A spiral-bound notebook with a light beige, textured cover and a dark brown border. The metal spiral binding is visible on the left side.

Our Future,
Our Financial Health and
Our Five-Year Plan

November 9, 2008

Five year plan

- Board developed five-year plan in response to a resolution passed by the membership in November 2003
- Original Goal: maintain programs and staff, while decreasing draw on savings (“unrestricted reserves”). In year five, draw on savings would be zero.

Five-year plan: Assumptions

- Pledges would increase 7% per year
- Rental income would increase by \$140,000
- Maintain staffing with 2.5% increase in staff costs, plus increase Society contribution to retirement to 10%

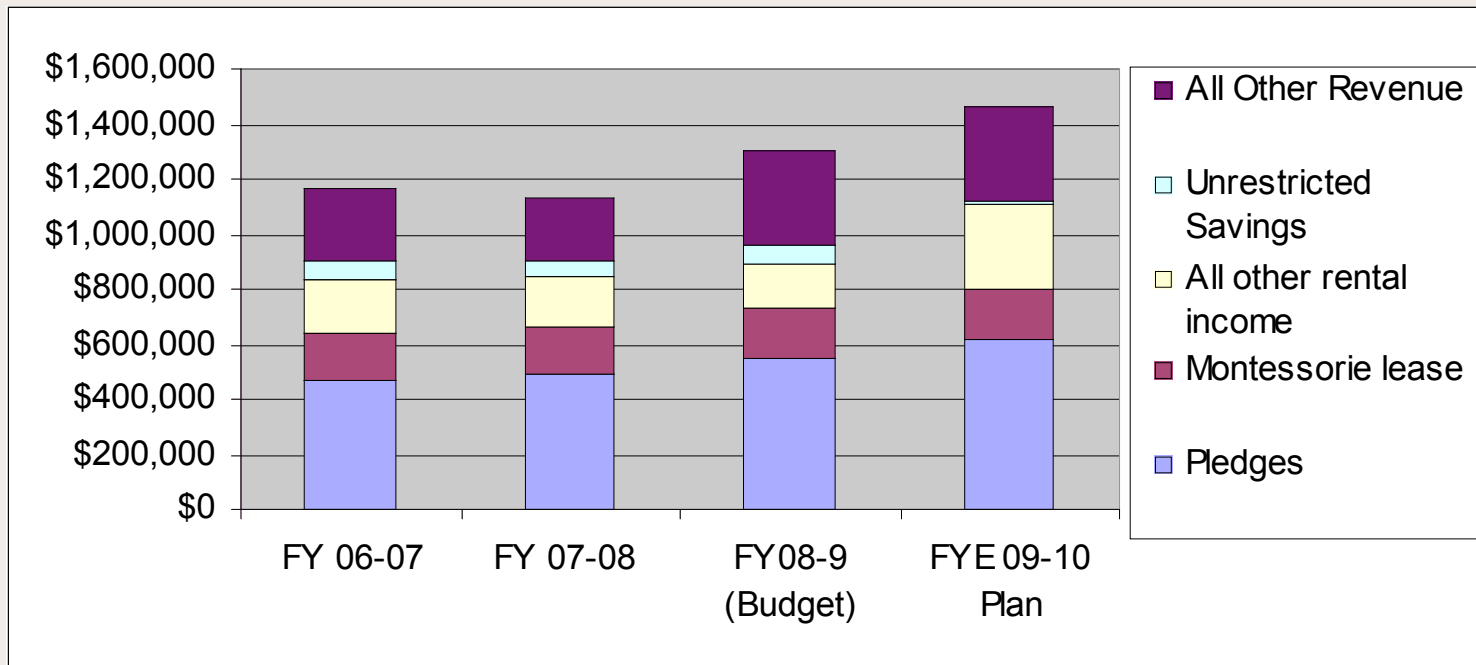
Recap from last year

- **Pledges** have not increased 7% per year
- **Rental income** has increased, but large future increases are unlikely, unless we fundamentally change use of the building
- **Expenses** have stayed on budget

Recap from last year

- *Draw on unrestricted reserves has decreased, BUT*
- We are unlikely to reach zero without increasing pledges or decreasing staff.
- With no new bequests, our unrestricted reserves are very low. We have little margin should an emergency arise in our 40 year-old building.

