



Money Matters – Chris Kortlandt, Treasurer

Now that I am in my third year as Treasurer, I want to start providing a periodic update of CUUC's finances and offer some context for pledging and various other ways of supporting CUUC.

At this time, I want to (1) summarize last year's final numbers, (2) pledges in general, (3) 10% immediate matching for legacy giving (expected to be closed at the end of September), and (4) the Minister's Discretionary Funds (increased demand has resulted in almost zero balances).

1. How Did We Do? June 30, 2018, Year-End Financials

Our fiscal year runs July 1 to June 30, and as Board Chair Dean Silverberg indicated in the Fall Communitarian, we did reasonably well for this past year. We always try to match income with expenses, but we generally have a shortfall which results in a draw from our reserve fund (known as the Endowment Fund). This past year we had projected in April/May that we had to draw \$25,000 but luckily the final shortfall was only \$16,000, so less money was needed from the Endowment Fund.

What Does Our Income Look Like?

The majority of money collected comes from our paid pledges, which is the money that pledging members pay to support CUUC. This represents about two thirds of our total income (\$390,000 out of total income of \$590,000). Rental income is another big source and generates around \$114,000 a year, or 19%. In addition, the Auction brought in about \$49,000 or about 8%. The remainder comes from Sunday service plate collections, of which half goes to CUUC and the other half to worthy causes. Pledge income was \$15,000 lower this year than our original budget, but this was to a large extent offset by higher Auction proceeds (+\$7,000), higher plate (+\$2,000), and higher rent (+\$3,000).

Expenses

CUUC's expenses are primarily the compensation and benefits for our dedicated staff. We do our best to adhere to the UUA's compensation and benefit guidelines for a congregation of our size. Like all employers, we are affected by medical expenses that unfortunately have increased by triple the amount of inflation over the past several years.

Furthermore, we have expenses related to the building and grounds, utilities, custodians, and miscellaneous other expenses such as copiers, insurance, sewer taxes, and others that come back every year and typically increase more or less with inflation.

So Ministry, RE, Administration and Programming alone account for 75% of the total expenses, and Building and Grounds alone 25%. Most of these expenses are fixed. There are some measures that have been taken to reduce the expense levels, such as replacing the copiers for newer machines at 2/3rd the original expense, but these are typically one-time events.

As I noted, our income of \$590,000 did not quite cover our expenses of \$606,000, resulting in a shortfall of \$16,000. This shortfall comes out of our Endowment Fund.

Concluding, the most effective way to reduce future shortfalls without impacting programming is to increase our income levels, which consist largely of pledges.

In the next quarter, we will provide an interim update on how we are doing so far for this year.

2. Pledges

CUUC is supporting its staff, operations, and its vibrant programs through contributions from its members. These are voluntary contributions, called pledges, and are a major source of income. For the year ending June 30, 2018, we budgeted \$390,000 in pledges, but to date we have only received \$380,000 in pledges. There are still some folks who have not submitted their pledge and we kindly ask those people to submit their paperwork or email the treasurer (kortlandbunch@gmail.com). The Treasurer may also reach out individually, either by email, phone, or personal visit.

New members with questions about the pledge process or CUUC finances may speak with me or any Board member.

3. Last Chance to Claim Matching Funds from the UUA (Legacy Giving)

Right now through the UUA, there is a unique opportunity. If you choose to support CUUC in connection with estate planning before the end of September, the UUA's Legacy Giving Program will match that at 10% (with a maximum of \$10,000 per person). But time is running out and the funds are growing short. Details are below. If you wish to contribute in this way, please speak to me.

How does it work?

If one designates CUUC as a beneficiary in his/her/their Will or 401k, the UUA will immediately provide 10% matching funds to CUUC. The individual

may pass away in the future (and hopefully the very far future), but the UUA will pay 10% of that amount immediately to CUUC, to a maximum of \$10,000 per person. So if one leaves \$100,000 to CUUC and the person passes away in for instance 30 or 40 years, the UUA will still pay 10% of that amount or \$10,000 on Day 1. If the legacy amount is \$50,000, the UUA will pay \$5,000.

The Legacy Giving program is a one-time benefit for CUUC on Day 1, and the Board will make a determination in the future of how to best deploy these funds. It is the intention to open a separate segregated investment account for this, and funds will likely be used in the future for significant improvements in our infrastructure. (One can think of handicapped bathrooms or a better handicapped ramp).

Paperwork/Action

So what needs to be done? Please start by contacting Chris Kortlandt (kortlandtbunch@gmail.com, 917-821-4289) immediately because a form with backup documentation needs to be submitted to the UUA right away. If CUUC is mentioned in your Will, the backup would include first page, signature page, and relevant section of the Will specifying the amount. One may also submit the Legacy form and backup directly to the UUA, to ensure confidentiality, though our Treasurer will keep all communications confidential.

4. Minister's Discretionary Fund and Matching Funds

Our minister has a Discretionary Fund, which is used to help those in financial distress both within and outside CUUC. The fund is replenished by events such as our holiday Crafts Fair, and from periodic additional donations. This year, the need for money has been greater than usual, possibly as a result of the current political environment. Therefore, we are asking Members and Friends who are willing and able to contribute extra money to the Discretionary Fund.

We have received a generous offer by one member who is willing to match any contributions to the Discretionary Fund made before Monday, October 15, for up to \$750. Checks can be made out to CUUC with reference Discretionary Fund. We hope this will replenish the fund sufficiently for Rev. Meredith to be able to continue helping those in need.