

Budget Report

I'm Gini Courter, trustee from the Heartland district and chair of the UUA Finance Committee. It is my privilege to spend a few minutes talking with you about the budget on behalf of the board and the Finance Committee -the fine group of people you see listed on the screen. John Buehrens has compared being the UUA President to the task of herding cats, but in my six years on the Finance Committee, I've noticed that John sheds on the furniture almost as much as the rest of us do. It is a challenge and an almost unbelievable joy to chair this hardworking, dedicated committee.

At any point in time, the Administration and Finance Committee are working with three year's worth of budgets -the current fiscal year, the upcoming fiscal year, and the following year, so right now we're working with FY2001, 2002, and 2003, which is also referred to as the "out year". (Don't get too excited -the out year is always two years away.) The UUA Fiscal year begins on July

1, so the budget we're presenting today is the budget for the year which begins in a bit more than a week.

The UUA budget is about fifty pages of really small print. This is the large print edition. Rather than read it all, I'd like to summarize the information in the budget for the coming year. If you'd like more information than I provide, have specific or general questions about the budget, or are, for reasons beyond your comprehension, terribly excited about the idea of spending an hour or so with people who do have questions about the budget, please attend the budget hearing later today: 6:15- 7:30 PM in Convention Center room 204.

There are two broad categories of income in the UUA Budget: two thirds of the income is income for general support; one third is income for designated purposes.

The income for general support comes from a variety of sources: The first source of income is gifts and bequests to the association from members.

Each year, Unitarian Universalists like you and I include the association or their local society in their charitable gift and estate planning. Their unrestricted gifts are reflected in income for general support.

It is fitting that we remember and honor our fellow Unitarian Universalists who have died in the past year, and whose love for Unitarian Universalism lives on as their gifts sustain our faith community.

Planned gifts represent 4% of the Income for General Support.

The second source is contributions from individual members to the Friends of the UUA; if you're not a friend of the UUA, this is easily remediable. Visit the Friends of the UUA booth here in the Convention Center before you leave Cleveland.

Administrative fees represent 7% of the general income. Investment income and charges for other related services are each about one-fifth of the general income. Over a third of the general

income, 38%, comes from our congregations' contributions to the Annual Program Fund. I believe Judy Pickett, chair of the APF Continental Committee, could tell us more about this year's Annual Program Fund efforts.

ENTER JUDY PICKETT

Thanks, Judy, and thank you to the volunteers who serve on the Annual Program Fund Continental Committee.

The second type of income, Income for Designated purposes, is just that -income given by individuals or institutions with specific restrictions or understandings about how it is to be used.

Annual earnings from three ministry related endowments plus some spend down funds for recruitment, young adult work, public relations, and growth from the capital campaign, Handing on the Future, provide 6% of the designated income in the 02 budget. Grants from our generous congregation at Shelter Rock that support extension and diversity work as well as the VU Funding Programs total two million dollars.

Income from another endowment from the congregation at Shelter Rock, the St. Lawrence Educational Trust, VUA scholarship funds, and Living Tradition Fund scholarships provide 14% of the designated income.

Funds from the Campaign for Unitarian Universalism represent 2% of the designated income. These expenditures include RE Curriculum visioning, the campus coordinator, and the continental young adult network long range planning.

Ministerial aid endowment funds from the Living Tradition Funds are 7% of the designated income.

Capital Gains for Fundraising is 11% of designated income

The Holdeen and International Trusts item includes income from the Holdeen Trust funds for the Holdeen India Program grants.

Income designated for other purposes is 7% of the total designated income.

Now we'll move on to the budgeted expenditures for fiscal year 2002.

Depreciation is 2% of total expenditures. 8% of our expenditures are for development: Annual Program Fund, Friends of the VUA, and other activities that provide Income.

Board and Volunteer Leadership represent 3% of expenditures. Administration is 8% of expenditures.

The VU Funding Program expends 1.1 million dollars, or 5% of total expenditures.

3% of our expenditures are for finance.

Facilities account for 6% of our total expenditures.

The International slice includes distributions of the Holdeen India Program, as well as half of the costs of the International Office, totaling one and 3/4 million dollars, eight percent of total expenditures.

We'll spend three percent of our budget, \$655,000, on information technology in fiscal year 2002. The board has received two reports this spring that make it clear that this is less, than we should spend, less than we need to spend on the technology infrastructure that supports the work of the VUA staff. I'm sure you will hear more about this next year in Quebec City. By far the largest slice of the pie, over 11 million dollars, will be expended for services to congregations.

I'll spend just a moment unpacking that large segment of our total expenditures.

In Fiscal Year 2002, we will spend \$2.7 million on Communications, including the UU World, Interconnections, electronic communications, Skinner House, and the UUA Bookstore.

Over half a million dollars will be granted to the 21 districts.

Roughly one third of the congregational services budget is Congregational, District, and Extension services, including extension ministry, field staff, training for extension and growth, young adult ministry, and the capital campaign consultants program.

Nearly \$900,000 supports our Religious Education department which designs and creates curricula, resources, training, and expertise in lifespan religious education.

Nearly \$1.2 million is budgeted for the Faith in Action Department, which helps congregations, districts, clusters, develop social justice programs.

\$2.7 million is budgeted for the department of ministry, which provides leadership and resources to ministers and congregations including settlement, scholarships and grants, church staff finance expertise, and financial planning.

That's the budget for the coming fiscal year. I'd like to end with a financial issue that is not unrelated to the FY2002 budget. Delegates to this General Assembly will elect a number of Unitarian Universalists to serve on our behalf for the next four or six years. We will elect a Financial Advisor and members of the UUA Board, Nominating Committee, Planning Committee, Commission on Appraisal, and Commission on Social Witness. As I recall, we're also electing a president and a moderator.

If you couldn't find the checkbox on your GA registration form labeled "Check here to donate \$2 of your GA registration to the Unitarian Universalist Election Campaign Fund", you're not alone. There isn't one. And there was no "Election" pie slice in the charts you just saw. **And** we affirm and promote the use of the democratic process in and among our congregations. We have some work to do. Some of it is work that will span years, and multiple General Assemblies. But there

is something we can do right now, here in Cleveland.

We can be generous with our candidates for elected leadership. If there are specific candidates you are supporting, I encourage you to make contributions to help offset their campaign costs as your personal circumstances allow. If you're undecided, you can contribute to more than one candidate - think of it as the "Random Acts of Kindness" approach. (If you're still undecided on Monday, just leave your wallet on your chair at the end of the closing celebration.)

These candidates, dedicated Unitarian Universalists one and all, are campaigning for nothing more, and nothing less, than the privilege of serving the Unitarian Universalist congregations of the Association. Let's find many ways to show them our support.

Thus endeth the finance report