

Annual Report 2012-2013



First Universalist Church of Minneapolis

In the Universalist spirit of love and hope, we give, receive and grow.



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Senior Minister's Report

by Rev. Justin Schroeder

Love is the law!

As I write this, I'm still beaming with joy at the fact that marriage equality is the law of the land in Minnesota! It's been a remarkable year, and First Universalist Church, working with Minnesota Unitarian Universalist Social Justice Alliance, Minnesotans United for All Families, and countless other faith communities and citizens, helped defeat the "anti-marriage amendment" last November. And then this May, we were witness to history!

I'm proud of the work that First Universalist did with our Minnesota Marriage Equality Pastoral Care Outreach project, which included hosting a live streamed, Standing on the Side of Love statewide UU service last September (<http://sideofflovmn.org/>), as well as a variety of pastoral care videos that we produced in partnership with other Twin City UU churches. A special shout out of appreciation to our Cummins Ministerial Intern, Laura Smidzik, for her leadership on this marriage equality project. Finally, as a result of this project, we have a usable video studio at First Universalist, and we'll continue to deepen our social media presence.

This project and this marriage equality work reminds me that we truly are giving, receiving, and growing into Love's people, as we act outside our walls for justice and equality.

Over the course of the year, worship has been the heartbeat of our community; the addition of Worship Associates (and chalice lighters) transformed our worship experience. Not only did their stories touch and move all of us, but their presence on the chancel reflected a core tenet of our faith: religious truth is not contained in one book or one sacred scripture; rather, each of us contain religious insight, knowledge, and truth.

The choir has continued to grow under Randy's leadership, with their repertoire expanding and deepening. This year, we have been held by their music and the music of our instrumentalists.

Our worship life provided rich content for our Small Group ministry program. Over 300 people participated in a variety of groups this year (we offered such groups for fathers with young children, empty nesters, young parents, young professionals, and



more). Together, Small Group participants reflected on their lives, their faith, and they listened deeply to where love was calling them next in their lives. I am incredibly grateful for the outstanding work that Sara Smalley, our Interim Director of Membership and Adult Ministries, has done, as well as the work of our Small Group Leadership Team. We anticipate a smooth transition as Rev. Elaine Aron Tenbrink, our Minister of Membership & Adult Ministries, begins in early August.

Our Religious Education programming deepened this year, as well, with weekly Children's Chapels led by Lauren Wyeth, Director of Children, Youth, and Family Ministry.

Our justice ministry, especially around marriage equality, housing, and the environment, is growing deep roots. With energy and support from Debra Rodgers, our Director of Faith in Action, we have partnered with Augsburg-Fairview Academy, helping to create a food pantry and a clothing closet at the school, and our relationships with Simpson Shelter and Habitat for Humanity remain strong. This past year, we've begun the journey of becoming a church committed to racial justice. We've held four Listening Sessions in October, November, December, and Janu-

ary, that engaged congregants in initial conversations about becoming a church committed to racial justice. We've offered introductory programming for the congregation that has included the viewing of "Race: Power of an Illusion," "Mirrors of Privilege: Making Whiteness Visible," and "Cracking the Codes: the System of Racial Inequality." Approximately 80 people attended these gatherings. While we are just beginning this journey, what is clear is that, 1) this work will ultimately inform everything we do as a church, including our social justice work, and 2) this is deeply spiritual work, central to our faith. It is a reclamation project of sorts, a way to reclaim our full humanity, and the humanity of others, and a way to commit to being partners in dismantling the devastating impacts of racism.

It's been a year of transitions as well. The Rev. Jen Crow, Minister of Program Life, started on August 1, 2012, and has quickly established herself, deepening and strengthening the faith formation and programming life of the church. Under her leadership, we've focused on offering coordinated programming that supports our worship themes. Our quarterly program guides offer an easy entry point to deeper involvement. Together, we have also emphasized the gifts of shared ministry - and we are delighted about the many ways that staff and leaders from the congregation are working together. Through our Worship Associates program, our re-formed Membership Team, our strengthened Small Group facilitators and Leadership Team, the Religious Education Advisory Team, and so many other opportunities - we are working together to shape and lead the ministry of our church. It has been a joy to work with Jen this year!

Last October, Heidi Mastrud, our Director of Membership & Adult Ministries, resigned to pursue other opportunities. More recently, Katie Heaton, our Youth and Young Adult Ministries Coordinator, left to pursue a career in counseling. Trish Greene, our Office Manager, and Susan Claeys, our Director of Finance and Administration, also moved on. Just recently, the Rev. Mary Bohman, our Children's Music Coordinator, announced that she will be stepping down from her position at the end of this church year, as she pursues full time ministry and chaplaincy work. I am grateful for the ways each of these individuals blessed us with their presence and professionalism. The Board and I continue to explore staffing structures, compensation issues, and the needs of a large

and growing church. In many ways, we're experiencing "growing pains," which, although challenging, are good problems to have.

As I mentioned, the Rev. Elaine Aron Tenbrink will be joining us August 1, as our Minister of Membership and Adult Ministries. Ruth MacKenzie will be staying with us, as well, and we will be ordaining Ruth in the fall. Julie Frederickson is our temporary Office Manager, and Diane Gavere, our new Director of Operations, began on May 30.

In 2012-2013, we celebrated our 3rd year as a teaching congregation, with Laura Smidzik as our Cummins Ministerial Intern. It is a great privilege and responsibility that First Universalist Church holds as we shape the next generation of Unitarian Universalist ministers.

I am also incredibly grateful for the leadership of Craig Bierbaum, Chair of the Board of Trustees, and for the work of the entire Board. Under Craig's leadership, the Board has deepened their understanding and practice of Policy Governance, ensuring that our ministry is truly having the transformative impact that we aspire to.

Finally, words cannot express what a joy it is to work with such a creative, passionate, and committed staff. We laugh together, work hard together, and care deeply about the ministry of this church.

And words cannot express what a joy it is for me to serve this congregation. I consider it an incredible privilege to dedicate your children, to memorialize loved ones' lives, and to lead worship on a regular basis. Together, week after week, we learn to give, receive, and grow into Love's people.

I love this faith community, this ministry, and each and every one of you - the precious souls who call this place home.

In deep gratitude,





by Ruth MacKenzie Minister of Worship Arts

This year we have seen our worship flourish and deepen with well placed financial resources and broadening our invitation to participate in a variety of liturgical arts. It has been a year of making room for many voices. Our sanctuary has been enriched with story, an excellent choir, and a budding chamber orchestra. We are building alliances with the greater artistic community of the Twin Cities, while continuing to value and grow our beloved, contemporary musical groups and visual arts committee.

Story

In January, we rebooted the Worship Associates Program. Eleven congregants met twice during the year to discuss a wide range of sermon themes, and hone their writing and oration skills. Since that time, each Worship Associate has grounded our service with their moving stories and reflections on the theme for the month. We've heard stories of marriage proposals to widen our understanding of Calling. We've cried for a mother who lost her child to a debilitating disease that broke our hearts open and expanded our appreciation of Courageous Conversations. The Worship Associates program has been a stunning success. We've created a liturgical element of worship deeply grounded in our Unitarian Universalist tradition of a free and responsible search for truth, and the authority of human experience.



Choir & Chamber Orchestra

This year our choir has grown from a roster of 50 dedicated singers to a roster of 65. Our large musical performances have drawn even more singers, averaging 80 participants for *Wachet Auf*, and *A Place of Hope*. The caliber of the choir under the excellent direction of Randal Buikema is attracting singers outside our walls, introducing newcomers to Unitarian Universalism, and leading many to church membership. Our choral music library is being reinvigorated, and orchestral parts for hymn accompaniment have been purchased and used in order to bolster and enhance the experience of communal singing.

Throughout the year Randy and John Jensen have auditioned and utilized instrumentalists from the congregation for accompanying large choral works, or hymns.

The result is a project by project musical experience, where congregant instrumentalists can participate in high quality music making while giving the gift of beauty and power to our worship service. The age range of instrumentalists is impressive. Our youngest member is in 9th grade, and our eldest is in his 70s.

Building Alliances

In order to expand our musical language of worship, we have invited guest artists from the greater Twin Cities to perform and enhance our services. Our sanctuary has been graced with the sounds of such local luminaries as: T. Mychael Rambo, Mankwe Ndosi, Nirmala Rajasekar, Marc Anderson, Ann Reed, and Ellis. We will continue to reach out to the broader arts community to reflect the growing diversity of our congregation.

Our beloved musical groups

This year the First Universalist Jazz Band went from a membership of 10 to 12 players to a group of 17 regular jammers. John Jensen has worked tirelessly to find a new rhythm section, which really took shape May 11 at the jazz concert. The Universal Rock Band has enhanced our sermon themes and broadened participation by inviting singers from the choir as lead and back up singers. The reconstituted and renamed Universal Folk Orchestra meets every week for pleasure and occasional performance, premiering a Peter Ostroushko composition this past spring in our Calling sermon series.



Visual Arts

The Visual Arts Committee continues to be an ever-expanding, diverse group of individuals, some involved as long as 30 years and others joining just this year. Members enhance our experience of church life through art exhibits, decorating for holidays, and creating Sunday morning flower arrangements. This year, thanks to members of the Congregational Care Team and a collaborative spirit, hundreds of flowers from our Sunday arrangements were shared with congregants dealing with illness and grief.

Next year we will continue to ride the creative and artistic energy of this community with an expanded Worship Associate program, greater integration of music and narrative in our worship services, developing plans for refurbishing our chancel in 2014-2015, and continued growth in excellent music making and communal singing.





by Sara Smalley

Interim Director of Membership & Small Groups

In September of this church year, Heidi Mastrud resigned her position as Director of Congregational Life. Heidi filled many roles at First Universalist over the years, and her steadfast leadership helped hold this church together through times of transition.

After Heidi's resignation, Rev. Jen Crow asked if I would step in as an interim staff person to support visitors, new members, and small groups. I humbly and joyfully accepted. What an honor it has been to serve in this role!

Welcoming Seekers

In order to more fully respond to the growing numbers of visitors and newcomers at our church, we added the class "Voices of Our Faith." There is no expectation of membership upon completion of this class. Instead, this is a way for those new to Unitarian Universalism to learn about our faith and our community and to meet others who are new to our church.

Integrating New Members

We have expanded our new member class to include more about UU beliefs and to allow participants to make more meaningful connections with each other. We also added the Celebration of Membership ritual – a separate session where people who have completed the Path to Membership class are invited to have brunch with one of the ministers. After bagels, coffee, and conversation, participants are invited to reflect on what joining First Universalist means to them. Then they sign the membership book and officially join the church!

Between December and May, the expanded Path to Membership class has been offered four times. These classes have been full – a total of 77 people completed one of these classes in the last six months.

As of April 2012, First Universalist had 921 members; as of April 2013, that number had grown to 993. Listen for the final total for the 2012-2013 church year (over 1,000!) at this year's annual meeting.

