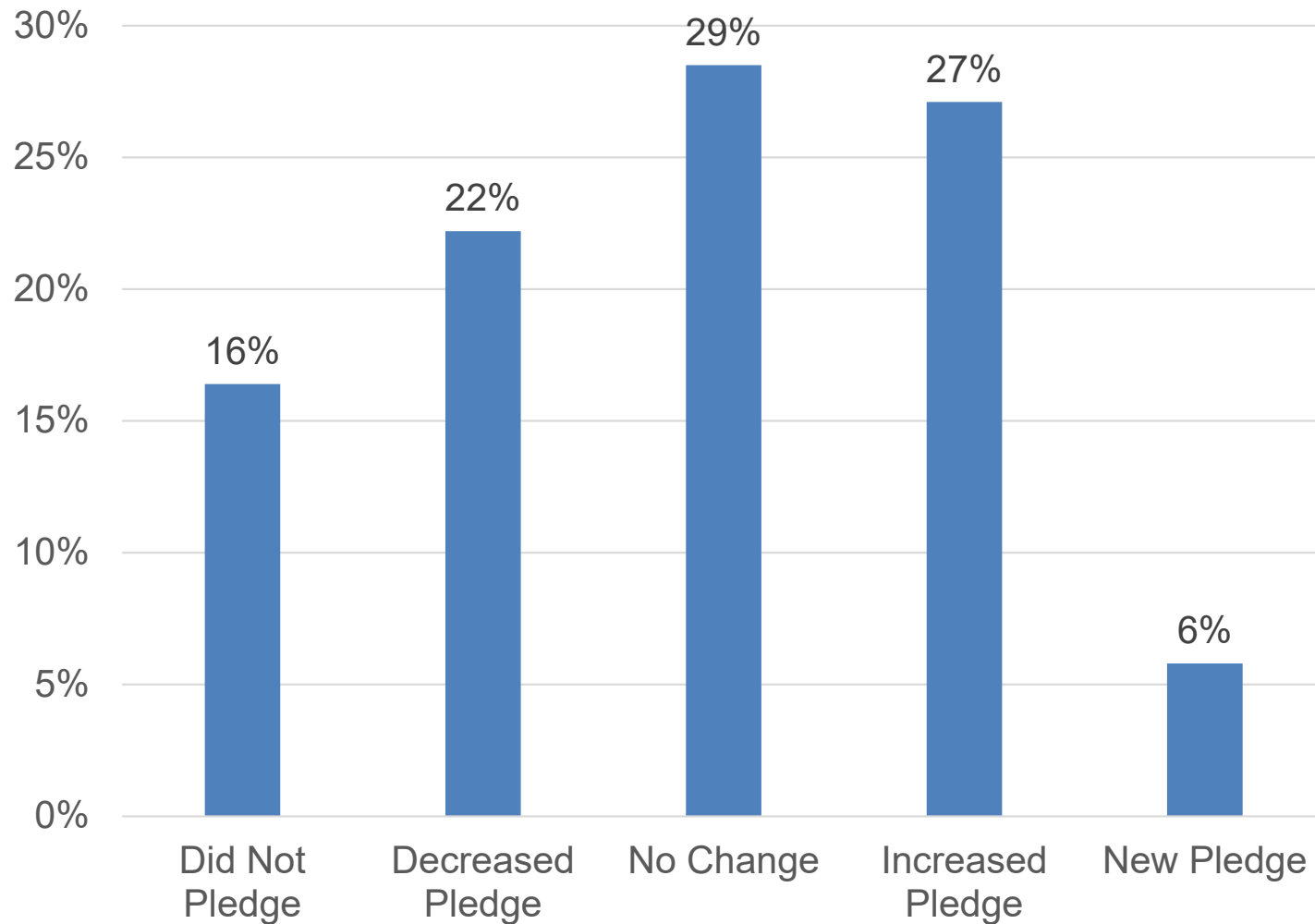
Share of Households by Pledge Category



Share of Total Pledges by Pledge Category



Comparison of FY23 Pledging to FY24*



* Percent of total households that pledged either last year and/or this year, by pledging category

