

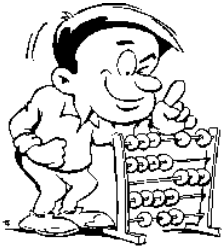


# Financial Advisor's Report

June 23, 2002



- **The Financial Advisor Role**
- **Growth**
- **Resources**
- **Ongoing Work**
- **The Ledger**
- **My Annual Plea for Stronger Commitment to Growth!**



## **Role of the Financial Advisor**

- **Provides the President, Board of Trustees, & General Assembly with an independent and expert evaluation of financial issues and the fiscal health of the UUA, and**
- **Recommends changes that will improve the quality of fiscal planning and management of the UUA**



**"Those of us who serve volunteer organizations, even if we have fiscal awareness, cannot reach to the heart of finances. The treasurer usually represents management. What we need is a person who strives mightily (not always successfully) to give us an independent and critical view – the best assurance available that we are being responsible....The Financial Advisor must take that role as central."**



## **Standards (Principles & Values)**

- 1. A Clear Religious Message**
- 2. A Continental Program Worthy of Support**
- 3. Strategic Planning**
- 4. Expanding Resources**
- 5. Strong Endowment Performance**
- 6. Conservative Budget Management**





## **Standards (Principles & Values)**

- 7. Creative Use of Assets**
- 8. Explicit Policies Consistently Applied**
- 9. Risk Avoidance**
- 10. Low Overhead**
- 11. Quality Financial Information**
- 12. Skilled and Knowledgeable People**
- 13. Don't Forget Beacon Press!**



*Website  
with extensive  
information!*

[www.uua.org/TRUS/financial/](http://www.uua.org/TRUS/financial/)

- Financial Statements
- Annual Reports to GA
- Reports to Board of Trustees
- UUA Financial Monitor
- UUA Statistics
- Standards for Financial Performance
- Bylaws on Finances
- Information on Church Staff Finances
- Information on Church Financial Management





# Growth







# # of UUs Continues to Increase

Membership & RE enrollments combined  
are up to 218,404 in 2001

- 0.7% higher than 2000
- 11.5% higher than 1991
- 28.3% higher than 1982 (our low point)



# # of Adults Continues to Increase

Membership is up to 156,968 in 2001

- 0.9% higher than 2000
- 9.5% higher than 1991
- 15.6% higher than 1982 (our low point)



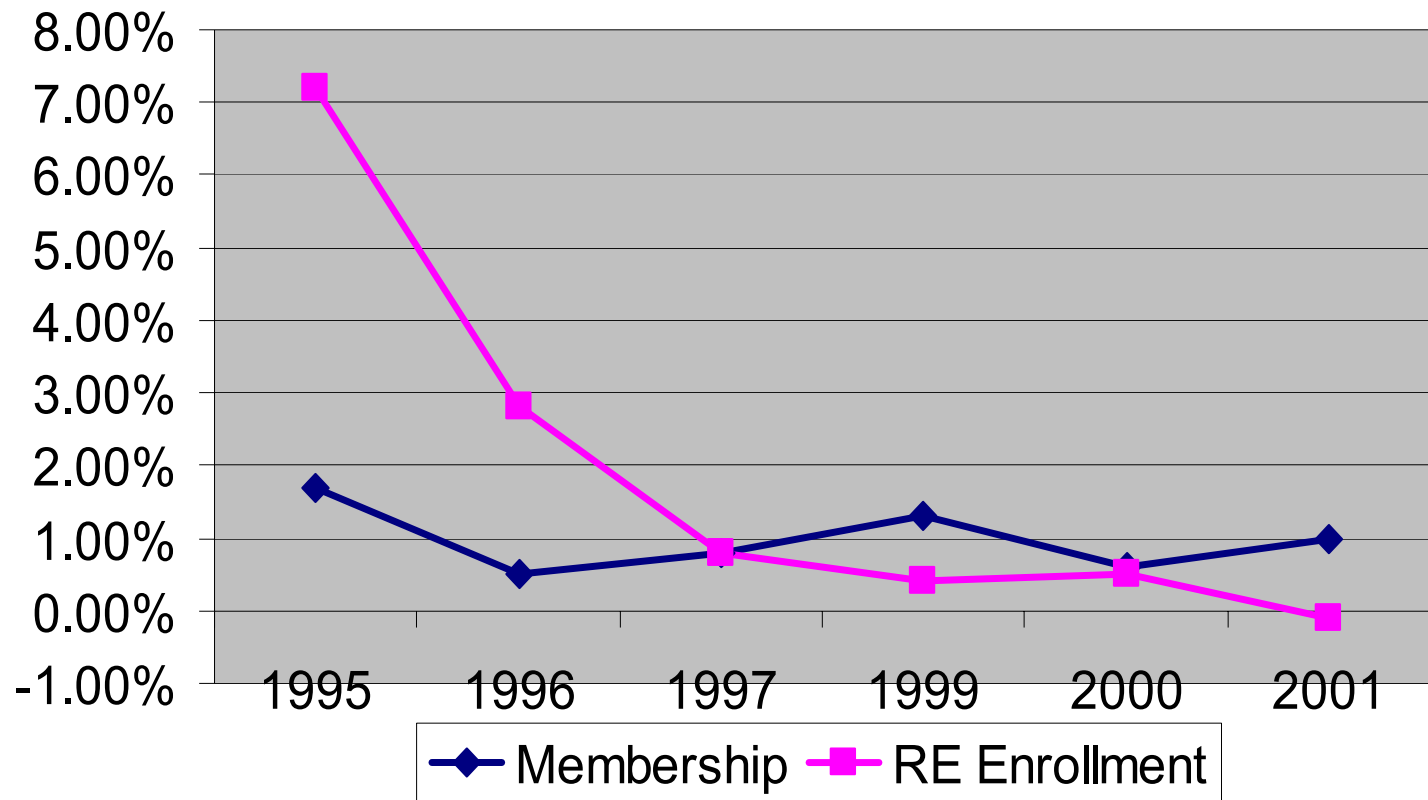
# RE Enrollments Declined after Slowing Growth