Small Groups



Small groups continue to be a primary way to connect with other people in our church. This spring we had 28 small groups, including groups open to all, groups for parents, a group for people estranged from their families and a group for those living with grief. There were 244 participants in half year groups and 91 in full year groups. We also had one group complete a very successful two year pilot.

In January, Rev. Jen Crow led an all-day training retreat for small group facilitators. She encouraged facilitators to see themselves as spiritual leaders and the work they do in small groups as ministry.

In addition to working with Jen to sup-

port facilitators, the Small Group Leadership Team is thinking about ways to make small groups even more relevant and inspiring. Survey results from small group participants are overwhelmingly positive, but there is also a consistent message that people want to have more time for conversation without losing the essential spiritual practice of deep listening that is the hallmark of small groups.

Wellspring Pilot

Wellspring is an intense program of UU spiritual deepening developed by Rev. Jen Crow in her previous congregation. This year, she led a pilot group with nine participants at First Universalist. We met every other week all year, and between sessions committed to a daily spiritual practice, to completing reading assignments from a lengthy syllabus, and to meeting monthly with a spiritual director. We covered topics such as humanism, process theology, sin, forgiveness, and joy. We talked and listened and laughed and cried, and all of us were changed.

In the fall, we plan on having three or four Wellspring groups that will be open to congregants who have previous experience with small groups and who are willing to commit to the requirements. I cannot recommend it highly enough.



Sunday Morning Hospitality

The remarkable Sandy DiNanni has not only provided administrative support for new members, but has recruited for, communicated with, and cheered on our Sunday morning Welcome Teams and ushers. These volunteers make sure everyone has an Order of Service before worship and a cup of coffee after – and, even more importantly, make sure everyone feels welcome.

Library

If you haven't been in our library recently, I encourage you to browse the next time you're at church – and, after browsing, you can check out books to bring home and then return them when you're done reading them.

The Library Committee, chaired by Robin Morris, has created a space that is both functional and beautiful. They have added to our collection of books for both children and adults – all sure to inspire spiritual reflection and conversation.

Seder

After being absent for many years, the Passover Seder returned to First Universalist this spring. Almost 100 people of all ages gathered to share a ritual meal and read the Haggadah – a story about the journey towards freedom. A huge thank you to Alison and Ed Cerier for all of their work to bring this truly intergenerational and beautiful ritual back to our church.





Elders Gatherings

In early September Rev. Jen Crow held a number of Hopes and Histories listening sessions. When the elders gathered to share their reflections they spoke of many renditions of elders' gatherings throughout the life of the church. Responding to this articulated desire for some daytime programming and time together, ministerial intern Laura Smidzik launched a monthly elders gathering in January. They met five times in the spring, covering topics such as compassion, hope, and legacy issues. Each gathering included 15 to 25 elders and concluded with a lunch in the social hall. Gatherings have been wonderful ways to connect and enter into discussion. They will begin again next fall.

Rich Conversations

A three-part book discussion of Parker Palmer's *Healing the Heart of Democracy: The Courage to Create a Politics Worthy of the Human Spirit* opened an opportunity for personal reflection and deep discussion. Palmer's book reminded us that it is from the heart that we can embrace conflict and heal our divided nation.

A three-part session on the Skeletons in oUUr Closets also generated lively discussion as we focused on specific chapters in our UU history where we fell short around issues related to race or class. Ministerial Intern Laura Smidzik was instrumental in creating these programs.

Church member and ministerial intern at Unity-Church Unitarian, Jim Foti, led a Saturday workshop entitled Integrating Your Catholic Heritage. This was very popular and inspired many people to ask when we might have another one – or even something like Integrating Your Fundamentalist Heritage or Integrating Your Secular Heritage. Look for more of these types of workshops in the fall.



What's next?

Starting August 1st, Rev. Elaine Tenbrink will begin as the Minister of Membership and Adult Ministries at First Universalist. In addition to supporting the existing path to membership, she will be focusing on the path after membership. As our membership grows, we need to be able to make connections with other congregants and find meaningful lay leadership opportunities.

Elaine brings great warmth and spiritual depth to this role. See the April Liberal for more information about Elaine, and plan on welcoming her to First Universalist at the August 4 Lake Harriet Band Shell service!

led by Margit Berg, Joyce Case, Laura Smidzik, Cummins Ministerial Intern, and Rev. Jen Crow

What a joy it is to see the many ways that we care for one another at First Universalist. Through the gift of gracious receptions following memorial services for church members, rides to church, meals in moments of healing or transition, flowers delivered, comfort shawls that wrap around us, blood drives that remind us that we are not alone and cards and notes and simple presence - your care for one another is evident in ways small and large. So many of you have been involved in these efforts and many more - thank you for offering the true spirit of this church to one another.

This year, our fearless leaders, Margit and Joyce, saw us through the transition from one minister to the next, as Rev. Kate Tucker retired and Rev. Jen Crow began. Their knowledge, dedication, and relationships eased the transition - and after many years of Congregational Care leadership they are handing the mantle on to Kathy Coskran. Kathy will continue to bring a deep relationship and knowledge of the congregation, along with her gentle and tenacious spirit, to our work together. We are so grateful to these three women for the leadership they have offered - and will offer moving forward.

This year saw a few additions to our Congregational Care programming. Events focused on dementia and on the film, *The Most Excellent Dying of Theodore Jack Heckelman: A Story of Blessings*, drew ample crowds. We also offered several sermon-based small groups that addressed unique needs - from living with grief to family estrangement to parenting young children and teens. In addition to our long-running Care Givers and Cancer Support Groups, we piloted a new support group for individuals who have lost their spouse or partner in the last two years. *Titled Together in Grief*, the group met for 8 weeks and was facilitated by Rev. Mary Bohman and Kim Kindler - two church members who work in hospice care. We are delighted that this group will be offered again next year. In the year ahead, we look forward to launching comprehensive programming to address the specific needs of our later years and how we might continue to live vitally and intentionally as we age.

As Rev. Justin often says - sometimes we are the ocean, and sometimes we are held by the ocean. Thank you for leaning in and trusting the ocean of love that is this congregation, and thank you for being there to hold one another up.



by Deb Rodgers

Director of Faith in Action

Much of our justice-related work this year was focused on how to better cultivate the passion of our members and increase the impact of the congregation in an effort to address common and deeply felt social justice issues. We focused on three key areas: Housing Justice, Environmental Justice and the defeat of the Marriage Amendment.

A lot of the work was structural in nature...the development of Leadership Teams in the areas of Housing Justice and Environmental Justice and the development of a Faith in Action Steering Committee to work closely with the Director of Faith in Action. Leadership development and a variety of practical trainings were provided to the leadership teams including planning, evaluation, intentional relationship building, community mapping, and social change. Job descriptions for each of the leadership teams were developed, piloted and are now being revised to more accurately reflect what we have learned this year on how best to support our congregant leaders.

Housing Justice

Our work to increase Housing Justice has become deeper and broader this year. Involvement in the Habitat for Humanity projects has increased, culminating in a decision to sponsor our own house next year. More to come on that this fall! Project Homeless Connect and Simpson meals continue to be popular projects as they provide an opportunity to connect with the people experiencing homelessness.

New this year is an emerging relationship with Augsburg Fairview Academy, a charter high school in south Minneapolis. We helped their students establish a food shelf and clothing closet, serving a significant need in the school since at any given time nearly 1/3 of the students are either not living at home or precariously housed. New relationships are being built with the school and we are exploring opportunities to provide tutoring, to offer classes and workshops and to help them address the issues experienced by the students living in homelessness.

Environmental Justice

In the area of Environmental Justice we have been exploring all the various opportunities to connect with organizations already working in the areas of global warming and ethical eating. The movie "Green Fire" was a popular educational event and inspired new people to learn about all the different issues related to the environment.





In addition, through a congregation-wide gathering we explored the role of individuals and the congregation in divesting from fossil fuels.

We've deepened our relationship with the Alliance for Sustainability and are excited to begin this new partnership with them. Launching a Meat-Free Monday Campaign and learning about the Transition Town movement are two of the opportunities we have to work with the Alliance and neighboring churches.

Earth Day this year was a celebration! Our theme of Every Day is Earth Day and Another Day of Hope really brought home the message that even though there is lots still to do – we have achieved much success in the areas of wildlife conservation, energy reduction, transportation and more.

Marriage Equality

Defeating the Marriage Amendment and legalizing same sex marriage. What more is there to say? We did it and are extremely proud and thankful for all the time and energy our congregants put into making marriage equality a reality in Minnesota.



by Lauren Wyeth Director of Children, Youth & Family Ministries

Children, Youth & Family Ministries experienced a year of growth and consolidation. Our focus throughout was on “welcoming, affirming and protecting the light” in the hearts of our children. At First Universalist, congregants of all ages value the growing sense of connection across generations.

I was hired in March 2012, and with full-time leadership and the energetic efforts of an enormous number of caring volunteers, our children, youth and families were better supported and integrated into the larger church body. Church staff made an intentional, successful effort to align the work of this department with the vision of our ministers, our Faith In Action teams, and our small groups and membership work.

In March 2013, our long-time Youth Coordinator, Katie Heaton, resigned her position. Katie’s dedication, creativity and organization while serving our congregation will help ensure that her replacement will be well-equipped to serve our youth and their families in the coming year.

Ministry Highlights

- Nearly 200 volunteer Religious Education teachers and youth advisors delivered engaging, relevant lessons to our children and youth each Sunday, and participated in several training opportunities throughout the year.
- Eleven children were invested as Chalice Lighters and served our larger congregation through their regular participation in Sunday Worship Services.
- Our children continued to join adults for the first part of the service on monthly Sharing Sundays. Ministers and program staff collaborated to create worship experiences that appealed to our multigenerational community.
- Mary Bohman led our Children’s Choir, with over forty participants learning about music and Unitarian Universalist values while giving our congregation the gift of their voices lifted in song in six Sunday services this year.
- Two child dedication services were full to capacity, as many families with young children make First Universalist Church their spiritual and religious home.
- Youth and adults provided approximately 400 hours of childcare for church events and meetings, allowing parents to participate fully in all our activities.





- Our 2nd-5th grade classes adopted the *Tapestry of Faith* curricula, published by the Unitarian Universalist Association, which are designed to meet the needs of children with diverse interests and learning styles. Over the course of the year, staff solicited feedback from volunteers and successfully worked to adapt lessons for ease of use with our congregation.
- 2nd-5th graders participated in weekly Children's Chapels, led by myself and Children's Music Coordinator Mary Bohman. Children's Chapel received positive reviews from children, teachers and parents, as a regular worship experience that meets our children's spiritual needs, builds religious community and strengthens Unitarian Universalist identity.
- Our 7th grade *Neighboring Faiths* class and 8th grade *Our Whole Lives* sexuality education continue to meet the needs of our middle school youth.
- Our senior high students worked with their advisors and Ruth MacKenzie, Minister of Worship Arts, to present a beautiful Youth Sunday service in April.
- Ruth MacKenzie stepped in to lead our *Coming of Age* class, as our Youth Coordinator position was vacant this spring. Ten young people shared their spiritual statements in a moving service in May.
- Five senior high youth will travel with First Universalist chaperones to Boston on a Unitarian Universalist heritage pilgrimage in June.





