

**Olympia
Unitarian
Universalist
Congregation**

**STRATEGIC
PLAN**

April 2006

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1. INTRODUCTION

The Olympia Unitarian Universalist Congregation finds itself at one of those points in history where difficult decisions must be made. It is not the first time our congregation has found itself in this position, nor will it be the last. In the early 1990s, the members of the Olympia Unitarian Fellowship (later the Olympia Unitarian Universalist Congregation) found themselves in a position similar to the one we face today. The Congregation's physical facilities were too small and were impeding growth. The members decided to move and raised and borrowed money from several sources, including members of the congregation. This effort provided us our current home and was followed by significant growth in the congregation.

We have now grown to the point where once again our physical facilities are inadequate. However, there are major differences as well. We now have a full-time minister and an excellent professional staff. We have excellent Religious Education programs for all ages, a Small Group Ministry program, a trained Pastoral Care Team, and a much larger membership. We also face different issues, including those associated with the difficult transition from a small to a mid-sized church. Often also referred to as one from Pastoral to Program church, this transition requires changes in how the church operates and the roles the minister and others play in the operation of the congregation.

We, as a congregation, must decide where we go from here. For some time now, we have been asking ourselves, in surveys, discussions, conversations and planning processes, whether we are ready to deal with our growth proactively, to follow our mission and vision for community inclusiveness by expanding our physical facilities and membership and the programs, staff and budget that doing so would mandate. The answer, as presented in this plan, is a resounding YES!

The goal of this Strategic Plan is to give direction to the development and growth of the Olympia Unitarian Universalist Congregation over the next five years, through the year 2011. This plan was developed by pulling together findings and conclusions from a number of planning efforts that have taken place in recent years. These efforts are summarized and from them a set of proposed actions is developed. Next, following review by the Board and Congregation, the plan presents a preferred future direction and specific actions for the next five years.

Among the planning efforts and reports reviewed in developing this Strategic Plan are:

- OUUC Long Range Plan, April 2003
- OUUC Facility and Space Needs Recommendations Report, December 2004
- OUUC Congregational Survey, September 2000
- OUUC Annual Goals for January-December, 2006, May 2005
- OUUC Accessibility Committee Report, April 2005

- Report to the Olympia Unitarian Universalist Congregation from the Learning Team, December 2004
- Unitarian Universalist Association Assessment Visit Findings and Recommendations, March 2005
- Report of the Appreciative Inquiry Team, December 2005.

This Strategic Plan includes:

- Introduction
History – a brief narrative history is presented and recent trends in membership and budget are reviewed.
- Mission, Vision, and Covenant – the current Vision, Mission, and Covenant of the Unitarian Universalist Congregation are presented.
- Recent Planning Efforts - A review of recent planning efforts and their findings and recommendations is presented. A set of issues to be addressed in this Strategic Plan is drawn from these studies.

The plan then addresses the five major issue areas identified as requiring discussion and clear direction at this time. These are:

- Membership
- Finances
- Program and Staffing
- Outreach to the Larger Community
- Space

A recommended course of action and a timeline of activities for each of these areas are presented

2. HISTORY

This section of the plan presents a brief history of Olympia Unitarianism and of the Olympia Unitarian Universalist Congregation, including recent trends in membership and budget numbers.

Unitarianism in Olympia

The first Unitarian presence in Olympia was in 1871 when the American Unitarian Association sent a minister-at-large to the Pacific Northwest. The Reverend John Kimball established his headquarters in Olympia. In April 1872, the First Unitarian Society of Olympia became a member of the national association. The church grew and prospered and moved into an imposing building at the corner of 9th and Franklin Streets. The economic panic of 1893 forced the congregation to sell its building and the congregation soon dissolved.

In the early 1950s interest in reestablishing the Unitarian Church in Olympia was rekindled. A local attorney, Jerome Kuykendall, read about Unitarianism in a "Time" magazine and soon joined the Church of the Larger Fellowship. In 1952,

an American Unitarian Association (AUA) staff person identified a number of other people in the Olympia area who had expressed interest and Dr. Kuykendall decided to try to pull a group together. Among the early members of this group was Gladys Burns, who became a leader and inspiration both to the Olympia Congregation and the entire community. She was the first recipient of the Pacific Northwest District Unsung UU Award in 1982. The United Way of Thurston County currently presents an annual “Gladys Burns Human Services Award” in her memory.

On October 13, 1952 the Unitarian Fellowship of Olympia was recognized as a member of the AUA with 13 charter members. The first meeting of the congregation was held at the former Olympia Community Center. The congregation met in a number of locations until it obtained its own building in 1968—the small, white church at 2nd and B Street that it bought from the Methodist Church for \$10,000. Growth in the congregation created the need for a new and larger home, and construction on the current building at 2200 East End Street was completed in 1993.

