

## **Proposed 2016-17 Operating Budget First Universalist Church of Minneapolis**

### **Overview**

With this proposed budget, we continue to align our actions and our resources with our values. This budget continues the elimination of all Religious Education fees and now includes the elimination of expected donations for youth programming. All adult employees will earn a minimum of \$15/hr. and we continue to provide an exceptional level of benefits for our full-time employees. We continue to fund a \$7,500 line item for Racial Justice programming, and we have committed to increasing the frequency of guest speakers who are people of color in our pulpit. We continue our commitment to incrementally increase our dues to the UUA and the MidAmerica Region. All of these actions reflect our values.

It is also true that the upcoming fiscal year is atypical. The Board is recommending that the congregation approve a loan from the Legacy Fund to provide funding for the anticipated cost of a Comprehensive Stewardship Campaign. All funds withdrawn from the Legacy Fund will be repaid, and the Comprehensive Stewardship Campaign budget will be reviewed regularly by the Board as the project proceeds. The Board is also recommending that the cost of the principal payment for the mortgage be paid out of reserves rather than out of the operating budget. This will result in a deficit budget for 2016-17. In this in-between year, when we do not anticipate having a major tenant and with the intention of retiring the mortgage before the next fiscal year, this change will allow us to continue the positive momentum of our programming and staffing.

### **Income**

- Pledge Income – anticipated pledge income has increased by 19,500.
- Projected unrestricted donations are increased by \$17,500, mirroring trends seen in 2015-16
- Fundraising – no major fundraiser is planned for the operating budget
- There will not be a holiday giving recipient in 2016-17
- Rental Income – no major tenant is included after Temple Israel departs on August 31<sup>st</sup>, miscellaneous rentals are increased by \$10,000
- RE fees and expected donations have been eliminated.
- Loan from Legacy Fund – a loan of up to \$295,000 from the Legacy Fund is being proposed to pay for the costs of a comprehensive stewardship campaign

### **Expenses**

- Minimum pay rate of \$15/hr for all adult employees
- Reduces expenses for health insurance as we move to a new plan
- Reduces facilities staff, utilities, and associated expenses to pre-tenant levels
- Expenses related to the anticipated Comprehensive Stewardship Campaign
- Includes a 5% increase to UUA & Mid America dues