Annual Campaign Team

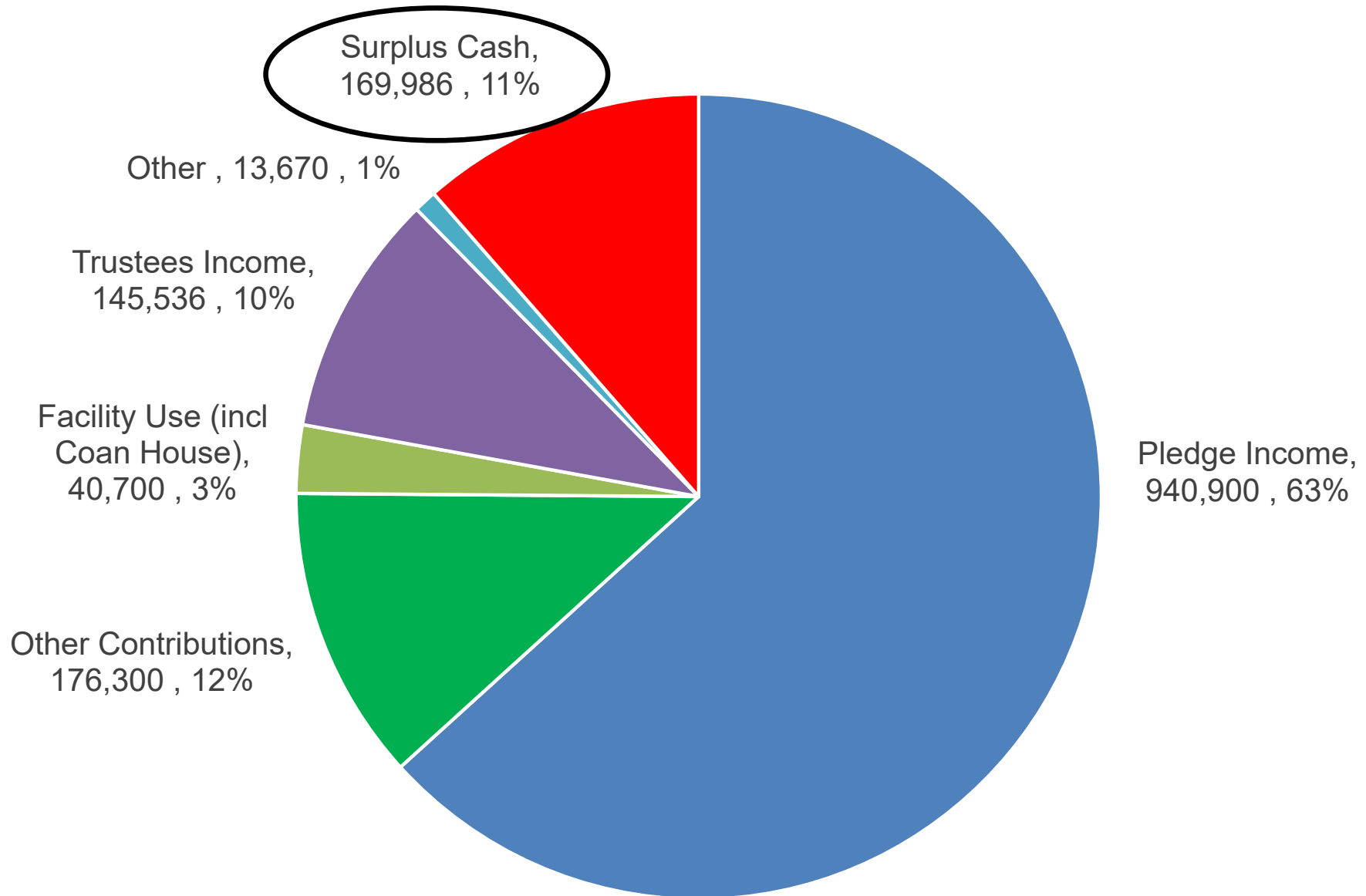


Role	Volunteer(s)
Project Manager	Alane Wallis
Communications	Heather Packard
Steward Captains	Irl Smith, Dave Ellwood, Sara Ballard, & Phil D'Amico
Scribe	Irl Smith
Online Pledge Tracking	Darien Smith
Thank You Notes	Pledge Team
Sustaining Donor Event	Alane Wallis
Testimonials	Eric Moore, Jen Izzo, Peter Lowitt, and Meg Packard
Testimonial Coordination	Alane Wallis
Graphic Design	Tim Whitney
Staff	Seth Carrier-Ladd, Fifi Ball, and Liz Weber

