



**Rogue Valley Unitarian Universalist Fellowship**  
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## Investment/Growth Initiative



RVUUF - Investment/Growth Initiative

October 22, 2025

Rogue Valley Unitarian Universalist Fellowship  
87 4th Street, Ashland, Oregon

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## THE FINANCIAL PICTURE

For some time, the RVUUV Board of Directors, our Finance Committee, and our Endowment Trustees, have been wrestling with budget challenges. A summary of our most recent Profit and Loss Statement, for the fiscal year ending June 30, 2025, brings the present challenge into sharp focus:

### OPERATING INCOME & EXPENSES

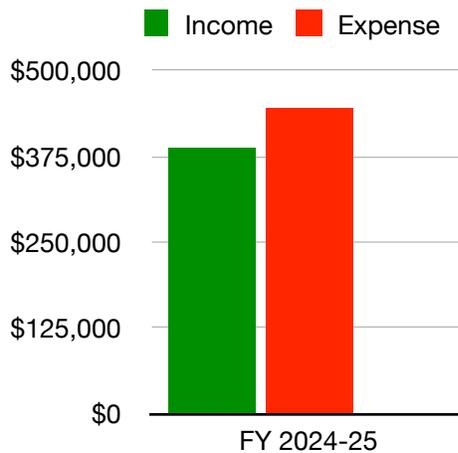
1	Total Income (Gross Profit)	\$326,876.78
2	Total Expenses	\$377,133.16
3	<b>Net Operating Income</b>	<b>(\$50,256.38)</b>

### OTHER INCOME & EXPENSES (Designated Funds)

1	Total Other Income (Gross Profit)	\$61,849.30
2	Total Other Expenses	\$68,409.54
3	<b>Net Other Income</b>	<b>(\$6,560.24)</b>

### TOTAL SHORTFALL

3	<b>Total Net Income FY 2024-25 (Shortfall)</b>	<b>(\$56,816.62)</b>
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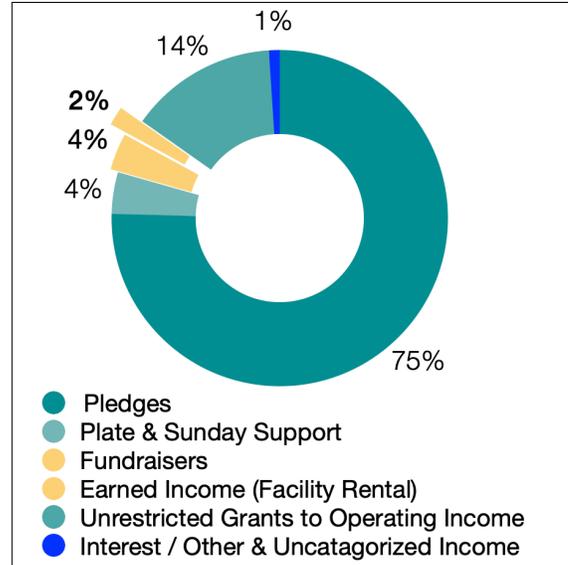


## TREASURER'S REPORT

In early September our treasurer provided useful insight into the numbers reflected in the profit and loss statement for FY 2024-25. He shared the good news that pledge donations for the year exceeded recorded pledges, and totals were close to the amount that had been budgeted. It was good to learn that overall, expenses at year-end were under the amounts budgeted.

Our treasurer also shared that we had budgeted a substantial amount to be raised through fundraising. With kudos to the valiant efforts of the Fun Committee and the Auction Team, he explained that income raised through fundraising fell well short of the amount budgeted and accounted for almost all of the year's operating deficit. His report concluded with the following:

"...It is important we find a way forward which will maintain our liquid assets and protect those investments made by generous members in the past."



THE ABOVE CHART SHOWS SOURCES OF OUR OPERATING INCOME (R)

Total Income	\$326,877	
Pledges	246,471	75.4%
Plate	13,083	3.5%
Fundraisers	11,558	3.5%
Earned Income	5,983	1.8%
Stauffer Grant	4,414	1.4%
Endowment Grant	42,000	12.9%
Interest / Other	3,367	1.0%

## SALE OF EMERSON HOUSE CONSIDERED

In late Spring the likelihood of a significant shortfall for FY 2024-25 was clear. This reality prompted the Board of Directors to begin laying the groundwork for the sale of Emerson House as a solution to the problem.

