



Financial Advisor's Report to the UUA Board of Trustees



Larry Ladd



The opening
history story



Ethelred Brown 1875-1956

Minister, Harlem Unitarian
Church 1920-1956



Ethelred Brown



- 7th black man to attend Meadville
- Ordained in 1912
- Unitarian missionary to Jamaica (his native land) starting in 1912 (and initially supported by the AUA)
- Rev. Hilary Barnes, who had been sent to Jamaica by the AUA to assess Brown's progress, wrote:



"The Rev. E.E. Brown is pronouncedly black, which is somewhat of a handicap to him in his work, since those of his race who are fortunate enough to approach absolute whiteness are too proud to 'sit under' any minister save a 'a white gentlemen.'"

-Rev. Hilary Barnes



Ethelred Brown



- Established Harlem Unitarian Church in 1920 without AUA support; church closed upon his death
- Always had a second job, including six years as an elevator operator
- Socialist candidate for Congress in 1928

At the 25th
anniversary
of ordination



Ethelred Brown



"One milestone reached. Twenty-five years ago! What dreams then! What disappointment since! And yet, for not one moment have I regretted the step I took in 1907, which ended in the ordination we today celebrate."

At the 25th
anniversary
of ordination



Ethelred Brown



"Twenty five years as a Unitarian minister!
As you celebrate this anniversary with me, I
may with slight changes say in the memorable
words of Abraham Lincoln – 'I have not won
but I tried to be true. I have not succeeded but
I have lived up to the light which I have, and I
have plucked a thistle here and there and
planted a flower or two where I believed a
flower would grow.'"

At the 25th
anniversary
of ordination



Ethelred Brown



"I believe in man. At home [Jamaica] this would be enough. Here in America I must add – I believe in the Negro. I believe that he himself will...destroy the insane prejudice which now prevails to his hurt, and I believe that ultimately...he will leave the windows of his soul open to the winds of heaven, which are the winds of truth. In spite of all I see and hear...I today have faith."



Topics

- **Capital Campaign**
- **Projected Results for FY2004**
- **Endowment Performance**
- **Sources of Income for the Budget**
- **Pension**
- **Audit Committee**
- **The Ledger**





Capital Campaign

- Reached the goal of \$32 million to sustain and grow Unitarian Universalism!
- **Extraordinary generosity** in a climate of real and perceived diminishing of personal wealth
- A high proportion of gift *intentions* (such as bequests) rather than cash



Financial Results for FY04

(So Far)

- **FY04 projected to be balanced**
- **Beacon Press is ahead of plan for the second year in a row (and we are in the second year of the three year plan)**
- **Endowment investment performance continues to be very positive**





Investment Results for Calendar Year 2003

- **24.3% Return**
- **For comparison: median endowment performance tracked by our consultant was 23.0%**