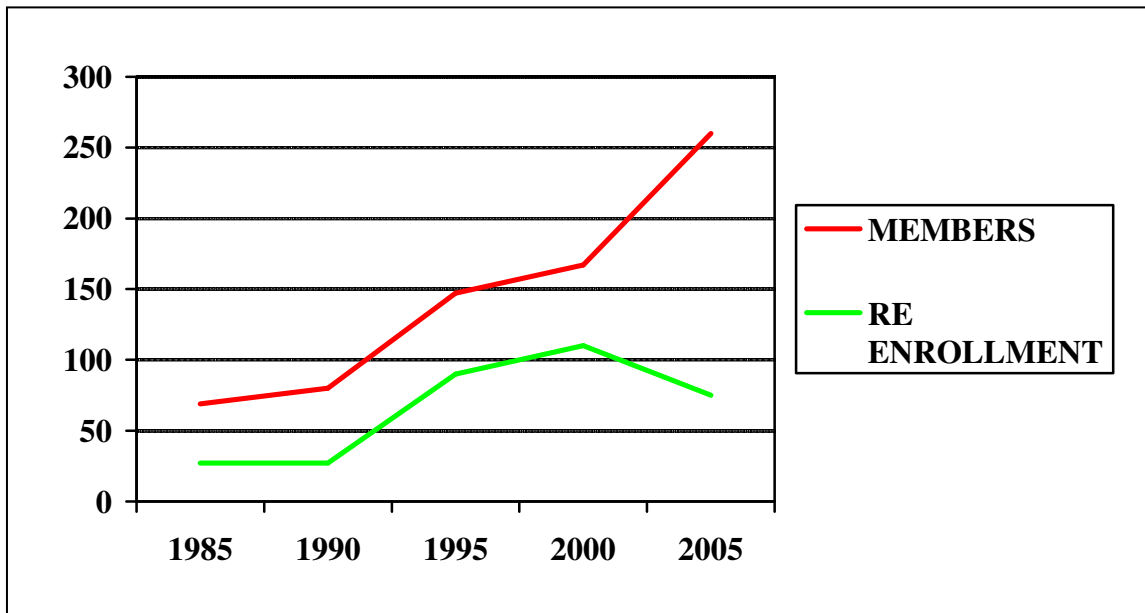
The Fellowship was a lay-lead group from 1952 to 1977 when Bill Arensmeyer became the first professional minister. The Unitarian Fellowship called a ¼-time minister, the Reverend Roger Otis Kurht, in 1978. Roger also served the Tacoma congregation during this time. He left the Olympia fellowship in 1985, and the Reverend Donna DiSciullo was called in 1986 as a part-time minister. She served for three years. In 1989, the Rev. Sandra Lee assumed the minister position, which eventually evolved into a full-time position. The departure of the Reverend Lee in 1998 was a contentious issue in the congregation. Some members of the congregation felt Reverend Lee’s departure was not in the best interest of the congregation and was caused by actions of some of the lay leadership and other members. As a consequence, a number of members left the congregation and started a new fellowship in Lacey, the All Souls Fellowship. In 1999, the Rev, Shirley Ranck joined the Olympia Unitarian Universalist Congregation as our interim minister. Rev. Ranck was well known for her authorship of the “Cakes for the Queen of Heaven” curriculum. She assisted the Congregation in its search for a full-time minister. In 2002, the Olympia Unitarian Universalist Congregation installed its first minister the congregation had called for full time service, the Reverend Arthur Vaeni.

Today we find ourselves with over 260 members, a full-time Minister, a ¾-time Church Administrator, a ¾-time Director of Religious Education, and a part-time Music Director. We have acquired additional land and a residential building—the B(art) & G(ladys) Annex—to house RE programs and an emergency homeless shelter for women and families. We are an active congregation with a thriving Religious Education (RE) program and one of the area’s finest music programs and choirs. We have a recognized role in the community and the Reverend Vaeni has become a highly visible leader in Olympia’s religious and social action community.

Membership Trends

The Olympia Unitarian Universalist Congregation has shown steady growth in both membership and attendance since the move to its current facilities in 1993. Membership dropped in 1999 after the departure of the long-serving minister and the formation of a second Unitarian Universalist congregation in Thurston County, the All Souls Fellowship. Membership is shown at five year intervals in the following chart, with the result that the drop in membership from 1999 to 2001 is masked. Our growth resumed after Reverend Vaeni was called, and currently there are over 262 members. We now hold two services each Sunday and attendance at the earlier service often exceeds the capacity of the sanctuary. Religious Education program participation peaked in 2002 and has declined in recent years.

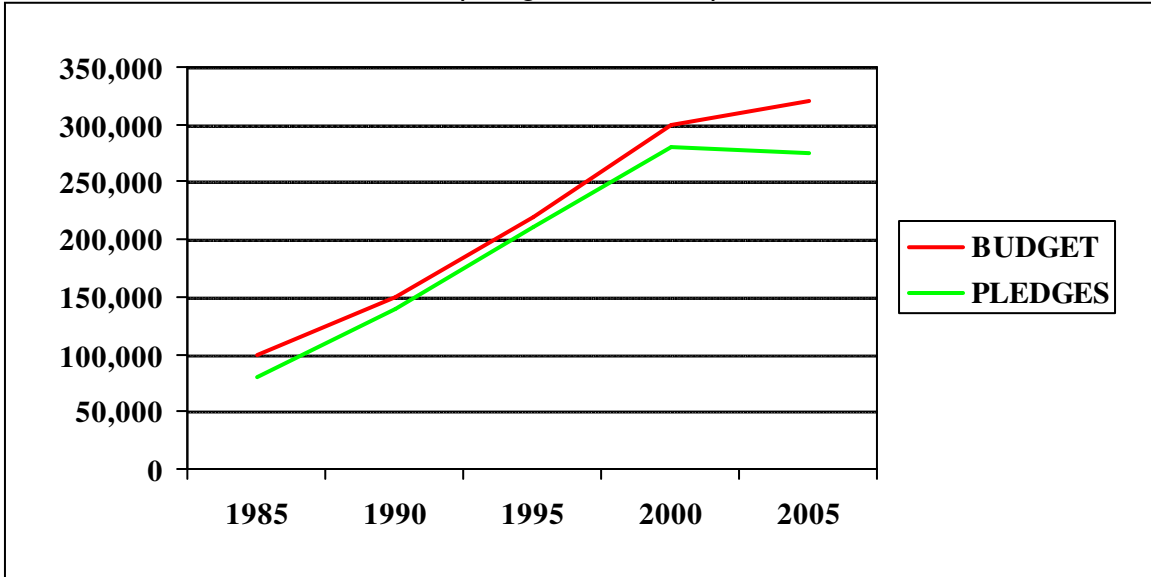
Trends in OUUC membership are show below and in Appendix B.



Membership and Religious Education enrollment have risen steadily since 1985 with a sharp increase following the move to the current building in the early 1990s. The drop in RE enrollment may be explained by the aging of baby boomers and their children. We are once again seeing an influx of families with young children and RE enrollment is expected to increase in future years.

Pledging and Budget Trends

With the growth in membership and programs, the church's budget and pledge income have also increased. The 2006 operating budget is projected at \$330,000 with over \$275,000 in pledge income expected.



Several factors have driven the recent increases in our budget. These include:

- The commitment of the Congregation to bring staff salaries and benefits in line with the guidelines of the Unitarian Universalist Association.
- Increases in staff hours to address growing program and congregational needs. Hours of work and compensation have been increased for both the Music Director and the Director of Religious Education.
- Building and grounds expenses have increased as our facility has aged without adequate ongoing maintenance.

