

NOTES ON THE PROPOSED CONGREGATIONAL BUDGET FY2023-2024

FY2022-2023 Net Operating Income

The budgeted net operating income for the current fiscal year (2022-2023) shows as a deficit. At last year's annual meeting, the congregation approved a budget with a net positive of \$115.87. In fall 2022, the UUCC Board of Trustees authorized the additional spending of funds for professional services to fund our Values, Mission, Ends process consultant Laura Park of Unity Consulting. The Board authorized this additional spending based on known income increases.

Decreased Operating Income for FY2023-2024

We are projecting a significant decrease in income for the upcoming fiscal year: around \$75,000 less than what was budgeted for FY2022-2023. This is due to the end of pandemic-era interventions (Paycheck Protection Program loan; Employee Retention Credit) as well as a drop in both the number of pledge units and total amount pledged.

Decrease in OBIC Expenses in FY2023-2024

As the Owen Brown Interfaith Center continues to see an increase in rental income, our congregational burden for covering OBIC's operating expenses will lighten a bit. Currently, UUCC pays \$12,676/month in our assessment to cover OBIC's operating expenses; starting in January 2024 we are projected to pay \$8,130.80/month as our OBIC assessment.

UUCC also contributes a monthly portion to OBIC's capital reserve, or reserve-for-replacement (RFR). The RFR is used to fund building expenses like carpet replacements, the installation of energy-efficient heat pumps, and more. We currently contribute \$3,228.36/month; this amount will increase by 8% to \$3,487.00/month in January 2024 to keep the RFR at healthy levels, as determined by the professional reserve study commissioned by OBIC in 2022.

Staffing Realignment Reflected in Proposed Budget

The most significant changes you'll see in the proposed budget for FY2023-2024 are in the personnel section of the budget.

Over the past several months, the Executive Team has led our professional staff in a months-long process of staff realignment.

We recognize that all UUCC ministries have changed drastically in the past five years. As our congregation changes – through new members, through generational shifts, through changes in

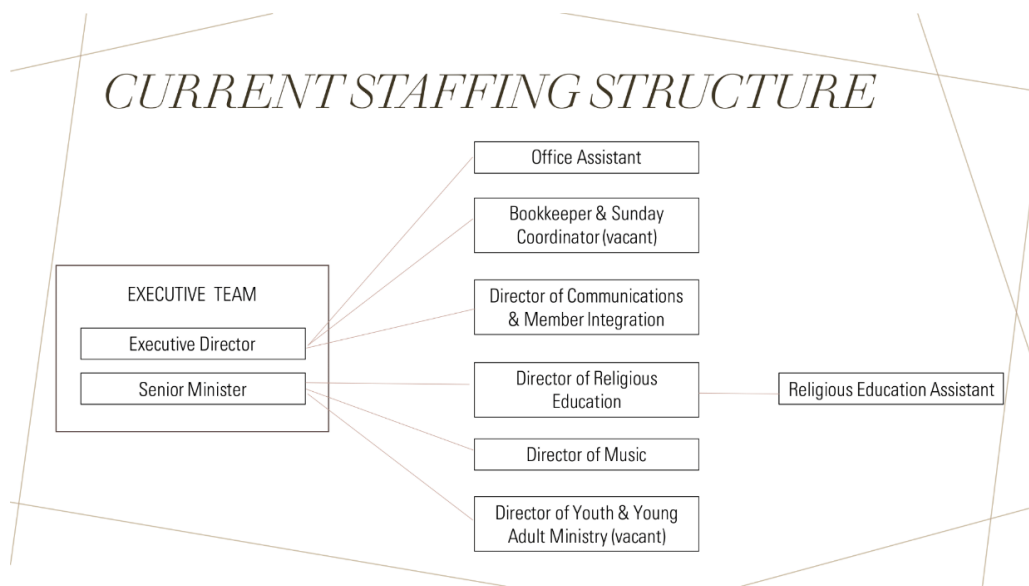
participation and worship attendance – the congregation’s needs change. We must adapt to these changing needs. It is unwise to continue to do what we’ve “always” done and expect the same results; our people, our needs, our capacity, and our congregation are different now.

