

What Is the purpose of the Trust Funds and What Do the Trustees of Trust Funds Do?

The purpose of the trust funds is to ensure the long-run survival of the church. This means that the trust funds are minimally involved in the operating budget of the church, since most of the items funded in the operating budget are directly related to the present, not future, operation of the church. The trust funds themselves, dating back to about 1870, can only be used for capital projects and maintenance of the church's infrastructure, where such is permitted by the terms of the donation to the trust funds. (In some cases, only the income from the donation can be spent at all.) The Trustees regular contributions to the operating budget can and do come only from the earnings of the trust funds. In times of low interest rates, like now, the earnings of the trust funds are considerably reduced from what they once were and therefore the contribution to the operating budget must also be lower.

The Trustees of Trust funds accordingly prioritize the needs of the church which they are willing to pay for in part or whole. The overriding priority is the preservation of the church infrastructure - the safety and preservation of the church's buildings. This is why the trustees have for some time been charged with funding capital maintenance, in some cases with a contribution from the operating budget. The trust funds are not, by contrast, involved in funding of the annual contribution of the parish to the UUA, or in funding of current staff salaries. These are clearly operating concerns not directly related to the long term survival of the church. The basic concern of the trustees could be considered to be revealed by the answer to the question: If the church borrowed money for this purpose, would it seem reasonable to be paying it back 20 years later from operating contributions? If the answer is yes, it usually indicates that the expenditure was of a capital nature (like a church mortgage). If the answer is no, it probably indicates a more temporary concern which should have been funded from the operating budget. If the parish was unwilling to fund the item from contributions to the operating budget, the item probably did not rank high enough on the priority list of enough people in the parish to warrant being funded at all.

The Trust fund income has always been used as the trustees contribution to the operating budget and for capital maintenance where needed. It has also been used as a buffer to even out the church's cash flow to the Treasurer, for example the trustees make the bulk of their contributions to the Treasurer during the summer, when few others are contributing but the expenses of salaries and such continue at the same rate as they do during the spring and winter, when many folks make their annual contributions. Since the trustees monitor the trust funds, they have also been asked on occasion to manage funds donated for special purposes, when there is a long period between having the funds on hand and spending them, like the angel fund or the funds to support the Minister's Discretionary Fund.