

First Universalist Church of Minneapolis
Board of Trustees Meeting
February 16, 2012
Agenda

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

- 6:30 Call to Order
 - Chalice lighting and centering meditation – Dan Berg
- 6:40 Consent Agenda
 - Approve January minutes
 - Approve new members
- 6:45 Approve the appointment of Lark Weller to fill the vacancy on the Board of Trustees
- 6:50 Recommendation from the Nominating Committee regarding the vacancies on the First Universalist Foundation Board
- 6:55 Review the Past
 - Senior Minister report
 - Finance Committee report
- 7:15 Create the Future
 - Visionary Conversation:
- 7:35 Strategic Plan update
- 7:55 Governance Committee – Survey reflection
- 8:10 Board processes
 - Board goals
 - Board communication
- 8:25 Meeting summary and evaluation
- 8:30 Closing and Adjournment

Attachments:

1. President's Report
2. January Board Minutes
3. Statistical Report
4. Senior Minister report
5. Finance Committee notes

Dates for our calendar:

March 15, 2012 6:30 – 8:30 Board Meeting

President's Report
February 2012

Dear Trustees:

It feels like spring as I write this in early February. Maybe it's just a temporary thaw, but warm weather in winter touches a chord of hopefulness—and reminds me of a poem by Jane Hirshfield.

Optimism

More and more I have come to admire resilience.

Not the simple resistance of a pillow, whose foam returns over and over to the same shape, but the sinuous tenacity of a tree: finding the light newly blocked on one side,
it turns in another.

A blind intelligence, true.

But out of such persistence arose turtles, rivers, mitochondria, figs
all this resinous, unretractable earth.

I love the resilience and persistence of our 152-year-old congregation and the beauty and good that arises. That we work well together and are tenacious was certainly present during the Strategic Plan working groups in January. Thank you all for your participation in those sessions. In every session the energy was high and great ideas came forward. I'm looking forward to an initial update regarding what we've heard so far, spending a few minutes looking forward together, and, perhaps, having a rough sense of the plan to come. (At this writing it's too soon to be sure we can do that.)

I have put a conversation about board processes on the agenda. It is appropriate at mid-year to look at our goals for the year (which I am attaching at the end of this report) and at the ways we communicate with the congregation, a follow-up on last month's visionary conversation. I'd also like to spend a few minutes talking about future topics for the visionary conversations.

I am delighted to report that the Nominating Committee has nominated Lark Weller to fill the board vacancy. Approving her nomination is on the board agenda. I am

attaching her application to the Nominating Committee for you to review. Lark brings many gifts to the board—I look forward to welcoming her on the 16th.

Blessings,

Kathy Coskran

Board Goals

2011—2012

Adoption of a Strategic Plan, including creation of 3---5 year budget

Governing Policies Handbook revision

Adoption and implementation of effective monitoring structure

Effective linkage with congregation and other stakeholders

Giving, receiving and growing through the Leap of Faith experience

Effective Senior Minister evaluation

Effective Board self-evaluation, including reflection and decision regarding the optimal size of the board

Increased fellowship and sense of connection between board members; that we give, receive and grow as board members

**First Universalist Church
Statistical Report - Revised
February 16, 2012**

MEMORIAL SERVICES: 0

MARRIAGES/SERVICES OF COMMITMENT: 0

MEMBERS FOR APPROVAL: 0

MEMBERS REINSTATED: 0

MEMBERS FOR REMOVAL: 3

Preben Mosborg, died Jan. 23

Alfred and Ingrid Harrison moved to "Friend of the church" status from membership

CHILDREN DEDICATED: 1

Alexander Nelson Daninger

	To Date	End of Year Totals			
	2011-2012	2010-11	2009-10	2008-09	2007-08
MEMBERS					
(Fiscal Year)	37	98	75	72	41
TOTAL MEMBERS:	897	927	849	840	824

TOTAL MEMBERS AS OF THE LAST MEETING: 900

To be added:

To be removed: 3

TOTAL MEMBERS: 897

**First Universalist Church
Statistical Report - Revised
January 19, 2012
(NOT INCLUDED IN JANUARY PACKET)**

MEMORIAL SERVICES: 1

Theresa Schroer, December 17, 2011 – Rev. Kate Tucker
Tom Plotkins, nephew of Jim Mickman and Serai Brenner, Nov. 26, 2011 – Rev. Kate Tucker

