



LOOKING AHEAD: PLANS FOR 2018–2019 AT FIRST UNITARIAN CHURCH OF PHILADELPHIA

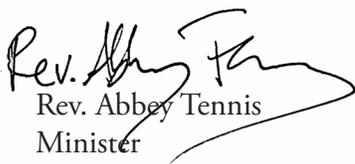
May 2018

Dear Beloved Congregation,

We are at an exciting time in the life of the congregation. Congregational financial generosity is hitting record numbers; our membership, children and youth, and programs are growing; and we have recently embarked on a plan to articulate our mission and vision, which will provide the direction and clarity for our path ahead.

These plans and draft budget build on our growth, while seeking to utilize our staff, lay leaders, and congregational assets as best we can to meet our mission. What follows are the highlights of our plans for the coming fiscal year (July 1, 2018 through June 30, 2019). Some of our plans for the coming year are connected to changes in the operating budget, some are simply plans for programmatic shifts to do more with the same amount of financial resources, and some have to do with small-scale capital projects we intend to complete in the coming year that will impact the life of the congregation.

With gratitude for your generosity,


Rev. Abbey Tennis
Minister


Heather Speirs
Board President

OUR CORE MINISTRIES

Our congregational life is centered around our vibrant shared ministries. Together, we create moving and inspirational worship, make beautiful music, support the spiritual growth of the youngest to the oldest among us, enjoy a loving and diverse community life, reach outside our walls to connect with the wider community of Unitarian Universalists and our neighbors of many faiths, and work for a more just world through service, organizing, education, and policy advocacy. Like most churches, the majority of our expenses are for staff, and many of our ministries and programs are primarily carried out by lay volunteers with support from staff as well as the programmatic and administrative expense budgets.

WORSHIP & MUSIC

Worship and music are our community's beating heart.

Each Sunday, dozens of us come together to create a beautiful and moving service for one another. We unite in the common purpose of paying homage to that which is truly of worth—the Love that flows within, among, and beyond us—that which binds each to all—all that brings healing and wholeness to our wounded hearts and unjust world.

Plans for 2018–2019

- We will go through a transition in our musical leadership, with the possibility of modifying our music program's structure. We don't yet know how that will exactly shift what is proposed for the music program, but we intend to maintain, if not increase, our financial support for the program at the same level.
- We will build on our successes this year in pulling together lay ensembles, such as First Unitarian Wind Ensemble, and special events, such as our gospel concert with WXPB and Mother Bethel.
- We will strengthen our rituals and holiday celebrations, such as Winter and Summer Solstice services, beyond Sunday mornings.

LIFESPAN SPIRITUAL GROWTH

We are invested in each other's spiritual development.

Each of our congregational activities should play a role in growing the spirits of our congregants—from worship to children's religious education to committee meetings to justice actions. This ministry area, however, is devoted to those activities that explicitly seek to create spiritual growth within the many generations of congregants here at the First Unitarian Church of Philadelphia.

Plans for 2018–2019

- We intend to create a High School Youth Group in the coming year.
- Our Small Group Ministry program will continue to grow to meet the congregation's needs.
- increased Adult Spiritual Development programming
- We will shift our Religious Education programming for elementary school kids to a more robust lay-led model rather than our current primarily staff-led model.
- "Coming of Age" programming for middle school youth
- Anti-oppression training for leaders, staff, and/or the congregation as a whole.

ENRICHING OUR SHARED LIVES

Our community works to be radically hospitable and deeply caring.

Our church helps us form meaningful relationships, have fun, and grow as leaders. This community is nurtured by a robust partnership of lay leaders and staff, offering opportunities to break bread together, honor rites of passage, and support those among us in greatest need. Enriching our shared life means serving all those who seek to take part in our community, from the moment they first enter our doors through the months, years, and generations of their growth within our congregation.

Plans for 2018–2019

- Continue to expand lay pastoral network
- Bridging Ceremony for any High School Youth finishing school
- More social events and opportunities for building connections throughout the year
- Strong new focus on building leadership development opportunities into church life.