RE enrollments at 61,436 in 2001

- 0.1% **lower** than 2000
- 17.2% higher than 1991
- 36.0% higher than 1982 (our low point)

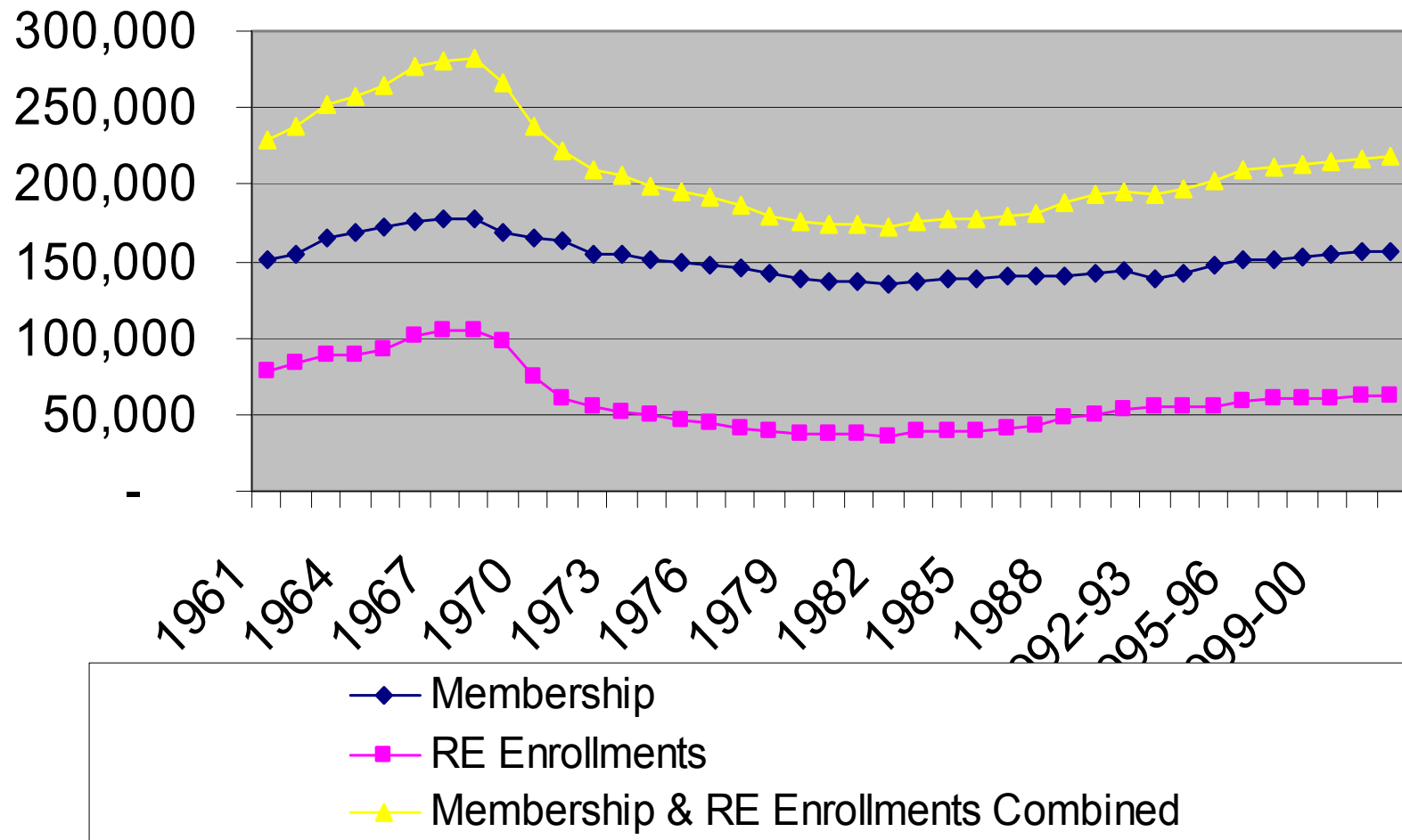


## Annual Rates of Increase in Membership & RE Enrollment Since 1995



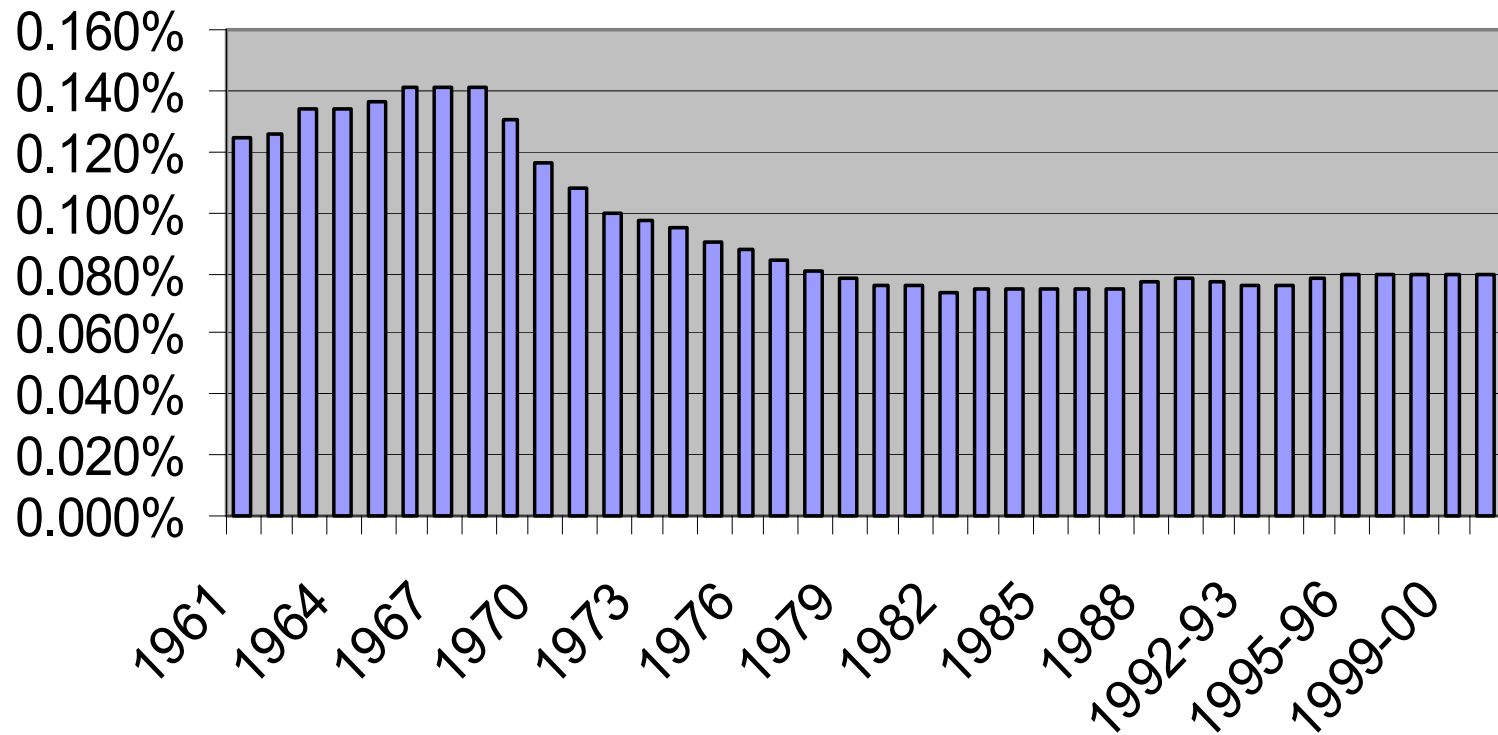


## Membership & RE Enrollments 1961-2001





## Combined Membership & RE Enrollment as % of Population thru 2000





# Resources



*Our  
resources  
are growing!*

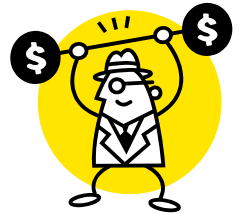


# Resources Continue to Grow

APF/Friends giving per member is up to  
\$40.40 in 2001

- 1.5% higher than 2000
- 37.0% higher than 1991
- 77.0% higher than 1982

In 2001  
Dollars

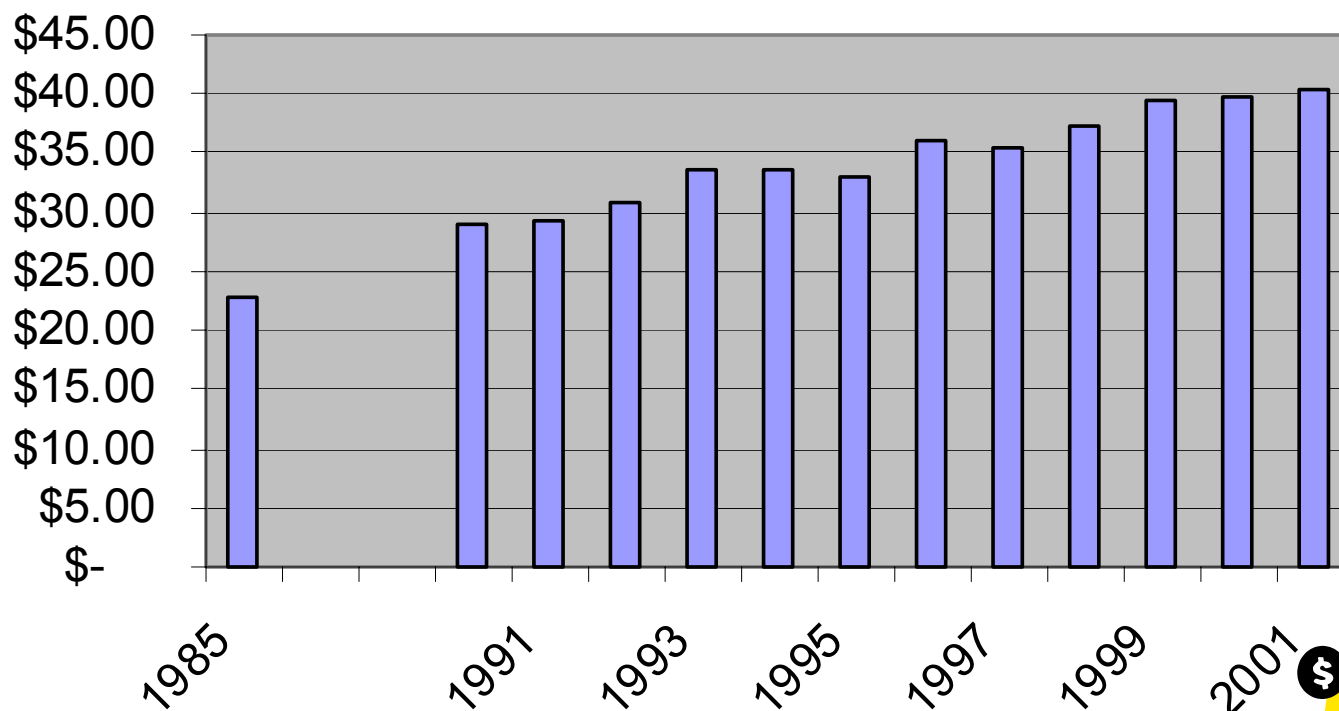




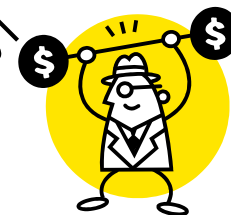
*Our  
resources  
are growing!*



## APF& Friends Giving Per Member



In 2001  
Dollars



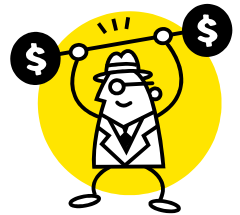