MARRIAGES/SERVICES OF COMMITMENT: 0

MEMBERS FOR APPROVAL: 0

MEMBERS REINSTATED: 2

Tim Grafe
Karen Seal Grafe

MEMBERS FOR REMOVAL: 8

Theresa Schroer, deceased
Nancy Erickson, spending more time in western suburbs
Phillip Otterness, moved to Montana
Deborah Morse-Kahn, moved to Silver Bay, MN
Hugh Maynard and Faith Woodman, moved to Maine
Ian Staubus and Jonathon Krauth, not ready to commit to membership right now

CHILDREN DEDICATED: 1

Lydia Lucille Darsow, daughter of Blake and Molly Darsow

	To Date	End of Year Totals				
	2011-2012	2010-11	2009-10	2008-09	2007-08	
MEMBERS						
(Fiscal Year)	37	98	75	72	41	
TOTAL MEMBERS:	900	927	849	840	824	

TOTAL MEMBERS AS OF THE LAST MEETING: 906

To be added: 2
To be removed: 8

TOTAL MEMBERS: 900

January Attendance

	2012		
	9:30AM	11:15 AM	
Adults			
1st Week		184	184
2nd Week	320	397	717
3rd Week	329	302	631
4th Week	264	404	668
5th Week	327	357	684
Monthly Total	1240	1644	2884
Avg for January	310.00	328.80	576.80

	2012		
Church School			0
1st Week			0
2nd Week	169	173	342
3rd Week	174	121	295
4th Week	168	144	312
5th Week	161	178	339
Monthly Total	672	616	1288
Avg for January	168.00	154.00	322.00

Combined Avg	478.00	482.80	898.80
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Notes:
 Services:
 Week 1: New Year's Day - one service
 Week 1:
 Week 1:
 Week 1:
 Week 1:

Church School:
 Week 1: No RE
 Week 2:
 Week 3: No 9-12th grade/Sr-hi overnight
 Week 4: COA (9th grade) in 11:15 srvc
 Week 5:

	2011		
	9:00 AM	11:00 AM	
	171	233	404
	282	294	576
	222	312	534
	223	282	505
	268	358	626
	1166	1479	2645
	233.20	295.80	529.00

	16	11	27
	140	105	245
	135	96	231
	135	80	215
	124	99	223
	550	391	941
	110.00	78.20	188.20

	343.20	374.00	717.20
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Notes:
 Services:
 Week 1:
 Week 2:
 Week 3:
 Week 4:
 Week 5:
 Church School:
 Week 1: Nursery/No RE-Winter Break
 Week 2:
 Week 3: No COA or SH because of the overnight
 Week 4:
 Week 5:

	2010		
	One service		
	282	294	576
		499	499
	0	618	618
	0	594	594
	0	536	536
		2541	2823
		508.2	564.6

		38	38
		292	292
		253	253
		270	270
		293	293
		1146	1146
		229.20	229.20

		737.40	793.80
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	2009	
	One service	
	174	174
	474	474
	400	400
	452	452
	0	0
	1500	1500
	375	375

	0	0
	187	187
	238	238
	308	308
	0	0
	733	733
	244.33	244.33

	619.33	619.33
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	2008	
	One Service	
	399	399
	510	510
	505	505
	385	385
	0	0
	1799	1799
	449.75	449.75

	177	177
	156	156
	172	172
	165	165
	0	0
	670	670
	167.50	167.50

	617.25	617.25
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	2007	
	One Service	
	556	556
	544	544
	478	478
	296	296
	0	0
	1874	1874
	468.5	468.5

	206	206
	216	216
	185	185
	169	169
	0	0
	776	776
	194.00	194.00

	662.50	662.50
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Application for Trustee, Board of Directors
Applications must be received by January 23, 2012

Name: Lark Weller

Home telephone number (required): 612-874-9373

Work phone number (optional): 651-293-8442

Mobile/cell phone number (optional): N/A

E-mail address (optional): welle025@umn.edu, lark_weller@nps.gov

What year (approximately) did you join first Universalist: ~2008

Please answer the following questions. We appreciate a brief response; you may use additional paper if needed.

Please describe your past involvement with First Universalist, with an emphasis on any leadership roles you have had.

