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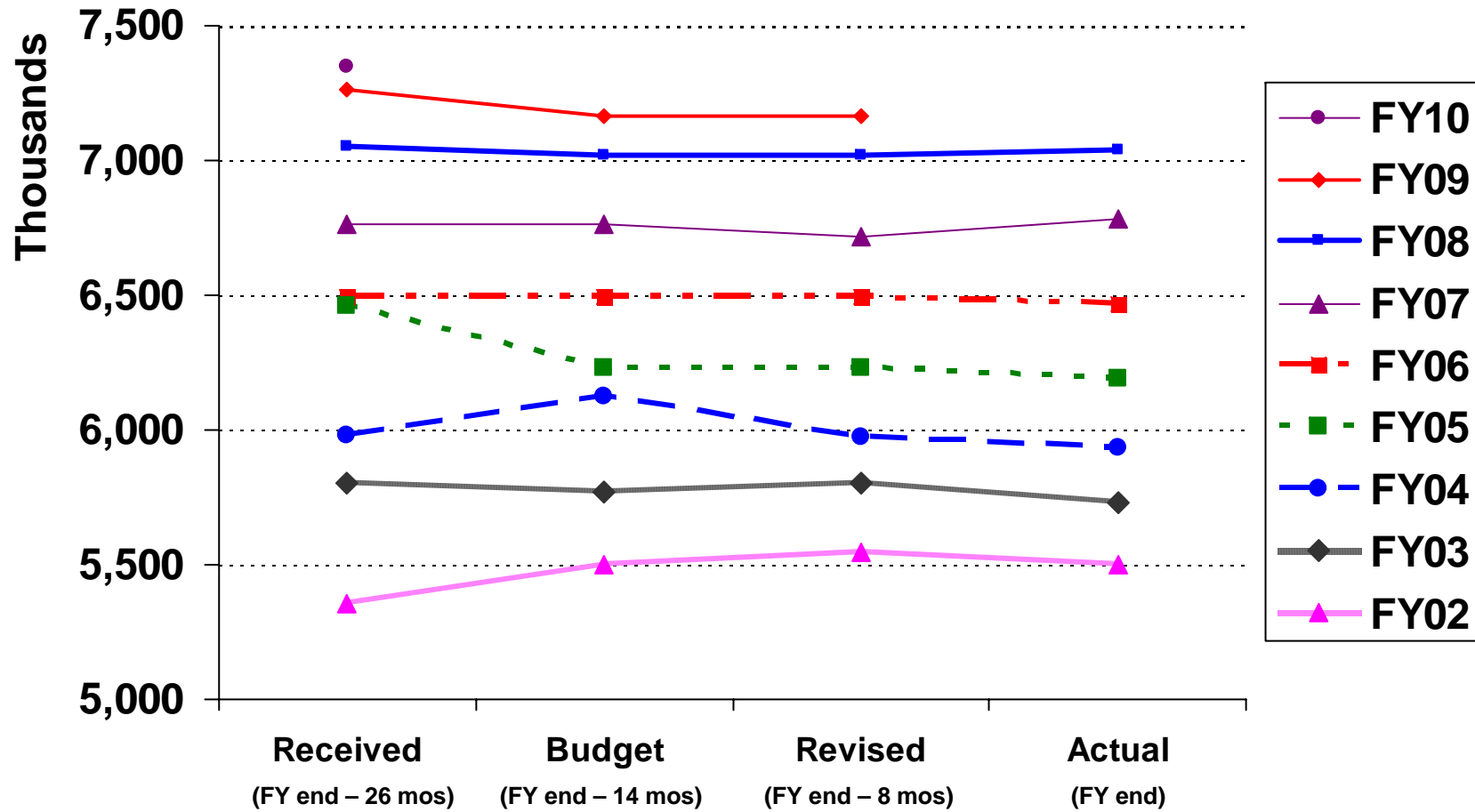
Financial Advisor's Presentation to UUA Board of Trustees