- Our senior high program experienced some growing pains this year. Efforts to offer responsive curriculum and events that appeal to youth with divergent interests, and to ensure classes are not overcrowded, met with limited success.

- Our first week-long, summer day camp has an enrollment of over thirty elementary age children and will be held in early June. Youth camp counselors will work with staff and volunteer parents to lead our *Chalice Camp* activities.

- Children and youth were active in our annual multigenerational Holiday Service Project, Day of Service and other social and environmental justice efforts, both during and outside of their Sunday morning Religious Education classes.

- Parents and families participated in parenting workshops and targeted small groups.

- Families enjoyed several social events including our inaugural Labor Day camp out, an Easter party for young families, and a church overnight for families with elementary school children. These, and other gatherings, attracted very high attendance and so will be offered again in the coming year.

- Ten congregants served on a Children, Youth & Family Ministries Advisory Team, convened to provide input to staff regarding Religious Education philosophy and delivery, volunteer engagement, and to create a future vision.

- A new weekly email newsletter to families improved communication, provided a venue for sharing information, offered encouragement and resources for Unitarian Universalist parents, and enhanced the sense of community and connection.



What's next?

- As Religious Education enrollment continues to increase, we find our classrooms increasingly crowded, and struggle to make the best use of our limited space on Sunday mornings. We plan to engage the congregation in how best to balance and respond to these pressure points.
- In order to meet the needs of new members with children, our incoming Director of Membership and Adult Ministries and I will work closely to coordinate their introduction to Religious Education and integration into our community of families.
- As Rev. Mary Bohman moves into new work as an ordained minister, we hope to find a dynamic Children's Music Coordinator to fill the position.
- Staff, advisors, youth and parents will work together to redesign our high school youth program in the coming year. We look forward to new energy, innovation and leadership from a Youth Ministries Coordinator, who will join the team in August.
- In the coming year, we hope to identify and train youth leaders to inspire and shape our Religious Education programs to reflect our commitment to racial justice and equity.
- Next year, I will lead an ongoing conversation with youth and families to consider whether adding a regular Civil Rights Pilgrimage would be feasible. Youth Cultural Exchange (YCE) leaders and church staff will work to ensure that all our youth trips are fully supported and integrated into the work of our Children, Youth & Family Ministries.



2013-2014 Nominating Committee Recommendations

Recommendations from the Nominating Committee for 2013-2014

(* indicates vote by the congregation required.)

BOARD OF TRUSTEES

Executive Committee:

(Terms are one year)

| | |
|----------------|------------------|
| President | David Bach* |
| Vice President | Karin Wille* |
| Treasurer | Paul Robinson* |
| Secretary | Pamela Vincent * |

New trustees:

(Terms are three years)

| | |
|-------------------|-------------------|
| Jill Braithwaite* | 2016 (first term) |
| Cindy Marsh* | 2016 (first term) |
| Dick Niemiec* | 2016 (first term) |

Continuing trustees:

| | |
|---------------|--------------------|
| David Bach | 2014 (first term) |
| Dan Berg | 2014 (second term) |
| Paul Robinson | 2014 (first term) |
| Pam Vincent | 2015 (first term) |
| Lark Weller | 2015 (first term) |
| Karin Wille | 2015 (first term) |

FOUNDATION BOARD

Chair:

(one year term)

Victoria Schanen*

New members:

(Terms are three years)

| | |
|---------------|-------------------|
| Chris Bremer* | 2016 (first term) |
| Molly Darsow* | 2016 (first term) |

Continuing members:

| | |
|---------------------------|--------------------|
| Shelle Baker | 2014 (first term) |
| Pam Berry | 2015 (first term) |
| John Borden | 2016 (second term) |
| Welcome Jerde | 2015 (first term) |
| Susan Bidwell Kirkpatrick | 2014 (first term) |
| Victoria Schanen | 2015 (first term) |
| Kristen Siegesmund | 2015 (first term) |

NOMINATING COMMITTEE

Chair (one year) Appointed by Board of Trustees

Ginny McAninch

New Members:

(Terms are three years)

| | |
|----------------|-------------------|
| David Lauth* | 2016 (first term) |
| Deborah Talen* | 2016 (first term) |

Continuing members:

| | |
|----------------|--------------------|
| Bob Albrecht | 2015 (first term) |
| Julie Howard | 2014 (first term) |
| Ginny McAninch | 2012 (second term) |
| Doug Smalley | 2014 (first term) |

Delegates to the 2013 General Assembly of the Unitarian Universalist Association

Mary Bohman
Erin Margit Dajka
Jeff Sylvestre
Ralph Wyman



BOARD OF TRUSTEES

Executive Committee nominees for one-year terms

President: David Bach was elected to the Board of Trustees in the 2012-13 church year; he chaired the Strategic Planning Committee and served as the Board's liaison with the Nominating Committee. David is a thoughtful, strategic, collaborative, and results focused leader who brings a wealth of experience to the role. He has more than thirty years of nonprofit management experience, serving as Vice President and COO of Scholarship America, Executive Director of the Minnesota Alliance for Arts in Education, Acting Director of MacPhail Center for the Arts, and Development Director for the Minnesota Center for Environmental Advocacy, and currently as Development Director for Lutheran Social Service of Minnesota. He has served on numerous national and local boards including the Kennedy Center Alliance for Arts Education Network, the Getty Center in Los Angeles, and education committees for the Walker Art Center and Minnesota Orchestra. He has been active at First Universalist as a canvasser for annual pledge drives and as a long-time member of the trumpet section of Universal Jazz and soloist for Sunday services. He completed thirteen years on the Management Committee for Camp Unistar, where he served in a number of key leadership roles related to the direction of the Camp. He formerly served on the Prairie Star District Financial Advisory Committee. David and his wife, Narissa, are long-term members of First Universalist; they proudly raised two daughters in the church community and believe First Universalist helped prepare them to live successfully in today's multicultural world.



Vice President: Karin Wille was elected to the Board of Trustees in the 2012-13 church year and served on the Governance Committee. She joined First Universalist in 1977 and has been a member for most of her adult life. She has served First Universalist in many different capacities, including as a Religious Education teacher, previous Board of Trustees member, Unity Summer and Youth Cultural Exchange volunteer, congregational President, and as a member of committees on ministry, personnel and finance. Most recently she co-chaired the congregation's Sesquicentennial celebration. Karin has also served as a Prairie Star District/UUA Compensation Consultant and as a member of the Twin Cities President's Roundtable and the Midwest Regional Subcommittee on Candidacy. Karin practiced law for over 30 years, most recently with the law firm of Briggs and Morgan. She has worked with the boards and staff of several non-profit clients on strategic and policy issues in her practice and as a volunteer. Karin and her husband Mike have four children and six grandchildren. Her daughter serves a Unitarian Universalist church in Massachusetts. Karin's interest in the Board of Trustees is grounded in her desire to continue to give, receive and grow at First Universalist, as our Strategic Plan is defined and implemented. She brings keen problem solving skills and a strategic perspective to the Trustee role, along with her wealth of experience.



BOARD OF TRUSTEES

Executive Committee nominees for one-year terms (cont.)



Secretary: Pamela Vincent was elected to the Board of Trustees in the 2012-13 church year and served as Vice President and Chair of the Governance Committee. She has been a member of First Universalist since 1991. She has held a variety of leadership roles including chair of the Pastoral Care Council, chair and founding member of Worship Associates, President of the Association of Universalist Women, and chair of the annual Winter Solstice Planning Committee. Pam completed two terms as a member of the Nominating Committee. Other church activities have included small group facilitator, labyrinth circle, welcome team, choir, and 150th Celebration Steering Committee. In her professional life, Pam is a certified Project Management Professional, and in that role oversees timelines and budgets, develops strategies, and pays a great deal of attention to details. Pam feels this is a critical time in the life of the church, as we embark on an ambitious strategic plan. The advent of policy governance continues to shape how congregants become engaged in the life of the church, and how groups develop and interact with staff. She brings a spirit of collaboration along with a deep understanding of our organizational history. While embracing the new, she is mindful of preserving our heritage.



Treasurer: Paul Robinson was elected to the Board of Trustees in the 2011-12 church year; he has served on the Governance Committee during his first year and on the Finance and Monitoring Team during his second. He became Treasurer in 2013. Paul and his wife Sarah have attended First Universalist for over 20 years and have participated in and helped to organize a number of activities at First Universalist. They have four children, Gerhardt (15), Keegan (13), Oskar (12) and Kaisja (8). Given his young family, Paul is particularly interested in keeping a strong religious education program and increasing ways for kids to have a meaningful role in church life. Paul has a Master's Degree in Public Administration and has worked in both the public and private sectors. The last position he held in government was as a City Administrator. For the past eleven years he has worked in the private sector, managing residential land development projects. As a Trustee, Paul wants to build on the direction and energy growing in the church today. Paul is a strong problem solver with sound business savvy and brings considerable experience working on challenging issues with a variety of community and stakeholder groups.

Nominees for Board of Trustee Membership

Jill Braithwaite has been a member of First Universalist for 10 years. She has served the church in many capacities, including as a Religious Education teacher, Welcome Team member, small-group participant and facilitator, and Adult Education Committee member. Last year, Jill served on the Strategic Planning Committee, helping to craft a vision for First Universalist's future. Jill has 20 years of professional experience in publishing, editorial leadership, new product development, branding, and strategic planning. Working at the intersection of the art and the business of publishing, Jill has helped businesses grow by meeting customer needs with innovative product solutions. She has also served on the board of her condominium association for several years. In addition, Jill is currently pursuing a Master of Arts degree at United Theological Seminary, with a concentration in theology and the arts. Jill believes in Unitarian Universalism's saving message of love and hope, and she sees First Universalist as a phenomenal force for positive transformation in people's lives and in the world. She is excited to work with the Board on implementing the strategic plan and on opportunities and challenges around growth. Jill brings to the board a combination of creative, big-picture thinking and a focus on measurable outcomes. She believes churches must be open to new approaches to how we operate in the world, while also maintaining our core identities as uniquely spiritual communities rooted in strong traditions. In her spare time, Jill enjoys hiking, arts events, playing tennis, knitting, and the Minnesota State Fair.