I'm a lifelong UU, and have been a member of First Universalist for about four years. I'm currently serving as Chair of the Pledge Team; this is my third and final year on the Pledge Team. This is work that involves a combination of proactively managing a number of logistics and of maintaining clarity of purpose in our longterm efforts. I worked with Deb Rodgers last year to coordinate our first Day of Service as a part of my work on the Pledge Team; we put in place many of the procedures and organizational tools that will be used for future Day of Service efforts. I've also served as a Coming of Age mentor twice and have been a greeter, usher, and a small group member.

Please provide other professional, volunteer, or leadership experience that you feel is relevant to the position. Be sure to include any other Board or committee experience that focused on strategy, policy, and governance.

I served as a board member at the Green Institute in Minneapolis and learned many valuable lessons from that experience (my first on a board) about the importance of a healthy, functioning board to an organization—as well as the importance of clear communication and expectations, open inquiry, and a balance of talents and strengths to creating a functioning board.

Professionally, I am trained as an urban planner with much attention to stakeholder involvement and strategic planning facilitation. I have led others through strategic planning processes and have participated in them myself, and have the ability to both keep the eye on the “big picture” vision and goals, and to pay attention to grounding those in strategies that make them achievable. Through my role on the First Universalist Pledge Team, I have worked on a team seeking to align this faith community's shared values and covenants with its giving.

Please describe your goals related to this position. Why are you interested in becoming a trustee? What do you hope to contribute?

To be honest, there are gifts I would hope to share through service on the Board of Trustees, and there are gifts I would hope to receive.

As a lifelong UU, I believe ours is a faith tradition that holds the potential to create a positive, progressive world—even more than our congregations have to-date. I believe we can be even more successful in building a bright future together when we are called by our faith community to live according to our values in a deep, authentic way. I am interested in continuing to work within First Universalist toward that collective authenticity, which I see as both a means to the end and an end in itself.

I consider myself to be a good listener, a highly organized individual, and someone who can focus on big picture goals while also being pragmatic about how to achieve them, all of which I feel are valuable skills that I could share with this group. I also am sensitive to people who come to First Universalist searching for *something*—whether it be meaning, comfort, relationships, a calling to stretch more deeply in their lives—and who are not immediately comfortable with navigating such a large group of unknown people to get there. To the extent that the trustees can help make the church a growing, vibrant community that also feels welcoming to not-yet-comfortable individuals, I feel called to help with that.

I am interested in further deepening my commitment to the church, and to learning new spiritual tools and practices. I suspect that service on the Board of Trustees will help expand, deepen, and ground my spiritual practices—this would be a gift for which I would be truly grateful.

Senior Minister Report to the Board of Trustees, February 2012

Mission: In the Universal Spirit of love and hope, we give, receive, and grow.

Visionary Goals:

1) 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

All but one of our new Small Groups filled up in January (one group for Young Adults did not fill up). Nearly 350 people have participated or are participating in Small Groups this church year (2011-2012). Small Groups provide a place where people can practice deep, compassionate listening, and where participants grow in their UU faith as they explore the themes and ideas from the sermons.

We're in the middle of our new sermon series: "Church: Risky Business." We launched our pledge drive on Feb 5, following the Day of Service. This sermon explored the connections between gratitude, giving, and generosity, and suggested that being generous is a way to embody the reality that "none of what we have is truly ours," so we might as well share the blessings. We'll be concluding our Pledge Drive on Feb 26 with a congregational wide ritual, focusing on the "give" part of give, receive, and growth.

In March and April, we'll offer sermon series called "Living in Holy Tension," and "The Good News" (focusing on the good theological news of Unitarian Universalism.)

At First Universalist Church, people of all ages find opportunities to engage in an intellectual and spiritual search for deeper meaning and understanding both as individuals and in community

We've begun an initial round of interviews for the DRE position. We're hoping to fill this position in early March. (You can find the position description here: <http://firstuniv.org/DREjob>.)

The new DRE will help create "opportunities to engage in an intellectual and spiritual search for deeper meaning and understanding" for families and children.

Like we do at the Board, the staff and lay-leaders continue to work toward weaving reflection time into every meeting they have. Ultimately, we hope this will become a church wide practice, so no matter where you are in the organization, you will be able to engage in this practice.