Dan Brody

October 2008

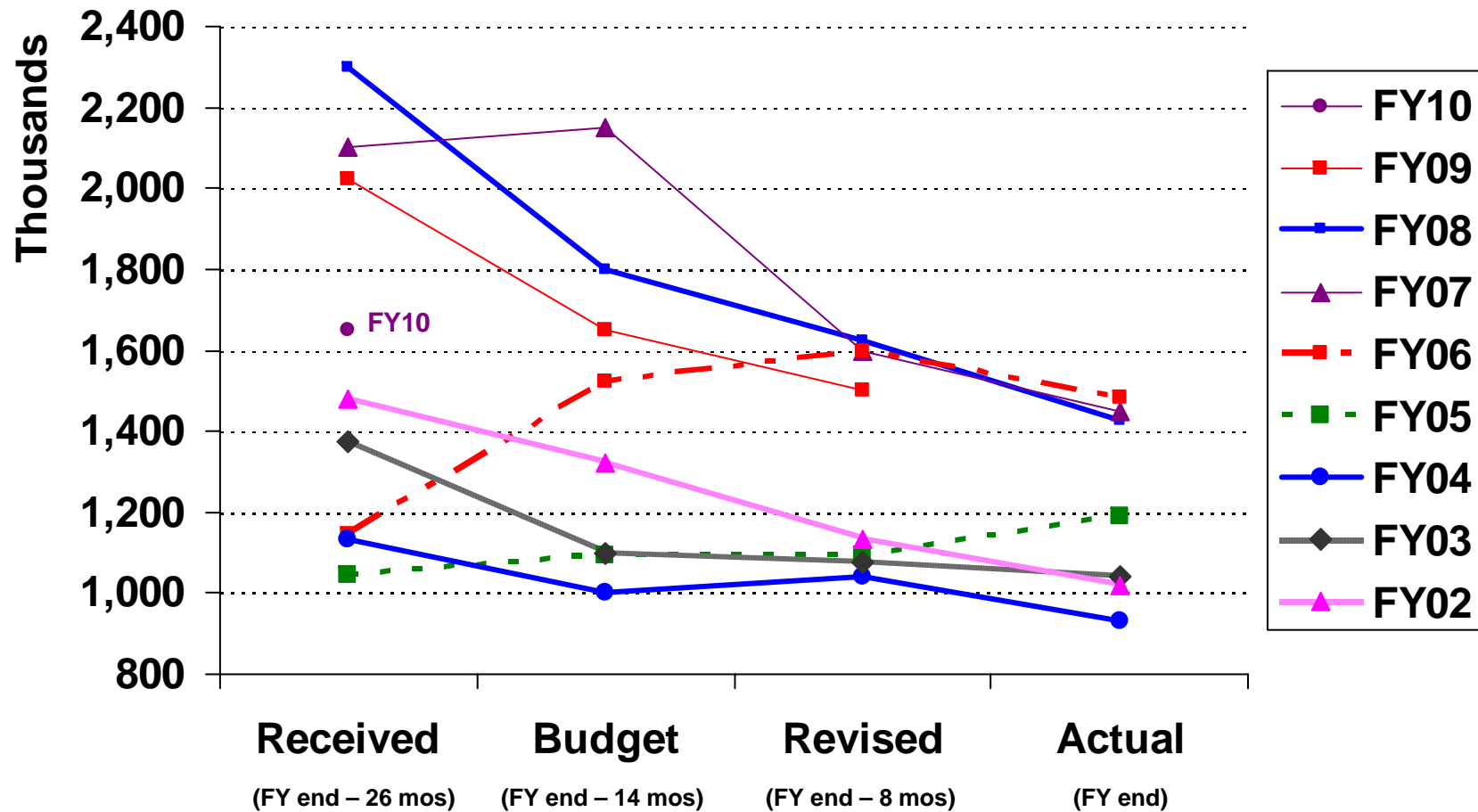


Annual Program Fund



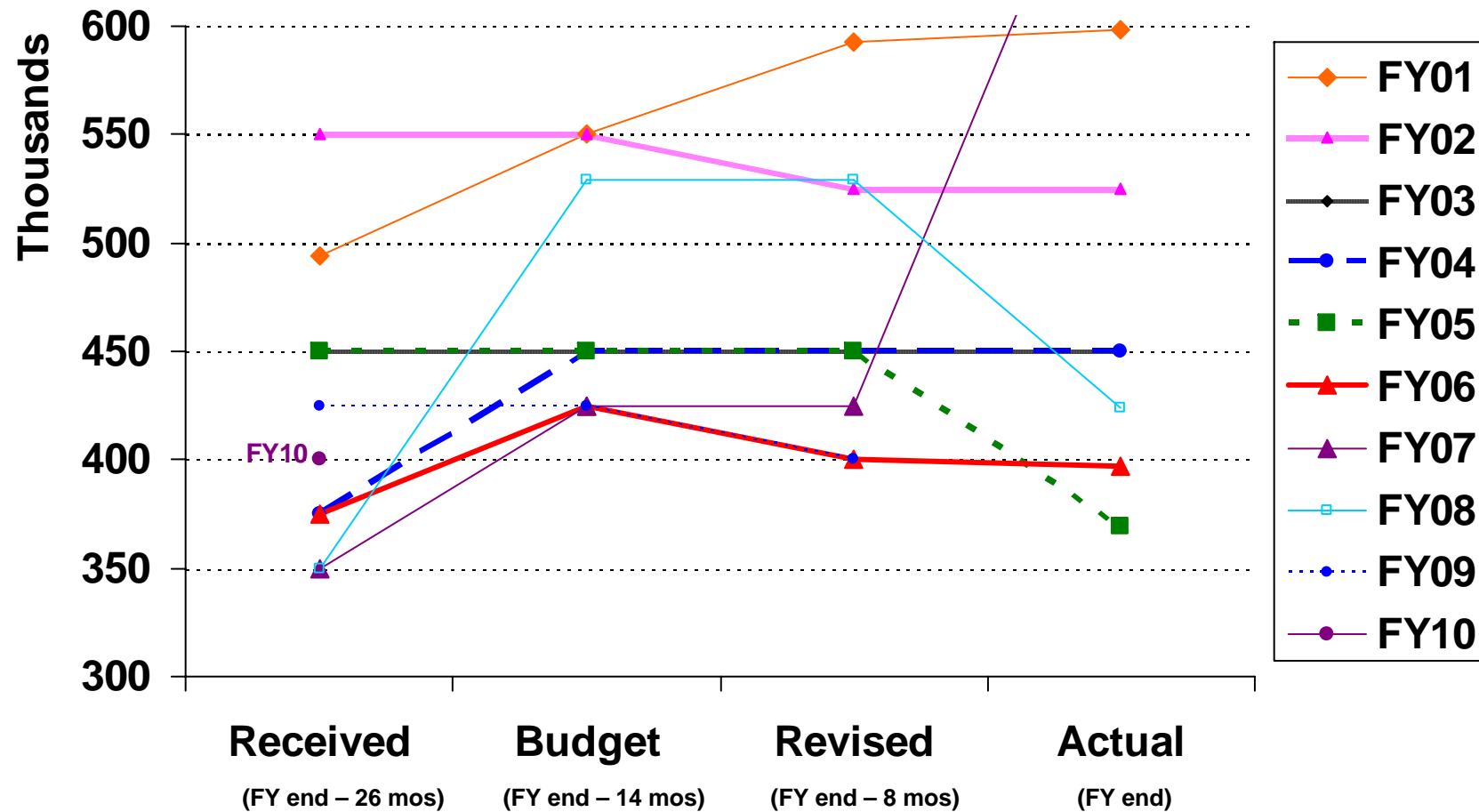


Friends of the UUA





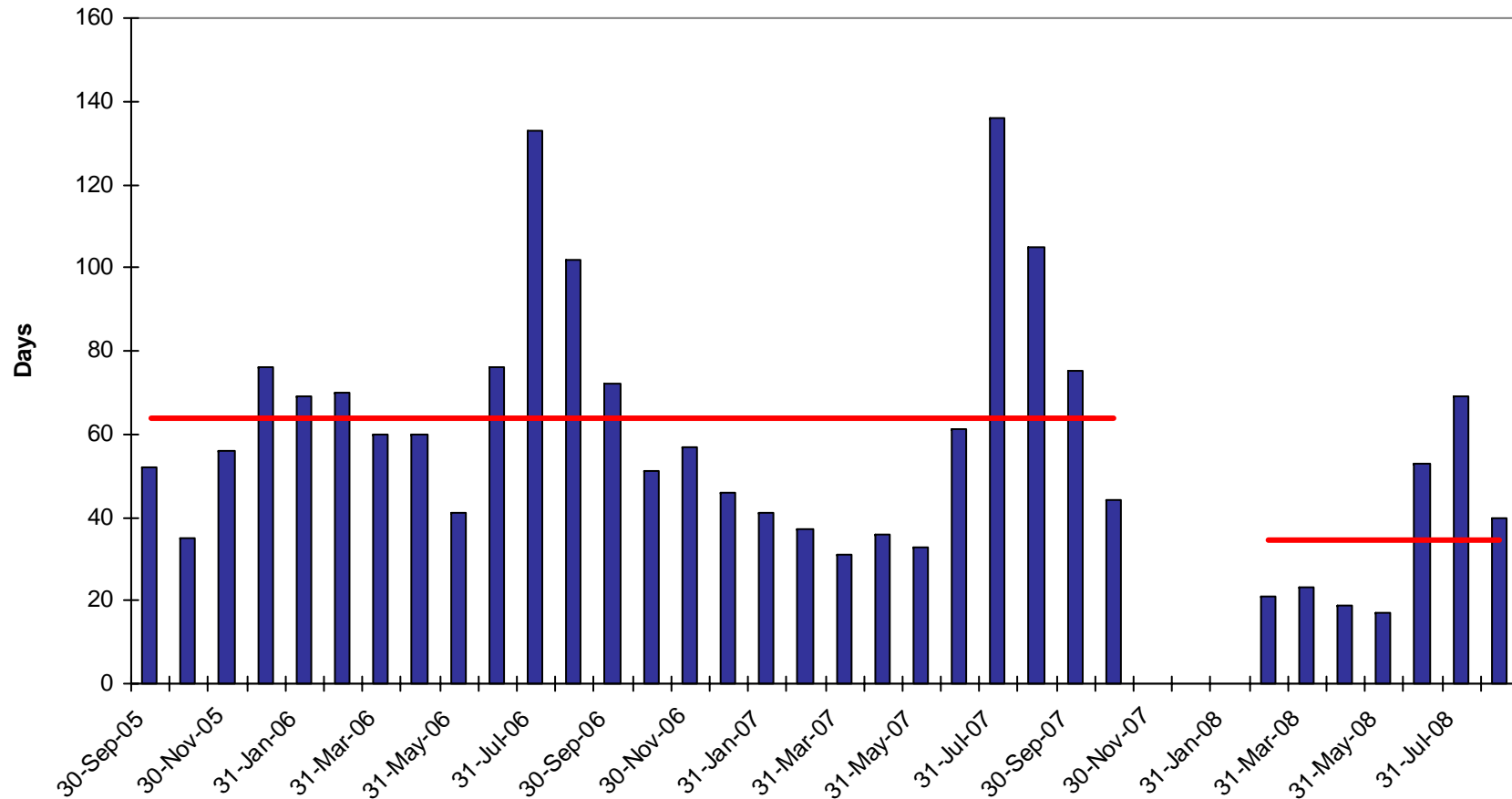
Unrestricted Bequest Income



