



River of Grass
UU Congregation



Stewardship FOR US
Building Cultures of Generosity and Commitment

Financial Feasibility Study Report Future Home Project and Capital Campaign

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River of Grass UU Congregation



Introduction

- The objectives of this Financial Feasibility Study (FFS) are:
 - To determine the readiness of the River of Grass Unitarian Universalist Congregation (RoG UU) to conduct a capital campaign to finance a Future Home
 - To estimate how much money such a campaign might raise
 - To identify next steps to maximize chances of success
- The FFS was conducted by Barry Finkelstein, a Unitarian Universalist *Stewardship for Us* Consultant



Background

RoG's Future Home Project and the associated capital campaign provide a once-in-a-generation opportunity to support RoG UU's mission:

**At River of Grass UU, we nurture our spirits,
love intentionally, and create a just and
healthy planet.**



The Project: Why are we doing this?

To address critical facility needs to support RoG UU's mission:

- We've outgrown our current space
- And it is not affordable: rent continues to increase and currently is ~30% of our budget, and our financial reserves are being depleted
- Our Future Home vision includes many important mission-driven elements not available in our current space

To raise sufficient funds to add to the \$770K on hand to be able to pursue opportunities



Background: Accomplishments to Date

You have done an impressive amount of work over the past 18 months and especially since my March 2019 visit:

- Research on the real estate market for potentially viable properties and sale price for your current property
- Research on costs to build
- Created a vision to communicate the possibilities
- Developed a financial model for financial sustainability
- Engaged the congregation many times about the promise of a facility that supports your mission and vision
- Educated the congregation about capital campaigns
- The board made this a priority



Methodology and Scope

- The Study was based largely on information collected from 44 members comprising 28 pledging households:
 - Confidential personal interviews with 35 people representing 21 households
 - On-line survey of 9 people representing 7 households
- Interviewees were selected to be generally representative of the Congregation, with an over-weighting of potential larger contributors
- The 28 households in the Study represent 33% of the 84 pledging households and their pledges account for 76% of the total dollars pledged



Methodology: Data Collection

- The interviews and survey covered the following:
 - Familiarity with and support for the Future Home project
 - Importance of this effort in the life of the Congregation
 - Personal connection to RoG UU and vision for the future
 - Likely financial contribution to the campaign
 - Factors that might affect support for the effort and level of giving to the campaign
- The data was analyzed to assess the level of enthusiasm for the plans and to estimate the amount of money that might be raised
- The findings are summarized in the balance of this PowerPoint report with additional details in Appendices A and B



Methodology: Analysis

Multiple approaches and scenarios were used to estimate the amount of money that might be raised, and to help set an inspiring yet attainable campaign goal:

- The planned giving levels of FFS participants were used to create multiples of their annual giving, and these were then used to project beyond the study group.
- Results were adjusted to reflect the bias of the study sample toward likely generous givers.
- Several scenarios were run to provide a range of likely outcomes.
- An Essential Gifts Chart was created to indicate the number of gifts at each level needed to achieve your \$750K goal. The intended gifts planned by FFS participants were slotted into their levels, and the chart used to highlight additional gifts needed.



Results: Support for the Project

- The project enjoys very strong support. On a scale of 0 to 10, the ***average rating for importance was 8.85***. Only one person rated it below 5, and 33 people (82.5%) rated it 8 or above. Twenty-two people (over half) rated it 10.
- The most important features of the project:
 - Financial sustainability
 - An effective process that strengthens community
 - More space and space that better supports growth and mission (e.g., outside space, dedicated spaces)
- The main concerns were about money: can we raise enough, we will overtax ourselves



Results: The Project and People's Vision

- People were inspired and eloquent about their visions for RoG UU, which emphasize:
 - Growth: 200-250, 100-150 in RE were numbers noted
 - Financially sustainable
 - Our own home
 - Social justice, outreach
 - Keep feel as is
 - More space for mission – “space to serve”
 - Known as the liberal church in Broward
- People rated alignment with vision very high (not always the case for a “move” project): **average of 8.46**; only one rating below 5. Comments included:
 - Aligns well
 - Needed for RoG to survive
 - Project is a turning point for RoG
 - Beloved community cannot be what it intends without this project



Engagement

- The process of engaging the congregation:
 - Of 42 respondents, 23 (55%) are very familiar, 16 (38%) are somewhat familiar, and only 3 (7%) are not very familiar. People are paying attention!
 - On a scale of 0 to 10, the average rating for **effectiveness of the engagement process was 7.26.**
 - Forty-three people participated in at least one of the listed opportunities
 - People acknowledged the quality of the research and information and the number of engagement opportunities
 - The most common concern was that a relatively small number of people attended the meetings
 - People were impressed with and grateful for the work done so far.