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 choir continues to grow, welcoming a number of new members. Members are joyfully sharing their passion for singing and last Sunday (Feb 5), we all were the choir, as we sang together. A growing concern is that the choir doesn't have enough space on Sunday mornings!

Youth volunteers are working with Larry Lavercombe and Mikki Morrissette to help edit the incredible video footage we got from the Day of Service "Defeat the Amendment/Marriage Equality" video shoot (as church members talked about love, commitment, marriage, and more.)

We continue to learn how to best welcome families with young children in the sanctuary. We've edited our words of welcome to let young families know that there are two places they can go to watch the service if their child is being particularly loud or fussy. (Unfortunately, the sound and image quality is not particularly good in the Library or Narthex.)

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.

We continue to grow into a faith community that lives at the intersection of social justice and spiritual development.

We had another outstanding Day of Service on Feb 4, with over 400 congregants participating in 30 projects.

- Service works logged 111 people and 255 hours, with participants from age 2 to 50+. They made 70 birthday gifts and card, 30 shamrock favors and over 100 St Patrick's Day bookmarks.
- Habitat logged 123 hrs with 40 Participants aged 16-74 and nearly finished the townhomes we've been working on for almost a year.
- 36 knitters logged 136 hours at Steven Be's. They entertained each other with lunch and a fashion show, packing the store to capacity!
- Philadelphia Farm logged 140 hours. The farm provided a lunch - everybody had their share of manual labor and one family had the unique pleasure of cleaning out a chicken coop.

- Kindergarten Readiness collected 43 games, 8 puzzles and 137 books for immigrant and low income families in Hopkins.
- The Marriage Equality Phone bank logged 63 hours and are planning to do another training again.

There is growing energy and interest around Immigration in the church, and it looks like a new Umbrella Leadership team might form around immigration and the role of faith communities in this issue.

In 2009/2010, we gave away \$54,000 from our offering plate. Last year, we gave away \$64,000. We're on track to give away a similar amount this year.

For Earth Day 2012, we're making preliminary plans to focus on the connection between two Umbrellas - Immigration and Environment - as recommended by the UU Ministry for Earth.

Debra Rodgers, Justin Schroeder, Kathy Coskran, and Board Executive Committee Members have been in conversation about the status of Unity Center, its Board, and how it is currently affiliated/connected with First Universalist Church. We are aware that the current Strategic Planning Process offers a unique opportunity to clarify and strengthen the relationship between the two organizations.

Updates:

Cummins Fund: We have met our initial goal of \$200,000 raised (actual gifts and pledges) for the Cummins Fund. We'll continue to build this Fund over the coming years.

Intern in 2012-2013: UTS student Laura Smidzik will be our intern for 2012-2013. She will begin in August.

Matching Money for New Pledges: Generous members of the congregation have put up \$8,500 in matching money for first time pledges. This means that new pledges will be matched, dollar for dollar, up to \$8,500.

Staff Salaries for 2012-2013: Last month, I shared a note giving the Board a head's up on potential cost of living increases for staff for the 2012-2013 church year. I should have been more clear; this is about more than "cost of living increases," although these are certainly part of the conversation. The Director of Administration and I have been working with an outside H.R. Consultant who is

just now completing a comprehensive salary compensation analysis, so that we will have a clear picture of how we compare to similarly sized churches and other non-profits. While we don't have the final analysis yet, it is my commitment to pay our staff fairly and competitively.

Staff Updates: Brad Schmidt, from AccounTemps, is filling in admirably since BJ Van Glabbeek left last month.

Sunday Attendance and Space Issues: Worship attendance has been averaging about 650 people per Sunday. Youth and Religious Education attendance remains around 300 per Sunday. Space, particular for the Religious Education classes, is an ongoing challenging.

Unity Center for Youth Leadership Update: Kathy Coskran, Debra Rodgers, and I, and in active conversation about Unity Center, its affiliation with First Universalist Church (and what that affiliation looks like), and how elements of the strategic planning sessions might serve to weave Unity Center and the Church closer together (i.e., the themes that have emerged around racial justice, youth leadership, partnering in the community, etc.)

Visionary Conversation:

Two parts

Part 1: Tending to our own spirits: Where are you at in your spiritual journey and your spiritual growth? What are you wrestling with/thinking about? Forgiveness? Gratitude? Deep listening? How is the church feeding you spiritually? Where are you struggling, spiritually?