Financial Statement Preparation Days



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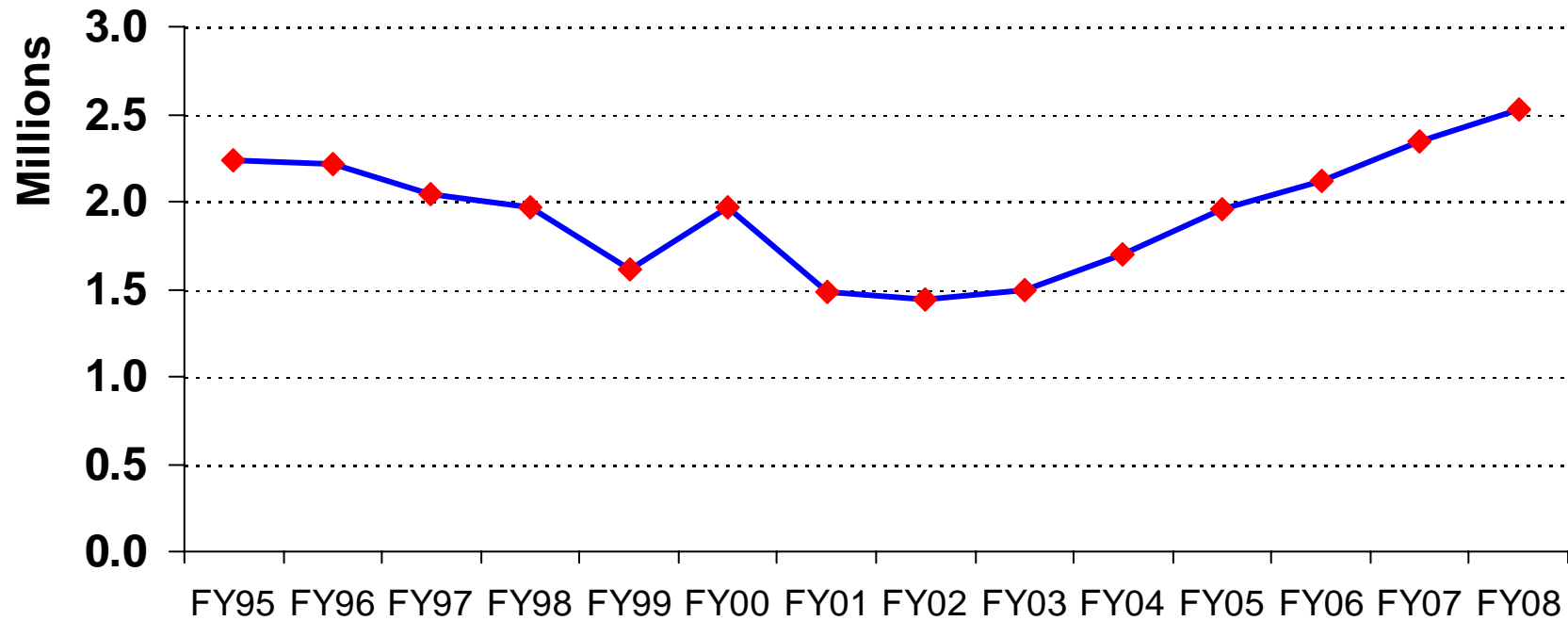


Beacon Press



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Net Assets ("Stabilization Fund") Balance at Year End



Beacon Press Reserve Policy



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- Policy would limit President's authority to invest Beacon's reserves in new publishing projects without Board approval
- Investments permitted if remaining liquid assets and unrestricted net assets are more than 20% of prior year expenses
- Payments for rights for an individual project may not exceed 2% of prior year expenses