## Proposed Operating Budget 2016-17

## May 2016 Congregational Budget Meetings

	2016-17	2015-16	
	Budget	Budget	
<b>Income</b>			
<b>Pledges</b>			
4015 · Pledges	\$ 1,174,500.00	\$ 1,155,000.00	
4025 · Est Unpaid Pledges Releases	-\$ 58,725.00	-\$ 57,750.00	
<b>Total Pleges</b>	<b>\$ 1,115,775.00</b>	<b>\$ 1,097,250.00</b>	
<b>Contributions Unrestricted</b>			
4110 · Contributions Unrestricted	\$ 67,500.00	\$ 50,000.00	reflects upward trend of 15-16
4113 · Contributions Hospitality	\$ 500.00	\$ 500.00	
4140 · Offering Plate for Church	\$ 30,000.00	\$ 36,000.00	reflects actuals of 2015-16
<b>Total Unrestricted</b>	<b>\$ 98,000.00</b>	<b>\$ 86,500.00</b>	
<b>Contributions Released from Rest</b>			
4310 · Misc Contr Releases	\$ 9,500.00	\$ 9,500.00	
4320 · Offering Plate for Comm Release	\$ 40,000.00	\$ 54,000.00	reflects actuals of 2015-16
Grant from Foundation	\$ -	\$ 5,000.00	
4380 · Legacy Fund Releases	\$ 22,000.00	\$ 21,299.20	
Loan from Legacy Fund	\$ 295,000.00		comp. campaign loan
<b>Total Contrib Released from Restricted</b>	<b>\$ 366,500.00</b>	<b>\$ 89,799.20</b>	
<b>Fundraisers</b>			
Families Moving Forward Fundraising	\$ 5,000.00	\$ 9,000.00	
Families Moving Forward, 10% retained	\$ 500.00	\$ 1,000.00	
Holiday Giving, 10% goes to church for admin. exp	0	\$ 7,000.00	
Holiday Giving	\$ -	\$ 63,000.00	no holiday giving project
4540 · Misc Fundraisers	\$ 5,000.00	\$ 35,000.00	no major fundraiser
4550 · YCE	\$ 11,000.00	\$ 11,000.00	
4560 · Youth Trips	\$ 10,000.00	\$ 10,000.00	
<b>Total Fundraisers</b>	<b>\$ 31,500.00</b>	<b>\$ 136,000.00</b>	
<b>RE Program Fees/Donations</b>			
4620 · Summer Camp Fees	\$ -	\$ 5,500.00	
<b>Total Program Fees</b>	<b>\$ 6,600.00</b>	<b>\$ 12,100.00</b>	
<b>Large Tenant</b>			
4711 · Misc Room Rentals	\$ 14,600.00	\$ 77,000.00	no large tenant after August
4712 · Weight Watchers	\$ 19,000.00	\$ 9,000.00	increased by 10,000
4713 · ShirTikvah	\$ 4,800.00	\$ 4,800.00	
4714 · 12 Step Groups	\$ 4,800.00	\$ 4,000.00	
4770 · Antennae Lease	\$ -	\$ 500.00	
4781 · Weddings & Commitments	\$ 13,200.00	\$ 12,144.00	
<b>Total Rental Income</b>	<b>\$ 1,000.00</b>	<b>\$ 1,000.00</b>	
<b>Dividends &amp; Interest</b>			
4801 · Div & Int Unrestricted	\$ 57,400.00	\$ 108,444.00	
<b>Total Dividends &amp; Interest</b>	<b>\$ 15,000.00</b>	<b>\$ 10,000.00</b>	
<b>Other Income</b>			
4951 · Misc Income	\$ 3,333.33	\$ 3,333.33	
<b>Total Other Income</b>	<b>\$ 3,333.33</b>	<b>\$ 3,333.33</b>	
<b>Total Income</b>	<b>\$ 1,694,108.33</b>	<b>\$ 1,543,426.53</b>	
<b>Gross Profit</b>	<b>\$ 1,694,108.33</b>	<b>\$ 1,543,426.53</b>	

**Expenses:**

<b>Total Salaries &amp; Wages</b>	\$	728,462.00	\$	718,432.00
<b>Total Employee Benefits</b>	\$	183,964.00	\$	200,090.00
<b>Professional Expenses</b>	\$	24,240.00	\$	24,990.00
<b>Temporary Labor</b>				
5041 · Temp Labor	\$	1,000.00	\$	4,500.00
5042 · Childcare	\$	15,000.00	\$	7,000.00
5043 · Guest Speakers	\$	1,500.00	\$	600.00
5045 · Musicians	\$	8,000.00	\$	11,000.00
5047 · Sound Technicians	\$	3,300.00	\$	3,300.00
<b>Total Temp Labor</b>	\$	28,800.00	\$	26,400.00
<b>Program Expenses</b>				
CYFM	\$	36,600.00	\$	37,939.00
Adult Spiritual Development	\$	2,400.00	\$	2,400.00
5799 · Racial Justice	\$	7,500.00	\$	7,500.00
Worship & Music	\$	6,150.00	\$	5,820.00
5199 · Other Program Expense	\$	8,300.00	\$	8,300.00
<b>Total Program Expenses</b>	\$	60,950.00	\$	61,959.00
<b>Other Expenses</b>				
5201 · Winter Solstice	\$	250.00	\$	250.00
5203 · Library	\$	500.00	\$	500.00
5209 · Action Groups	\$	500.00	\$	500.00
5210 · Friendship Caring Corner	\$	250.00	\$	250.00
YCE	\$	11,000.00	\$	11,000.00
Families Moving Forward	\$	5,000.00	\$	9,000.00
<b>Total Other</b>	\$	17,500.00	\$	21,500.00
<b>Total Membership Expenses</b>	\$	9,200.00	\$	8,700.00
<b>Total Fundraising Expenses</b>	\$	5,500.00	\$	10,800.00
<b>Total Office Supplies</b>	\$	7,500.00	\$	8,100.00
<b>Total Office Expenses</b>	\$	48,175.00	\$	43,375.00
<b>Total Insurance</b>	\$	23,750.00	\$	21,258.00
<b>Denominational Expenses</b>				
UUA Dues	\$	32,970.00	\$	31,400.00
MidAmerica Dues	\$	10,080.00	\$	9,600.00
5453 · Dues & Memberships Other	\$	800.00	\$	1,460.00
<b>Total 5450 · Dues &amp; Memberships</b>	\$	43,850.00	\$	42,460.00