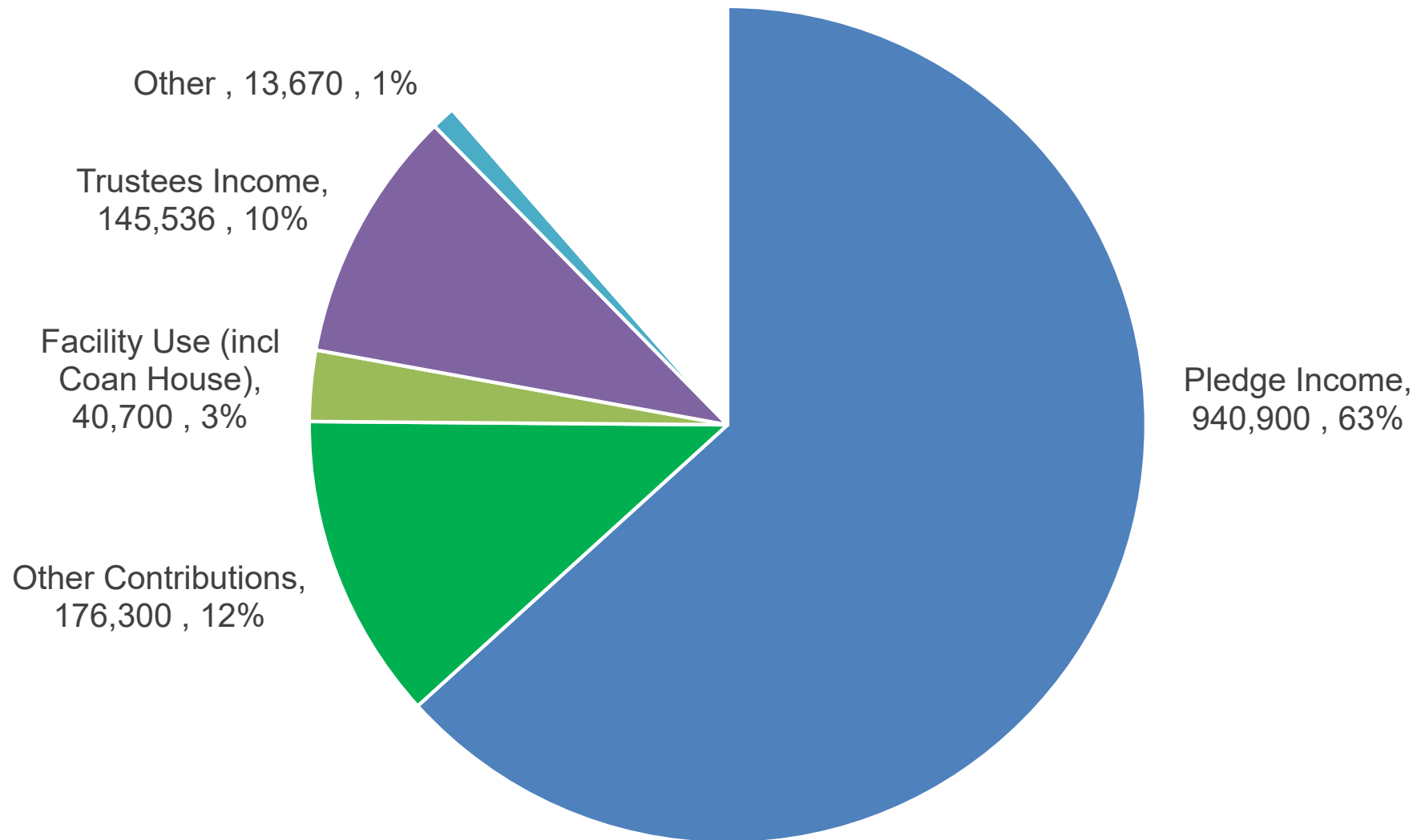
thank you!