Health Plan Overview



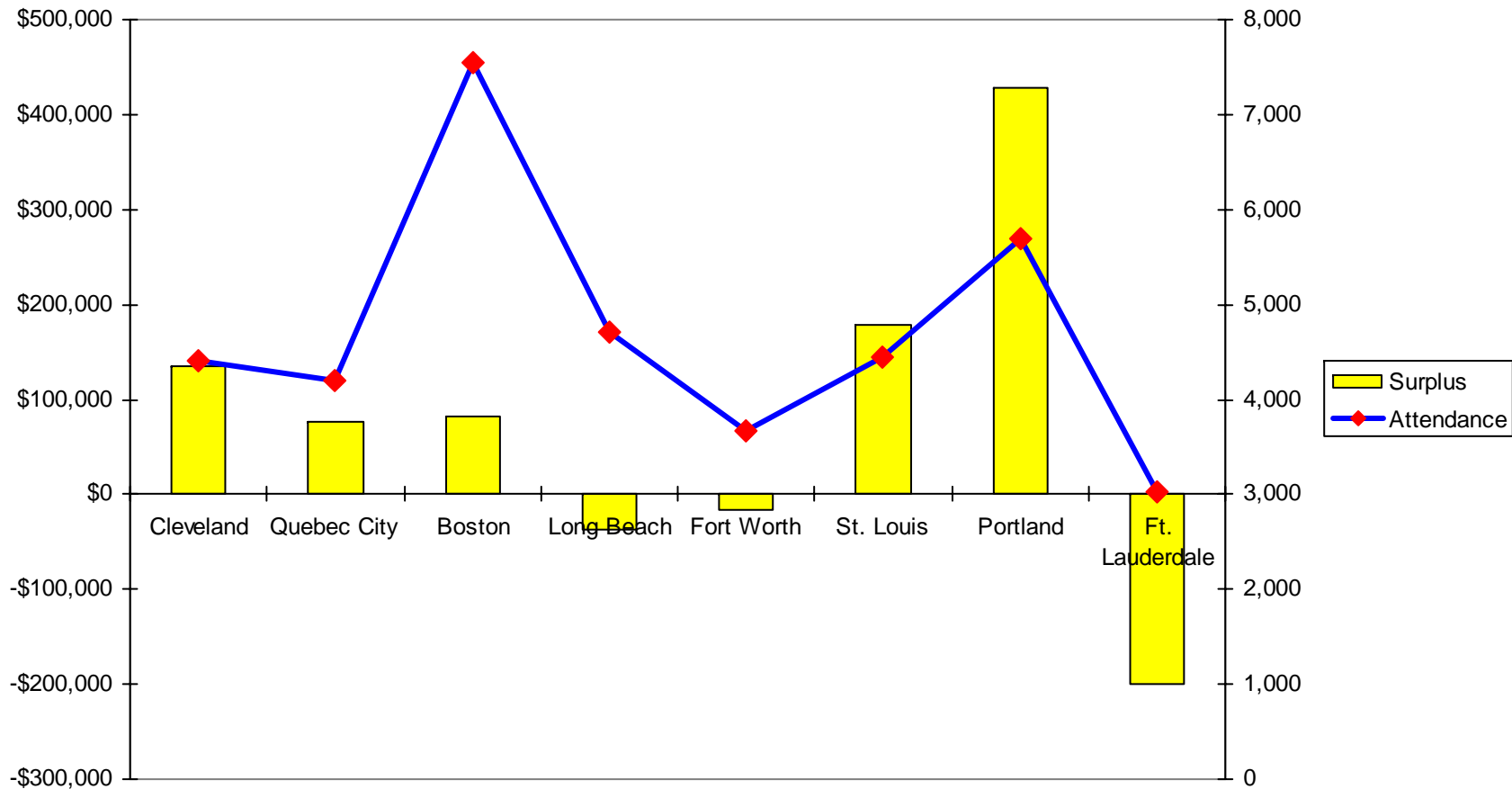
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- Strong performance in second year
 - Expected reserves of \$2M at year-end
- No need for across-the-board premium increase for 2009
- Move to one-year age bands in 2009
 - Premiums for individual participants may increase or decrease by as much as 5% from 2008 levels

