

Letter from Board President Dennis Strain: Continuing the Dialogue on USG Finances

Dear fellow congregant,

An estimated 60 people attended the Focus on Finance meeting on November 16. That demonstrates a strong interest in the financial health of our congregation - an interest that is vital to our building beloved community with compassion, service and empowerment. I want to thank those who attended, expressed concerns and offered suggestions for the financial health of our congregation.

While there are many opportunities for USG members to involve themselves in church finances (e.g., Finance Council, Stewardship Committee, and Auction Committee), the Board and the Ministry Executive Team will be looking for ways to increase the flow of information and expand the opportunities for congregational involvement.

Background

At September's congregational meeting, the Board presented a budget with a \$48,000 deficit, the same as for last year's budget. Deficits are made up by drawing down the Consolidated Investment Fund (CIF). Although USG has a long history of budget deficits, the size of the recent deficits raises concerns about the long term health of the fund.

November 16 Meeting

The Ministry Executive Team worked with the Finance Council, the Pledge Secretary, and the Personnel Committee to present the following information:

- **CIF History:** Five funds comprise the CIF; only the General Endowment is available for covering deficits. In July of 2011, the CIF totaled \$1,076,146, with \$720,565 available for the General Endowment. For July of 2015, it is projected that the CIF will total \$1,331,351, with \$715,881 available to the General Endowment.
- **CIF Income:** The current health of the CIF is due to successful investments and a large bequest (\$295,621) from Edna Jones. The bequest has been used to pay the loans (\$123,254) for the Sullivan Chapel renovation and to create a maintenance fund (\$172,367) for building emergencies and extraordinary projects.
- **Giving:** Over the last 20 years, congregational giving has increased an average of 4% a year. This year's budget projects \$363,000 in total giving (\$320,000 in pledges; \$12,000 in plate collections, and \$31,000 in special gifts). The remaining income comes from rentals (\$69,463), fund raising (\$31,000), CIF investment income (\$39,400), and a CIF transfer (\$48,000).
- **Expenses:** For a budget of \$551,758, staff expenses are \$363,536 (65%), building \$104,000 (19%), programs \$32,100 (6%), UUA and JPD dues \$26,208 (5%), and administrative \$25,914 (5%). Staff expenses include Minister, Assistant Minister, Church Administrator, Assistant Administrator, Music Director, Sexton, bookkeeper service, cleaning service, and childcare. Program includes \$17,500 for music and \$1,800 for speaker fees.
- **Membership:** We had 297 members in 2010; this year we are at 316.

Remaining Questions

The information provided answered many questions, but raised others:

- Have we explored ways of increasing revenues, including more fundraisers?
- Should we have a legacy program that encourages members to make bequests to USG?
- What has caused the recent increase in staff expenses?
- How can we increase congregational involvement in the budget process?
- How can we make more financial information available?

Next Steps

The Ministry Executive Team is planning quarterly reports on church finances and attendance at Sunday services. The team will also generate reports on attendance at Small Group Ministries and Adult Spiritual Development courses. The Board is exploring ways to increase involvement of the congregation in the finances of the church. For the present, the Finance Council and the Stewardship Committee will continue to tackle our financial challenges and their meetings are open to all members of the congregation.

Timing

The holidays are busy for everyone, so look for more information in January and February. In the meantime, give your ideas to members of the Board or the Ministry Executive Team. Their e-mail addresses can be found by clicking this link to our website. <http://usguu.org/page/contact-us>

Dennis Strain
President, Board of Trustees