

Meet the Budget
2017/2018 Proposed Budget

Income

- 5% increase in pledge income
- Pledge income represents 54% of our total income
- 21% increase in our Loose Plate - based on current year actual
- 13% increase in trust income (Nims & First UU Trust)

Expense

Payroll & Benefits

- All staff receives a cost of living increase of 1%
- Includes Sabbatical coverage expense of \$14,035
- Includes staffing transition costs
- Includes new Developmental Director of Family Ministry (begins November)
- Includes new Society Administrator position (begins August)
- Membership Coordinator increase hours (24 hours per week)
- 2 positions (Director of Music & Director of Operations) receive increases above COLA to move into UUA Guidelines.
- Estimated 11% increase in Health Insurance Premiums
- Society contribution to Health Insurance Premiums to decrease from 90% to 80%

Operations

- The overall decrease in this area of the budget is mostly due to the fact that several line were moved from this section to the Governance & Ministry section of the budget.
- We continue to increase our UUA Dues with a goal of contributing our "Fair Share" which would be \$79 per member or \$40,053 per year. We are currently paying 71% of our "Fair Share."

Governance & Ministry

- Several lines in this section of the budget were moved from the Operations section.
- You will note increased investment in the Membership and Social Action lines of the budget.
- As our Loose Plate income increases, so do our contributions to local & national non-profits.
- You will note a substantial increase in our Governance section, which truly represents an investment in our lay leadership development & training.

Building & Site

- Per the advice of our Facilities Manager, this area has been level funded.

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This year we challenged ourselves to look at the Society budget in a new way. Instead of looking at the budget as merely a way to pay the bills, we looked at the budget as way to fulfill our mission, our vision and our ends. We want to do more than just pay the bills, we want to use our resources in the best possible way to make a difference in the world.

The largest increase in expenses in this year's budget were in the area of Payroll & Benefits. All staff will receive a cost of living increase of 1%. Although there are some increases associated with the hiring of new staff positions, some of the largest increases are actually one time expenditures which include coverage of the Senior Minister sabbatical and expenses associated with the staffing transitions. In addition, last year we needed to make several changes in the Music area of the budget. These changes will indeed be ongoing expenses, but were introduced after last year's budget was approved by the congregation. We have also made the decision to reduce the employer contribution to health insurance premiums from 90% to 80%, which is more in line with best practices.

You will notice that several lines in the Operations section of the budget have moved into the Governance & Ministry section of the budget. As our organization changes, we are trying to make sure the budget format matches our structure.

We continue to work towards paying our Fair Share to the UUA Annual Program Fund and the Region. To be considered Fair Share, we would need to be contributing \$79 per member or a total of \$40,053. We are currently paying 71% of our Fair Share, which is an 11% increase over last year's contribution.

Our Loose Plate collection had a substantial increase this past year. We have budgeted accordingly for the coming year. The more we collect in our Sunday Loose Plate, the more we can give away!

We have also budgeted a solid increase in the Governance section of the budget. This increase includes additional funds to invest in lay leadership development and training.

Based on recommendations from our Facilities Manager, the Building & Site section of the budget has basically been level funded. It is good to remember here that the budget serves to cover the cost of facilities maintenance such as utilities, contracts for lawn care and snow removal, cleaning supplies, etc. Major repairs are paid for through the Property Fund Account, a restricted account that is funded by money from the Nims Fund and the Meeting House Fund.

All of this leaves us with a budget deficit of nearly \$52,000. After careful consideration with our Treasurer, Alana Shaw; our Finance Committee; and our Funding the Vision Task Force; Mara and I have decided to propose to you that we pass a deficit budget. This means that our

General Fund balance will supply the \$52,000 needed to balance the budget. We have carefully considered this decision and want to assure you that our general fund is in a healthy enough place to absorb this amount. We currently have about \$164,000 in our general fund. At the end of the 2017/2018 fiscal year we anticipate the general fund balance to be approximately \$112,000. To put that in perspective, this will put our general fund balance to a place that it was in 2014, an amount that would still cover our expenses for 1.5 months should all of our income stop. A general fund balance at this level will not create any cash flow problem at all.

As always, we welcome any and all questions regarding the budget. Please email Christina at xina@uusociety.org to set up a time to talk about the budget.

Many of you have already been asking the very important question of how we will fund our staffing vision for the future. Over the past year, Mara has spoken to many congregations who have increased staffing in the same way we are doing. She has heard many of their ideas, and found out their opinions about what has worked and what hasn't worked. Two months ago, we put in place the "Funding the Vision Task Force" to look at this very issue. They have been busy for the past two months exploring many options and are working to develop a recommendation. We encourage you to stay posted and expect to have some plans ready to look at later in the Fall.

Respectfully,

Rev. Mara Dowdall
Senior Minister

Christina Fulton
Director of Operations & Finance