In 2005 a significant financial step was taken to address the burden on the operating budget of pending mortgage and debt payments. All outstanding loans were consolidated and a new loan of approximately \$260,000 was obtained to pay them off. This action reduced the percentage of the annual operating budget dedicated to loan payments and debt retirement from 26% to approximately 10%. The time required to retire the debt was extended, but the short-term financial outlook improved.

3. Vision, Mission and Covenant

The following are the current vision, mission and covenant of the Olympia Unitarian Universalist Congregation as developed by the membership.

Vision

The vision of the Olympia Unitarian Universalist Congregation is:

We are a warm and welcoming liberal religious congregation, expanding our message of Justice, Peace, and Love into the greater community.

Mission

The mission of the Olympia Unitarian Universalist Congregation is:

Our community is a place to grow in mind and spirit. We promote a loving, just, and sustainable world through service, learning, and action.

Covenant

Our Congregational Covenant is:

We the members, staff, and ministers of the Olympia Unitarian Universalist Congregation, enter into this covenant as an expression of our commitments to each other.

Because we value our congregation, we promise to...

- Enhance its health with our time, talent, energy, and financial resources;
- And honor our commitments here.

Because we seek to be a friendly and inclusive congregation, we promise to...

- Provide a safe and nurturing environment for all our members, young and old;
- Assist those among us who have urgent needs for care and support;
- And provide opportunities for personal and spiritual growth.

Because we choose to walk together we promise to...

- Create and support an organizational structure that is responsive, responsible, identifiable, and accessible;
- Share our gifts as we participate in the leadership of the congregation;
- And encourage our congregational leaders to listen and speak openly, understand deeply, work with fairness, and serve with passion.

Because we need not think alike to love alike, we promise to...

- Speak and work openly, honestly, and lovingly with our leadership, providing informed, constructive feedback when we believe change is needed,

Because we recognize that conflict is normal we promise to...

- Speak with each other directly and honestly from a position of respect, kindness and love, recognizing that to do so, there will be times we need to seek counsel from the community.

4. GOALS AND ISSUES FROM THE OLYMPIAN UNITARIAN UNIVERSALIST CONGREGATION'S PLANNING EFFORTS

Over the past several years, the leadership and members of the Olympia Unitarian Universalist Congregation have undertaken a number of planning efforts to develop goals and provide direction for the growth of our religious community. The goals set forth in several of these studies are summarized below. Following this, an effort is made to pull these goals together into an action plan that addresses them.

Planning Efforts - Historical

Olympia Unitarian Universalist Congregation Congregational Survey

The "Olympia Unitarian Universalist Congregation Congregational Survey, September 2000", a survey of 143 members and friends of the OUUC, asked members what the top three things they would like to see the congregation accomplish in the next three to five years. The most frequent responses were:

- Space: Provide larger and more accommodating spaces for all OUUC programs and activities.
- Finances: Achieve financial stability and security. Move the Director of Religious Education to full-time and provide just compensation for all staff.
- Membership: Increase membership and attain greater racial and ethnic diversity. Increase programs for youth and involve youth in all aspects of congregational life.
- The Larger Community: Become more involved in actions to improve the lives of those in our larger community.
- Programs: Develop a more vital program of adult education.

OUUC Long Range Plan

Developed by a Board-appointed planning team, The "OUUC Long Range Plan, April 2003" also established a set of goals for the "next five to ten years" that were very similar to those expressed in the 2000 survey. These included:

- Space. Increase sanctuary, social and RE space and repair and maintain the current space. Continue providing a shelter for the homeless.
- Finances: Increase giving by current members. Pay off existing debt before taking on more.
- Membership. Encourage a major increase in membership – an increase to 350 to 400 members is proposed.
- Staffing: Increase the Director of Religious Education to full-time. Increase time for the Music Director and add a part-time or full-time minister
- Activities and Actions. Increase visibility in and outreach to the larger community. Church facilities should be used to increase community awareness of the OUUC. We should recognize and support the activities of church members in the larger community.

Learning Team Recommendations

In the fall of 2003, the congregation was invited to participate in a series of workshops addressing the issues that arise when a church is moving from a “Pastoral” to a “Program” church. Generally, this involves a congregation growing beyond an average Sunday attendance of more than 150 adults and children and facing new ways of governing and interacting. An OUUC Learning Team was recruited to attend three workshops led by Alice Mann, an Alban Institute consultant and author of *Raising the Roof: the Pastoral to Program Size Transition*. The team consisted of Board members, members of the Committee on Ministry, the Minister, and the Director of Religious Education. The team produced the “Report to the Olympia Unitarian Universalist Congregation from the Learning Team, December 2004”. The key findings of this report were the identification of six barriers to the growth of the congregation that must be addressed. These were:

- We are unclear about our vocation to make room for and serve the community.
- We are unclear about size plateaus both in concept and reality.
- Our space for worship, parking, RE and fellowship and in the office is filled up.
- We are not staffed for growth.
- Our concept of an adequate budget does not allow for growth.
- Our ministry infrastructure is inadequate for movement to the next size church.

Space and Facilities Committee

In 2004, a Space and Facilities Committee was formed to determine the short and long-range space needs of the Olympia Unitarian Universalist Congregation. The committee interviewed the congregation’s minister, professional staff, committee chairs and other leaders to determine the space needs to meet the needs of the congregation. The major findings of this effort were:

- We need to plan for a membership of between 400 and 500 persons. This will require a sanctuary capable of seating 300 persons.
- Religious Education space should more than quadruple from its current size of 1300 square feet. Nine classrooms and approximately 5200 square feet of space are needed.
- The total space of the congregation should be tripled from 5200 square feet today to over 17,000 square feet.
- A decision should soon be made as to whether the congregation should grow at its current location or seek a new facility.