Our Current Budget
Was Challenging
(July 2022 – June 2023)

Where Our Money Comes From



Next Budget: No Surplus Funds!



Next Year's Budget (July 2023 – June 2024)

FY24 Budget Summary - Income



Description	FY23 Budget	FY24 Budget	Difference	% Total Income (FY24)
Pledge Income (97% pledges)	940,900	896,096	-44,804	64%
Trustees Income	145,536	137,658	-7,878	10%
Trustees Extra Contribution	NA	120,000	120,000	9%
Large gift	80,000	80,000	0	6%
Other Contribution Income*	51,300	43,600	-7,700	3%
Miscellaneous Other Income**	13,670	75,100	61,430	5%
Rent/fees – Coan, Milldam, other	40,700	40,000	-700	3%
Total Income	1,272,106	1,392,454	120,348	100%

*Plate/Box, Gifts, Prior-Year Pledge Payments, Credit Card Fees Contributed, no SAC pass-throughs included (\$45k; \$43k)

**SRECs, Interest Income, Special Events, Misc.

FY24 Budget Summary - Expense



Description	FY23 Budget	FY24 Budget	Difference	% of Total (FY24)
Ministers – Senior, Summer, & Guest (incl techs)*	204,449	169,925	-34,524	12%
Property, Plant, & Equipment (less techs)	237,728	254,728	17,000	18%
Human Resources Benefits & Taxes***	199,046	186,819	-12,227	14%
Administration, incl Search \$17k, Audit \$5k	223,517	215,345	-8,172	16%
Music	161,905	151,501	-10,404	11%
Religious Education	160,045	157,263	-2,782	11%
Social Action (<i>without</i> pass-throughs \$43k)	67,935	67,935	0	5%
Pastoral Care**	100,381	100,882	501	7%
Denominational Support (UUA, PCC, GA)	75,786	79,132	3,346	6%
Congregational/Membership****	8,800	4,700	-4,100	0.3%
Fundraising	2,500	1,700	-800	0.1%
Total Expense (not including pass-throughs)	1,442,092	1,389,930	-52,162	100%

*Sr min incl fica, sr min prof'l exp, summer min, guest mins, min moving, Sunday techs