Cindy Marsh and her husband, Wendell, joined First Universalist in 2005. She has chaired the Nominating Committee from 2009 – 2013, served on the Search Committee that called Reverend Justin Schroeder to First Universalist, and served as a group facilitator for Mission Possible and Strategic Planning. She also participates in Circle Suppers and small groups. Cindy is a psychologist who retired this March after 31 years of service at Personnel Decisions International (PDI), a global leadership solutions consulting firm. At PDI, Cindy held several executive leadership positions including President, Region EVP, EVP HR, and Coaching Practice Leader. Her consulting practice at PDI focused on leadership assessment and development, executive coaching, and board effectiveness. Cindy currently serves on the Board of a financial services company, and previously served on the Board of the Ordway Center for the Performing Arts. She looks forward to becoming a Trustee at First Universalist as we continue to give, receive and grow together in what will undoubtedly be exciting yet challenging years ahead, given our growth and ambitious strategic plan. Outside of work and church, Cindy and Wendell enjoy film and arts events, gardening, biking and travel, along with family activities, frequently involving their nieces.



Dick Niemiec and his wife, Joan, have been members of First Universalist since 1975. They raised their three children in the church. He served as a Foundation board member in the 1980s and more recently as a leader of the Day of Service project at Tubman for three years, a member of the Cummins Internship fundraising group and as facilitator for the 2002 long-range planning. He retired after thirty-four years as Senior Vice President of Blue Cross Blue Shield of Minnesota; one of his responsibilities included serving as chief Compliance Officer and staffing the Board Governance Committee. After retirement he served as Interim President of his alma mater, Beloit College, and continues as a member of its Board of Trustees. He has served on non-profit boards including the American Red Cross national board of governors, the YMCA of Greater St. Paul general board and the boards of Tubman, Walk-in Counseling, and the Minnesota State Community Colleges. On these boards he frequently served as chair or vice-chair, and has extensive experience on governance and audit committees. Dick believes he can serve the church as a member of the Board of Trustees through his financial and governance expertise as well as a commitment to teamwork and consensus building.



Foundation Board

Nominated for one-year term as Chair



Victoria Schanen was elected to the Foundation Board in the 2012-13 church year and previously served from 2007 to 2010. She has been a member of First Universalist Church since 2002 and also spent time in the Religious Education program growing up. Victoria's contributions to the church have focused on youth and social justice, including advising in the Senior High class, mentoring Coming Of Age, teaching Our Whole Lives, and coordinating Habitat for Humanity. In addition, she has participated in and facilitated small groups, played saxophone in the jazz band, and volunteered in a variety of other ways. Victoria is pleased to have the opportunity to contribute as the Foundation Board Chair. She brings strong leadership skills and a commitment to helping the Foundation Board achieve its mission. Outside of church, Victoria enjoys being a fun and engaging parent to her two little boys, Lamont and Vincent, as well as spending time with her husband, James. She also works outside the home as a Technical Recruiter.

Nominated for Foundation Board Membership



Chris Bremer has been a member of First Universalist since 1978, and has served in many roles, including on the Board, All Church Council, in AUW, the old Unity Foundation Board, as a Religious Education teacher, and most recently, member of the Strategic Planning Task Force. Chris is the volunteer Regional Coordinator for the Unitarian Universalist Service Committee. She served on the Prairie Star District's Program Council and continues to serve as a member of the Camp UniStar Management Committee. She has led two grant-writing efforts for UniStar. In her professional life, Chris worked at Honeywell as a Human Factors Engineer and then in Public Affairs for several years. Chris has been at the University of Minnesota as a researcher and administrator since 2000, when she completed her PhD in Work, Community, and Family Education. Chris brings much relevant experience to the Foundation Board. In Public Affairs

at Honeywell, she helped select recipients of smaller grants and managed local education partnerships. At the University, she wrote or helped write numerous grant proposals and has worked on program evaluation efforts. Chris would like to serve on the Foundation Board as a way to help ensure that the resources of the Foundation are put to work in ways that promote our Unitarian Universalist values by supporting and learning from the work of promising change agents in our community.



Molly Darsow lives in Richfield with her husband, Blake, and 21 month-old daughter, Lydia. She joined First Universalist in 2011 and is a member of the Visual Arts Committee and the Community Investment Team. Molly's professional background is in sales, communication and advocacy; she currently works part time as the Communications Coordinator at Linden Hills United Church of Christ. She also holds a part-time position assisting a young woman who is challenged by disabilities. Previously, Molly held a position at Community Involvement Programs, where she worked to advance employment opportunities for disabled adults; for example, she developed a grant program in the city of Richfield that created paid internship opportunities for residents challenged by disability. Molly recently served three years on the Richfield Human Rights Commission. During her time as Chair, the Commission worked with the

City to pass ordinances expanding benefits to Domestic Partners and allowing Domestic Partners to register. Molly is eager to serve on the Foundation Board and happy to give her time to First Universalist, her spiritual home. She believes the Foundation puts our Unitarian Universalist faith in action by supporting people and non-profits to create justice and peace in our community. In her spare time, she enjoys gardening, making art with her daughter, reading, crafts and crochet.

Nominating Committee

Appointed by the Board of Trustees for one-year term as Chair

Ginny McAninch has been a member of First Universalist since 1984. She has served the church in membership work, ushering and greeting, being a Trustee and serving as President, being a Worship Associate, chairing Kate's Good Good-bye team, chairing Ordination and Installation committees, being on the planning team for Small Groups and also a facilitator, and organizing lunches for our Habitat for Humanity builds. Ginny is retired from a long career with the Social Security Administration. She did recently accept a request to return to work part time with flexible hours. She currently serves on the Nomination Committee where her deep knowledge of church history, vast network among congregants, organizational skills, and outgoing personality are valuable assets. The work of "NomCom" meets her passion for helping people find their niche at First Universalist, and to make their experience as deep and enriching as possible. For many, this includes serving in elected leadership. The church benefits from the leadership of people willing to step up and serve. As Ginny sees it, it is a fun way to serve because it is a win-win.



Nominated for Nominating Committee Membership

David Lauth has been a member of First Universalist since 1995. He has served as President, Moderator, Secretary and a member of the Board of Trustees. He has also served on our Nominating, Personnel and Music Committees, and has provided volunteer legal assistance to the church on a variety of matters. He was District Coordinator for the Unitarian Universalist Association's 2010 General Assembly in Minneapolis, where he led a team of more than 200 volunteers to plan and staff the event. He has also served as a volunteer conflict consultant for Prairie Star District. He is currently a member of the First Universalist Choir and the Universal Rock Band. In other volunteer work, he has served as Board President of the Greater Twin Cities Youth Symphonies, and as a board member of the Minneapolis Youth Chorus and YMCA Camp Widjiwagan. His wife, Lindsey Thomas, is a volunteer teacher in our Religious Education program. Their three children (Kate, Chris, and Caroline) have participated in a number of First Universalist activities. Professionally, David serves as Senior Associate General Counsel, Employment Law at UnitedHealth. David is eager to contribute to the continued health and vitality of our congregation. He believes that as we have experienced and expect to continue experiencing rapid growth, it is imperative that we have the effective lay leadership that will be necessary for the congregation to thrive.



Deborah Talen has attended First Universalist since 1987 and has volunteered in many capacities over the years, including the All Church Council as Membership Director, past Board of Trustees, and the Senior Ministerial Search Committee that called Reverend Justin Schroeder. She raised her daughters, Eliza, Lydia and Grace Etta, in the church, and, with her family, participated in Religious Education, Coming of Age, Unity Summer, Sources Supper, and numerous social justice and community functions. Deborah has worked in numerous non-profits, including founding Rainbow Families in 1995 to provide advocacy and resources for GLBT parents and their children, and serving as Executive Director for ten years. Deborah has an MBA in marketing from the University of Minnesota and a Masters in Public Administration from Harvard's Kennedy School of Government. In 2005 Deborah was honored with the Bush Foundation's Community Leader Fellowship and attended Harvard, where she studied community engagement and organizational development. She now works with progressive churches and nonprofits to identify strategies for effective growth. Deborah loves to contribute her talents to her spiritual community when she receives so much in return. With her interest and expertise in leadership and organization development, she views serving on the Nominating Committee as a great way to contribute.



Board President's Report

by Craig Bierbaum,
Board President

It's been particularly wonderful for our board members to witness the flowering of our church's mission and vision over the past few years. Beginning with hundreds of our hopes and dreams written on Post-It notes that coalesced into a singular Mission Statement, with Visionary Goals, and a Strategic Plan that's unfolding before our eyes, our church continues to grow into its mission and vision while adjusting its sails as we wrestle with change and growth (a great problem to have and a notable exception to church demographics in the U.S.). I feel confident we are doing the good work that sets up the church for long term success.

To that end, in this report I want to briefly review the "Story of the Board" – the role of the Board, where we've been, what we did this year, and where we're going. I'm hoping this story will help illuminate how the Board works in its governing model and hopefully demystify the work that we do.

The Board's Role

The board serves as the ultimate fiduciary of the church's assets, which include human resources (all of us – members, friends, and staff), physical resources (our building and land), and financial resources.

Within our Policy Governance governing model, the board fulfills its fiduciary role by:

- Discerning patterns and themes
- Defining outcomes and ends
- Linking with the moral owners of the church
- Delegating authority
- Monitoring

A Policy Governance Timeline

Here's a high level timeline of the past decade, as it relates to the Board's work:

- Pre-2002** Discussions by the Board regarding transitioning to Policy Governance go back as far as 1995.
- 2002** Ad-hoc Board committee created to explore moving to Policy Governance.



2003 Report recommends Policy Governance (PG).

2005 Board votes to adopt Policy Governance.

2006 Implementation falters and stops.

2007 Board reaffirms 2005 vote to implement PG. Working Group begins meeting.

2008 Board approves implementation timeline.

2009 Governing policies adopted in the spring of 2009. Bylaws changes were approved at the 2009 annual meeting. Arrival of new Sr. Minister in the fall.

2009-2010 Much of the above was planning and theoretical. Now active discernment about how to absorb and align with policy governance and new Sr. Minister began.

2010-2011 Board strengthens and clarifies alignment with Policy Governance by reconnecting with our core values that form the foundation of this church (via the Mission Possible project, and the articulation of a new Mission Statement, as well as the creation of Visionary Goals.) Our mission, and the

Visionary Goals (i.e. ends) define who the church is here to serve and in what ways.

2011-2012 The Year of the Rabbit, the Dragon, and the Strategic Plan. This was the first Strategic Plan in 20 years, and over 150 people participated in the process. During the 2011-2012 year, the Board began measuring the progress of our Visionary Goals, using a reinvented congregational survey with questions tied directly to the Visionary Goals. The Board also began to track the Strategic Plan.

2012-2013 The policy work starts to deepen.

Key Goals:

- Annualize the Congregational Survey
- Conduct a staff survey
- Deepen our use and application of Policy Governance
- Make the Policy Handbook operational via monitoring activities
- Strengthen our ties to the Foundation Board.

In the Fall, we revamped the treatment of staff and volunteers policies and conducted a formal review of our first policy violation.

- (Self – reported) Copyright laws for music and media
- Board and Sr. Minister reviewed/interpreted policy
- Board independently assessed our risk
- Remediation plan developed and implemented by the staff via the Sr. Minister

Our policies provided role clarity and the safety of our church assets.