Unitarian Universalist Association Financial Consultant Assessment Visit

As the need for additional space continued to be a major issue for the congregation, the Congregation asked the Unitarian Universalist Association to conduct an Assessment Visit. This work involved a UUA consultant, Larry Wheeler, assessing our programs and financial situation and meeting with members of the congregation to develop a timeline and work plan to move toward a capital campaign. The Assessment Visit occurred in March 2005 and resulted in the following recommendations:

- Increase giving with the 2006 Stewardship campaign. Increased giving, as part of the annual canvass is essential if the congregation is to move toward a capital campaign.
- Develop a Vision and pull all of the work that has been done in recent years into a working five-year plan. This should include reaching agreement on membership targets, Sunday attendance, RE attendance, and parking needs. Next, a decision should be made on whether the growth can be accommodated on our current site. Finally, five-year financial forecasts and plans should be developed including assumptions about the amount that can be raised in a capital campaign. The completion of this work will have us in a position to consider a capital campaign. The Strategic Plan should be completed by the end of 2005 and adopted in April 2006.
- A Capital Campaign should begin in spring 2007 or be combined with the Annual Stewardship Drive in fall, 2007. Additional assistance may be required from the Unitarian Universalist Association to determine the congregation's readiness for and to assist in planning a Capital Campaign. The working guideline for a three-year Capital Campaign is that it will average 3-6 times the annual pledge level. This equates to \$825,000 to \$1,650,000 for the Olympia Unitarian Universalist Congregation.

Olympia Unitarian Universalist Congregation's 2006 Goals

The Olympia Unitarian Universalist Congregations board annually adopts a series of goals proposed by the Leadership Team for the coming year. The 2006 Congregational Five-Year Goals were:

- Expand the OUUC presence in the larger community to better articulate and demonstrate UU principles and to enlarge and diversify our membership.
- Within five years, we have a design for facilities to accommodate expanded activities and staff, and expanded membership. The design should include the potential to accommodate 500.
- Provide adequate staffing and fair compensation.
- Expand the operating budget to adequately fund an expanded staff and programming, and initiate a substantial capital campaign to accommodate space needs.
- Sustain and improve the ways we maintain the well being of our congregation.

Goals and Issues for the Strategic Plan

This work to guide the direction and growth of our congregation summarized above reveals a number of recurrent themes of importance to us. These include:

- 1. Membership.** An expectation of membership expansion by the congregation is expressed in virtually every study and appears to have the support of the vast majority of its members. While growth is often seen as necessary to increase the congregation's diversity, its outreach to the community, and educational and other programming, this is not the most compelling reason for the community to grow. More important is a desire to provide a home and spiritual community for those in our larger community who seek what our congregation and Unitarian Universalism have to offer.
- 2. Programs and Staffing.** We are fortunate to have an extraordinary staff – an outstanding Minister, a talented and inspiring Music Director, an energetic and imaginative Director of Religious Education, and an experienced and committed Church Administrator. In addition, we have an Associate Minister who gives himself entirely to helping improve the larger community and our congregation. However, as the congregation grows, these staff cannot adequately meet all the demands on their time.
- 3. Outreach to the Larger Community.** Members of the OUUC have repeatedly expressed a desire to have a stronger voice in the community. This includes a desire to address specific needs in the community as well as taking a more active role in influencing the agenda at both state and local levels. Our home in the State Capital presents us both an opportunity and an obligation to add our liberal religious voice to the debates on social policy. Our role with Out of the Woods's emergency shelter and our financial contributions in the community at large also need further discussion and clear direction.
- 4. Finances.** We continue to struggle to meet the financial requirements of our current congregation, staff, and facilities, while realizing that these are not adequate for the future. An increased operating budget and a major capital plan will be required for our congregation to accomplish its goals. .

5. **Space.** The discussion of our future always returns to the issue of space. The current facility is unable to accommodate existing programs and is seen as an impediment to future growth. Our ability to expand the congregation, finances, programming, and staffing is seen as linked to our ability to expand the facility. However, so far we have been unable to determine whether we must take a risk, a leap of faith, and expand now, or whether we should wait until we feel more financially capable of expanding the physical facilities of our congregation. The answer to this question will dictate what steps we will have to take in the next five years.

5. MEMBERSHIP

The question of what size congregation we want to be has been debated a great deal in the past several years. More recently, this question has often been posed in different terms. It has become, "What size will our congregation become if we provide space for those in our community who are seeking a liberal religious community?" Fortunately, whichever of these questions one asks, the answers appear to be very similar.

The optimum size of the Congregation has been defined in a number of recent planning efforts. The 2003 Long Range Plan called for a major increase in membership to between 350 to 500 members over the next five to ten years. The 2005 Assessment Visit included a meeting with over 50 members of the Congregation, many in leadership roles. A survey of this group found that every attendee felt the congregation should grow and that the range of desired size was from 300 to over 500 members with a median answer of 350 to 400 members. No specific time period was defined as to when this size should be reached.

The 2004 Report to the OUUC from the Learning Team focused on the barriers to growth and on how the growth and changing demographics of the larger community would affect the size of our congregation. This report stated, "Now the pertinent questions are: is it our calling to provide an opportunity to share our liberal religion with others in our community? And, if so, how do we overcome the limitations of our infrastructure to do so?"

The Report from the Learning Team did not recommend a specific growth target for the congregation. However, given the expected growth in the larger community and its changing demographics, growth to 400 members by 2011 seems a reasonable expectation.

Membership: Recommended Actions

The Olympia Unitarian Universalist Congregation:

- Adopts as its calling, to provide a welcoming, liberal religious community for all in the larger community looking for a spiritual home.

- Commits to provide space and services to accommodate a membership of 400 by 2011 and 500 by 2016.

6. PROGRAMS AND STAFFING

The growth of our congregation and increasing our programming and community outreach will require additional staff. In the short term this has meant increasing the hours of the current Director of Religious Education and hiring a bookkeeper on a part-time basis, both of which were included in the proposed 2006 budget. In the longer term, expansion means hiring an additional minister and possibly other staff. In addition the congregation has acted as a teaching congregation, with a ministerial intern serving the congregation. The Intern Support Committee for our first intern recommended that the OUUC become a teaching congregation and regularly support a ministerial intern.

The recent studies conducted by the Congregation identified a desire for programs that fall into two general categories: Education and Social Action. Social Action programs are discussed in the following section that addresses outreach to the larger community. Among the desired educational programs are:

- Expanded Adult Religious Education program. The recent formation of a Book Group and the expansion of program offerings in 2005 have greatly improved this program.
- Lifespan “Our Whole Lives” curriculum. Our Whole Lives, or OWL, the sexuality curriculum developed by the Unitarian Universalist Association, has been offered in the OUUC at the elementary and middle school levels, but not at the high school level or to adults,
- Small Group Ministry. The Small Group Ministry program has strengthened the OUUC community by enabling the growth of many new friendships among members and friends of the OUUC.

