

January 14, 2023

Dear People of Union Church,

Here's the very short version of an important issue: We are possibly looking at a very large deficit in our church budget for 2023. We will, therefore, have informational meetings about the draft budget following the 10:00 worship services tomorrow and on January 22. As we prepare a final budget for the congregation to approve on January 29 at our annual meeting, we want input from the congregation about how to proceed. We hope you will join the conversation.

And here's more information: Friends, in our church we try to keep the focus on the most important things: worship, service/mission, nurture, and care. Those are the ways we live lives of love for God and all people. While we are transparent about the "machinery" that makes that focus possible, we know that many church members know little about such things, including our church finances. Right now, however, everyone needs to know that our operating budget is severely strained, and we are at a "fork in the road." We need feedback from the congregation to decide what direction to take.

On January 29, following the 10:00 a.m. service, we will have our Annual Congregational Meeting, at which the congregation will adopt a budget for 2023. Seeking to empower the ministry and mission of the church, while also being realistic about expenses and income, **the committee which prepares the draft budget is currently looking at a \$92,000 possible deficit for 2023.** We have adopted deficit budgets in the past and have often still ended up close to even for the year, but we have never proposed anything like a \$92,000 deficit. That kind of shortfall, on top of our 2022 deficit of \$75,000, would jeopardize the normal financial functioning of our church.

How have we come to this situation? Without going deeply into any of these for the sake of brevity, the contributing factors include, 1) different and lower giving patterns among members compared to several years ago, 2) the pandemic, 3) inflation, particularly in staff health insurance costs, and 4) the attempt to meet our congregation's desire for a fairly large, skilled staff.

What can we do about it? Here's where we have to "speak the truth in love." There are really three options: 1) we, the members of Union Church, can significantly increase our financial support for the church; 2) we can accept continuing our mission and ministry with a smaller staff and reduced programming and mission; and 3) (only a partial solution) we can reduce our music programming and our mission support for others outside our church by redirecting endowment distributions intended for new/increased mission and music to instead cover existing expenses.

Or, to put it more bluntly, we give more, or we reduce staff and/or music and mission.

If you are now motivated and able to be part of the most desirable solution – increasing our financial support – then simply let Pastor Mike know of your new or increased pledge or your additional gift. See him in person, send him an email (msolberg@uchinsdale.org), or send a note to the church. **If we**

increase pledge commitments and/or gifts by \$90,000 before January 29, then our direction will be clear and we can keep our focus as a church where it needs to be.

The Budget Committee met yesterday and was hoping to find easier ways to address this situation, but we realized there are no additional "easy" steps we can take, and from here the direction really needs to be set by the congregation. We would normally just have an informational budget meeting the week before the Annual Meeting, but we wanted to offer an additional meeting tomorrow to begin the conversation. Of course, we are open to any other ideas that would significantly improve our ability to maintain our mission and ministry!

You can see the detailed current budget draft tomorrow with the \$92,000 possible deficit, and we'll have conversations tomorrow and on January 22, following the 10:00 service. Then the Annual Congregational Meeting will be on January 29.

If you have any questions, please do attend one of the information sessions tomorrow or on January 22, or feel free to contact us directly: Chris Kapcar, Chair of Trustee Ministry (ckapcar@gmail.com); David Hess, Moderator (dhess@firstanalysis.com); Pastor Mike Solberg (msolberg@uchinsdale.org, 630.590.6695).

Sincerely and with hope,

Chris Kapcar

David Hess

Mike Solberg

P.S. If you want more information about how much you "should" give to the church, or about our church finances generally, [see this FAQ](#).