**Pc min incl fica, pc min prof'l exp, pc budg

***Benefits section + shared prof'l dev, no min fica (3 people)

****Aesthetics, Coffee Hr, Sustain memb, New memb>Cong Life

Eliminating the Deficit



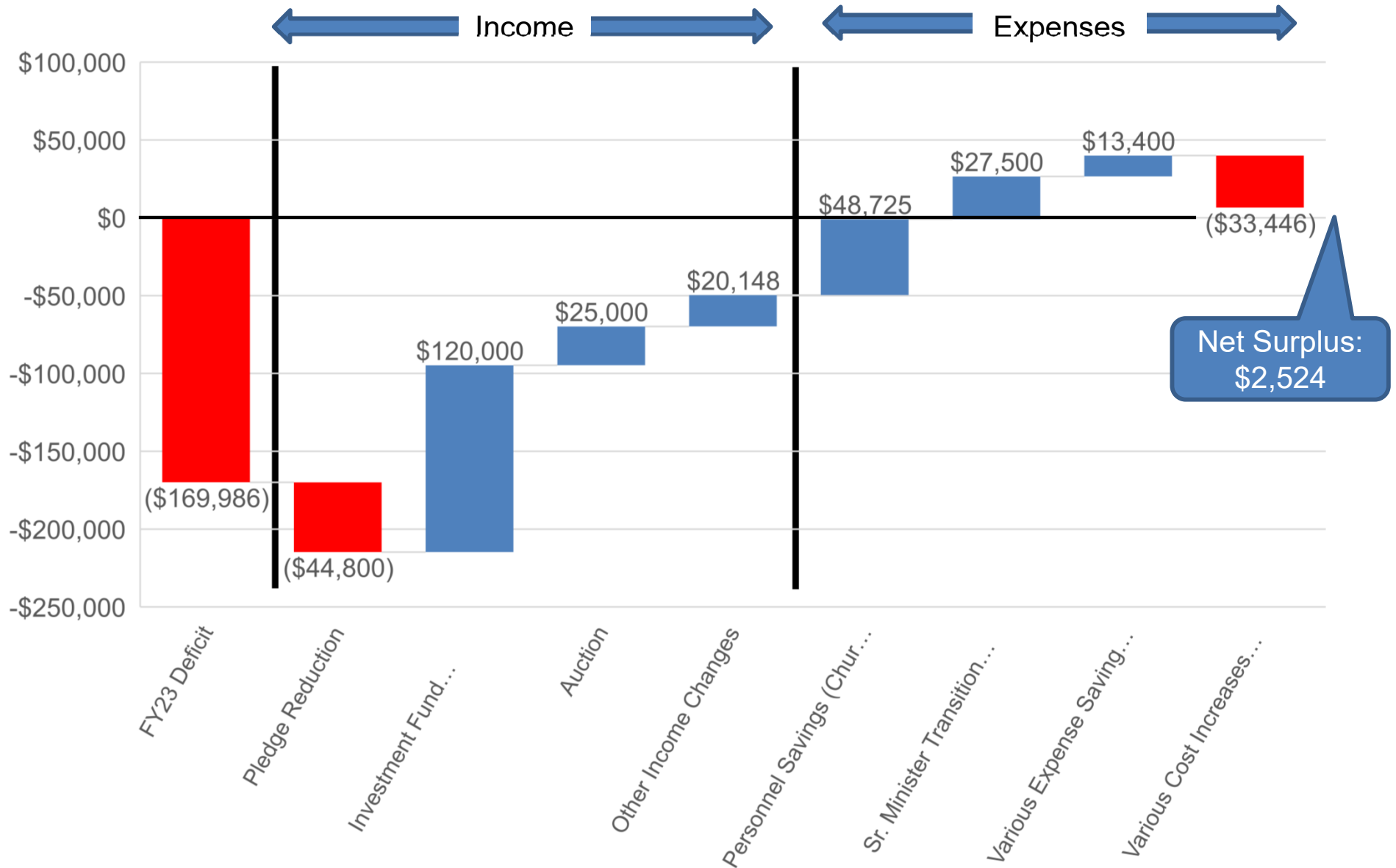
	FY23 Deficit	-\$169,986
	Pledge Reduction	-\$44,800
	Investment Fund Contribution	\$120,000
	Auction	\$25,000
	Other Income Changes	\$20,148
	Personnel Savings (Church Admin., Children's Choir Director)	\$48,725
	Sr. Minister Transition (Moving, Search, Benefits)	\$27,500
	Various Expense Savings (Facilities Repair, RE, Cong. Life, etc.)	\$13,400
	Various Cost Increases (Building Maintenance, UUA Annual Fund, Plant Operations, Audit)	-\$33,446
	Other Expense Increases	-\$4,017
	FY24 Net Surplus	\$2,524

Revenue

Expenses

Note: Pass-throughs are excluded from this table.

Eliminating the Deficit



Our Budget Challenges



- Expenses are up but pledges are not
- Attendance is down
- No surplus funds to fill in the hole between revenue and spending (\$170,000 hole to fill)
- Trustees generously contributing an *additional* \$120,000 for the annual budget next year
- Some belt tightening in next year's budget but nothing dramatic
 - Benefitting from some unanticipated savings as well
- Pandemic down but not out

Future Budget Challenges



- Non-pledge revenue scheduled to decline:
 - Trustees contributing an additional \$120,000 in next year's budget and \$60,000 the following year
 - Simmon's Gift includes \$80,000 through FY2026
- We cannot rely on surplus funds in this or future budgets
- Overly dependent on very large pledges from a few key donors
 - Quarter of pledge income comes from 1 percent of pledging households
- We will either need new revenue sources or spending reductions
- We have time to plan for this, but we cannot put it off

Questions?



Don't tell me what
you value, show me
your budget, and
I'll tell you what
you value.

Joe Biden

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