Part 2: Open conversation how Board interacts with Sr. Minister...and how Board interacts with Congregants...

Board's role during Sr. Minister Report: Is it ok to ask questions? Raise concerns? Offer different perspectives? What is the "win" for this time?

Question: Is there additional information in the Sr. Minister report that the Board needs that it currently doesn't have?

Board's role in Congregation: Help create Mission and Visionary Goals for the church. Govern through written policies. Ensure that Staff Team (via Sr. Minister) is moving toward fulfillment of the Visionary Goals/Strategic Plan.

Board speaks with "one voice" about issues, or so says nothing at all.

Board directs all programming questions (worship, Religious Education, Small Groups, etc.) to staff.

What do to if Board cc'd on emails from congregants? Is this is a policy issue? Is this something that belongs to staff? How should Board respond?

**First Universalist Church
Financial Projection
FY 2011-2012
Summary of Variances
As of 12/31/11**

Summary of Material Variances

Revenues	Pos (Neg)	
Auction	(11,000)	Budgeted too high.
Other Fundraisers	(20,000)	Did not have additional fundraisers.
Pledges	(13,000)	Came in under what was projected.
Rental Income	(9,000)	Weight Watchers Saturday meeting cancelled.
RE	(5,000)	Fees not paid by all who registered.
Contributions	6,000	Unpredictable--but came in higher than budget.
Hospitality	1,000	None budgeted, but contributions were made each week.
Total Revenue Variances	(51,000)	Revenue less than budget.

Expenses		
Lifespan and Congregational Life	48,000	DRE not hired till March.
Properties	50,000	Saved on gas and electric by more diligent managing and monitoring of systems (\$19K); energy consulting project not done (\$12K); delayed hiring additional custodial staff (\$10K); less supplies; did not need to lease a buffer--AUW bought us one.
Total Expense Variances	98,000	Expenses less than budget.

Net Variance	<u>47,000</u>	We expect to end the fiscal year better than budget.
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Budgeted Net Income(Loss)	(106,990)	As approved by the congregation at the Annual Meeting.
Plus expected variance	<u>47,000</u>	We expect to end better by this much.
Net Income(Loss) projected	(59,990)	We expect to end the fiscal year with this deficit.

FIRST UNIVERSALIST CHURCH
2011-2012
Fiscal Year End Projection vs. Budget
(as of 12/31/11)

Summary: Projections show us ending the fiscal year better than budget by \$47,000. Revenue is projected to fall short of budget by \$51,000 but expenses are projected to be less than budget by \$98,000. Net result is a \$47,000 favorable variance. Revenue variance is primarily due to miscellaneous fundraising falling short. Savings in expenses is the result of more effective managing of our heating, cooling and lighting systems and a milder winter as well as delaying hiring a Director of Religious Education.

		ACTUALS thru 12/31/11		FYE Projection	2011-12	Variance FYE Projection vs. Budget	
		Unrestricted	Temporarily Restricted	Unrestricted	Budget	Pos (Neg)	Comments/Explanation of Variance
Income:							
OPR. CONTRIBUTIONS							
Pledges		1,022,506		1,031,936	1,045,000	(13,064)	
Matching Gifts		0		0	0	0	
Pledges - Prior Year		0		0	0	0	
Contingency for Unpaid Pledges		0		(30,000)	(30,000)	0	
Contributions		27,805		31,825	25,000	6,825	Monies donated without restrictions.
Offering Plate Donations		13,472		30,000	30,000	0	Church's portion of offering plate (70/30 split--we keep 30%).
Contributions Temporarily Restricted			10,895			0	
Release of Restrictions		17,818	(1,021,906)	17,818	6000	11,818	This is fully offset by expenses.
Pledges FY11-12						0	
Reserve for Unpaid 11-12 Pledges						0	
	OPR. CONTRIBUTIONS	1,081,601	(1,011,011)	1,081,579	1,076,000	5,579	
FUNDRAISERS							
Auction		29,946		29,946	40,000	(10,054)	Auction net \$25,000. Expenses reflected in Fundraising Expenses.
Other Fundraisers		18,246		31,986	23,000	8,986	Church fundraisers represent (\$21,000) of the variance--no additional fundraisers planned. YCE fundraiser reflects \$29,986 of the total--fully offset by YCE expenses.
	FUNDRAISERS	48,192	0	61,932	63,000	(1,068)	Bottom line impact = (\$21,000)
INTEREST & DIVIDENDS							
Reserve Account Dividends		9,546		9,546	10,000	(454)	
Realized Gains and Losses		(848)		(848)	0	(848)	
	INTEREST & DIVIDENDS	8,698	0	8,698	10,000	(1,302)	
BUILDING USE							
Antenna Lease		5,848		11,458	11,458	0	T-Mobile contract year 3 of 5
Rental Income		7,133		7,133	16,000	(8,867)	Weight Watchers contracted for one less meeting.
	BUILDING USE	12,981	0	18,591	27,458	(8,867)	

