

Budget Submission Notes

Proposed Fiscal Year 2021/2022

This budget was predicated on the assumption that we would resume normal operations in October. That means we prepared one budget for July through September under current conditions, and October through June under more normal circumstances.

Revenue

Pledge income (including prepaids, pledges from other years, and shrinkage) is expected to increase 1.84%. Total income is expected to rise 15% due to nine months of normal building rentals, and a normal auction. We are also budgeting for a second plant sale next year.

Expenses

Staff salaries are increasing 10.35%, primarily due to wage administration efforts that we have continued as in previous years. The UUA publishes salary target ranges for congregations of our size and in our region. Over the last several years we have been trying to move all of our staff to the midpoint of their recommended ranges. These adjustments move us half way to the goal for a congregation our size in this area.

Due to the mortgage renewal at a lower interest rate, mortgage expense declines around \$13,000 next year, and for the following four years. We will also be paying more to the principal than to interest.

UUA dues are assessed at approximately \$1,800 more for next year.

Total expenses are increasing by 10.87% for next year. A little more than half of that increase is attributable to salaries and fringes. The second biggest cause is higher facility costs associated with building use as we resume normal operations.

Deficits

The budgeted deficit for last year was \$37,302. This budget shows an operating deficit of \$22,347. That represents 4.4% of total revenue.

We have chosen to show the transfer to the capital reserve roof fund separately. This is partly because it is not truly an operating expense like all of the others, and it is entirely voluntary. Those funds don't leave our control until we choose to spend them.

After we show the operating deficit and the transfer to capital reserve, we show the cash resources we have available to cover them.

If you have any questions, please send them to treasurer@frederickuu.org. Please include a phone number if you would like to be called back.

Jeff Wilson
Treasurer