The most challenging years of the pandemic were not the time to make drastic changes, however. This staffing realignment process took place this year (FY2022-2023) in preparation for the upcoming congregational year (FY2023-2024) because we recognize this to be a critical transition year, during which we are setting new baselines against which our future endeavors will be measured.

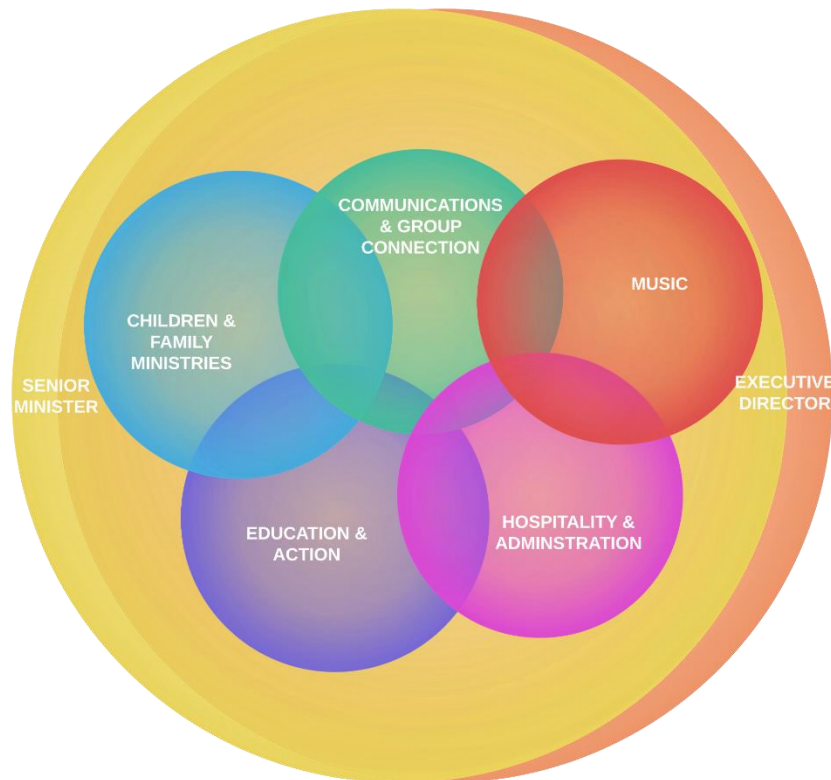
What do we mean by “staffing realignment?” This was not merely a euphemism for “right-sizing” or “down-sizing.” This was an intentional effort to **align our staff capacity to meet congregational needs** by 1) evaluating congregational needs and 2) identifying staff capacity (capacity = interest, skills). Additionally, we desired to more equitably redistribute staff responsibilities.

We approached this process through the lens of our **shared ministry**. As a staff, we came to a shared understanding of what our collective role and responsibilities are as a staff unit. We even drafted a collective staff job description. From there, we discussed and considered where we see ourselves in this collective staff job description. Out of these conversations, we named a shift in how we think about congregational staffing: as congregations learn to navigate this liminal, transitional time, they no longer need specialists who offer niche knowledge/skill in particular areas. Instead, congregational life requires our staff to function more as **generalists** – people who are engaged, curious, willing to try new things, adaptable, and who can hold and balance responsibility in a number of areas.

Based on these conversations, we proposed a new staffing configuration. We moved from a traditional organizational structure in which staff were sorted by their specific functions within the organization –



– to a new model best understood via a Venn diagram that removes titles, emphasizes areas of responsibility, and clarifies areas of collaboration between staff members.