In the Winter/Spring, we conducted a current state review of our roughly 120 policies, performed exit interviews of departed staff, and conducted our first annual staff survey. We are still discerning and learning from this and were reminded that determining compliance with policies is not black and white. Regardless, board and staff determined that a proactively managed monitoring schedule is the best approach to ensuring that the Board's policies are being adhered to. We now have

an integrated Board Monitoring Schedule that defines the monitoring activity, the method performed, and the cadence.

The Board has also played a role in helping to create better alignment between the Foundation Board and the Faith in Action focus areas through relationship building and better communication around emerging ideas and social justice energy. In the next church year, Foundation Board members will attend Board of Trustees meetings on a quarterly basis.

2013-2014 Where We're Going

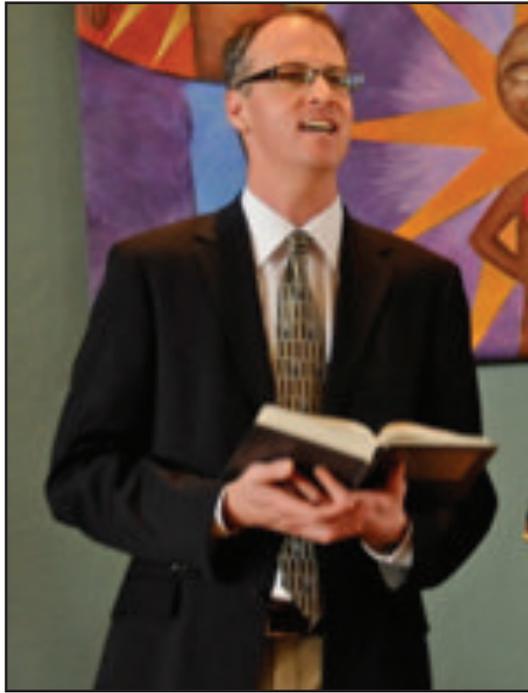
The board aims to continue to mature our monitoring practices and skills and deepen our shared learning with the staff as we live into the mission and goals of the church. We intend to follow the Integrated Monitoring Schedule and to continue to utilize formal methods of linkage (staff and congregational surveys) to measure progress towards Visionary Goals (ends).

In Closing

Serving this church is a blessing for me personally. I love this community. Our congregation is growing as the Board and staff continues to grow into and learn Policy Governance.

I'm biased, but I think the Board has been the best small group in the church. We have supported and held each other up. Thank you for allowing me the opportunity to serve you these past three years!





by Rev. Justin Schroeder Senior Minister

Behind the dollars and cents, our church budget tells a story about our collective dreams, hopes, and values as a faith community. It points to how we, “in the Universalist spirit of love and hope, might give, receive, and grow” into Love’s people.

As you might imagine, hours and hours of hard work has gone into creating this realistic budget, as we juggled various priorities, and sought to have the budget help us fulfill our Visionary Goals.

Here are the Visionary Goals:

The people of First Universalist Church grow in their UU faith: we are equipped to live out our values and experience worship, spiritual practices, and rituals that challenge, comfort, celebrate, and heal.

First Universalist Church is a home for ageless wisdom. People of all ages find opportunities to engage in an intellectual and spiritual search for deeper meaning and understanding in the UU tradition, both as individuals and in community. We know our roots, find our wings, and apply our knowledge and wisdom to all our endeavors.

First Universalist Church is an intergenerational community of mutual caring and support. We build this community by actively welcoming all and encouraging each other to discover, develop and share their gifts.

The people of First Universalist Church work to build a just, loving and sustainable world. We are a visible, influential voice, and we act to shape the larger community into a more just and equitable society

The Story Behind the Budget

As I mentioned in my Senior Minister report, we’re in the middle of some growing pains, and our budget reflects these growing pains. We were slightly over ambitious with our budget last year, and thus, this year’s budget reflects more conservative numbers for pledges, rental income, and fundraising income. We’ve cut back in some programming areas, and reduced staffing hours and salaries in some cases in order to live within our budget.

Although we’ve had to make some hard decisions in this year’s budget, and next year’s budget already has some built in costs (staff benefits that kick in after a year), the church is strong, healthy, and vibrant.

We’re at an inflection point in our history. We are nearly back on our feet after losing \$185,000 in rental income from the Emily Grey Charter School three years ago.

Because of the loss of this income, and the need to “shore up” our infrastructure, the Board and the congregation approved a \$106,000 deficit in the 2011-2012 budget. We ended last year much better than budget, with only a 32k deficit. The year before

that, we ended with a surplus.

In short, we are a growing church, and we are having some growing pains. While it's not easy, it's a much better problem to have than being a shrinking congregation, with a building that's too big.

High Level Overview of Budget

Thank you to the 40+ congregants who attended the budget hearing meeting on May 5. We listened to the feedback offered, and based on that feedback, have made some changes to the budget.

This budget now includes three program areas that will have no bottom line impact on the budget: the Habitat House we'll be building in the fall – “the house that love built;” the Youth Cultural Exchange program; and Funding for our Racial Justice commitment.

We've been realistic and conservative across all areas of this budget: fundraising, auction, rental, write offs for pledges (5% write off).

We've done some creative thinking about revenue – we've added a Parents Night Out (a chance for parents to drop their kids off at church, then go out for a Friday night), Chalice Camp (summer camp for kids, funded in part by interest from the Legacy Fund), an Art Auction, and concerts – events that serve multiple purposes, build community, and raise money.

We're not doing any big “Miracle Sundays” this year (we budgeted \$75,000 for Miracle Sundays last year). Instead, we will do two small new pledge capture events (spring and the fall). In these events, we expect to raise \$25,000. In addition, during the year, as in previous years, we expect to raise \$25,000 in new member pledges.

We're continuing our commitment to being a teaching church. This budget supports Terri Burnor as our quarter time intern in 2013-2014. This internship will be funded by monies from the Cummins Fund (\$2000).

Unitarian Universalist Association and Prairie Star District dues are at the same level as 2012-2013, but more is funded directly from the operating budget.

All of the staff have reviewed their budgets and made significant cuts in programming. We've reduced professional expenses (with the intent to restore these cuts in 2014-2015), cut money for scholarship aid for General Assembly and the Prairie Star District, cut costs for guest speakers, and more. All of this helped move us toward a balanced budget, but it wasn't enough.

Thus, we've had to make some staffing adjustments, as well.



Beginning July 1, We Will Be:

- Cutting Sunday morning front desk support (impact: either no front desk staff on Sundays or staffed by volunteers; we're actively working to recruit volunteers.)
- Reducing custodial hours (impact: no custodial help in the kitchen on Sundays; we'll train a team of church members who can help do dishes, make coffee, etc. Sunday custodial help will be focused on the building.) We'll also have 8 less custodial hours during the week.
- Our Youth Ministry Coordinator is budgeted at 30 hrs, but at a reduced rate.
- Sr. Minister salary and professional expenses have been cut.
- Faith in Action position remains at 20 hrs a week. Faith in Action ministry is distributed throughout the staff, with ministers and other staff supporting faith in action initiatives.
- No across the board raises, or cost of living raises. This is the third year in a row with no cost of living adjustments for staff. However, we are making adjustments on the greatest compensation disparities. Additionally, we are increasing the Minister of Worship Arts hours by four, to address the increased workload, and continue to provide outstanding Sunday morning worship. Finally, with the increased hours, Ruth will play a key role, working alongside staff and congregants on our "Growing Together Discovery Team," in determining how we best address the growth we are experiencing.
- The Board has approved \$18,000 from reserves for the financial review, roof repair, and the new database system.
- The rest of the Capital Budget is not currently funded. The Capital Budget may be funded, in part, from 10% of undesignated bequests (per the Board's gift acceptance policy), if any come in next year.
- Finally, this budget includes \$2000 for sabbatical coverage. At the May Board meeting, the Board approved a three-month sabbatical for January, February, and March of 2014. I will use this time for professional development, deepening my understanding of how to manage and lead a large and growing congregation. Between Jen Crow, Ruth MacKenzie, Elaine Tenbrink, and Terri Burnor (our intern), Sunday morning preaching will be covered. These funds will pay for occasional guest preachers and well as additional pastoral care support.



Beyond the Numbers

As we give, receive, and grow together, the heart of this budget builds on the ministry that matters most: 1) service and social justice work in the community; 2) a strong and vibrant worship life; 3) faith formation that helps all of us grow into Love's people; and 4) deep, meaningful opportunities for intergenerational learning and activities.

by Paul Robinson, Treasurer

Our resources help our values and dreams come alive; they support the programming we care about, they deepen our partnerships, and they help us give, receive and grow. To that end I would like to build on the report from Reverend Schroeder.

Over the past few years we have spent from our reserves to help overcome the loss of significant rental revenue, to take care of some important deferred maintenance and to position us to live into our Visionary Goals. Recently, with our work and visible presence for legalizing same sex marriage, one can't help but look to our fourth Visionary Goal, stated below, and look towards our next work with projects like the Habitat home that we will be building this year ("The House that Love Built"), the racial justice work that is just beginning, and more.

The people of First Universalist Church work to build a just, loving and sustainable world. We are a visible, influential voice, and we act to shape the larger community into a more just and equitable society.



Reserves

While we have spent from reserves, we still have an appropriate amount of reserves for a congregation of our size and budget. Currently we do not have a formal definition of total reserves (a goal for 2013-14). One approach to defining total reserves (and the one I've used here) would add the board-designated reserves (funds available to spend with board approval) to the net reserves (funds not designated to any particular activity). When adding these together the church currently has just over \$400,000. The Planned Giving team is also hard at work looking to build our Legacy Fund, which will receive just short of \$300,000 in bequests this year. A special thanks to Ross Levin, of Accredited Investors Inc., for his in-kind contributions of managing the church's investments.

This year we are budgeting in the general fund for fixing a leaking roof, \$10,000, a membership data base, \$10,000, and a financial review, \$4,000. These three items, combined with the savings Rev. Schroeder outlined in his report, create an \$18,000 deficit which will be funded by reserves. At the May 5 congregational budget hearing meeting we presented a balanced budget, however that budget did not include additional funds the Board approved to be spent outside of the budget from reserves.

The Board and Finance Committee heard people's concerns at the meeting for more transparency and decided to add the items mentioned above to the budget for 2013-14. As Rev. Schroeder mentioned in his report, the combined deficits from the previous two years plus the one planned for 2013-14 total \$88,000. This is still less than the \$106,000 of deficit spending approved by the Board and congregation in FY 2011-12.



Finance Committee Work (aka Finance Monitoring Team)

The Finance Committee has had a busy year and that will continue into next year. The most important financial item accomplished this year was the conversion of the accounting system to QuickBooks. This became a bigger project than anyone had expected and is the primary cause for the deficit spending approved by the board for 2012-13. The new accounting system will help reduce duplication of effort and will provide the board and staff with more timely and usable financial reporting.