GA Attendance and Surplus

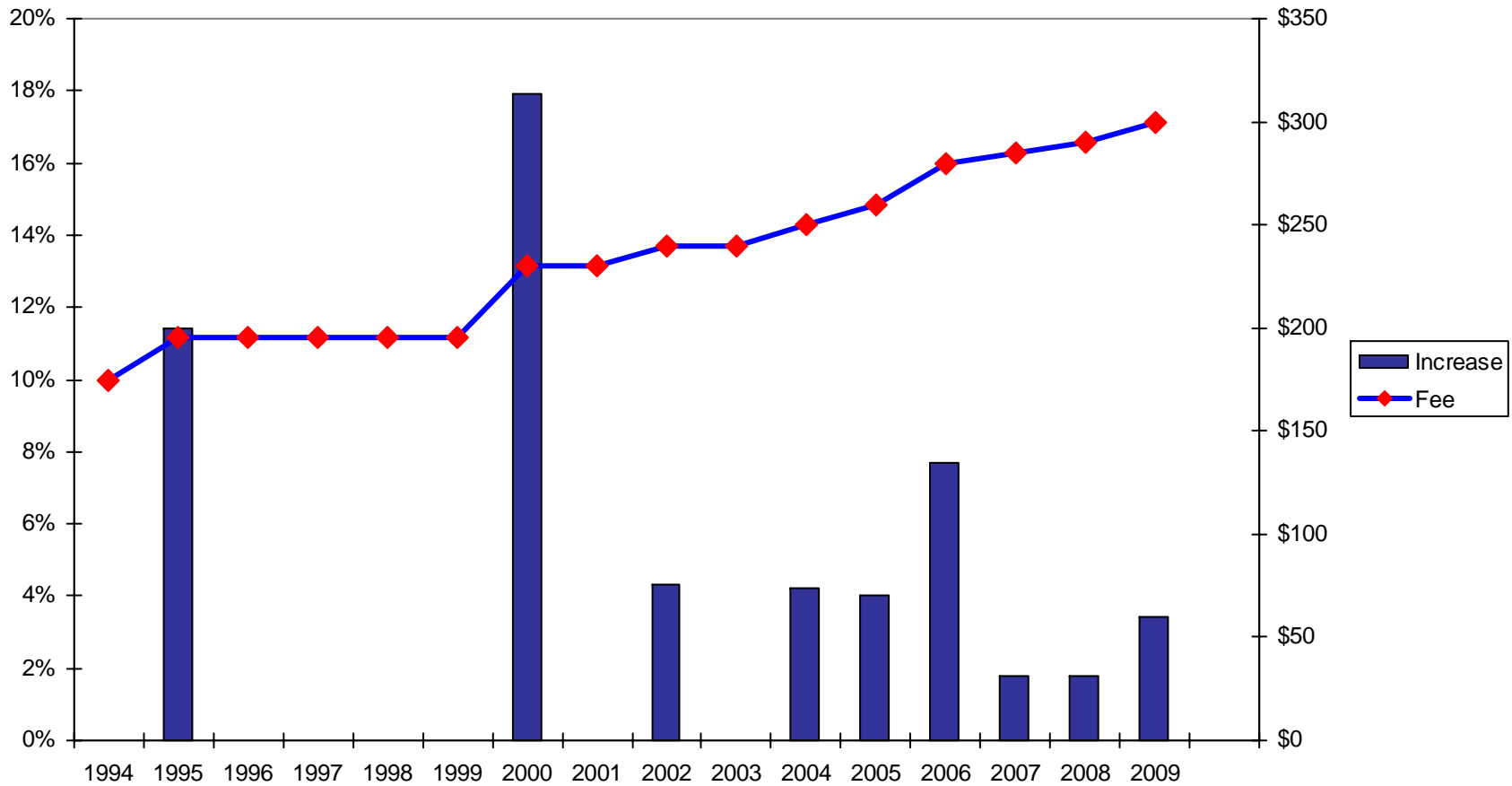


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GA Fee History



UUA Budget “Segments”



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- Segments now include:
 - Current operations
 - Beacon Press
 - UU Common Endowment Fund
 - Congregational Loans
- Each segment should have revenues (including UUA support) that cover costs
- Reported in Schedule III of annual audit

GA as Budget “Segment”



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- Allow “good” years to offset bad ones
- Eliminate need to cut rest of UUA budget to offset impact of a low-attendance GA
- How to account for:
 - Rent and other overhead costs
 - Non-GA services provided by GA staff to other UUA offices
 - GA-related expenses in other UUA offices
- Should GA revenues cover all costs?

GA Motion



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- Separate budget segment for GA begins in FY10
- Existing policy for disposition of GA surplus to end with FY09
 - Any GA surplus that current policy would place in GA reserve at end of FY09 will be transferred to new GA budget segment



Future Agenda Items

- Health insurance plan
- Investment policy and SRI
- Internal rent allocations
- Paying for future capital campaigns
- Endowment spending policies
- Financial reporting and chart of accounts
- Use of bequest income
- Audit committee
 - Conflict of interest and whistleblower policies
 - Compliance with state planned giving rules
- LRCS
- Asset management
 - Debt management
 - Cash management
 - Short-term investments in UUCEF
 - Facilities renewal
- ... and more