The proposed staff roles were:

- **Children & Family Ministries**
 - *Social, emotional, spiritual growth opportunities for children and families; Time for All Ages; children & youth programming*
- **Communications & Group Connection**
 - *Affinity groups and reflection groups; short-term adult learning and programming; ongoing outreach; internal & external communications*
- **Education & Action**
 - *OWL for all ages; support Children & Family ministries role in implementing and developing curriculum for children and youth; social action*
- **Hospitality & Administration**
 - *Sunday mornings; volunteer management & appreciation; database; scheduling; room reservations; young adult ministries*
- **Music**
 - *Music in worship; Chalice Choir; Worship Steering Committee; Chalice Concert Series*

These proposed staff roles would begin with the new fiscal year on July 1.

As our annual pledge drive proceeded through the spring, however, we realized that we would not be able to fully implement this proposed staffing realignment. Due to budgetary constraints, the Executive Team made the difficult decision to eliminate the Education & Action position that would have been served by Robin Slaw beginning July 1. In recognition of the many years of faithful service she had performed as this congregation's Director of Religious Education, we offered to extend Robin Slaw's sabbatical effective immediately, and offered as generous a severance as we were able, to support her as she transitions out of her vocational relationship with UCC.

The OWL and educational responsibilities of the Education & Action position will be shifted to the Children & Family Ministries role, now expanded to full-time. The social action component of the Education & Action position will be held for a future moment, when we reach greater financial clarity and can consider funding staff support of our congregation's vibrant lay-led social action efforts. (In the proposed budget, we minimally fund a part-time social action role as a placeholder for future possibilities.)

With these changes, we look forward with anticipation to our new congregational year. We live in a transitional moment, and we are eager to embrace the challenges and opportunities that are before us with creativity, intention, and commitment to our shared ministry as the people of UCC.

	FY22-23 as of May 25, 2023			FY23-24	
	Actual-to-date	Budget	% of Budget	Proposed	Notes
Income					
4000 Canvass & Offering					
4002 Donation	12,663.00	13,000.00	97.41%	12,000.00	Non-pledge giving
4003 Loose Offering	6,575.31	8,000.00	82.19%	7,500.00	Sunday morning collection (except for 2nd and 5th Sundays)
4004 Canvass Expense	-172.62	-300.00	57.54%	-300.00	
4100 Pledge Income					
4001 Pledge	600,707.68	652,436.20	92.07%	624,316.20	Our stated pledge goal is \$732,122
4006 Uncollectible Pledge Income		-22,551.42	0.00%	-21,851.07	Calculated at 3.5%