Programs and Staffing: Recommended Actions

The Olympia Unitarian Universalist Congregation:

- Commits to pay its professional staff fairly and equitably as determined by reference to the Fair Compensation guidelines of the Unitarian Universalist Association and other relevant sources of information.
- Shall increase the Director of Religious Education to full-time status with responsibility for Nursery through Youth.
- Will provide the Our Whole Lives curriculum to all ages within our congregation.
- Will become a “Teaching Congregation” and support a paid ministerial intern on a regular basis.
- Will continue to support an expanded adult education program and Small Group Ministry.
- Shall establish a paid volunteer management staff position.
- Shall increase the custodial hours to fulltime equivalent as we expand our facilities.

- Shall expand the music program by increasing the Music Director's hours and hiring a paid accompanist.

7. Outreach to the Larger Community

The 2003 Long Range Plan stated that in our preferred future, "OUUC will be a congregation of diverse membership fully engaged in the wider community". The plan called for our congregation to increase its visibility in and outreach to the community in a variety of ways. These included using our church facilities to increase the community's awareness of the OUUC and recognizing the participation of OUUC members in social action in the larger community.

The issue of the OUUC's role in the larger community has been actively discussed in recent years. Many members have expressed a desire for greater involvement in the larger community by the OUUC. This involvement includes both financial contributions and increased participation of OUUC members in political, social and environmental advocacy and in community human service agencies. The OUUC has taken a significant step in the past year with its "Share the Plate" program. One-half of the non-designated offering collected each week is donated to a nonprofit group that serves the local area and fits our social justice criteria. In the past year the OUUC has donated over \$10,000 to a number of community organizations including GruB (Garden Raised Bounty), Bread and Roses, Capital Land Trust, and others. Should a percentage of the OUUC's budget be dedicated to activities or organizations in the larger community?

The Olympia Unitarian Universalist Congregation and its members have taken an increasingly active role in social and political issues in the community. Led by Minister Art Vaeni, the OUUC has been active in supporting Marriage Equality and opposing military involvement in Iraq. The OUUC's location in Washington's state capital provides an opportunity to provide a liberal religious voice to the debate on State and national issues as well as local ones. Fully engaging in this advocacy may require additional professional staff.

Another significant element of the OUUC's involvement in the larger community has been its work with Out of the Woods, an emergency shelter for homeless women and families. Out of the Woods was founded to address the issue of homeless families having limited options for shelter in the Olympia area. Out of the Woods has evolved from an OUUC program to an independent non-profit organization. The B&G Annex, owned by the OUUC, is used as the shelter facility and the OUUC provides some financial and other support to the organization. The OUUC's role and relationship with Out of the Woods are poorly understood and must be clarified. The physical condition and the suitability of the aging B&G Annex as a homeless shelter are concerns that also must be addressed.

Outreach to the Community: Recommended Actions

The Olympia Unitarian Universalist Congregation shall:

- Continue to increase its financial contributions to organizations and programs in the larger community, with 10% of the annual budget dedicated to this purpose by 2011.
- Explicitly adopt a position that a goal of the Olympia Unitarian Universalist Congregation is to provide a liberal religious voice to policy discussions at the state and local level. The OUUC's special role and obligation as a voice of Unitarian Universalism in facilitating the inclusion of liberal religious perspectives in deliberations at the State Capital should be acknowledged and accepted.
- Commit to playing a key role in addressing the issue of poverty and its ancillary issues, such as homelessness, in the Olympia area. A determination should be made as to the best and most effective role the congregation may play in addressing this issue, including (our role in providing) shelter facilities on OUUC property.

8. FINANCES

The Olympia Unitarian Universalist Congregation has struggled financially since 1992 when \$500,000 was borrowed from the UUA and individual members of the congregation to buy the land and build our current church facility. Another \$100,000 was borrowed from members in 1994 to purchase the adjacent B&G Annex and property. Since this time, much of this debt has been retired, and the operating budget and programs have expanded significantly. A full-time Minister and Church Administrator now serve the Congregation, and the hours of the Music Director and Director of Religious Education have steadily increased in recent years. The Congregation has committed to equitably compensating the minister and professional staff in accordance with the Unitarian Universalist guidelines and other relevant information and has taken steps to do this in recent years.

In 2005, the OUUC elected to consolidate existing debt into a single loan. A loan of approximately \$260,000 was obtained in 2005, and debt to all members of the congregation was retired. At the same time, approximately \$60,000 in a fund previously established to retire the debt to investors was made available to make needed repairs to facilities and for future space planning activities. This refinancing effort reduced annual mortgage payments to approximately \$25,000 per year, or less than 10% of the operating budget. The 2006 Operating Budget for the OUUC is projected to be approximately \$320,000.

The 2003 Long Range Plan states, "Financial stability and security is a related (to congregational growth) and frequently cited goal." This statement is immediately followed by others calling for increased investments in staff (full-time Director of Religious Education and just compensation for all staff), youth programs, and

outreach to the larger community, and Adult Religious Education. Finances are seen as important, but not limiting, in this plan.

The 2005 UUA Assessment Visit focused on the financial status of the Congregation and its readiness to expand its facilities and undertake a Capital Campaign. The report from this visit found that the congregation appeared highly motivated to grow, but some work needed to be done, including the adoption of a solid strategic plan. The UUA report made several financial recommendations:

- Beginning with the 2006 Stewardship campaign, increase giving by members and lay the groundwork for a Capital Campaign.
- Work to build the Endowment Fund with a focus on education and attracting more people to include it in their estate planning.
- Conduct a Financial Feasibility Study on the Facilities Plan in late 2006 or early 2007.
- Conduct a Capital Campaign in Spring 2007 or in conjunction with the Fall 2007 Annual Stewardship Campaign.

Financial Forecast

Appendix A provides a forecast of the Olympia Unitarian Universalist Congregation's financial status if the recommendations of this strategic plan are implemented. The forecast does not include funds raised by a capital campaign or the expenses covered by the capital campaign. It does include a new loan of \$500,000 that would be secured in 2010 that would require an increase in mortgage payments of \$50,628 per year, assuming a 6% interest rate and a 15-year payoff.