FIRST UNIVERSALIST CHURCH
2011-2012
Fiscal Year End Projection vs. Budget
(as of 12/31/11)

		ACTUALS thru 12/31/11		FYE Projection	2011-12	Variance FYE Projection vs. Budget	
		Unrestricted	Temporarily Restricted	Unrestricted	Budget	Pos (Neg)	Comments/Explanation of Variance
MISCELLANEOUS							
Offering Plate for Community		30,122		50,000	50,000	0	We give away 70% of our offering plate to organizations we support.
From Foundation		0		1,000	1,000	0	
Legacy Fund Distribution		0		6,160	6,160	0	4% of Legacy Fund balance.
Misc Funds and Other Donations		94		694	800	(106)	
Hospitality		779		1,459	0	1,459	
Misc Release from Restrictions						0	
	MISC.	30,995	0	59,313	57,960	1,353	Hospitality donations not budgeted.
RELIGIOUS EDUCATION							
Contributions		625		2,625	2,000	625	Donations during RE registrations to help us not have a renter.
Program Fees		31,607		36,392	41,970	(5,578)	Some registrants have not paid.
	R.E.	32,232	0	39,017	43,970	(4,953)	
INTEREST TEMP RESTRICTED							
Dividends & Interest Library			205				
Unrealized Gains/Losses Library			(1005)				
	INT TEMP RESTR	0	(800)				
MISC TEMP RESTRICTED							
Cummins Fund			148,106				
	MISC TEMP RESTR	0	148,106				
	Total Income	<u>1,214,699</u>	<u>(863,705)</u>	<u>1,269,130</u>	<u>1,278,388</u>	<u>(9,258)</u>	(\$31K) fundraisers; (\$13K) pledges; (\$9K) rental income; (\$5K) RE; \$6K contributions; \$1K hospitality. Total (\$51,000) bottom line variance.

FIRST UNIVERSALIST CHURCH
2011-2012
Fiscal Year End Projection vs. Budget
(as of 12/31/11)

		ACTUALS thru 12/31/11		FYE Projection	2011-12	Variance FYE Projection vs. Budget	
		Unrestricted	Temporarily Restricted	Unrestricted	Budget	Pos (Neg)	Comments/Explanation of Variance
Expense:							
MINISTERS							
Salaries and Benefits		144,986		300,078	299,260	(818)	
Professional Expenses		5,656		18,000	18,000	0	
Program Expenses		0		0	0	0	
MINISTERS		150,642	0	318,078	317,260	(818)	Summer minister not budgeted.
LIFE SPAN FAITH DEV.							
Salaries and Benefits		27,172		71,518	136,573	65,055	
Professional Expenses		53		2,800	2,800	0	
Program Expenses		9,462		25,430	26,535	1,105	
LIFE SPAN FAITH DEV.		36,687	0	99,748	165,908	66,160	DRE not hired till March; staff member resigned and not fully replaced.
WORSHIP							
Salaries and Benefits		16,499		36,445	48,882	12,437	Contractors budgeted in Salaries, coded to Program Expenses.
Professional Expenses		0		500	500	0	
Program Expenses		8,755		19,762	7,450	(12,312)	Contractors budgeted in Salaries, coded to Program Expenses.
WORSHIP		25,254	0	56,707	56,832	125	
MEMBERSHIP							
Salaries and Benefits		14,596		30,384	25,397	(4,987)	
Professional Expenses		0		0	0	0	
Program Expenses		4,574		8,624	12,100	3,476	
MEMBERSHIP		19,170	0	39,008	37,497	(1,511)	Worked more hours in support of greater need.
DENOMINATIONAL CONNECTIONS							
Program Dues UUA		0		26,981	26,981	0	\$8,000 raised in Offering Plate for Community.
Program Dues PSD		0		9,435	9,435	0	\$4,000 raised in Offering Plate for Community.
PDS/GA Meetings		0		1,800	1,800	0	Scholarships for GA for congregants.
DEN. CONNECTIONS		0	0	38,216	38,216	0	
COMMUNICATIONS							
Salaries and Benefits		13,481		29,932	31,654	1,722	
Professional Expenses		0		1,600	1,600	0	
Program Expenses		4,061		9,356	6,150	(3,206)	Outsourced printing.
COMMUNICATIONS		17,542	0	40,888	39,404	(1,484)	

