

First Universalist Church Board of Trustees

April 21, 2016

Board Packet

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Date: April 18, 2016
To: First Universalist Board of Trustees
From: Cindy Marsh, President
Re: April 21, 2016 Meeting

Happy spring – at last! Once again, please come prepared for a full agenda on Thursday and please read all materials carefully.

The major item is our review of the proposed budget which will be presented to the congregation during Budget Meetings scheduled for May 1 and May 9. Other Finance Committee related items include an update on the Vender Selection Policy and funding for the initial phases of the comprehensive stewardship campaign. Richard and Eric will provide an update and next steps on our Visionary Goals refresh process.

As you know, we did not pass the motion to recommend an experiment with reduced board size to the congregation (Executive Session on March 26). Failure to fully employ the Choice Points model in evaluating the proposal was one of the concerns. Following the meeting, Karin, Richard, and I later met (March 30) to apply the model to the Board size experiment proposal – with the assumption that we could still do this at the April meeting as a full board. However, when we actually applied the model to the proposal, we ended up convinced that reducing the size of the Board at this time, even as an experiment, was not a good idea. We'd like to share our learning from our Choice Points discussion to get closure on the board size issue for now. We will, of course, continue to work on inclusivity, diversity, and board effectiveness.

Positively, at our March Executive Session, we passed a motion to: 1) operate as a committee of the whole in 2016-17; 2) focus on governance issues in 2016-17; and 3) seek board development/training on governing with a racial justice lens. We'll discuss next steps with each of these. One related idea is for the Board to take more ownership of the racial justice mapping completed by the Racial Justice Leadership Team and early participants in the three day racial justice training program. Richard and Karin discuss an approach; this mapping contains suggestions for governance and leadership so that relates to our goals.

Justin and I both have some leads on a consultant or group that could help us on the goal of board development on governing with a racial justice lens. I had an extremely helpful phone discussion with Terry Keleher on using the Choice Points model (he's the Race Forward consultant who authored many of the materials we are striving to use) and received some good resource suggestions. I plan to share my notes from the discussion in a separate communication.

I look forward to our meeting on the 21st.

First Universalist Church of Minneapolis
Board of Trustees Meeting
21 April 2016
6:30 p.m. Cummins Room
Agenda

6:30 Call to Order

- Lighting of the Chalice
May this flame that burns before us light our way, informed by the wisdom of leaders gone before, and inspired by the trust that we have been given as stewards of this Church. May we have vision, compassion, and courage as we serve this congregation now and for the generations to come.
- Reading
- Check-in/thought question

6:50 Consent Agenda

- Approval of minutes from March 17 meeting
- Acceptance of attendance and membership numbers
- Approval of Delegates to Mid America Conference

6:55 Items from the Senior Minister and President

- Comprehensive Stewardship Campaign
- Next steps with March 26 executive session motion to:
 - Operate as a committee of the whole in 2016-17
 - Focus on governance issues (see approach below)
 - Seek board development/training on choice points/governing with RJ lens

7:10 Finance Committee (Jen and Dick)

- Bequest approval (10% to operating budget)
- Revised Capital Budget (parking lot)
- 2016-17 Proposed Budget
- Three Year Budget (will be presented at meeting)
- Vendor Selection proposal update
- Key messages for Congregational Budget Meetings
- Potential funding for Stewardship Campaign

8:00 Break

8:10 Visionary Goals Refresh: Update and next steps (Richard and Eric)

8:30 Governance: Board review of RJ Mapping (Karin and Richard)

- Analysis of progress made to date; clarification if recommendation not an actionable goal
- Determination of:
 - Recommendations/actions that should be part of strategic plan

- Ownership of suggested actions (e.g., who owns which pieces)
- The pieces that the Board owns and how we will address suggested actions
- Appropriate monitoring

Agenda, Page 2

8:45 Choice Points applied to Board Size Proposal (Karin, Richard, and Cindy)

9:00 Governance Committee Report

9:15 Adjournment

First Universalist Church of Minneapolis

Board of Trustees Meeting Minutes

March 17, 2016

I. Attendance.

Trustees Present: Dave Bach, Marion Bauer, Jill Braithewaite, Cindy Marsh, Christina Nicholson, Richard Spratt, Karin Wille

Trustees Absent: Eric Cooperstein, Dick Niemiec (present by phone for parts of meeting)

Staff Present: Rev. Jen Crow, Rev. Justin Schroeder

The meeting convened at 6:36 pm with the call to order and chalice lighting.

The Trustees discussed, as a reading and spiritual reflection, a second selection from Alice Walker.

