

**United Church of Fayetteville  
310 E. Genesee Street  
Fayetteville, NY 13066**

**Rev. Dr. Linda D. Even  
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*"I promise you that at this precise moment next year, your life will be better or worse than it is right now. It will not be the same; the choice to improve it or let it decay is wholly and undeniably yours."* Phillip C. McGraw

**RENEWED IN THE SPIRIT: DISCARDING EUPHEMISMS Gen. 1:11-12; Matt. 13:52-53**

This isn't going to be on anyone's list of most favorite sermons, but it is an important one for our life together. As our stewardship series continues, we look into another of our congregation's closets. This week we'll look at financial resources. To begin, we're discarding the euphemisms we often use in church: first fruits; tithes; gifts; expressions of gratitude, etc. We're discarding them, because while they are critical to a person of faith's informed understanding of appropriate perspective, priorities and use of money, too often, we get all gushy and spiritual about money, and forget that it works the same way in the church as it does in our households and world.

First, where does money come from? I have four degrees, which give me three somewhat informed perspectives on money and I can tell you where it doesn't come from. I have a BS in Biology and Chemistry, which includes coursework in Botany. I verified my memory. There is no *angiosperm dictioae argentae*. "There is no money tree." Next I got an MBA. In B-school, while we suspected that Bill Gates and any owner of a store purporting to sell toys for gifted children possessed one, the business conclusion is "There is no money tree." I have two degrees related to theology and again I confirmed my memory. The Bible mentions, among others, willows, oaks, cedars, palms, dates, a brutalized fig tree, the Tree of Knowledge and the Tree of Life. "There is no money tree." Of course, one doesn't need any degrees at all. As we watch the steadily emerging Memorial Garden, we've seen the plans for the future and "There is no money tree." (*Say it.*)

So where does the money come from? The church gets its money from four essential sources – **planned predictable giving** (pledging and similar commitments); **earned income** (building use); **investment income**, and **one-time gifts**, (bequests, memorials). There is also a form of one-time giving called **special offerings**, which include mission giving, fundraisers and capital campaigns.

Where does the money go? Congregations are labor-intensive entities, by virtue of being the body of Christ and relationship-focused. Therefore, **personnel expenses** usually (and should) make up the highest portion of expenses. That is closely followed by **building maintenance**, as Chris highlighted for you. Whenever a congregation commits to a building (as this one did 150 years ago), it commits to a significant portion of its income going toward upkeep. Then funds go toward administration supplies, curriculum, music, etc., called **program costs**). Typically, the smallest portion of budgeted funds goes for **mission**, while the bulk of special offerings do. Just as in our homes, an operating budget ought include some provision for **savings** – a general reserve for a leaky roof, or a blown amplifier in the sound system. When money gets tight, this is usually the first item to go, as it did here some time ago.

As in our own homes, and any other organization, the type of income should be matched to its use. The operating budget should be supported by predictable income, including building use income. Most congregations begin by dedicating investment income and special offering income to various forms of mission, but it is not unusual to see them use interest income to balance the operating budget, as we do here.

One-time gifts like memorials are used to meet one-time or infrequent needs: bells, robes, restoration of a room etc. Bequests and any property sales usually form the base of investment accounts. Capital campaigns ought be used sparingly, and indeed, used for capital improvements. By the time UCF replaces the boilers in the next year or so, and soon after, the roof to the sanctuary, UCF will have completed nearly half a million dollars worth of capital improvements in roughly a six year period. While maintenance costs will continue, our infrastructure should be in pretty good shape.

In general, it's a simple formula:

- \* steady predictable income -- operating expenses;
- \* one-time/unpredictable giving -- one time needs.
- \* every congregation decides individually how it will approach mission – as ongoing expense, special need or both, as is the case at UCF.