FIRST UNIVERSALIST CHURCH
2011-2012
Fiscal Year End Projection vs. Budget
(as of 12/31/11)

		ACTUALS thru 12/31/11		FYE Projection	2011-12	Variance FYE Projection vs. Budget	
		Unrestricted	Temporarily Restricted	Unrestricted	Budget	Pos (Neg)	Comments/Explanation of Variance
FAITH IN ACTION							
Salaries and Benefits		13,262		25,777	25,171	(606)	
Professional Expenses		0		1,000	1,000	0	
Program Expenses		19,764		40,393	7,875	(32,518)	YCE expenses are offset by equal amounts of revenue shown in Fundraisers above.
	FAITH IN ACTION	33,026	0	67,170	34,046	(33,124)	No net bottom line variance.
CONGREGATIONAL CARE							
Salaries and Benefits		0		0	0	0	
Professional Expenses		0		0	0	0	
Program Expenses		9,461		12,688	9,750	(2,938)	Offset by Offering Plate for Community.
	CONGREGATIONAL CARE	9,461	0	12,688	9,750	(2,938)	No net bottom line variance.
FINANCE/ADMINISTRATION							
Salaries and Benefits		69,813		148,969	171,737	22,768	Used temp labor rather than hiring.
Professional Expenses		0		4,000	4,000	0	
Finance/Admin Expenses		51,015		112,494	92,064	(20,430)	Used temp labor rather than hiring.
	FINANCE/ADMINISTRATION	120,828	0	265,463	267,801	2,338	
PROPERTIES							
Salaries and Benefits		34,011		77,913	91,480	13,567	Delayed hiring 2nd custodian.
Professional Expenses		0		1,000	1,000	0	
Properties Expenses		76,307		160,037	196,340	36,303	Saved on gas & electric due to better management of systems and milder winter; did not move forward with energy consultation project.
	PROPERTIES	110,318	0	238,950	288,820	49,870	
DEPRECIATION							
Depreciation		0			0	0	Depreciation is not budgeted.
	DEPRECIATION	0	0	0	0	0	
CONGREGATIONAL LIFE							
Salaries and Benefits		53,268		111,763	93,844	(17,919)	Offset by savings in Lifespan Faith Dev.
Professional Expenses		316		2,000	2,000	0	
Program Expenses		0		0	0	0	
	CONGREGATIONAL LIFE	53,584	0	113,763	95,844	(17,919)	

FIRST UNIVERSALIST CHURCH
2011-2012
Fiscal Year End Projection vs. Budget
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		ACTUALS thru 12/31/11		FYE Projection	2011-12	Variance FYE Projection vs. Budget	
		Unrestricted	Temporarily Restricted	<i>Unrestricted</i>	Budget	Pos (Neg)	Comments/Explanation of Variance
FUNDRAISING							
Program Expenses		4,546		4546		(4,546)	Budgeted expenses were reflected as offsets against Fundraising revenue.
	FUNDRAISING	4,546	0	4546	0	(4,546)	
NON-OPERATING							
Offering Plate for Community		17,891		34,000	34,000	0	70% of offering plate given to outside organizations. Also \$4K reflected in Congregational Care and \$12K reflected in Den Conn.
Miscellaneous Other		0			0	0	
	NON-OPERATING	17,891	0	34,000	34,000	0	
	Total Expense	<u>598,949</u>	<u>0</u>	<u>1,329,225</u>	<u>1,385,377</u>	<u>56,153</u>	Savings that has a net bottom line impact = \$98,000.
	Net Income - Expense	<u>615,750</u>	<u>(863,705)</u>	<u>(60,095)</u>	<u>(106,990)</u>	<u>46,895</u>	Revenue (\$51K); Expenses \$98K. Net positive variance of \$47K.