4007 Post-Canvass Pledge Income	9,795.00	10,000.00	97.95%	10,000.00	Contributions toward pledges made after the budget is adopted
4601 Prior Year Pledge	13,137.00	5,000.00	262.74%	8,000.00	Contributions toward pledges from the previous fiscal year
Total 4100 Pledge Income	\$ 623,639.68	\$ 644,884.78	96.71%	\$ 620,465.13	
Total 4000 Canvass & Offering	\$ 642,705.37	\$ 665,584.78	96.56%	\$ 639,665.13	
4300 Music Income					
4301 Chalice Concert Revenue	5,992.10	8,000.00	74.90%	6,500.00	Ticket sales, subscriptions, and sponsorships
4302 Chalice Concert Expense	-2,613.69	-3,500.00	74.68%	-3,500.00	4 concerts planned for the FY22-23 season
Total 4300 Music Income	\$ 3,378.41	\$ 4,500.00	75.08%	\$ 3,000.00	
4500 Other Income					
4203 Bookstore Revenue	1,654.22	1,000.00	165.42%	1,200.00	
4204 Bookstore Expense	-1,967.59	-450.00	437.24%	-400.00	Current year's expenses are inflated due to past due invoices from 2019-2021
4503 Interest Rec'd - Operating	1,226.05	250.00	490.42%	1,200.00	Interest on operating accounts only (endowment interest is non-operating)
4516 OBIC Lawn Maint Income	3,975.00	3,975.00	100.00%	3,975.00	OBIC pays UUCG for providing lawn maintenance
4517 OBIC Lawn Maint Expenses	-90.99	-200.00	45.50%	-200.00	Gas, equipment repairs and maintenance, etc.
4520 Endowment Disbursement	27,509.00	27,509.00	100.00%	29,460.99	Calculated at 5% of the average balance over the past 13 quarters
4521 Transfer from Operating Surplus	15,000.00	37,600.00	39.89%	34,500.00	Budgeted draw from the reserve
4599 Other Miscellaneous Income	57,620.04	53,000.00	108.72%	5,000.00	Neighborhood Sun, piano rentals, etc.
Total 4500 Other Income	\$ 104,925.73	\$ 122,684.00	85.53%	\$ 74,735.99	
Auction					
4401 Auction Revenue	30,075.84	30,000.00	100.25%	31,000.00	Modest projected increase
4402 Auction Expense	-1,795.17	-1,500.00	119.68%	-1,700.00	Better understanding of what a post-pandemic Auction looks like
Total Auction	\$ 28,280.67	\$ 28,500.00	99.23%	\$ 29,300.00	
Total Income	\$ 779,290.18	\$ 821,268.78	94.89%	\$ 746,701.12	Significant decrease in budgeted income from FY22-23
Gross Profit	\$ 779,290.18	\$ 821,268.78	94.89%	\$ 746,701.12	
Expenses					
5000 Worship	4,700.02	5,000.00	94.00%	5,500.00	Increase for worship music and guest musicians
6500 Identity & Belonging	975.32	3,000.00	32.51%	3,000.00	Remain the same
7500 Communications & Info Tech	2,141.78	3,500.00	61.19%	2,500.00	Website hosting, website tools, Canva, Constant Contact
7800 Owen Brown Community	185.72	500.00	37.14%	700.00	Increase over current year to respond to proposed ends
7900 Facilities Management / OBIC					
8013 OBIC Assessment	139,323.98	152,000.00	91.66%	124,840.80	Current: \$12,676/month. Change to \$8,130.80/month for 2024.
8029 OBIC Reserve	31,771.62	35,000.00	90.78%	39,902.53	Current: \$3,228.36/month. Change to \$3,487.00/month for 2024.