*Our  
resources  
are growing!*



Congregational resources are up to \$165.8 million in 2001

- 4.7% higher than 2000
- 40.6% higher than 1991
- 53.4% higher than 1982

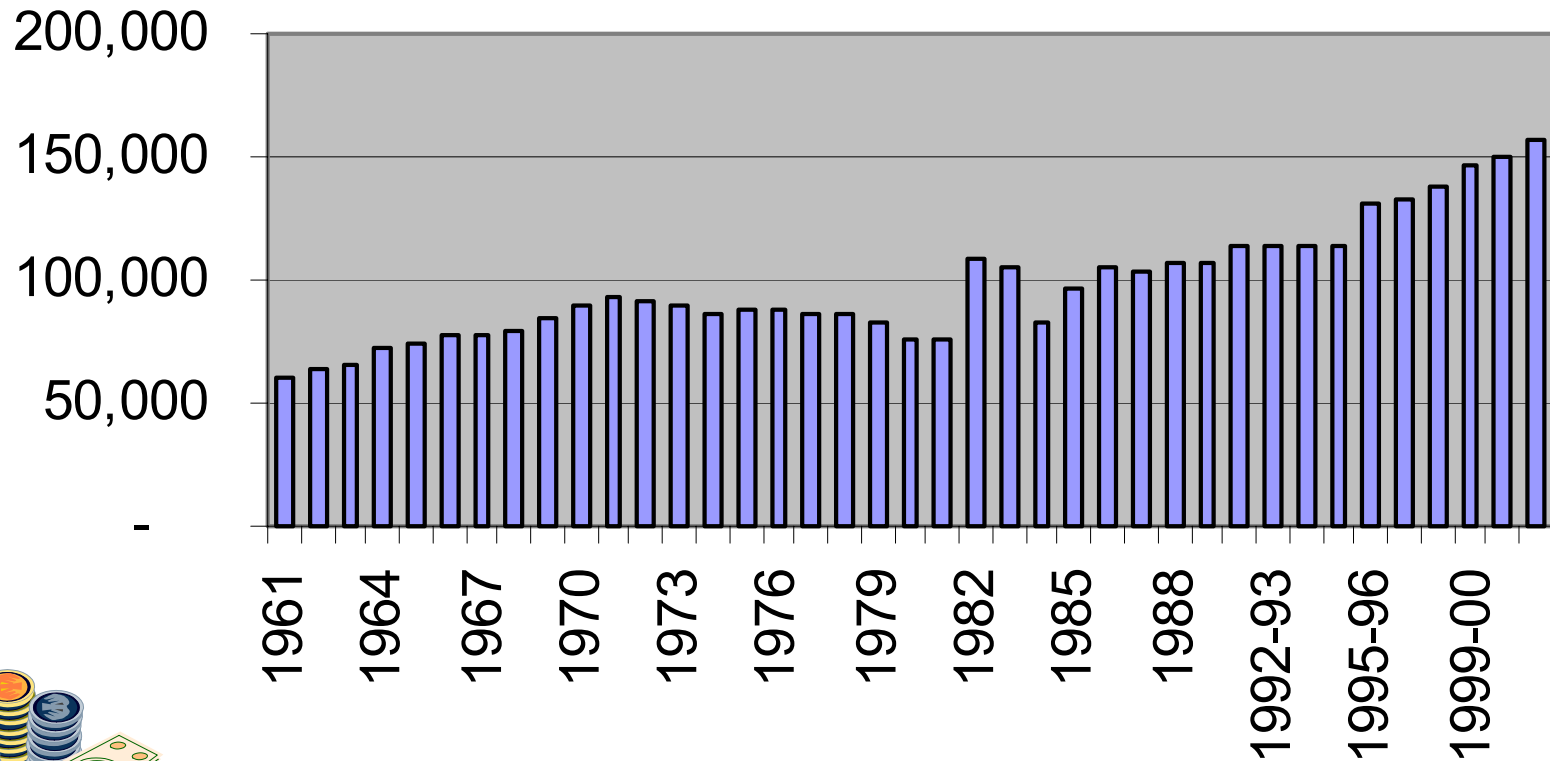
In 2001  
Dollars



*Our  
resources  
are growing!*



## Congregational Resources (Expenditures per Congregation)

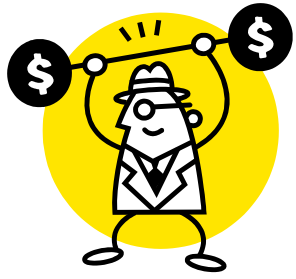




# Financial Results for FY2001

Bad news:

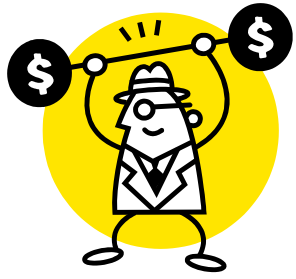
- Current operating expenditures were \$361,000 more than income
- Beacon Press loss of \$363,000
- Endowment return was a negative 6%



# Financial Results for FY2001

Good news:

- APF income exceeded the goal by \$150,000
- Capital campaign has raised \$28 million toward \$32 million goal
- Proceeds of sale of 8 Mount Vernon Street allowed a reduction of debt by \$1.2 million (to \$3.4 million) and the funding of the costs of the capital campaign