Operating Expenses - Assumptions

The major assumptions that have been made to forecast the growth in operating expenses over the next five years, as presented in Appendix A, are summarized below:

- Additional space is available beginning in 2010.
- The Minister's salary is increased in 2007 to bring us in line with current Unitarian Universalist Association guidelines.
- The DRE becomes full-time in 2007.
- Lead RE teachers begin receiving pay in 2008.
- The Music Director's hours are increased from 15 hours per week to 20 hours in 2009.
- A paid accompanist is hired in 2007.
- Cost of custodial work doubles with additional space in 2010.
- Salaries and benefits grow 5% per year.
- Due to the availability of new space, membership grows by 10% per year until 2010, then by 20% in 2010,.
- Expenses for committees, facilities, and administration annually increase by 3% plus an additional percentage proportional to membership growth.

- An additional mortgage of \$500,000 is secured in 2010 with annual payments of \$50,628.

Given these assumptions and the growth projected for the OUUC, our expenses will increase from \$316,779 in 2006 to \$545,487 in 2011.

Operating Revenues - Assumptions

A number of assumptions have also been made to forecast the growth in revenues over the next five years. These assumptions are particularly important when applied to income from the “Stewardship” drive, the revenue received from contributions by members of the congregation (formerly, our “Canvass”). The forecast assumes:

- Donations from membership and friends will increase at the rate of inflation (3%) and proportional to the growth in membership.
- Rental income drops in 2006 and increases by inflation thereafter.
- Events and other revenue increase at the rate of inflation

Total revenue increases from \$322,400 in 2006 to \$593,882 in 2011. As shown in Appendix A, revenue exceeds expenses throughout the five years covered by this financial forecast.

Capital Expenses and Revenues

This Strategic Plan and the financial forecast call for the construction or purchase of additional space by 2010. This will require a substantial expenditure and will likely necessitate both a Capital Campaign and borrowing of additional funds. The financial forecast (Appendix A) shows the borrowing of \$500,000 in 2010 to cover a portion of the cost of expanding the facility. The remaining funding required for expansion would be obtained through a Capital Campaign.

Guidance from the Unitarian Universalist Association (UUA) leads us to assume that a capital campaign will generate approximately three times the annual pledge amount, with payment of the capital pledges to occur over a three-year period. By this calculation, a Capital Campaign in 2007 should be expected to generate between \$900,000 and \$1,000,000, giving us a total of \$1,400,000 to \$1,500,000 for facilities development.

Alternately, a local and highly experienced church architect has advised us to be more conservative in our expectations of income from a capital campaign (1.5 times the annual canvass, or about \$450,000) and borrowing (1.5-2 times the annual canvass, or (\$450,000 to \$600,000), giving us about \$900,000 to \$1,050,000 for facilities development. Neither calculation takes into account our current existing debt of about \$250,000 or the equity we current hold in the church buildings and property (about \$800,000).

The Financial Forecast in Appendix A assumes capital campaign income of three times the annual canvass and a loan resource of \$500,000.

Finances: Recommended Actions

The Olympia Unitarian Universalist Congregation shall:

- Reaffirm its commitment to just compensation to all professional as determined by reference to the guidelines established by the Unitarian Universalist Association and other relevant information.
- Commit to allocating 10% of its annual budget by 2011 to activities and programs in the larger community.
- Work to build the Endowment Fund through education and outreach to members.
- Prepare for a Capital Campaign, establish a funding goal of approximately \$1,000,000, and undertake the campaign no later than Fall 2007.

9. SPACE

The recurrent theme through all our planning efforts over the last five years has been the need for more space for virtually every aspect of the congregation's work. The sanctuary regularly is filled beyond capacity despite the movement to two services on Sunday. Religious Education space is inadequate, and classrooms must serve several other functions during the week. Social space is practically non-existent, and office space is inadequate. In 2004, a committee was formed to determine the space and facility needs of the congregation; it completed a report in December 2004.

Current Space and Facilities

The Olympia Unitarian Universalist Congregation occupies a site of approximately 4.5 acres in northeast Olympia. The site, mostly wooded and hilly, stretches from Division Street to East End Street. The current buildings and parking lot cover little of the site. A small portion of the site is classified as a wetland buffer zone.

The major building is the sanctuary/classroom/office structure. It is 5170 square feet, with space allocated to offices, Religious Education activities, kitchen and restroom facilities, storage, and worship space. Much of the space serves multiple purposes—for example, an RE classroom on Sunday becomes meeting space during the week. Our sanctuary is also used for meetings, choir rehearsals and occasional performances. The B&G Annex is also on the property. It serves as an RE classroom for middle school and Youth groups, and houses the Out of the Woods emergency shelter, including an apartment for the shelter hosts. The B&G Annex is in poor condition and its use has an uncertain future. Access to the main building is from East End Street. Access to the B&G Annex is from Division Street.

The current space is summarized in the following table:

Function	Usage	Area – Sq. ft.
Office/Administration	Includes offices for the Minister, Church Administrator, and Director of Religious Education (carved out of storage/kitchen space). A small storage space (62 sq.ft.) is used for equipment and cleaning supplies.	465
Religious Education	Includes a small Nursery and 4 classrooms (Pre-school, K/1, 2/3, and 4/5) of 250 to 280 square feet each.	1321
Worship Space	Includes 1865 square feet of usable space in the sanctuary and a storage area of almost 200 square feet. The area has a theoretical capacity of 200 but feels crowded with 160 attendees. Most church building guidelines suggest 20 square feet per person. Using this, the capacity is approximately 100 people.	1865
Social/General Space	There is little dedicated social space in the current building. This space includes the 360 square feet entrance hall, the kitchen, hallways, and restrooms.	1329
TOTAL		5170

Future Space Needs

The Space and Facilities committee developed a plan for future facilities based on assumptions that the congregation would grow to a membership of approximately 400 and that Religious Education classes would expand proportionately. The following table summarizes the recommendations for the space needed for the congregation.