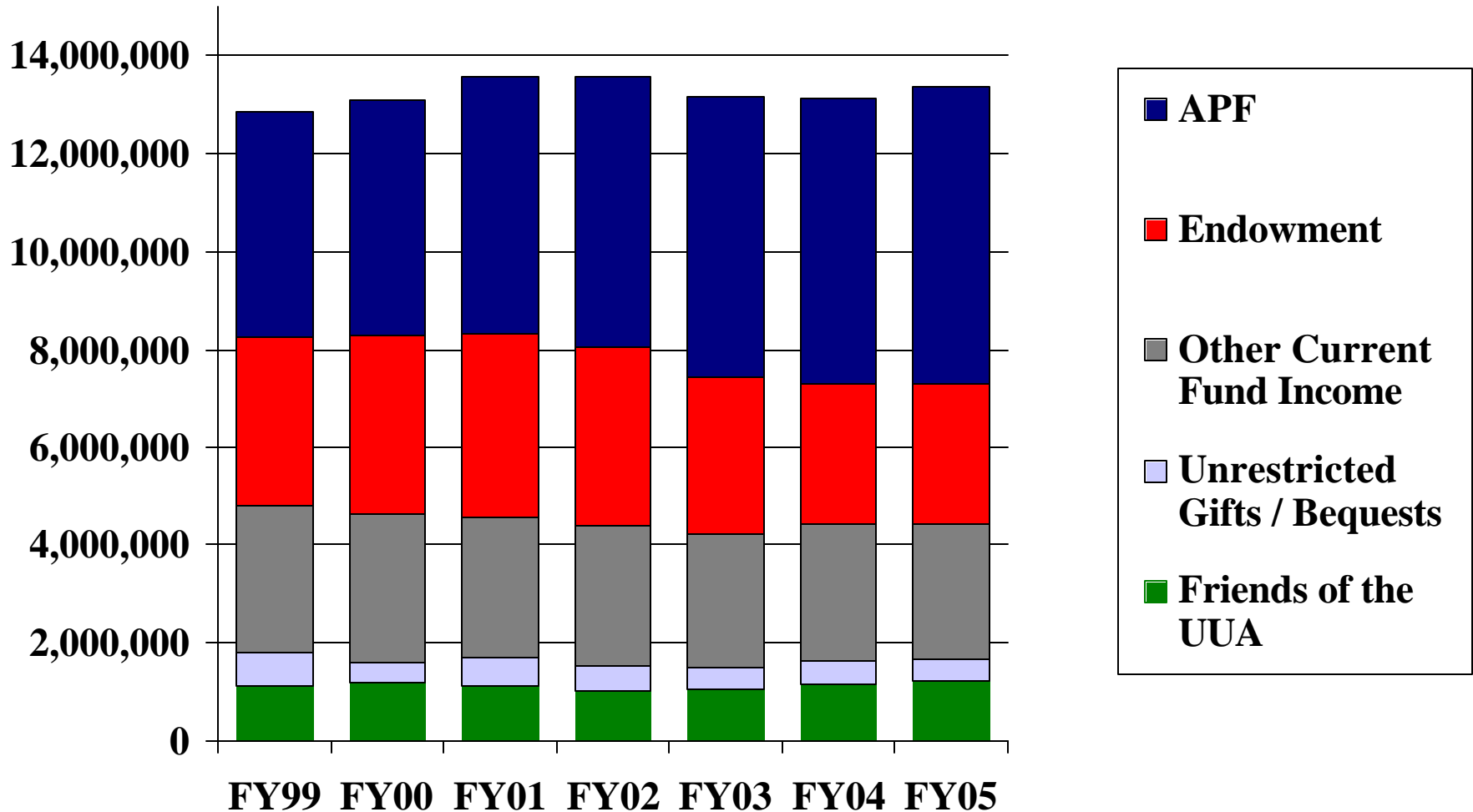
Sources of Support for the Budget

- **In the FY05 budget, our total income for "general support" is increasing for the first time since FY02**
- **Endowment income has been shrinking because of the market downturn**
- **BUT, congregational giving has consistently increased each year**