# UU Generosity Abounds!

- APF/Friends giving per member continues to increase (*honor societies increased to 783 from 758*)
- Congregational resources continue to increase
- APF exceeded goal in FY01
- Capital campaign is close to its goal





## Ongoing Work:

- Beacon Press
- Linking Planning to Budgeting
- Growth





# The Ledger

- Adult membership continues to grow
- Giving to UUA continues to increase
- Congregational resources continue to increase
- RE enrollment is starting to shrink
- Budget deficit in 2001 (for first time in six years)
- We need a long term solution to Beacon Press





# My Annual Plea for Stronger Commitment to Growth





- Unitarian Universalism is growing..
- But very slowly.
- **We should not be satisfied!**
- **The decline in RE enrollment is a warning!**



# How Can We Grow?

- Focus on growth as a strategic priority, measuring each move with respect to whether it helps us to grow
- Stop emulating, in our own behavior, the mainline Protestant denominations
- Focus more energy on the larger, growing churches in our movement
- The larger churches are 4% of our congregations but 21% of our adult members!



# New Congregation Formation Task Force

- Margaret L. Beard, UUA Extension Ministry Director
- Dr. Wayne B. Clark, UUA Director of Congregational Fundraising Services
- Rev. Dennis Hamilton, Senior Minister, Horizon UU Church in Carrollton, TX
- Bob Johnsen, District Growth Consultant, Joseph Priestley District
- Rev. Linda Olson Peebles, UUA Board of Trustees
- John Pattillo, Chair, UUA Congregational Properties & Loan Commission
- Sherry Smith, Member, UU Congregation at Shelter Rock, Manhasset, NY
- Rev. Arvid Straube, Senior Minister, Eno River UU Fellowship in Durham NC



# **New Congregation Formation Task Force Bold Recommendations**

- Ten multi-staff new congregations per year for each of the next five years
- These fifty new congregations will each grow to at least 1,500 to 3,000 adults within five years

**to get a copy: [lladd@uua.org](mailto:lladd@uua.org)**



# **New Congregation Formation Task Force Best Practices for Beginning**

- One Example: Vision, Mission, and Covenant
- A Clear Vision for Sharing the Good News
- Specific Demographic Niche
- Intention and Comprehensive Marketing

**to get a copy: [lladd@uua.org](mailto:lladd@uua.org)**



# How Can Your Congregation Grow?

- Externally rather than internally focused
- High expectations of members
- Meet the needs of your members
- Mission not governance
- Be truly transformational and personal
- Be worthy of our youth and young adults!



Thank you for  
the opportunity to serve!