Trends in Income



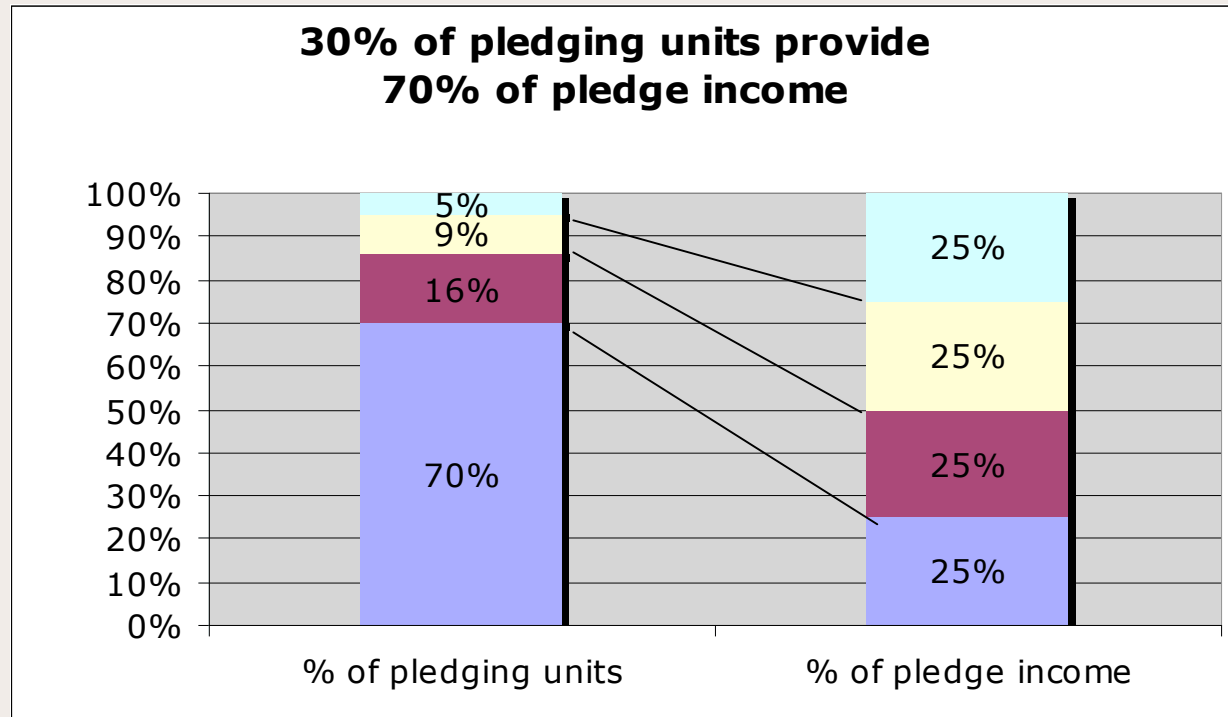
Current Year budget

- Selected sources of income
 - Member Pledges: 39%
 - Rentals: 26%
 - All savings, endowment & grants: 23%
 - Unrestricted reserves: 5%
- Expenses
 - Personnel: 64%

Our Dreams

- From visioning during our interim period, we learned that the congregation wants to grow
- The Board's growth goals include
 - Staffing for growth
 - Creating a culture of generosity, i.e., increasing members' pledging

A glance at pledging



There are 347 households (or “pledging units”) in the current fiscal year

Some pledging numbers

- Current average pledge: \$1,254
- Total 2008-9 expenses per household/unit: \$3,776
- Zero draw on unrestricted reserves:
 - \$50,000, about \$145 more per unit per year
- “Beyond Sunday Coordinator”
 - \$70,000 (salary, benefits, professional expenses), about \$200 more per unit per year

Conclusions

- Increases in pledging and rental income envisioned in the five-year plan are not being realized
- The draw on the unrestricted savings has thus decreased very modestly.
- With no new bequests, the savings fund is very low.

Recommendations

- Develop a new plan that reflects the congregation's desire for growth and realistic expectations about income.
- Change bylaw restrictions on the current bequests, so that entire bequest, rather than one third, go into savings.
- **☞ Increase generosity in pledging. This is essential if we are to grow and thrive.**