Other accomplishments included creating a gift acceptance policy, financial policy interpretation, work on a reserve policy, and analysis to better understand our pledge base.

Longer Term Budget Context

It is worthwhile looking at the 2013-2014 budget in the context of what has occurred within the budget and church during Rev. Schroeder's ministry which began in August of 2009.

Since Rev. Schroeder arrived in 2009...

- Membership has increased from 840 to 1,000 members – 20% increase.
- Attendance has increased from having, on average, 600 people in the building each Sunday, to having more than 800 people in the building – 20% increase.
- Religious Education Registration has increased from 398 to 511 – 28% increase.

More members and people in the building does add ministry costs as well as revenue, although not always equally.

- Overall expenses have increased by 18%, revenues have basically matched the 18% increase.
- Staff has increased from 12 FTE (Full Time Equivalents) to 16.25 FTE. These increases were spread across all departments including programming, membership, finance and administration.

Lastly, as mentioned above, significant work has been done to increase the pledge base, first to overcome the revenue loss from the school lease and then to build a strong church backbone to lead us forward. Pledge revenue has gone from \$750,000 to \$1,130,000 – a 46% increase.

Priorities for 2013-14

There are several financial items that the Finance Committee and/or Board are currently working on or have set as priorities for next year. Several of these items are in response to comments we received during the review process for this year's budget.

Financial Reports – These are now easier to find. All current year reports can be found on the church web site under “Who We Are > Church Governance > Church Finances.”

Reserves – Create a more formal policy for the amount of reserves we need to keep and a policy for when and for what they can be used, started this year, completing in 2013-14.

Funding our Capital Budget - The Finance Committee has started discussions on how to fund our Capital Budget. This could include creating a practice where we set

aside funds annually versus allowing our deferred maintenance needs to grow. We are at a point where we will need to look at other ways to fund the immediate needs. This could include a capital campaign which will also be a part of the 2013-14 planning work for the Committee.

Financial Monitoring – This year the Senior Minister provided, and the board accepted, an interpretation of the financial monitoring policy in the Governing Policy Handbook. As with any new policy, once we applied the interpretation to this year's financial reporting and budget, it appeared that there might be some need to adjust and further clarify. Specifically, we are looking to add clearer thresholds for when the board needs to be informed or approve changes in the budget.

Prairie Star District (PSD) and Unitarian Universalist Association (UUA) Dues - In the Strategic Plan we have a goal to restore our giving to fair share. Getting to fair share within the next few years will be difficult without cutting programming and other activities that we also value. The Board pledges for 2013-14 to evaluate our relationships with the PSD and the UUA and decide what our appropriate level of funding should be and create a plan to achieve that level of funding.

Multi-Year Budgeting – The board recently approved a monitoring schedule that includes being provided with an annually updated multi-year budget. 2013-14 will be the first year that this is implemented.

Financial Review – This year, instead of an audit, we will be conducting a financial review of 2012-13. This is a comprehensive review of the policies and procedures as well as the books.

As Rev. Schroeder states in the *Story Behind the Budget*, many good things are being accomplished even though this budget reflects some reductions. It needs to be recognized that this is not a single year issue.

Next year, without more significant increases in pledge revenue, we will be presenting a budget that again sustains our operations at the same staffing and programming levels as this year, but does not fully fund the cuts made to this year's budget.

Pledge Revenue - Like many of you, I love this church, and my family has been dedicated to its mission and work. Some people give with their heart, and others are influenced by more rational approaches. It takes a lot of resources to run a church. We are in a place right now where we are doing great things, but there is a risk of not being able to sustain them. To that end, I wanted to provide some facts about what it takes to run the church and some of the details behind the transformative ministry we experience at church.



What does it take to run First Universalist?

- Members: 1,000 (as of May, 2013)
- Total Expenditures 2013-14 proposed budget - \$1,485,000
- Cost per Member - \$1,485

Who currently pays for the operations? (using 2012-13 pledge information)

- Pledge Units – 697 (A pledge unit is a single person, couple, or family who submitted a pledge)
- Total Budgeted Pledge Revenue - \$1,090,914
- Average Pledge - \$1,565
- Median Pledge - \$825
(348 pledges were higher, 348 were lower)
- \$1,565 was the average pledge needed to sustain the 2012-13 budget.
- 497 pledge units (71%) gave less than the average of \$1,565 needed to sustain the budget.
- 250 pledge units (35%) gave less than \$600.
- 50% of the total revenue that runs the church comes from the top 94 Pledge Units (13.5%)

What would an average pledge mean as a percentage of household income?

- 2% of \$78,250 Household Income = \$1,565
- 3% of \$52,000 Household Income = \$1,565
- 4% of \$39,135 Household Income = \$1,565
- 5% of \$31,300 Household Income = \$1,565

During our recent pledge drive, we asked people to strive for 5% of their income. You can see, based on the data above, it is probably unlikely that we are all meeting that goal at this time. In fact it is more likely that the average family income of our church is closer to \$100,000 and that math is simple.

- 2% of \$100,000 = \$2,000
- 3% of \$100,000 = \$3,000
- 4% of \$100,000 = \$4,000
- 5% of \$100,000 = \$5,000

This information is not meant to make you feel guilty. There are many of you who are extremely generous and others who cannot give more, even if they wanted. We understand. There are however

others who may have the capacity to give more and may not have realized what it takes to run the church. For some of you it may be useful to know this in order to understand better what may be a better fair level of giving for you and/or your family.

Summary of changes to budget since congregation budget meeting.

- Added \$60,000 revenue and expense for Greater Good Campaign (Habitat Home).
- Added \$10,000 revenue and expense for Youth Cultural Exchange.
- Added \$10,000 for racial justice work - revenue comes from \$4,000 raised in 2012-13 and from \$ 6,000 from offering plate revenue in 2013-14.
- Added the following reserve expenditures to the general fund.
- \$10,000 for membership database (reduced from \$15,000).
- \$4,000 for financial review (reduced from \$11,000)
- \$10,000 to fix a leaking roof (added – was not previously funded)
- Reduced Salaries by \$6,000 due to revised actual costs for 2013-14
- Overall - \$18,000 deficit (Reduced overall use of reserves by \$8,000)

Closing Words

I have been a member for 18 years and coming to this church for over 20. I don't think I have ever felt a more positive environment and energy in the building and about this church in the time I have been here. While we may need to have a couple lean years to regain our footing I am not worried about the overall health of the church. Together we can do great things.



2013-2014 Proposed Budget

| | FY12-13 Budget | FY12-13 Projection | FY13-14 Budget | FY13-14 Comments |
|--|-------------------|-----------------------|-------------------|---|
| OPERATING REVENUE | | | | |
| OPERATING CONTRIBUTIONS | | | | |
| Pledges | 1,183,500 | 1,136,163 | 1,182,503 | Pledges made as of 4/19 \$1,016K; outstanding pledges \$116K; \$25K new members; \$25K pledge events spring and fall 2013. |
| Contingency for Unpaid Pledges | (35,500) | (51,654) | (59,125) | 5% write offs. |
| Pledges - Prior Year | - 0 | 9,036 | - 0 | None budgeted. |
| Contributions | 40,000 | 41,460 | 44,000 | Misc unrestricted contributions. |
| Offering Plate for Church | 30,000 | 30,000 | 30,000 | Church's portion of 70/30 split. |
| Release of Restrictions | 9,000 | 46,288 | 6,000 | \$2000 Cummins Fund for quarter time intern. \$4,000 raised in 2012-13 for Racial Justice work. FY12-13 included Marriage Equality project funding (not budgeted) fully offset in Congregational Care expenses and higher Cummins Fund coverage for full time intern. |
| TOTAL OPERATING CONTRIBUTION | 1,227,000 | 1,211,294 | 1,203,378 | |
| FUNDRAISERS | | | | |
| Habitat House | - 0 | - 0 | 60,000 | Greater Good Project: "The House That Love Built." Fully offset in Program Expenses in Faith in Action. |
| Youth Cultural Exchange | 11,000 | 13,380 | 11,000 | Fully offset by Program Expenses in Faith in Action |
| Auction | 26,000 | 36,210 | 36,000 | Same as FY12-13. |
| Other fundraisers | 16,000 | 1,785 | 14,000 | Art Auction, Concerts, Parents Night Out, Valentines Dance. |
| TOTAL FUNDRAISERS | 53,000 | 51,375 | 121,000 | |
| DIVIDENDS & INTEREST & REALIZED GAIN/LOSS | | | | |
| Reserve Account Div & Int | 10,000 | 26,116 | 10,000 | Same as FY12-13 budget. |
| Realized Gain & Loss | - 0 | (108) | - 0 | Not budgeted. |
| Don Carter Fund Div & Int | - 0 | 1,933 | - 0 | Not budgeted. |
| TOTAL DIV & INT and REALIZED G/L | 10,000 | 27,940 | 10,000 | |
| BUILDING USE | | | | |
| Antenna Lease | 11,450 | 12,096 | 12,144 | T-Mobile year 5 of 5. |
| Rental Income | 28,600 | 13,601 | 11,600 | No new rentals. |
| TOTAL BUILDING USE | 40,050 | 25,696 | 23,744 | |
| MISCELLANEOUS | | | | |
| Offering Plate for Community | 70,000 | 60,000 | 70,000 | 70/30 split. Portion we give away. |
| From Foundation | 1,000 | 1,000 | 1,000 | To cover admin for Foundation. |
| Legacy Fund Distribution | 4,000 | 4,000 | 4,000 | 4% of rolling average balance. |
| Misc Funds and Other Donations | 1,000 | 711 | - 0 | |
| Hospitality | 1,500 | 1,500 | 700 | Donations. |
| Bequests Unrestricted | - 0 | - 0 | - 0 | |
| TOTAL MISCELLANEOUS | 77,500 | 67,212 | 75,700 | |
| RELIGIOUS EDUCATION | | | | |
| Contributions | - 0 | 700 | 500 | |
| Program Fees | 54,875 | 44,996 | 55,075 | Includes Chalice Camp \$2,000. |
| TOTAL RELIGIOUS EDUCATION | 54,875 | 45,696 | 55,575 | |
| TOTAL OPERATING REVENUE | 1,462,425 | 1,429,213 | 1,489,397 | |