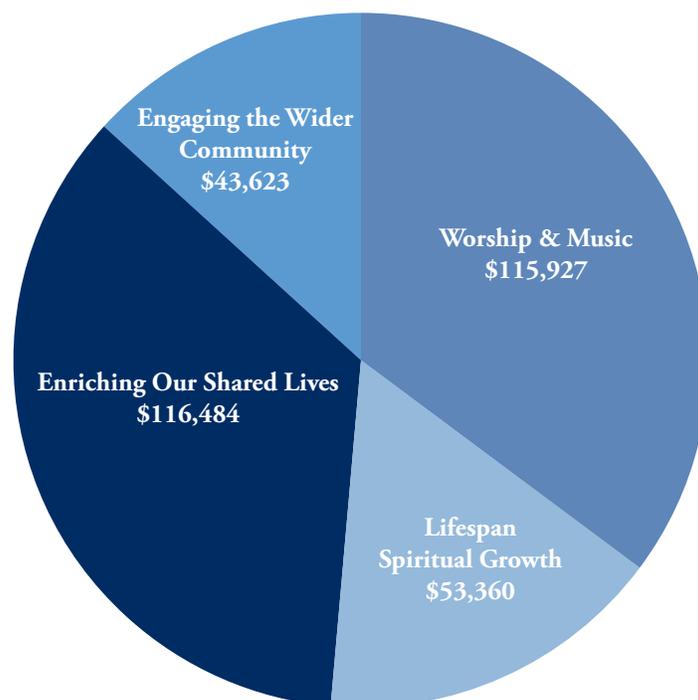
ENGAGING OUR WIDER COMMUNITY

We are called to create a more just and loving world.

We seek not just to welcome, worship with, and grow the spiritual community within our walls—we are committed to partnering with other Unitarian Universalist, interfaith, and secular communities in building what Rev. Dr. Martin Luther King, Jr. called the “beloved community” to transform and heal our hurting world.

Plans for 2018–2019

- Expanded organizing with POWER and immigration justice efforts
- Deepening interfaith relationships in Center City
- Increased engagement with Philly-area UUs & UU Pennsylvania Legislative Advocacy Network
- While we acknowledge that, again, we are not budgeting to meet our “Fair Share Dues” to our parent denomination, the Unitarian Universalist Association (UUA), we maintain last year’s percentage and intend to increase our percentage next year.



ADMINISTRATIVE PRINCIPLES

Our values guide our congregational management.

Our management of our financial and human resources is guided by several key principles. First, we work to always be responsible stewards, following accepted best financial and accounting practices to ensure our institution is led with integrity and efficiency. Second, we ensure that our assets—our endowment and our building—are used in service of a better world, with socially responsible investment practices and rental guidelines that aim to support educational, artistic, cultural, spiritual, political, and wellness programs and events in our spaces. Third, we honor the professionalism and dignity of our staff, compensating everyone within the Unitarian Universalist Association’s “Fair Compensation Guidelines” and working towards generous compensation and benefits packages for all.

Plans for 2018–2019: Shifting Income Streams

Overall, our pledges are significantly up, and our reliance on rental income is significantly down. Based on our experience of this past fiscal year, we are also decreasing our reliance on congregational fundraisers to focus on more important missional areas.

This year’s budget shows a dramatically decreased reliance on rental programming (~\$20,000 decrease in projected income). This will reduce our risk of large unexpected budget fluctuations (as we experienced this past year), will open more space for congregational use, and will be the first year in a long time that our budgeted congregational pledges will exceed our budgeted rental income. We hope to continue moving in this direction as we grow, eventually using our rental income to supplement our repair budget rather than covering normal operating costs (steam, electric, trash, etc.).

To accompany our decreased reliance on rentals and to better match our building usage, we have moved our part-time sexton staff from 4 people to 3, without layoffs.

CAPITAL PLANS

Improvements to our historic building help us live out our values, increasing accessibility, beauty, and functionality.

While capital projects are not funded through the congregation's annual operating budget, it feels important to share our small-scale capital plans for the coming year alongside our regular budgeting process to give the congregation a fuller picture of our anticipated congregational spending (and additional planned fundraising). We anticipate that, over the next few years, we will begin strategic and capital planning processes to determine how best to put our mission and vision to work in the life and facilities of our congregation. In the meantime, expect to hear more about these smaller short-term projects as we seek to raise the additional funds needed to carry them out and then as we begin construction, restoration, and installation!