Notes from First Universalist Church Finance Committee Meeting

DATE: 8 February 2012

PRESENT: Dan Berg, ~~Craig Bishop~~, Susan Claeys, Bill Elwood, Nancy Gaschott, Shawn Hartfeldt, Riley Owens.

1. Report from meeting with Accredited Investors / Ross Levin by Susan and Dan, who had attended: The purpose of the meeting was (1) to discuss ways in which some of the details of the church's current investment policies create difficulties for our money managers, and to resolve those, (2) to address a question about which part of the reserves should be covered by our investment policies, and (3) to discuss the wisdom of pooling Legacy and Cummins assets for investment purposes.

The current policies include an Socially Responsible Investments (SRI) mandate of 20-30% for the Legacy and Cummins Funds. This is manageable according to Ross. There is greater detail in the asset allocation model in the Legacy Funds policy that is still problematic. Dan proposed that this be changed by amendment to align with the Cummins Fund policy.

Ross recommended that the cash components of the Legacy and Cummins Funds NOT be at Accredited, but be parked in the church's savings account. All agreed. There was also discussion regarding how much of the Reserve Fund should be held in cash. The current practice is to keep in cash an amount sufficient to fund approximately two months of operations.

Dan will make the required changes to the Legacy Fund policy to align with the Cummins policy, and draft an investment policy statement for the church Reserve Funds for the next Finance Committee meeting.

2. Unity Center for Youth Leadership. The situation had changed with Unity Leadership resulting in the cancellation of the meeting Bill and Shawn had prepared for to provide support to Susan in moving the issue of its transition towards independence forward. The transition is going slower than anticipated. The subject of Unity Leadership should be included in the strategic planning process. Suggestion: identify the in-kind expenses now being contributed to Unity Leadership by the church.

3. Review of 12/31/11 financial reports from Susan:

a. Summary of variances. This detailed worksheet, which Susan walked the committee through, has a nice bottom line: an estimated

improvement of \$47,000 for the year-end deficit, yielding a projected deficit of \$60,000 (instead of the budgeted \$107,000).

We discussed whether the church might ask people to “close the gap” to further pare down this unpopular deficit. One member reported a conversation with a congregant who wasn’t willing to increase their pledge until the church’s budget is balanced.

b. Statement of Activities (Profit & Loss), comparison to budget. This 23 page report in Excel provides the complete detail, including actuals to date, last year to date, year end projections, and notes/explanations for all accounts. The committee was delighted with this voluminous financial data!

A question was raised about the (\$64,000?) figure Justin used last Sunday when talking about the amount the church gives away from the collection plate. Was he referring to last year’s \$67,650 figure? This year’s amount is budgeted at \$34,000. (Note: the committee believes it’s important for the ministers, when reporting financial data to the congregation, to be as clear and accurate as possible.)

c. A Statement of Activities from the accounting system

d. A Statement of Financial Position (Balance Sheet) from the accounting system

The committee is enormously appreciative of “the most elaborate reports” one long time member has ever seen coming from the church.

Susan reported that the preparation of the reports was a useful exercise for her, and will provide a very good base for budget preparation.

4. Schedule and contents of reports: We agreed that the committee should receive quarterly financial reports, plus, on a monthly basis, anything that Susan is worried or especially pleased about. We also agreed that the board packet should include three of the five reports Susan provided to us: (1) The Statement of Variances, (2) the Statement of Activities (Profit & Loss) from the church accounting system, and (3) the Statement of Financial Position (Balance Sheet) from the church accounting system.

5. Accounting Policies: In order to provide greater segregation of duties, Susan requires Priya, the independent accountant, to reconcile the bank accounts, and has provided her with a check list of additional verifications Priya reviews each month. She passed the check list around for us. The committee was greatly appreciative of Susan’s wisdom in

instituting these procedures, and suggested two additions: Reconcile the deposit paperwork with the bank record and review the unused or voided checks. Bill offered to provide Susan and the committee with a checklist the UUA provides its small churches. (Note: Bill has done this.)

6. Monitoring item: physical plant and equipment. A review has been made by congregants, organized by staff, as part of the strategic planning work.

7. We will meet next on the 14th of March as planned.

Adjourned at 6:00

(NOTES: Dan Berg and Nancy Gaschott)