5475 · Financial Review/Audit	\$ 1,500.00	\$ 1,500.00
5480 · Consultants	\$ 10,500.00	\$ 32,500.00
5490 · Employee Appreciation	\$ 1,650.00	\$ 1,650.00
5510 · Volunteer Appreciation	\$ 1,650.00	\$ 1,620.00
5530 · Board Expenses	\$ 1,000.00	\$ 1,000.00
5560 · Interest Expense	\$ 39,000.00	\$ 38,976.62
5571 · Payroll Processing Fees	\$ 3,100.00	\$ 2,800.00
5572 · Bank Service Charges	\$ 1,000.00	\$ 1,500.00
5573 · Credit Card Discount Fees	\$ 13,000.00	\$ 13,000.00
<b>Total 5570</b>	<b>\$ 72,400.00</b>	<b>\$ 94,546.62</b>
 5580 · Mileage	 \$ 1,000.00	 \$ 2,000.00
 <b>Total Utilities</b>	 \$ 49,000.00	 \$ 56,000.00
 <b>Total Repairs &amp; Maintenance</b>	 \$ 32,000.00	 \$ 32,000.00
 <b>Miscellaneous Other Expenses</b>		
5620 · Janitorial Supplies	\$ 5,500.00	\$ 8,000.00
5630 · Trash & Recycling	\$ 3,500.00	\$ 5,000.00
5640 · Groundskeeping	\$ 11,700.00	\$ 11,700.00
5650 · Pest Control	\$ 600.00	\$ 600.00
5660 · Other Expense	\$ 1,500.00	\$ 3,000.00
5701 · Offering Plate for Community	\$ 38,000.00	\$ 45,500.00
5704 · TRUST	\$ 2,000.00	\$ 4,000.00
Holiday Giving Gift	\$ -	\$ 63,000.00
<b>Total 5700</b>	<b>\$ 62,800.00</b>	<b>\$ 140,800.00</b>
 <b>Comprehensive Stewardship Campaign</b>		
Consultants	\$ 230,000.00	
Printing	\$ 8,000.00	
Launch Event	\$ 30,000.00	
Architectural Pre-Work	\$ 27,000.00	
<b>Total</b>	<b>\$ 295,000.00</b>	
 <b>Total Expenses</b>	<b>\$ 1,694,091.00</b>	<b>\$ 1,513,410.62</b>
<b>Net Income</b>	<b>\$ 17.33</b>	<b>\$ 30,015.91</b>
 Loan Principal	 -\$ 28,306.10	 -\$ 28,306.10
 <b>Adjusted Net Income</b>	 <b>-\$ 28,288.77</b>	 <b>\$ 1,709.81</b>

## **Amended 2015-16 Capital Budget**

<b>Total Funding Available</b>	<b>\$175,000</b>
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### Completed Projects

Building Audit/Reserve Study	\$5000
Balcony Railing	\$2495
Carpeting for stage stairs (social hall)	\$325
New Lighting sanctuary	\$1790
New Lighting Chandeliers	\$2000
Freezer - reach-in	\$3200
<b>Total Completed</b>	<b>\$14,810</b>

### Projects in progress

Computers & AV needs	<u>Estimated Cost</u> \$28,300
Parking lot	\$131,890

<b>Total in progress</b>	<b>\$160,190</b>
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<b>Total Estimated Costs of Proposed Projects</b>	<b>\$175,000</b>
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### Projects not happening

Carpet (library, balcony, chancel stairs)	\$4000
AC Split System (serves sanctuary) 1976	\$25,000-30,000
Front Landing Replacement	\$5000
Repair Main Entrance Stairwell	\$8000

### Projects paid through operating budget

Pipe repairs	\$3000
Vinyl Asbestos Tile (Arches) seal and carpet	\$100