Dollars

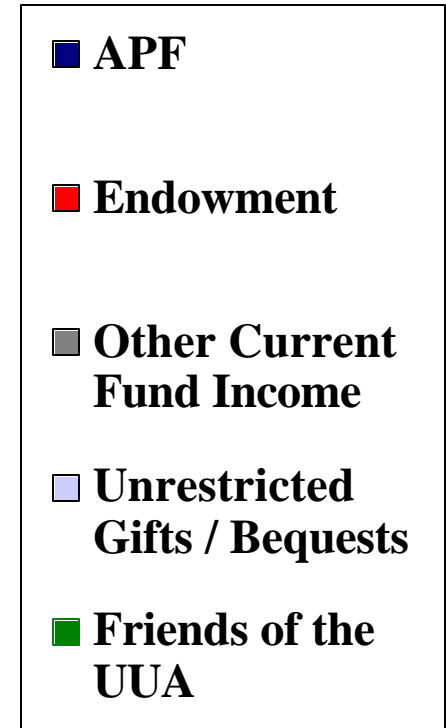
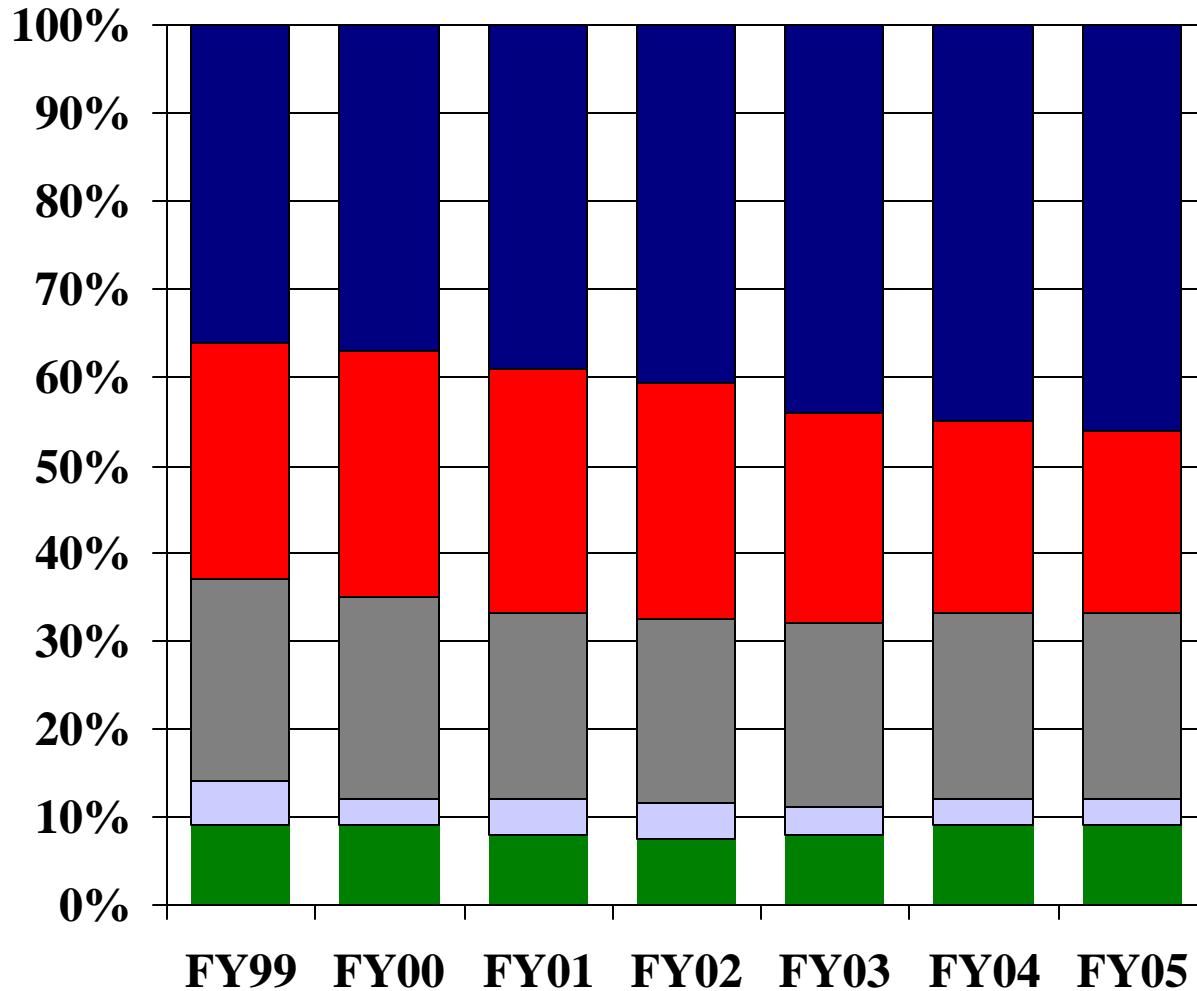
Income for General Support





Percent
of Total

Income for General Support





Pension

- Unitarian Universalist Organizations Retirement Plan
- Overseen by the Committee on Compensation, Benefits & Pension (a standing committee of the Board)
- Over \$121 million in assets at the end of 2003

