

**Northern California Nevada Conference – UCC
Discernment Session on 9/11/2021
Q&A on Budget**

1	Please explain the drop in other unrestricted contributions from \$90k to \$0.	\$90k that was in the 2021 budget was from the temporary restricted fund from the Redwood City property that was donated for youth and outdoor ministry. That \$90k was used for expenses, mostly for overhead of Camp Caz up until the point of sale. This revenue and expense will not happen in 2022.
2	What % of the endowment proceeds is represented by the \$150,000?	A little under 3.5%. We won't know the exact # for grants until we get to the end of the year because it's based on fund performance by the end of December 2021.
3	The disability benefits have a significant increase.	The health benefits increase is due to anticipated cost increases. The health benefit increase is also due to the former conference administrator not needing health insurance; the increase is in anticipation of it being used. The disability benefits stayed the same within this category.
4	Do we have any way of getting out of the facility we're renting? Would we incur penalties? Is there any way to reduce the cost?	Facility lease comes up next year. We've committed to signing another year on the lease because we've determined we need the physical office space. We're consolidating to one office and able to keep the cost the same.
5	Has the Conference Council placed any restrictions on the endowment fund (considerably added to by the sale of Camp Caz) or is it a yearly decision on how the funds will be used?	Regarding the endowment, with feedback from the Finance and Business Committee (FABC), the Council will determine at the beginning of each year what will be available for grants. Idea is not to use the principal but instead use the funds that it's generating. Post clarification: FABC determines and then Council recommends how to use the interest from the Endowment Fund each year. Then the Conference votes to approve it when approving the budget.
6	Will there be ongoing support for scholarships for camp and other such things?	How much and where the funds go will be an annual decision by Council with input from FABC. The Conference is not able to fund the programs that were in the past when there were surplus funds. The idea is for the youth programs to generate enough funds to cover their costs such that they break even. Post clarification: Same as stated in Question 5.
7	How much is in the endowment fund right now? Is it entirely from Camp Caz?	It's not all Camp Caz dollars. There were funds from the Church and Clergy Vitality Fund (CCVF) and consolidated at United Church Fund (UCF). Funds from the camp sale are invested over 6 months, so it's not fully invested yet. The idea

		<p>is to invest/step it into the market slowly and not take too much risk. It will generate funds that will be available for grants.</p> <p>The CCVF came from the proceeds of selling a property in Sacramento a couple years ago. The endowment interest was used for continuing ed for authorized ministers and program grants for churches that were looking for seed money for new programs. This was on hold for 2021. We're hoping this will be reflected along with the camperships and other things listed in that line item.</p>
8	From sale of Camp Caz, what was the real estate sales fee and other components?	6%. There were other costs related to litigation of certain things that were required to close, such as deferred maintenance. We gave credits to the buyer also. \$3.7 net proceeds went into the UCF fund.
9	If heard correctly, please explain the reasoning that new ministry grants are on hold.	They were on hold for 2021 because the \$17k was needed to balance the budget for 2021 due to COVID and pandemic.
10	If you were to take the 2021 OCWM basic support and project that forward, does that bring you close to the \$616,917.14?	<p>We took actuals through June/July and it looked possible that we'd reach the 2021 target. We won't know for sure until we get to the end of the year.</p> <p>Some people made commitment and pledges last fall. We called churches on what to expect in 2021 and this is how we got this number. Some of those are way below what was committed or did not come in. Council is looking into the situation with some of the funds. If we don't meet the \$616k by the end of the year, that will impact our 2022 budget. Unfortunately, we won't know that answer by October (annual meeting.) Council has to review, moderate, and take action on it. OCWM is a voluntary contribution and no way to enforce.</p>
11	What is the staffing plan? What is the current staff, including administrative staff?	Salary budget includes CM, 2 ACM and Office Administrator. New YYOM is not included in the salary. Not yet hired. Benefits driven off the pension contribution as a % of salaries. Health benefits are outside of salary, but part of what we provide.
12	Some items in budget are listed to the penny and most rounded up to the dollar. How do you decide?	Normally listed in round numbers. The OCWM was determined last fall and ended up with cents and projected the same. The wider church support and association support is off of that number, so that's why it's dollars and cents.
13	<p>Where is the disaster fund reflected in the budget?</p> <p>Is there transparency for us to look at this restricted fund?</p>	<p>They're in a separated restricted fund and not part of our operating budget. Designated expenses come out of the designated funds.</p> <p>The financial statements come out every year and provide information related to all the funds. The disclosures and transparencies are in the financial statements provided. It will show what contributions were received and what expenditures</p>

		<p>were made out of the fund in total. It shows up in the transactions in the restricted funds and not as part of the operating budget.</p> <p>The 2019 audit report is posted on the website. We're in the process of trying to get the 2020 audit completed. We had transitions with the accounting side and office administrator changes has held up this audit. It will get done and published on our website when done.</p>
14	<p>Have a lot of churches requested disaster relief? Curious about how many for the 2020 and most recent Dixie and Caldor fires.</p>	<p>Yes, some churches. Three collaborating with fire victims and needed assistance (gas, food, pet cards + funds for churches to provide breakfast and lunch to the workers.) After FEMA and Red Cross leave the area, we work on the long-term recovery. Once things seem to clear out, we anticipate more requests for funds.</p> <p>Other ways we used the fund after the fires in 2018, the national setting partnered with us to offer trauma retreat for the ministers who were working directly with the fire. We had about 6-8 ministers that attended that retreat about a year after the fires to help them process their experience and leading their congregations and communities in the midst of the fires. It was also to support the future work that would happen.</p> <p>Clean up buckets is also how we offered support and partnered with the National Setting.</p>
15	<p>Is the Youth Coordinator the same position that was vacated pre-COVID? More administrative? Curious about the role.</p> <p>Encouragement to expand the role beyond administrative since we fill like that part is still missing.</p>	<p>First, we have not yet come up with a job description for that position. Council is having a discussion on what that position would mean. Obviously, some administrative work. There's a wide look for what we project the YYOM overall to be – there are 2 camps. Part of the job would be to have some of that conversation. We're talking about the whole thing and living into the 2020 resolution we passed regarding our YYOM. It's an encompassing position and not just an administrative one.</p>
16	<p>In what month in 2022 will we know our actual OCWM basic support so that we'll know how confident we'll be about the 2022 OCWM budget?</p>	<p>We'll know by the end of January 2022. We're on a cash basis and we don't accrue OCWM because it's not an enforceable commitment. It's recorded on a cash basis. Once we get to the accounting and bank reconciliation for December, we should know our OCWM balance.</p>
17	<p>When we say we need new ministry grants to balance the budget, does that mean it's gone for good?</p>	<p>If we had more OCWM, we wouldn't need to use that to cover the conference. So, we are using some of the endowment fund at this point. However, it's not our desire to be in that position. It would be nice to have enough contributions to not have to use the earnings of the endowment. We're not at that place right now.</p>