FUNCTION	USAGE	Area Square Feet
Office/ Administration	Provides private office space for Minister, Director of Religious Education, Church Administrator, future Associate Minister, and Receptionist. Provides work/copy room and open shared office space with four workstations.	2175-2625
Religious Education	Provides 9 classrooms, nursery, storage, and RE restrooms.	5050
Worship Space	Provides a sanctuary capable of seating	5050

	300 with approximately 15square feet per person. Facility should be designed so that it may be expanded relatively easily. Also provides crying baby room, chemical sensitivity room, sound/equipment room, and storage.	
Social/General	Provides a 600 to 900 square foot entrance area, a 2000 to 2500 square foot social hall, a large kitchen, and additional restrooms.	4160-4960
Meeting Space	A large (400 square feet) and a small conference room are recommended.	650
TOTAL		16,935 – 18,185

There are many details and issues that were not adequately addressed in the Facility and Space Committee’s recommendations. These include that:

- The choir needs storage and rehearsal spaces. These may be accommodated in the spaces described above and should be considered in the final design.
- Religious education classrooms should be designed with the safety of the children and adults in mind. For example, the use of glass doors and interior windows can prevent situations where a student is left in a one-on-one situation with an adult.
- The layout of the facilities should take into account the interaction of activities in different spaces. For example, the kitchen should be near the social hall, the nursery near the sanctuary, etc.
- The Congregation needs to determine the future of the B&G. Annex. The current condition of the building is inappropriate for use as a homeless shelter or for RE classrooms. We must ask ourselves whether it should be extensively renovated, sold, or demolished to make way for a new building.

Space: Recommended Actions

The Olympia Unitarian Universalist Congregation shall:

- Affirm that we are committed to providing adequate facilities to serve a congregation of at least 400 members.
- Use recommendations of the Space and Facilities Committee as a guide for facility expansion.
- Determine if the desired facilities can be built at the current site.
- Reach agreement on a general course of action for developing or acquiring expanded facilities. Decide among the following three alternatives for achieving our expansion goals;

- Expand on our present site
- Build on a new site
- Purchase and remodel an existing church or other structure
- Develop a budget for the proposed expansion or new facility.
- Determine if the proposed expansion plan can be completed in a single project or if a staged plan with two or more phases of development is needed. If a staged plan is needed, determine what phase be undertaken taken initially and commit to beginning work on this phase in 2007.
- Conduct a capital campaign feasibility study and conduct a Capital Campaign no later than Fall 2007 to implement our decision regarding the expansion alternatives listed above.
- Whenever possible, utilize “green building” principles in the construction of new facilities or the renovation of existing facilities.

10. CONCLUSIONS AND RECOMMENDATIONS

The Olympia Unitarian Universalist Congregation is poised for growth. The choice is not whether to grow, it is how, and when, to grow.

The first conclusion of this strategic planning effort is that the current rate of expansion of our membership and the vibrancy of our church community mandate that we provide space for those who want to join our community.

The second conclusion is that the Olympia Unitarian Universalist Congregation should act immediately to expand all aspects of its life—its facilities, membership, staff, debt, programs, and role in the community—according to the recommendations presented below. These actions have been endorsed repeatedly by planning studies and groups within the OUUC over the past 10 years. Adoption of this Strategic Plan is an explicit commitment and pledge by the members and friends of the Congregation to pursue these recommendations:

Membership

The Olympia Unitarian Universalist Congregation:

- Adopts as its calling, to provide a welcoming, liberal religious community for all in the larger community looking for a spiritual home;
- Commits to provide space and services to accommodate a membership of 400 by 2011 and 500 by 2016.

Programs and Staffing

The Olympia Unitarian Universalist Congregation:

- Commits to pay its professional staff fairly and equitably based on the Fair Compensation guidelines of the Unitarian Universalist Association and other relevant sources of information.
- Shall increase the Director of Religious Education to full-time status with responsibility for Nursery through Youth.

- Will provide the Our Whole Lives curriculum to all ages within our congregation.
- Will become a “Teaching Congregation” and support a paid ministerial intern on a regular basis.
- Will continue to support an expanded adult education program and Small Group Ministry.
- Shall establish a paid volunteer management staff position.
- Shall increase custodial hours to full-time.
- Shall expand the music program by increasing the Music Director’s hours and hiring a paid accompanist.

Outreach to the Community

The Olympia Unitarian Universalist Congregation shall:

- Continue to increase its financial contributions to organizations and programs in the larger community, with a goal of 10% of the annual budget dedicated to this purpose by 2011;
- Explicitly adopt a position that a goal of the Olympia Unitarian Universalist Congregation is to provide a liberal religious voice to policy discussions at the state and local level. The OUUC’s special role and obligation as a voice of Unitarian Universalism in facilitating the inclusion of liberal religious perspectives in deliberations at the State Capital should be acknowledged and accepted;
- Commit to playing a key role in addressing the issue of poverty and its ancillary issues, such as homelessness, in the Olympia area. A determination should be made as to the best and most effective role the congregation may play in addressing this issue. This shall include a determination as to whether the OUUC should continue to support the provision of shelter facilities on OUUC property;
- Clarify and explicitly state the role of the Olympia Unitarian Universalist Congregation in the larger community and adopt an annual work program to address this role.

Finances

The Olympia Unitarian Universalist Congregation shall:

- Reaffirm its commitment to just compensation for all professional staff, with consideration of the guidelines established by the Unitarian Universalist Association and other relevant information;
- Commit to allocating 10% of its annual budget by 2011 to activities and programs in the larger community;
- Work to build the Endowment Fund through education and outreach to members;
- Prepare for a Capital Campaign, establish a funding goal of approximately \$1,000,000 and undertake the campaign no later than Fall 2007.

Space

The Olympia Unitarian Universalist Congregation shall:

- Affirm that we are committed to providing adequate facilities to serve a congregation of at least 400 members;
- Use recommendations of the Space and Facilities Committee as a guide for facility expansion;
- Determine if the desired facilities can be built at the current site;
- Reach agreement on a general course of action for developing or acquiring expanded facilities. Decide among the following three alternatives for achieving our expansion goals;
 - Expand on our present site
 - Build on a new site
 - Purchase and remodel an existing church or other structure;
- Develop a budget for the proposed expansion or new facility;
- Determine if the proposed expansion plan can be completed in a single project or if a staged plan with two or more phases of development is needed; If the plan must move forward in stages, determine what phase will be undertaken first and begin work on this phase in 2007.
- Conduct a capital campaign feasibility study and conduct a Capital Campaign no later than Fall 2007 to implement our decision regarding the expansion alternatives listed above.
- Whenever possible, utilize “green building” principles in the construction of new facilities or the renovation of existing facilities.