The Trustees of our Endowment Fund offered to provide a loan sufficient to cover the expected shortfall, conditioned on the sale of Emerson House.

## ALTERNATIVE SOLUTION

At a Tripod meeting in early June, the board heard a presentation in which an alternative to selling Emerson House was put forth. The concept of creative stewardship was articulated, with a call to explore ways to make better use our assets (facilities) with the goal of generating new income streams, and at the same time, help build our membership, especially with younger members and families.

On June 20th leadership posted on News to Note a call to think through alternative solutions — the heading “Opportunity to Build up Emerson House”

Several RVUUF members answered the call and a Development Task Force met through the summer. In addition to Emerson House, task force members focused on:

- Investigating preschool economics and regulations.
- Exploring how our current nursery and other rooms to the rear of our building could be utilized for a preschool, how many children could be accommodated, and what income the the fellowship could reasonably anticipate from renting space to a preschool.
- Considering ways to use our garden more fully.  
A well respected landscape designer put forth ideas for turning the garden into an appealing place for weddings and events, including fencing that would make it appropriate for preschool use as well.
- Evaluating how upgrading audio/visual infrastructure in the Great Hall could enhance our rental possibilities, and at the same time add to our own experience.

The current “Squash the Shortfall” campaign was an indirect result of Development Task Force discussions.

We have come to refer to the alternative solution as the Investment/Development Initiative.

## INVESTMENT/DEVELOPMENT INITIATIVE

While the Development Task Force is no longer meeting, the Investment/Development Initiative evolved from it. In September a second presentation was made to the board, which presented more concrete information, including estimated costs for putting new programs in place, and more detailed information regarding potential income, expenses associated with each program, as well as tax considerations.

Because of a cap on the extent of unrelated business income (UBI) that non-profit organizations can earn, it became clear that net income generated from projects will need to be augmented by more traditional fundraising to balance our budget. The Squash the Shortfall campaign and future fund raising initiatives are not considered UBI and are critical to achieving financial stability.

The UBI cap is 15% of our income. That means gross revenue from rent, whether from a preschool, Emerson House, or other can be no more than \$54,000 — 15% of our FY 2024-25. There are other approaches to generating income that would not be considered UBI will be discussed.

## EMERSON HOUSE CONSIDERATIONS

Clearly Emerson House is not in the condition we would like it to be. But the house is functional, has vintage charm, and is very well located. Whether the house is put on the market, or made viable as a rental property, some issues need to be addressed. Most importantly, there is evidence of structural problems with the roof rafters, and dimension of the windows in the bedrooms do not meet current fire safety regulations.

If the house is to be offered for rent there are improvements we can undertake to improve rentability and potential income. We recognize that we will need to spend minimally \$30,000. We project market rent to be at least \$22,000 per year.

Oregon Shakespeare Festival is a potential renter and need the house to be unfurnished. They often need staff accomodation from November through June, and they consider \$1,800 per month to be acceptable. That would leave the height of the summer festival season open of shorter term rentals to Ashland visitors a possibility. Furnishings are available at a nominal cost if we pursued that approach. Our target market would be visiting UUs from around the country.

## SUMMARY

The Investment/Growth Initiative provides a framework for growing the membership of the Rogue Valley Unitarian Universalist Fellowship (RVUUF), while at the same time helping achieve ongoing financial stability. At the heart of this initiative is the firm belief that these two goals are intertwined, and that they are best achieved through active and creative stewardship of our resources, including our physical resources — our campus.

In a letter to the Board of Directors, our supporters shared their belief that these new solutions could deliver entirely new sources of income. And they could boost and diversify our membership, enhancing our presence and interaction with people and families-of-all-ages throughout the greater Ashland community and beyond.

We therefore believe that selling Emerson House would mean the loss of a valuable asset and leave us substantially diminished.