As I mentioned, I have an MBA. I have no doubt that every search committee which read my material said, with varying degrees of enthusiasm: “Whoa! A pastor who can read a balance sheet.” This does not always lead to the expectation that the pastor will read the balance sheet. But I did. This is what I saw and discussed with the Board.

There have been some habits developing gradually over at least the last decade with regard to our church money-handling. These all don't happen every year, but they are happening with increasing frequency. There are no bad guys here. Nothing improper was done with church money. As single events they are not problematic. As habits, they need to be addressed. Nor can we discount them as flukes of last year's economic events. Rather those events illuminated the habits – as they did for most churches and not-for-profits.

Let me illustrate: occasions when one-time offerings were used to support operating expenses.

- \*Borrowing from ourselves and being unable to pay back the monies. (The technical business term for this is “spending”.)
- \* Using the capital from interest bearing accounts for emergencies or budget balancing
- \* Switching cell tower income from mission to the operating expenses four years ago. That would be fine, if it represented a change in philosophy. It was, rather, a matter of financial necessity.
- \* Budgeting optimistically for both income and expenses and then dipping into reserves to make up the difference.
- \* Fund raisers to balance the budget

Other symptoms of budget struggles are:

- \* Repeated cuts in program budgets.
- \*Cycles of reduction and restoration in personnel, resulting in special offerings to balance the budget.
- \* Mission spending and involvement moved to the margins.
- \* We struggle over what should be small decisions (to get palms for Palm Sunday or not).

Each time we go through a budgeting cycle, organizational anxiety rises. It all adds up to the organizational equivalent of a reverse mortgage, such as those used by people who have

determined their non-liquid assets can provide for the remaining time they have to live. The key problem with that kind of spending for UCF is not actually a problem. It's very good news.

**UCF is a vital congregation. We're not dying.** (*say it*)

So the Board decided to start living and stop spending like we were dying. The Board realized the truth of something Norman Mailer once said: "Then there was that law of life, so cruel and just, that one must change, or else pay more to remain the same." They decided to break the cycle of anxiety and discouragement. They know, as do we all, that to break a habit, one usually has to make some major changes in behavior.

With the help of the strategic planning consultant, the Board agreed on a projected income amount and built a budget committed to living with in that amount. With prayerful discussion, the guidance of the consultant, and the data gathered by the Staff Support Committee since last year's special offering for personnel expenses, they resolved to establish a staff structure proportional to our size, and consistent with that of other congregations our size in CNY. In addition to the re-proportioning of the staff structure, program budgets were cut an additional 17% on top of the 8% last year. At my request, they restored a line item for local mission.

I want you to hear all this in the context of what I said a moment ago: **UCF is a vital congregation. We're not dying.** Instead the Board is taking the lead in opening the doors to **new life at UCF**. In breaking cycles of anxiety, in reducing time spent in administration and meetings, in putting us on firmer fiscal footing, in strengthening our local mission in the community (consistent with our strong history of interest in social justice issues), we can be renewed in the Spirit. It is our hope and expectation that we will have more income than the conservative estimates in the projected budget. And that that additional income can be used to enhance mission, to create an emergency reserve, and to fund our own self-development projects, – all opening up the possibility for greater creativity in reaching out to our community, and generating opportunities for some of the "If only we could..." ideas. You'll hear more about those possibilities as we look in mission and human resource closets in the weeks ahead.

So, after all this work, the budget the Board presented to you a few weeks ago is a budget created to stimulate and renew our life at UCF. To highlight the changes, the Board also decided to change the way we run our stewardship campaign this year. You have the congregation's budget in your hands at the beginning of the series. You know what it will cost for us to be the church next year. We are building toward a Sunday where we can indeed celebrate the generosity and commitment of UCF's members as we lean toward the future together. In the hallway, you can see the pledges already received climbing the church steps toward our open doors. Everyone is invited to return their household's pledge after time for prayerful reflection. We hope that we have them all, not on, but by October 25, so that we can indeed celebrate UCF's positive and vital witness for many years to come.