



December 2015

## Where Does the Money Go?

**When the budget is created by Don Martin, VP Finance**, with other members of the Council, he has to ensure that our expenses don't exceed our income. The budget is amended during the year to make up for unexpected shortfalls and expenses, *which always happen*.

**What kinds of expenses are in the church's budget? Here is a brief list:**

- **Staff:** Our largest expense: takes about \$170,000 or about 50% of our budget; roughly what we collect in pledges.
- **Building:** Runs about \$71,000 per year or about 20% of the budget. Examples of funds under the Building heading are
  - **Utilities** (gas, water, electricity and trash) cost about \$2000 per month.
  - **Property Tax:** about \$18,000 per year
  - **Insurance, Maintenance, Landscaping and Property Management** combined costs run about \$25,000 per year.
- **Program:** Takes over \$10,000 per year total. Includes Religious Education, Music, Caring, Worship and several other smaller funds.
- **Dues to the PSWD and UUA** cost OCUUC \$87 per member per year. **Note:** If you are pledging less than \$87 per year and you are a member, you are costing your church money. A pledge of \$100 per year leaves only \$13 for operating expenses for the entire year. *UUA Guidelines suggest a minimum pledge of \$20 per month which amounts to about ½ tank of gasoline.*

**A Word about Debt Service:** We owe our Endowment Fund \$240,000 at 5% interest. *More on the Endowment Fund in an OCUUC FINANCE NUUS letter early in 2016.* In addition, members have loaned the church a total of \$130,000 in Member Bonds at 4% interest. Most of these bonds were sold when we built the Gillan Building around 1990. The total debt service (interest) per year is over \$17,000 or about 5% of the budget. At present there is no fund for paying down these debts, however our total assets are worth more than \$3 million making our debt ratio around 37%.

**Next month** we'll talk about the Stewards. The following month's letter will address the Endowment Fund.