The Numbers

- Summary:
 - The planned contributions of the study participants is just over \$550K, which is 3.2 times their annual giving
 - Possible upside potential from this group is \$590K or 3.5 time annual
- The good news:
 - A lead gift of \$100K and four others between \$30K and \$100K
 - 15 (just over half) plan gifts of \$10,000 or more
 - 19 households indicated a desire to give more, based on a range of circumstances, mostly related to personal finances and learning what other people are giving
 - More people may be inspired to give more based on the FFS results
 - While 3 families indicated “no commitment at this time,” only one was due to opposition to the project
- Guesses of number of pledges \$10K and up, along with other comments, indicate a modest level of confidence
 - Range: 2 to 50; 13 below 10, and 6 (3 couples) above 25
 - Average: 18
 - Median: 12.5
 - Mode: 9



The Opportunity and Challenge

- The current data indicates that RoG UU can raise between \$625K and \$700K
- This represents 2.8 to 3.2 times annual giving
- The various scenarios produced results ranging from a low of \$600K to a high of \$725K
- The Essential Gifts Chart on the following pages indicate what is needed to reach \$750K, and reflects stated intentions during the Feasibility Study and intentions still needed



Essential Gifts Chart \$750K

Essential Gifts Chart			Stated Intentions (From FFS)		Intentions Needed	
Gift Range	Number Needed	\$\$ Needed	Possible No. from FFS	Possible \$\$ From FFS	Number Still Needed	\$\$ Still Needed
100,000+	1	\$100,000	1	\$100,000	0	\$0
75,000-99,999	1	\$75,000	1	\$75,000	0	\$0
50,000-74,999	1	\$61,000	1	\$61,000	0	\$0
40,000-49,999	1	\$40,000	1	\$40,000	0	\$0
30,000-39,999	3	\$95,000	3	\$95,000	0	\$0
20,000-29,999	3	\$65,000	2	\$45,000	1	\$20,000
15,000-19,999	5	\$80,000	3	\$50,000	2	\$30,000
10,000-14,999	5	\$59,000	3	\$37,000	2	\$22,000
TOTAL MAJOR GIFTS	20	\$575,000	15	\$503,000	5	\$72,000
7,500-9,999	7	\$55,000	1	\$7,500	6	\$47,500
5,000-7,499	8	\$55,000	4	\$24,000	4	\$31,000
3,000-4,999	8	\$30,000	3	\$11,100	5	\$18,900
1-2,999	10	\$25,000	2	\$3,700	8	\$21,300
<1,000	20	\$10,000	3	\$0	17	\$10,000
TOTAL GENERAL GIFTS	53	\$175,000	13	\$46,300	40	\$128,700
GRAND TOTAL	73	\$750,000	28	\$549,300	45	\$200,700
% Total from Major Gifts		77%		92%		36%



How Might We Reach the Goals

- Will most or all of the 19 FFS participants who hoped to give more do so?
- How many more major givers are possible?
- Five major givers and all but two of the non-major givers are planning gifts less than 3 times their annual. Might we encourage them to reach the 3 times level? Note that \$750K is 3.4 times annual.
- How much will we raise from the higher annual givers not included in the FFS:
 - 3 giving \$2,000 and up
 - 9 giving between \$1,500 and \$2,000
 - The annual giving of these 12 is just under \$25,000; 3X their annual = \$74K; 4X = \$98K. Might they give more? Perhaps another lead giver among them?



Reasons for Optimism

- People are strongly supportive of this project which supports RoG UU's mission and aligns well with visions for the future
- Two thirds (19) of the study participants indicated a desire to give more
- There is general understanding that the goals of a campaign would be to raise significant funds to position RoG to seize opportunities
- There is broad recognition of the current facility shortcomings
- People are likely to be pleasantly surprised by the generous giving demonstrated in the study
- The timing is good given lease expiration in two years, and the stock market and support for Unitarian Universalism at record highs



Recommendations

- Proceed with a capital campaign, combined with this year's annual campaign, building on the positive findings from the Study
- Go for the \$750,000 goal – this is a reasonable stretch goal that will inspire people and is within reach
- Publicize the Study results and explain the highlights to get people excited
- Expand your efforts at engagement as you have begun: simplify, use alternative mechanisms beyond after-church meetings
- Plan and carry out an excellent combined campaign
- Consider the Essential Gifts Chart and whether the needed gifts are likely to be attainable
- Talk informally with one another to gauge reactions to the Study and see if higher levels of giving are possible; encourage higher multiples of annual
- Expand your 5-year financial planning to show multiple scenarios and explain the implications in terms of capital and annual giving to ensure financial viability. Explore multiple scenarios and seek broad understanding and commitment.



Messaging on Giving to a Capital Campaign

- UUs in other congregations have found money to make significant capital campaign gifts
- Recognize that this is a unique opportunity – the time is now to all come together
- One key is deferring or taking a sabbatical from other giving or discretionary spending
- Consider giving from assets and/or income
- Share your own giving stories along with those from other congregations
- Leaders must lead by visible example – which you are planning to do!



Giving Stories and Ideas

- Required Minimum Distributions
- Appreciated assets
- Defer personal capital projects
- Sabbatical from giving to non-UU causes
- Defer expensive vacations
- Keep your car a few more years
- Advance on inheritance or legacy giving
- Reduce or eliminate discretionary expenses
- Ask family to help you support the campaign



Other Considerations

- Consider that there will be slippage – that is, some people will not fulfill their pledges over the 3-year period. 5-10% is reasonable.
- Be sure to invite participation from new members and from those whose financial situation improves over the 3-year period. Keep asking.
- Close the gap measures that have been successful in UU congregations include establishing a challenge or matching fund, named bricks or similar, naming rights for specific spaces, extending the campaign to 4 or even 5 years, and a “Miracle Sunday” – Don’t worry about these for now.



Supplementary Materials

- Appendix A with data tables and charts
- Appendix B: Confidential lists
 - People intending gifts of \$10,000 and up
 - Campaign volunteers
 - Interest in planned giving
 - Suggestions for people to approach for major gifts



Conclusion

You can do this!