II. Consent Agenda - moved and approved

- Approval of minutes from February 18th meeting
- Acceptance of attendance and membership numbers

III. Items from the Senior Minister

Rev. Schroeder's report was included in the board packet. Key items included an in depth review of the racial justice lens application in various programs of the church, including Stewardship, Circles, Exploring Membership, and in Children and Youth programming.

Additionally, there was discussion of the pledge drive, \$60-70K increase seeming more likely than \$80K. 358 pledges are in, 175 increases. An average of 380 per increase. Roughly 300 pledges still outstanding. After this week, staff will go "offline" to seek the remaining expected pledges.

IV. Proposal regarding Board Size

Rev. Schroeder and Board Chair Cindy Marsh initiated a discussion regarding a temporary year long experiment on trying a board size of 7, based on expert recommendation for large churches that the ideal board size for strategic work is 5 to 7 members. The details of the proposal are listed in the Board Packet. After thorough discussion, it was determined that an executive session meeting would be scheduled before the Nominating Committees BOD application deadline of April 1st. In this meeting, a determination of whether or not this recommendation would be approved by the Board will be made.

V. Review of Board of Directors Job Description

Karen Willie and Board Chair Cindy Marsh brought forward a proposal to enhance the specificity of Racial Justice language in the BOD job description. Draft of changes available in the board packet. The changes were approved unanimously by all board members in attendance.

VI. Suggestions on our use of Choice Points

Rev. Schroeder and Chair Cindy Marsh suggested that we think about Choice Points in terms of what we focus on, how we do it, and who we do it with. It was suggested that a committee or subteam present their use of the model when presenting their work, and that others listening to what the team did do before critiquing. Rev. Crow suggested that committees and subteams prepare written answers to the Choice Point questions.

VII. Visionary Goals Refresh

Richard Spratt presented the proposal from Rainbow Research. Board made suggestions about adding key language around outcomes and clarified process to be put in place around how data is gathered from all key stakeholders involved in First Universalist. Richard will take the information back to Rainbow Research and will send out redraft from them including the questions for the refresh to the Board to review prior to the next step. We agreed there will be several opportunities for congregants to provide input: four listening groups, two world café style sessions, and an on-line opportunity.

VIII. Recommendations for Comprehensive Stewardship Campaign

Rev. Schroeder and Chair Cindy Marsh provided a review of the process used to select a consulting firm to assist with our potential comprehensive stewardship campaign. The approach to inclusion, using the choice points model, was discussed. We focused on building a case for a campaign aligned with our racial justice mission (reviewed by the board in January) and the "how" in terms of seeking an inclusive process. We also searched for a consultant of color or firm with a diverse workforce. After finding none after extensive research, we sought recommended individuals and firms with appropriate expertise with church capital campaigns and focused on finding one with the most inclusive model. We educated ourselves to learn more about how capital campaigns typically work and to learn more about success factors and best practices. We interviewed four potential consultants/firms and ultimately recommended the one with the most inclusive process so all congregants can participate in all phases and feel part of our future. Other critical factors for our recommendation included a track record of success with other UU churches and the amount of support provided to assist with the campaign. The Board voted to approve the recommendation. The comprehensive stewardship campaign will be introduced to the congregation at the Annual Meeting.

IX. Finance Committee Report

Rev. Crow reported on January financials, which continue to be in line with overall budget projections. The grant for the parking lot was received. Overall costs of the parking lot project have also increased, based on restoring it in a more environmentally friendly way. We need to understand how much the Watershed District grant will cover before determining how to proceed. Rev. Crow also presented a draft of the FY 2016-2017 budget, and reviewed key assumptions and contingencies if goals are not met. Rev. Crow will present two drafts to Finance Committee in April, one reflecting the addition of a large tenant and the other without the tenant. Budget will be reviewed by Board in April, congregants in May, to be voted on by the congregation in June.

Finance Committee also had a recommendation for a vendor equity form to be used when receiving bids from new vendors. The Board provided support for the form to be refined in April Finance Committee meeting and brought back to the Board in April for final review.

Meeting was adjourned at 9:23 pm

March Attendance

2016

Adults	9:30 AM	11:15	
1st week	224	238	462
2nd week	242	277	519
3rd week	288	236	524
4th week	341	304	645
5th week			
Monthly Total	1095	1055	2150
Average for March	273.75	263.75	537.5
RE			
1stweek	193	157	350
2ndweek	206	177	383
3rdweek	198	178	376
4thweek	20	16	36 *
5th week			
Monthly Total			
Average for March	617	528	1145
	154.25	132	286.25
Combined Average			
	428	395.75	823.75

Notes

*Easter, multi-gen service. No RE.