Total 7900 Facilities Management / OBIC	\$ 171,095.60	\$ 187,000.00	91.49%	\$ 164,743.33	
8000 Administration					
8001 Office Supplies	163.06	300.00	54.35%	300.00	
8002 Duplicating	81.75	200.00	40.88%	200.00	
8003 Postage	53.87	200.00	26.94%	200.00	
8005 Bank Fees	121.22	300.00	40.41%	120.00	Credit card annual fee only; in past, PNC account fee and safe deposit box rental.
8008 Insurance	4,041.00	4,500.00	89.80%	4,500.00	Policy renews in July; should receive invoice before Annual Meeting
8011 IT Equipment / Software	6,046.28	6,000.00	100.77%	6,500.00	Monthly Internet, Zoom, Microsoft, Quickbooks, etc.
8012 Telephone	446.24	675.00	66.11%	669.36	Paid monthly to OBIC at \$55.78 per month
Total 8000 Administration	\$ 10,953.42	\$ 12,175.00	89.97%	\$ 12,489.36	
8100 Debt Service					
8025 Debt Srvc (Mortgage Interest)	45,635.00	50,000.00	91.27%	45,000.00	
Total 8100 Debt Service	\$ 45,635.00	\$ 50,000.00	91.27%	\$ 45,000.00	
8500 Justice-making	510.10	2,000.00	25.51%	2,000.00	Remain the same
8700 Denominational Affairs	2,250.00	4,500.00	50.00%	4,500.00	Remain the same; our fair share contribution for FY23-24 is \$50,075
8800 Finding One's Place	404.74	1,000.00	40.47%	1,000.00	Remain the same
9501 Professional Services	8,806.66	10,500.00	83.87%	2,000.00	Contingency budget for financial services consulting
9502 Credit Card / EFT Fees	5,224.06	5,000.00	104.48%	5,700.00	Offset by contributions; \$5,627 at end of this fiscal year at current rate
99000 Personnel					
90010 Minister					
90011 Salary - Minister	63,697.52	64,800.00	98.30%	64,800.00	Remain the same
900131 FB - Minister Retirement	8,983.06	10,610.00	84.67%	10,610.00	10% employer contributions
900132 FB - Minister Life & Disability	2,012.34	2,195.28	91.67%	2,305.04	Allows for 10% increase over current rate for Jan-June 2024
90014 Prof Exp - Minister	1,131.57	1,500.00	75.44%	0.00	Shift to shared professional development pool
90015 Housing - Minister	35,000.00	41,300.00	84.75%	41,300.00	Remain the same
Total 90010 Minister	\$ 110,824.49	\$ 120,405.28	92.04%	\$ 119,015.04	
90020 Executive Director					
90021 Salary - Exec Dir	60,070.80	65,000.00	92.42%	65,000.00	Remain the same; 72% of target salary of \$88,400 per UUA guideline (MINIMUM)
90022 FICA - Exec Dir	4,595.41	4,972.50	92.42%	4,972.50	Calculated at 7.65%
900231 FB - Exec Retirement	5,500.00	6,500.00	84.62%	6,500.00	10% employer contributions
900232 FB - Exec Dir Life & LTD	540.32	589.44	91.67%	618.91	Allows for 10% increase over current rate for Jan-June 2024
90024 Prof Exp - Exec Dir	808.07	1,000.00	80.81%	0.00	Shift to shared professional development pool
Total 90020 Executive Director	\$ 71,514.60	\$ 78,061.94	91.61%	\$ 77,091.41	
90030 DLRE					
90031 Salary - DLRE	60,378.32	64,000.00	94.34%	10,197.80	Separation pay
90032 FICA - DLRE	4,454.18	4,896.00	90.98%	780.13	Calculated at 7.65%
900331 FB - DLRE Retirement	5,326.64	6,400.00	83.23%	1,019.78	10% employer contributions
900332 FB - DLRE Life & LTD	754.52	1,135.68	66.44%	189.28	2 months
900333 DRE Health Insurance	957.80	1,400.00	68.41%	223.58	2 months
90034 Prof Exp - DLRE	1,250.00	1,250.00	100.00%	0.00	
Total 90030 DLRE	\$ 73,121.46	\$ 79,081.68	92.46%	\$ 12,410.58	
90040 Music Director					