Van Pelt Street Entrance Accessibility Project

The Board has approved the staff and Accessibility Task Force to undertake a small capital project to raise ~\$30,000 to make our Van Pelt Street Entrance fully compliant with the Americans with Disabilities Act. We will be removing our old and steep wooden ramps and replacing them with a combination of an external permanent ramp and a wheelchair lift inside the Van Pelt Street Vestibule. This is the first phase of our work to live out our commitment to being a truly radically hospitable place: a place where all people are able to access and use our building with ease and dignity. As of mid-May 2018, we have received a significant number of pledges to support the project, and we hope to raise the rest of the money by the end of the fiscal year, so the project may be completed over the summer when building usage is lower.

Sound System Overhaul

Through a combination of anonymous gifts and bequests that have come in over the past 1.5 years, the Board has set aside ~\$9,000 to be used to completely overhaul our Sanctuary's sound system. We expect this work to take place over the summer, with the goals of increasing our system's functionality, reliability, and quality.

LaFarge Window Restoration

We are excited to announce that we have received an anonymous \$25,000 gift to be put toward the restoration and reinstallation of our "LaFarge" stained glass rose window, which is currently just a clear glass circle on the Chestnut Street wall of our Sanctuary. Our most recent bid put the full cost of this project at around \$40,000, so the Board and staff are in conversations about how we can use this incredible opportunity to restore and enhance the beauty of our historic building.

	2017–2018 Budget	2018–2019 Budget	Increase (Decrease)	Notes
INCOME				
Pledged Donations	\$194,000	\$232,800	\$38,800	Assumes 97% return on \$240,000 in pledges. Accounts for 45% of total income, up from 37% last year.
Fundraisers	\$23,000	\$15,500	(\$7,500)	One fall fundraiser in addition to annual auction.
Worship Offerings	\$15,635	\$14,209	(\$1,426)	Increased pledge income leads to decreased plate collections. Assume consistent attendance and giving similar to last year.
Staff Bonus Collection	\$5,000	\$5,000		Annual holiday bonus collection.
Restricted Gifts	\$4,000	\$2,500	(\$1,500)	Flower donations, Armstrong Musical Instruments Fund, and Pastoral Care Fund.
Other	\$11,712	\$15,363	\$3,651	Non-pledged, unrestricted donations.
Endowment & Trust Funds	\$54,785	\$54,512	(\$273)	5% draw on 13-quarter rolling average of endowment value. The fund is managed by Abacus Wealth Partners.
Rental Income	\$209,502	\$190,000	(\$19,502)	Accounts for 36% of total income, down from 41% last year to allow for growth of church life.
Total Income	\$517,634	\$529,884	\$12,250	
EXPENSES				
Minister Compensation Salary and Housing Benefits and Taxes	\$66,366 \$25,282	\$70,443 \$27,058	\$4,077 \$1,776	Includes salary increase as part of 3-year plan for parity in executive staff salaries, plus 1.5% cost-of-living increase.
Programs & Administration Compensation	\$187,145	\$192,880	\$5,735	Includes health insurance for new employees and 1.5% cost-of-living increase for all staff.
Building Operations Compensation	\$117,539	\$127,783	\$10,244	Includes increased retirement fund contributions for Building Superintendent (5% to 10%), health insurance for new employees, and 1.5% cost-of-living increase for all staff.
Program Expenses	\$23,275	\$22,414	(\$861)	\$3,000 in honoraria for guest musicians, \$1,000 CRE training fund, \$2,000 justice training fund, \$2,000 in membership dues for local interfaith justice organizations, and 25% of fair share denominational dues.
Administrative Expenses	\$15,103	\$13,419	(\$1,684)	Telephone, printing, postage, office supplies, etc. Decreased telephone expenses.
Fundraising	\$1,800	\$1,400	(\$400)	Decreased expenses due to elimination of one event.
Governance	\$2,700	\$2,700		Includes financial audit and leadership development fund.
Facilities	\$77,803	\$71,475	(\$6,328)	Includes \$12,400 for facility repairs as well as insurance, utilities, and maintenance. Decreased insurance premiums and trash collection costs.
Total Expenses	\$517,014	\$529,572	\$12,559	
Net	\$620	\$312	\$419	

A complete line-item budget is available upon request in the church office.