| | | | | |
|---|----------------|----------------|----------------|---|
| OPERATING EXPENSE | | | | |
| MINISTERS | | | | |
| Salaries and Benefits | 303,890 | 301,750 | 299,629 | Senior Minister cut in pay & Prof Exp; Director of Worship Arts increased hours; quarter time intern. |
| Program Expenses | 5,000 | 5,806 | 2,000 | Sabbatical cost for guest preachers and pastoral care coverage |
| TOTAL MINISTERS | 308,890 | 307,556 | 301,629 | |
| WORSHIP | | | | |
| Salaries and Benefits | 58,944 | 48,907 | 49,559 | |
| Program Expenses | 16,400 | 15,544 | 13,250 | Less musician cost. |
| TOTAL WORSHIP | 75,344 | 64,451 | 62,809 | |
| CHILDREN YOUTH & FAMILY MINISTRIES | | | | |
| Salaries and Benefits | 136,075 | 150,103 | 159,058 | Market rate salary adjustments; more staff hours. |
| Program Expenses | 33,892 | 29,844 | 35,700 | Higher supplies cost. |
| TOTAL CYF MINISTRIES | 169,967 | 179,947 | 194,758 | |
| CONGREGATIONAL CARE | | | | |
| Salaries and Benefits | - 0 | - 0 | - 0 | |
| Program Expenses | 6,450 | 23,418 | 4,800 | Includes \$4,000 TRUST Offering Plate. FY12-13 included costs for Marriage Equality project funded by grants. |
| TOTAL CONGREGATIONAL CARE | 6,450 | 23,418 | 4,800 | |
| ADULT MINISTRIES | | | | |
| Salaries and Benefits | 74,085 | 54,757 | 67,657 | New hire Minister of Membership and Adult Ministries; FY12-13 savings due to part time Interim Director. |
| Program Expenses | 2,800 | 3,179 | 6,300 | Includes relocation expenses. |
| TOTAL ADULT MINISTRIES | 76,885 | 57,936 | 73,957 | |
| MEMBERSHIP | | | | |
| Salaries and Benefits | 25,515 | 26,745 | 25,515 | |
| Program Expenses | 17,300 | 15,587 | 25,400 | \$10,000 for membership database |
| TOTAL MEMBERSHIP | 42,815 | 42,332 | 50,915 | |
| FAITH IN ACTION | | | | |
| Salaries and Benefits | 26,428 | 33,040 | 27,467 | Director returned to 50% FTE. |
| Program Expenses | 22,000 | 21,060 | 83,000 | Habitat House \$60K; YCE \$11K. Fully offset by revenues. Added \$10,000 for Racial Justice Initiative |
| TOTAL FAITH IN ACTION | 48,428 | 54,100 | 110,467 | |
| UNITY LEADERSHIP | | | | |
| Salaries and Benefits | - 0 | 8,454 | - 0 | Program cancelled. |
| Program Expenses | - 0 | 1,912 | - 0 | Program cancelled. |
| TOTAL UNITY LEADERSHIP | - 0 | 10,365 | - 0 | |
| DENOMINATIONAL CONNECTIONS | | | | |
| Program Dues UUA | 20,000 | 20,000 | 20,000 | \$8,000 thru Offering. |
| Program Dues PSD | 6,000 | 6,000 | 6,000 | \$3,000 thru Offering. |
| Scholarships | 1,000 | 1,000 | - 0 | None in FY13-14. |
| TOTAL DENOMINATIONAL CONNEC | 27,000 | 27,000 | 26,000 | |
| COMMUNICATIONS | | | | |
| Salaries and Benefits | 36,519 | 38,583 | 50,621 | Full time Manager with market rate salary increase. |
| Program Expenses | 11,100 | 8,598 | 7,100 | Less printing costs. |
| TOTAL COMMUNICATIONS | 47,619 | 47,181 | 57,721 | |

2013-2014 Proposed Budget

| | | | | |
|-------------------------------------|------------------|------------------|------------------|--|
| FUNDRAISING | | | | |
| Salaries and Benefits | - 0 | | - 0 | |
| Program Expenses | 58,600 | 49,280 | 56,600 | \$55K Offering to outside organizations other than UUA & PSD Dues; Pledge Drive \$4K; Planned Giving \$3K. Reduced expenditures by \$6,000 for Racial Justice ministry |
| TOTAL FUNDRAISING | 58,600 | 49,280 | 56,600 | |
| FINANCE/ADMINISTRATION | | | | |
| Salaries and Benefits | 230,479 | 163,971 | 213,664 | FY12-13 Finance Assistant was temp labor shown in Expenses. In 2013-14 budget, salaries reduced based on revised actuals (\$6,000). |
| Finance/Administration Expenses | 100,988 | 185,350 | 94,571 | FY12-13 includes Finance Assistant temp labor. Added \$4,000 for 2012-13 Financial Review |
| TOTAL FINANCE/ADMINISTRATION | 331,467 | 349,321 | 308,236 | No 401K for new hires, for first year; Prof Exp cut. |
| FACILITIES | | | | |
| Salaries and Benefits | 95,172 | 93,023 | 87,010 | Cut in custodial hours. |
| Properties Expenses | 173,788 | 160,657 | 172,495 | Assumes mortgage refinanced at lower rate; conservatively estimating gas and electric and repairs and maintenance. Includes \$10,000 for roof repair |
| TOTAL FACILITIES | 268,960 | 253,680 | 259,505 | |
| TOTAL OPERATING EXPENSE | 1,462,425 | 1,466,567 | 1,507,397 | |
| NET OPERATING INCOME (LOSS) | 0 | (37,354) | (18,000) | Loss in FY12-13 and FY 13-14 funded by Reserves. |



2013-2014 Proposed Capital Budget

| SUMMARY | | FY 13-14 | FY 14-15 | FY 15-16 | FY 16-17 | FY 17-18 | TOTAL | Classification |
|-------------------|--|----------|----------|----------|----------|----------|---------|----------------|
| Safety Items | | 10,000 | 1,000 | 18,750 | 10,000 | 5,000 | 44,750 | S1 - S2 |
| Maintenance Items | | 14,000 | 74,000 | 11,000 | 5,000 | 5,000 | 109,000 | M1 - M3 |
| Improvements | | 8,000 | 47,500 | 58,050 | 39,000 | 67,000 | 219,550 | I1 - I4 |
| Business Support | | 5,000 | 4,000 | 3,000 | 6,000 | 0 | 18,000 | B1 |
| TOTAL | | 37,000 | 126,500 | 90,800 | 60,000 | 77,000 | 391,300 | |

Funding for FY13-14 may come from Undesignated Bequests

| Area | # | Description | Useful Life | FY 13-14 | FY 14-15 | FY 15-16 | FY 16-17 | FY 17-18 | TOTAL | Classification |
|--------------|--------|---|-------------|----------|----------|----------|----------|----------|--------|----------------|
| Sanctuary | 1 | Nave carpet, replace | 20 | | | | 35,000 | | 35,000 | I3 |
| | 2 | Build chancel ramp | 20 | | | 15,000 | | | 15,000 | I3 |
| | 3 | Nave ceiling tiles and wall repair and replace | 10 | | 5,000 | | | | 5,000 | M2 |
| Chalice Room | 4 | Install cabinets on west side | 10 | | | 4,000 | | | 4,000 | I2 |
| Social Hall | 5 | Replace Social Hall ceiling and suspend lighting | 20 | | | | | 20,000 | 20,000 | I3 |
| | 6 | Install shelves in storage room above 6' | 5 | | | 1,000 | | | 1,000 | I2 |
| | 7 | Replace railing on east stairs | 20 | | | 1,000 | | | 1,000 | S2 |
| Atrium | 8 | Replace railing on northeast stairs | 20 | | 1,000 | | | | 1,000 | S2 |
| | new 9 | Replace Atrium roof | 20 | 10,000 | | | | | 10,000 | M1 |
| | 10 | Atrium, repair Terrazzo | 20 | | | | 5,000 | | 5,000 | M2 |
| Other Areas | 11 | Soffit roof drain through Arches and NE stairwell | 20 | | | 1,000 | | | 1,000 | I2 |
| | 12 | Repair seasonal storage area walls, ceiling & lighting | 20 | | 3,000 | | | | 3,000 | M2 |
| | 13 | Replace railing on north vestibule stairs | 20 | | | 750 | | | 750 | S2 |
| new | 14 | Partition 2 more Offices (if labor by Dan) | 20 | 4,000 | | | | | 4,000 | I1 |
| new | 15 | Upgrade another Classroom like 203 | 10 | | 7,000 | | | | 7,000 | I2 |
| new | 16 | Divide RE classroom in two (if labor by Dan) | 10 | 4,000 | | | | | 4,000 | I1 |
| new | 17 | Misc. Kitchen improvements | 15 | | | 10,000 | | | 10,000 | I3 |
| Furniture | 18 | | | | | | | | | |
| | new 19 | Bookcases (15) for Classrooms | 10 | | | 3,750 | | | 3,750 | I3 |
| new | 20 | Rolling carts (3) for coffee stations | 5 | | 1,500 | | | | 1,500 | I2 |
| | 21 | Replace misc. items | 10 | 2,000 | | | | | 2,000 | M1 |
| Lighting | 22 | Add recessed cans in Nave | 20 | | | 3,000 | | | 3,000 | I2 |
| | 23 | Add 4 hung spots on Chancel from balcony | 15 | | 5,000 | | | | 5,000 | I2 |
| Audio/Visual | 24 | Ceiling mounted projector, player and speakers in Social Hall | 10 | | | 5,000 | | | 5,000 | I2 |
| | 25 | Ceiling mounted projector, screen, player and speakers in Arches | 10 | | | | | 4,000 | 4,000 | I3 |
| | 26 | Ceiling mounted projector, screen, player and speakers in Cummins | 10 | | | | 4,000 | | 4,000 | I3 |
| | 27 | Ceiling mounted projector, screen, player and speakers in Nave | 10 | | 5,000 | | | | 5,000 | I2 |
| | new 28 | Monitor in Kitchen to view Nave | 10 | | 1,500 | | | | 1,500 | I2 |
| | new 29 | Replace monitor in Library to view Nave | 10 | | | 500 | | | 500 | I3 |
| | new 30 | Replace monitor in Narthex to view Nave | 10 | | | 500 | | | 500 | I3 |
| | new 31 | Roland Digital Keyboard | 10 | | 3,000 | | | | 3,000 | I2 |
| Parking | 32 | Replace parking lot surface | 10 | | 30,000 | | | | 30,000 | M1 |
| Outside | 33 | Widen Dupont Avenue handicap ramp and replace railing | 20 | | | 7,000 | | | 7,000 | S2 |
| | 34 | Repair main entrance middle landing | 20 | 4,000 | | | | | 4,000 | S2 |
| | 35 | Repair main entrance sidewalk | 20 | 6,000 | | | | | 6,000 | S2 |
| | 36 | Repair main entrance stair sidewall | 20 | | 8,000 | | | | 8,000 | M2 |
| | 37 | Regrade some areas away from the building | 20 | | 4,000 | | | | 4,000 | M2 |