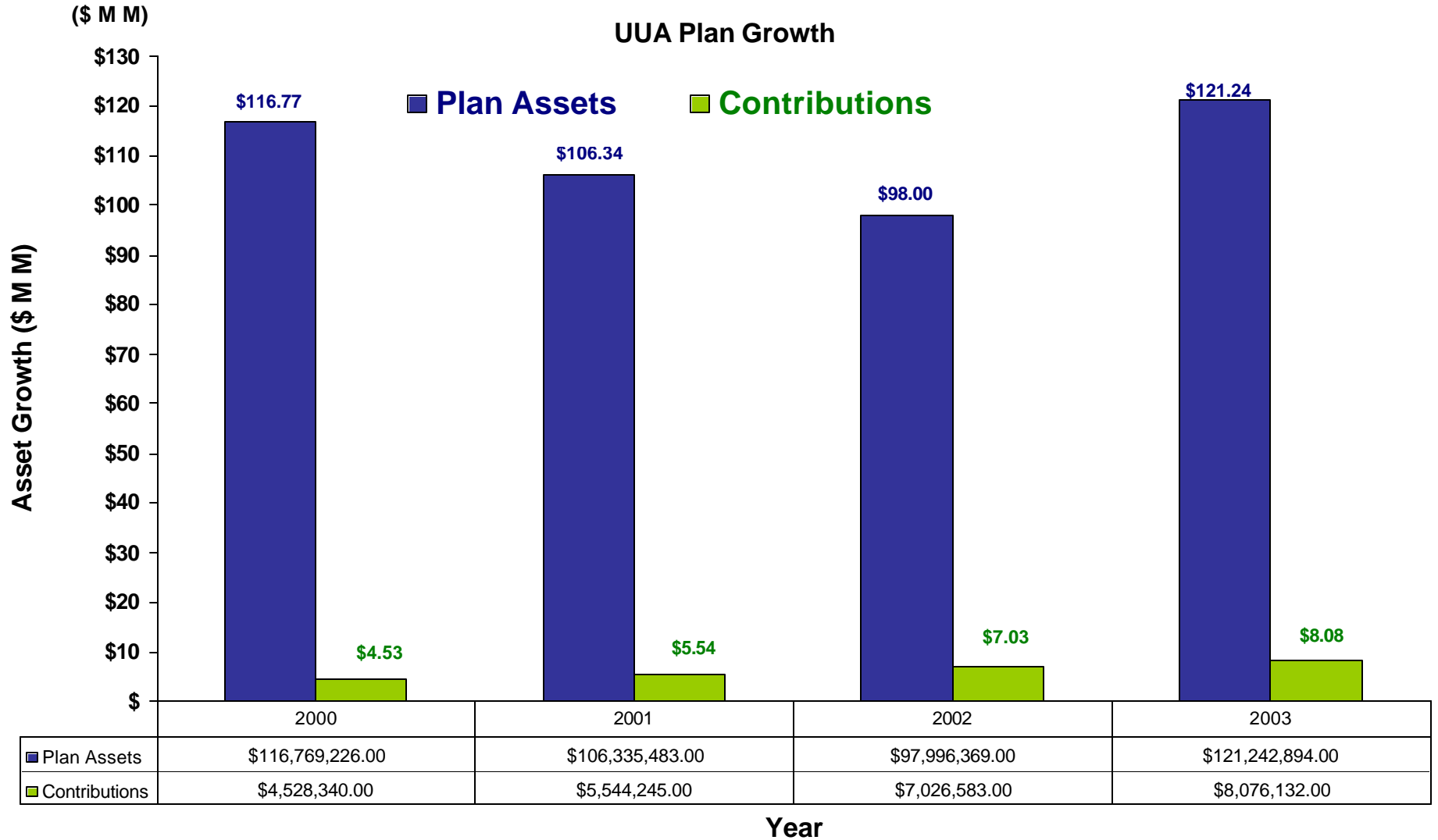


Pension

- 2,332 participants at the end of 2003, compared to 2,199 participants at the end of 2002
- 17 different mutual funds to choose among, including socially responsible funds
- 32% of contributions in 2003 were to socially responsible funds



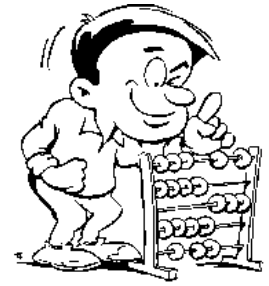
UUA Plan Growth





Audit Committee

- Held its first meeting on April 7; two more scheduled (for August 25 & October 12)
- Three responsibilities:
 - annual audit & oversight of external auditors
 - assessing internal controls
 - assessing business risks



The Ledger

- **Capital campaign (CFUU) a success!**
- **FY04 budget projected to be balanced**
- **Beacon Press is well ahead of plan**
- **Audit Committee has begun its work**
- **Investment performance is strong**
- **Beacon Press remains a risk**
- **CFUU didn't raise as much cash as needed**



Statement of Purpose, Harlem Unitarian Church



"This church is an institution of religion dedicated to the service of humanity. Seeking the truth in freedom, it strives to apply it in love for the cultivation of character, the fostering of fellowship in work and worship, and the establishment of a righteous social order which shall bring abundance of life to man. Knowing not sect, class, nation or race it welcomes each to the service of all."