90041 Salary - Music Dir	67,841.76	73,000.00	92.93%	54,750.00	3/4 time with summer Sundays off
90042 FICA - Music Dir	4,688.84	5,584.50	83.96%	4,188.38	Calculated at 7.65%
900431 FB - Music Dir Retirement	6,176.94	7,300.00	84.62%	5,475.00	10% employer contributions
900432 FB - Mus Dir Life & LTD	869.88	950.00	91.57%	996.41	Allows for 10% increase over current rate for Jan-June 2024
90044 Prof Exp - Music Dir	221.29	500.00	44.26%	0.00	Shift to shared professional development pool
900633 FB - Music Dir Health	6,294.16	6,550.00	96.09%	7,205.66	Allows for 10% increase on premium for Jan-June 2024
Total 90040 Music Director	\$ 86,092.87	\$ 93,884.50	91.70%	\$ 72,615.45	
90150 Office Assistant					New expanded role: HOSPITALITY & ADMINISTRATION (full-time)
90151 Salary - Office Assistant	36,810.07	40,000.00	92.03%	46,268.00	86% of target salary of \$53,800 per UUA compensation guideline (MINIMUM)
90152 FICA - Office Assistant	2,815.97	3,060.00	92.03%	3,539.50	Calculated at 7.65%
90153 FB - Office Assistant	3,454.55	4,470.00	77.28%	5,115.30	Retirement + LTD (allows for 10% increase in LTD Jan-June 2024)
Total 90150 Office Assistant	\$ 43,080.59	\$ 47,530.00	90.64%	\$ 54,922.80	
90160 Director YYAM					
90161 Salary - Director YYAM	\$ 0.00	\$ 0.00		0.00	UUCC has budgeted \$0 toward youth ministry since January 2022
90162 FICA - Director YYAM	\$ 0.00	\$ 0.00		0.00	
90163 FB - Dir YYAM Retirement	\$ 0.00	\$ 0.00		0.00	
90164 FB - Director YYAM - LTD	\$ 0.00	\$ 0.00		0.00	
90166 Director YAAM Prof Exp	\$ 0.00	\$ 0.00		0.00	
Total 90160 Director YYAM	\$ 0.00	\$ 0.00		\$ 0.00	
90210 RE Assistant					New expanded role: CHILDREN & FAMILY MINISTRIES (full-time)
90211 Salary - RE Assistant	18,777.60	20,345.00	92.30%	46,268.00	86% of target salary of \$53,800 per UUA compensation guideline (MINIMUM)
90212 FICA - RE Assistant	1,036.60	1,556.39	66.60%	3,539.50	Calculated at 7.65%
90213 RE Assistant Health Insurance	5,048.27	5,255.00	96.07%	5,785.14	Allows for 10% increase on premium for Jan-June 2024
90214 RE Assistant Retirement	1,668.47	2,034.50	82.01%	4,626.80	10% employer contribution
Total 90210 RE Assistant	\$ 26,530.94	\$ 29,190.89	90.89%	\$ 60,219.44	
90220 Dir of Comms and Member Integration					New expanded role: COMMUNICATIONS & GROUP CONNECTION (full-time)
90221 Salary - Dir of Comms and Member Integration	58,460.88	63,250.00	92.43%	63,250.00	Remain the same; UUA compensation guideline (MIDPOINT) is \$59,800
90222 FICA - Dir of Comms and Member Integration	4,171.01	4,838.63	86.20%	4,838.63	Calculated at 7.65%
90223 LTD - Dir of Comms and MI	1,240.80	1,360.00	91.24%	1,421.28	Allows for 10% increase over current rate for Jan-June 2024
90224 Retire - Dir of Comm & MI	5,351.94	6,325.00	84.62%	6,325.00	10% employer contribution
90225 Prof Exp - Dir of Comm & MI	500.00	500.00	100.00%	0.00	Shift to shared professional development pool
90227 Health - Dir of Comm & MI	3,760.12	3,940.00	95.43%	4,269.21	Allows for 10% increase on premium for Jan-June 2024
Total 90220 Dir of Comms and Member Integration	\$ 73,484.75	\$ 80,213.63	91.61%	\$ 80,104.11	
902xx Social Action					Potential future part-time position to respond to proposed congregational ends
902xx Salary - Social Action				4,940.00	6 months at 10 hours/week at \$19/hour
9022x FICA - Social Action				377.91	Calculated at 7.65%
9022x LTD - Social Action				0.00	
902xx Retire - Social Action				0.00	Eligible after one year of service
902xx Prof Exp - Social Action				0.00	
902xx Health - Social Action				0.00	

Total 902xx Social Action				\$ 5,317.91	
99900 Miscellaneous Personnel					
xxxxx Professional Associations				1,500.00	Membership dues for professional associations (ie. UUMA, AUUMM, DRUUMM, etc.)
90201 Nursery				0.00	
99002 Payroll Expenses	1,451.48	2,000.00	72.57%	1,600.00	
99003 Shared Professional Development	2,030.37	4,500.00	45.12%	12,750.00	All staff have access to shared pool of professional development funds
99999 Personnel Contingency	2,329.06	8,000.00	29.11%	0.00	
Total 99900 Miscellaneous Personnel	\$ 5,810.91	\$ 14,500.00	40.08%	\$ 15,850.00	
Total 99000 Personnel	\$ 490,460.61	\$ 542,867.92	90.35%	\$ 497,546.75	
Total Expenses	\$ 743,343.03	\$ 827,042.92	89.88%	\$ 746,679.44	
Net Operating Income	\$ 35,947.15	-\$ 5,774.14	-622.55%	\$ 21.69	