2013-2014 Proposed Capital Budget

| | | | | | | | | | | |
|----------------------------|----|--|----|---------------|----------------|---------------|---------------|---------------|----------------|----|
| Windows & Doors | 38 | Education wing, repair window operators (25) | 5 | | | 4,000 | | | 4,000 | M2 |
| | 39 | Replace basement windows (4) | 20 | | | | | 4,000 | 4,000 | I3 |
| | 40 | Replace kitchen windows (5) | 20 | | | | | 5,000 | 5,000 | I3 |
| | 41 | Replace north and south lower narthex windows (6) | 20 | | | | | 10,000 | 10,000 | I3 |
| | 42 | Door closers (16) Social Hall to North Vestibule, Social Hall to Back Hall, Nave to Upper Narthex, Nave to Chancel Corridor, Balcony | 10 | | 2,500 | 3,300 | | | 5,800 | I2 |
| HVAC | 43 | Replace condensing unit | 15 | | 4,000 | | | | 4,000 | M2 |
| | 44 | Replace condensing unit | 15 | | | 4,000 | | | 4,000 | M2 |
| | 45 | Remove, sandblast, paint radiators | 20 | | | | 5,000 | | 5,000 | M3 |
| | 46 | Education wing modify ducting, zoning and thermostats | 20 | | 8,000 | | | | 8,000 | I2 |
| | 47 | Arches ventilation | 20 | | | 4,000 | | | 4,000 | I2 |
| | 48 | Automate Nave and Social Hall balancing for cooling | 20 | | 6,000 | | | | 6,000 | I2 |
| | 49 | CO2 sensors to reduce fresh air requirements based on occupancy | 20 | | | | | 12,000 | 12,000 | I4 |
| Wiring | 50 | Rewire non-grounded First Floor | 20 | | | 10,000 | | | 10,000 | S2 |
| | 51 | Rewire non-grounded Second Floor | 20 | | | | 10,000 | | 10,000 | S2 |
| | 52 | Rewire non-grounded Third Floor | 20 | | | | | 5,000 | 5,000 | S2 |
| | 53 | Add receptacles in Social Hall | 20 | | 8,000 | | | | 8,000 | I2 |
| | 54 | Add receptacles in Nave | 20 | | | 7,000 | | | 7,000 | I3 |
| | 55 | Add receptacles on balcony | 20 | | | | | 2,000 | 2,000 | I3 |
| | 56 | Add receptacles in classrooms & Cummins Room | 20 | | | | | 10,000 | 10,000 | I3 |
| Plumbing | 57 | Inspect all underground plumbing from kitchen north and east to street with camera | 20 | 2,000 | | | | | 2,000 | M1 |
| | 58 | Repair all underground plumbing from kitchen north and east to street with pipe liner | 20 | | 20,000 | | | | 20,000 | M2 |
| | 59 | Replace east hose bib (asbestos) | 10 | | | 3,000 | | | 3,000 | M1 |
| Computer Systems | 60 | Computers and printers | 5 | 5,000 | 4,000 | 3,000 | 6,000 | | 18,000 | B1 |
| | 61 | | | | | | | | | |
| | 62 | | | | | | | | | |
| Total | | | | 37,000 | 126,500 | 90,800 | 60,000 | 77,000 | 391,300 | |

\$10,000 has been funded in General Fund budget to fix our leak-ing roof. The remaining items are unfunded at the moment, but may be funded by any undesignated bequests that may come in during fiscal year 2013-14.



Statement of Financial Position as of May 22, 2013

| | | | Mar 31, 13 |
|---------------------------------------|-----------------------------|--|---------------------|
| ASSETS | | | |
| | Current Assets | | |
| | | Checking/Savings | |
| | | 1000 · Cash & Cash Equivalents | 159,027.67 |
| | | 1100 · Investments | 761,840.00 |
| | | 1800 · Cash & Cash Equivalents Fdn | 11,067.35 |
| | | 1850 · Investments Foundation | 1,483,505.51 |
| | | Total Checking/Savings | 2,415,440.53 |
| | | Accounts Receivable | |
| | | 1200 · Pledges Receivable | 1,178,227.92 |
| | | 1300 · Accounts Receivable | 745.00 |
| | | 1350 · RE Fees Receivable | 2,975.00 |
| | | Total Accounts Receivable | 1,181,947.92 |
| | | Other Current Assets | |
| | | 12000 · Undeposited Funds | 28,876.96 |
| | | 1400 · Other Current Assets | 1,314.50 |
| | | Total Other Current Assets | 30,191.46 |
| | Total Current Assets | | 3,627,579.91 |
| | Fixed Assets | | |
| | | 1500 · Fixed Assets | |
| | | 1501 · Land | 250,000.00 |
| | | 1503 · Building & Improvements | 3,259,219.10 |
| | | 1504 · Accum Depr Building & Improve | -1,581,969.33 |
| | | 1506 · Furniture & Fixtures | 196,630.67 |
| | | 1507 · Accum Depr Furniture & Fixtures | -69,615.60 |
| | | Total 1500 · Fixed Assets | 2,054,264.84 |
| | Total Fixed Assets | | 2,054,264.84 |
| TOTAL ASSETS | | | 5,681,844.75 |
| LIABILITIES & EQUITY | | | |
| | Liabilities | | |
| | | Current Liabilities | |
| | | Accounts Payable | 14,981.35 |
| | | Other Current Liabilities | 113,069.84 |
| | | Total Current Liabilities | 128,051.19 |
| | | Long Term Liabilities | |
| | | 2600 · Mortgage Payable Long Term | 592,802.47 |
| | | Total Long Term Liabilities | 592,802.47 |
| | Total Liabilities | | 720,853.66 |
| | Equity | | |
| | | 3000 · Undesignated Net Assets/Equity | 3,596,512.32 |
| | | 3100 · Designated Net Assets | 423,751.84 |
| | | 3200 · Temp Restricted Net Assets | 90,184.14 |
| | | 3300 · Cummins Ministrl Fund TempRestr | 157,513.13 |
| | | 3400 · Legacy Fund Temp Restr | 75,697.60 |
| | | 3500 · Unity Leadership Temp Restr | 4,650.83 |
| | | 3900 · Permanently Restrict Net Assets | 63,612.83 |
| | | Net Income | 549,068.40 |
| | Total Equity | | 4,960,991.09 |
| TOTAL LIABILITIES & EQUITY | | | 5,681,844.75 |

Capital Budget Statement for 2012-2013

| Area | # | Description | Useful Life | FY 12-13 | Projected |
|------------------|----|--|-------------|----------------|------------------|
| Sanctuary | 2 | Install balcony railing, west edge | 20 | 2,000 | 4,000.00 |
| | 4 | Expand choir seating | 20 | 4,000 | 397.40 |
| Furniture | 10 | Chairs for Cummins Room (55) | 10 | Memorial Funds | - |
| | 11 | Replace misc items | 10 | 2,000 | 1,400.00 |
| Audio/Visual | 18 | Portable Mackie speakers for midsize events (2) | 5 | 1,200 | 1,199.98 |
| | 19 | Speakers for choir area | 10 | 600 | 1,130.00 |
| | 20 | Audio-Technica Antenna Distribution system (for more wireless power) | 10 | 700 | 1,010.00 |
| Parking | 21 | Sealcoat and restripe | 2 | 6,000 | 1,500.00 |
| Outside | 27 | Repair north entrance sidewalk | 20 | 4,000 | 4,140.00 |
| | 28 | Repair patio/playground fence and gate | 10 | 500 | 300.00 |
| | 30 | Bike racks (3) | | 2,000 | 2,002.05 |
| Windows & Doors | 31 | Door closers (7) Social Hall to Atrium, Chalice Room to Atrium, Social Hall to Narthex, Social Hall to Kitchen | 10 | 2,500 | 2,508.93 |
| HVAC | 45 | Install return air ducts for Minister offices | 20 | 5,000 | 3,270.00 |
| | 50 | Install variable speed pumps | 10 | 3,000 | 2,905.00 |
| Plumbing | 59 | Replace east hose bib | 10 | 750 | 0.00 |
| Computer Systems | 60 | IT systems consulting and upgrades | 10 | 15,000 | 0.00 |
| | 61 | Implement QuickBooks | 5 | 10,000 | 35,201.19 |
| | 62 | Implement member/donor database system | 5 | 10,000 | 0.00 |
| | 63 | Computers and printers | 5 | 2,000 | 4,455.34 |
| Outside | NA | Hand rails for front steps | | 0 | 2,873.00 |
| | NA | Fire escape maintenance | | 0 | 927.00 |
| Furniture | NA | Office Furniture | | 0 | 451.60 |
| | NA | New office cubicle | | 0 | 1,445.10 |
| Total | | | | 71,250 | 71,116.59 |

Received in Offerings for Outside Organizations as of May 30, 2013

| Income | |
|--|--|
| | Total Collected for Organizations |
| MN United for All Families | \$ 1,970.93 |
| Trust, Inc. | \$ 3,710.21 |
| Habitat for Humanity | \$ 9,001.99 |
| Minneapolis Crisis Nursery | \$ 1,786.76 |
| Intergenerational Project Supplies/United Way | \$ 2,564.61 |
| Prairie Star District | \$ 1,344.22 |
| UUA - Annual Program Fund | \$ 6,333.23 |
| GLBT Host Home | \$ 35.00 |
| Simpson Housing (Not Simpson Meals) | \$ 1,035.37 |
| Hurricane Sandy Disaster Relief | \$ 3,253.92 |
| Simpson Housing Meals | \$ 1,375.84 |
| Dog Biscuits Project | \$ 382.41 |
| Racial Justice Initiative | \$ 4,220.50 |
| MN Religious Coalition for Reproductive Rights | \$ 3,030.75 |
| A Night on the Street | \$ 1,318.28 |
| Cummins Fund | \$ 1,050.05 |
| Boston Youth Trip | \$ 1,692.68 |
| Youth Cultural Exchange | \$ 1,513.23 |
| Total Collected | \$ 45,619.98 |

Agenda of the 154th Annual Meeting of the Members

First Universalist Church of Minneapolis
Sunday, June 2, 2013
11:15 a.m. to 12:45 p.m.

| | |
|--|--|
| Call to Order | Craig Bierbaum, Board President |
| Chalice Lighting and Opening Words | Rev. Justin Schroeder, Senior Minister |
| Appointment of Parliamentarian | |
| Authorization of Board of Trustees to Approve Minutes of this Meeting | |
| Senior Minister's Report | Rev. Justin Schroeder, Senior Minister |
| President's Report | Craig Bierbaum, Board President |
| Treasurer's Report and Presentation of Recommended Budget for 2013-2014 | Paul Robinson, Treasurer and Rev. Justin Schroeder, Senior Minister |
| Vote to Approve Budget | |
| Vote to Ordain Ruth MacKenzie | |
| Report of the Nominating Committee | Cindy Marsh, Nominating Committee Chair |
| Election of Trustees, First Universalist Church | |
| Election of Officers, First Universalist Church | |
| Election of Directors, First Universalist Foundation | |
| Election of Members, Nominating Committee | |
| Election of Delegates to the 2013 General Assembly of the UUA | |
| Special Recognition | |
| Outgoing Church Trustees | |
| Outgoing Foundation Directors | |
| Outgoing Nominating Committee Members | |
| Closing Words | Rev. Justin Schroeder, Senior Minister |