Appendix A
Financial Forecast

OUUC STRATEGIC PLAN FINANCIAL FORECAST - MARCH 2006

EXPENSES	2005	2006	2007	2008	2009	2010	2011
Ministerial Staff	\$78,606	\$87,738	\$96,512	\$101,337	\$106,404	\$111,724	\$117,311
DRE	\$34,930	\$43,334	\$52,001	\$54,601	\$57,331	\$60,197	\$63,207
RE Staff	\$0	\$0	\$0	\$4,600	\$11,866	\$12,222	\$12,588
Administrator	\$37,865	\$38,162	\$40,070	\$42,074	\$44,177	\$46,386	\$48,705
Music Staff	\$12,669	\$19,000	\$19,950	\$20,948	\$29,327	\$30,793	\$32,332
Music - Accompanist	\$0	\$0	\$4,000	\$4,120	\$4,244	\$4,371	\$4,502
Custodian	\$8,070	\$10,314	\$10,830	\$11,371	\$11,940	\$25,073	\$26,327
Bookkeeper	\$0	\$9,360	\$9,828	\$10,319	\$10,835	\$11,377	\$11,946
Personnel - Subtotal	\$172,140	\$207,908	\$233,190	\$249,370	\$276,123	\$302,144	\$316,919
COM - Board	\$7,764	\$3,750	\$3,863	\$3,978	\$4,098	\$4,221	\$4,347
Social Justice	\$389	\$1,125	\$1,159	\$1,194	\$1,229	\$1,266	\$1,304
Partner Church	\$125	\$350	\$361	\$371	\$382	\$394	\$406
Fundraising*	\$315	\$2,455	\$2,529	\$500	\$515	\$530	\$546
Music	\$560	\$3,610	\$3,718	\$3,830	\$3,945	\$4,063	\$4,185
Worship Arts	\$940	\$1,050	\$1,082	\$1,114	\$1,147	\$1,182	\$1,217
Committees - Subtotal	\$10,093	\$12,340	\$12,710	\$10,987	\$11,317	\$11,656	\$12,006
RE - Children & Youth	\$5,260	\$5,725	\$6,378	\$7,065	\$7,788	\$9,468	\$10,836
Childcare	\$1,578	\$2,340	\$2,830	\$2,915	\$3,002	\$3,092	\$3,185
RE - Adult	\$75	\$100	\$111	\$123	\$136	\$165	\$189
Youth Advisory Committee	\$645	\$1,000	\$1,114	\$1,234	\$1,360	\$1,654	\$1,893
Young Adults	\$0	\$200	\$223	\$247	\$272	\$331	\$379
RE - Subtotal	\$5,980	\$7,025	\$7,826	\$8,670	\$9,556	\$11,618	\$13,296
Member Services	\$395	\$805	\$897	\$993	\$1,095	\$1,331	\$1,524
Communications, Etc.	\$4,707	\$12,418	\$13,835	\$15,325	\$16,893	\$20,537	\$23,503
Hospitality	\$3,559	\$3,950	\$4,401	\$4,875	\$5,373	\$6,533	\$7,476
Dues/Memberships	\$17,637	\$19,562	\$21,794	\$24,142	\$26,611	\$32,352	\$37,025
Membership - Subtotal	\$26,298	\$36,735	\$40,926	\$45,335	\$49,972	\$60,753	\$69,528
	2005	2006	2007	2008	2009	2010	2011
Financial Costs	\$2,299	\$2,430	\$2,707	\$2,999	\$3,306	\$4,019	\$4,599
Office Expenses	\$10,596	\$11,730	\$13,068	\$14,476	\$15,957	\$19,399	\$22,201
Administration - Subtotal	\$12,895	\$14,160	\$15,775	\$17,475	\$19,262	\$23,418	\$26,801
Building and Grounds	\$3,520	\$4,075	\$4,540	\$5,029	\$5,543	\$6,739	\$7,713
Mortgage	\$36,595	\$24,936	\$25,684	\$26,455	\$27,248	\$78,694	\$81,055
Utilities	\$8,179	\$9,600	\$10,695	\$11,847	\$13,059	\$15,877	\$18,170
Facilities - Subtotal	\$48,294	\$38,611	\$40,919	\$43,331	\$45,851	\$101,310	\$106,937

TOTAL - EXPENSES	\$275,700	\$316,779	\$351,347	\$375,167	\$412,081	\$510,899	\$545,487
Members	265	245	265	285	305	360	400
REVENUES							
Stewardship	\$224,289	\$287,000	\$319,741	\$354,189	\$390,416	\$474,643	\$543,203
Share the Plate	\$14,894	\$14,000	\$14,420	\$15,974	\$17,607	\$21,406	\$24,498
Special Gifts	\$1,721	\$1,000	\$1,030	\$1,141	\$1,258	\$1,529	\$1,750
Other Identifiable Support	\$1	\$0	\$0	\$0	\$0	\$0	\$0
Fees - RE registration	\$855	\$1,000	\$1,030	\$1,061	\$1,093	\$1,126	\$1,159
Rental Income	\$12,077	\$4,400	\$4,840	\$5,082	\$5,336	\$5,603	\$5,883
Events/Activities Auction	\$15,170	\$15,000	\$15,450	\$15,914	\$16,391	\$16,883	\$17,389
Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL - REVENUE	\$269,007	\$322,400	\$356,511	\$393,360	\$432,100	\$521,189	\$593,882
REVENUE - EXPENSES	-\$6,693	\$5,621	\$5,164	\$18,192	\$20,019	\$10,291	\$48,395

NOTES

Minister salary inflated by 10% in 2007 to align with UUA guidelines.

Wages/benefits inflated at 5% per year.

Fundraising - maintained at \$2500 in 2007, reduced to \$500 in 2008 and then increases at inflation rate.

Revenues, Committee, RE, Membership, Administration, Facilities increase proportional to membership

Mortgage increases at inflation rate until 2010. \$500,000 mortgage in 2010 with 15-year payoff at 6%.

Custodian cost doubles in 2010 with new facility.

APPENDIX B
BENCHMARKS