2015

9:30 AM	11:15	
291	308	599
185	256	441
283	344	627
274	299	573
190	241	431
1223	1148	2671
244.5	289.6	534.2
182	164	346
138	158	296
182	154	336
177	147	324
43	45	88 *
722	668	1390
144.4	133.6	278
388.9	423.2	812.2

*Spring break, no RE.

**First Universalist Church
MARCH 2016 Statistical Report
April 21, 2016**

MEMORIAL SERVICES: 0

MARRIAGES/SERVICES OF COMMITMENT: 0

MEMBERS FOR APPROVAL: 10

Susan Searing, Minneapolis
Emily Matthees – Minneapolis
Karen Rodriguez – Minneapolis
Orrin Broberg – Minneapolis
Jennifer Rives and Alan Blomquist - Minneapolis
Beth Malmberg – Minneapolis
Patrick Dougherty – Minneapolis
Ethel Hill – Golden Valley
Tanja Tuzlukovic – Richfield

MEMBERS REINSTATED: 0

MEMBERS FOR REMOVAL: 11

Betsy Horton – deceased
Erin Kelly and David Krewinghaus – moved to Boston
Joanne Bakken – moved to Washington
Kim and Caren Stelson – moving from members to friends
Ruth Weaver – deceased
Arlene Jacobson - deceased
Tracy Jones – attending Episcopal Church
Robert and Teresa Leonard – deceased

CHILDREN DEDICATED: 0

	To Date	End of Year Totals			
MEMBERS	2015-2016	2014-2015	2013-2014	2012-2013	2011-2012
(Fiscal Year)	35	58	46	110	76
TOTAL MEMBERS:	930	920	921	1030	953

TOTAL MEMBERS AS OF THE LAST MEETING: 931

To be added: 10

To be removed : 11

TOTAL MEMBERS: 930

Approval of Delegates to the Mid America Conference:

Carol Johnson

Sr. Minister Report to the Board of Trustees, April 21, 2016

Opening Reading:

Late Fragment by Raymond Carver

And did you get what you wanted, even so?

I did.

And what did you want?

To call myself beloved, to feel myself beloved on the earth.

Reflection Question(s):

What does this poem stir up in you? When have you called yourself beloved? When have you felt yourself beloved on the earth?

Updates:

Staff Survey: Next week, I'll share the results from the staff survey, including a narrative summary, with the Governance Committee, as per the monitoring schedule.

Updates on Community/Public Ministry:

Below, I've highlighted just a few of the community/public ministry efforts that are afoot in the church.

Mde/Bde Make Ska: We've recently hosted the 4th community conversation about the sacredness of water, the history of the people who first occupied this land, and the desire to restore the name, "Bde/Mde Maka Ska." New relationships and a great deal of energy has been generated from these conversations. We will continue to work with members of the Native American community, following their lead in this process. It has been particularly exciting to have the engagement and participation of many members of our Environmental Justice Ministry Team.

Serving on the Steering Committee for a Social Cohesion Project: I am currently serving on the Steering Committee for a Social Cohesion Project that is just getting off the ground. Social Cohesion is defined as:

"...the capacity of a metropolitan community to draw on the assets of all sectors of society – government, business, education, media, the arts, organizations of civil society, and especially religious and spiritual communities - for its collective well-being, combining realism,

openness and creativity in order to create a reservoir of trust, good will and resilience, so as to meet the practical challenges of living together with mutual respect and shared responsibility.”

The first part of this project, “The First Steps Project,” will conduct 125 appreciative inquiry interviews and 50 reference group conversations on the need, and conditions necessary, for fostering greater social cohesion in the Twin-Cities.

The interviews and reference group conversation will focus on six ‘nexus’ points that are illustrative of social cohesion concerns and aspirations – immigrant communities; Black Lives Matter; interfaith dialogue and Islam; public investment in Brooklyn Park; educational trauma for Native children and teenagers; living income.

Additional, interviews and reference group conversations will also target social cohesion concerns and aspirations across a variety of sectors, include: arts, interreligious,

Two field researchers, the lead organizer and international director will conduct the interviews and reference group conversations.

Findings and analysis will be compiled and disseminated in a report in September 2016.

Based on the report, a proposal for a five-year, multi-faceted interreligious initiative for the Twin-Cities will then be drafted and brought for consideration across all social sectors.

Note: *This initiative is based on decades of experience and work done by the two principal organizers, Rev. David Ostendorf and Rev. Dirk Ficca (friend of Mark Ritchie; Mark connected him with me), with extensive experience in labor, union, community development and interreligious organizing. The European model based on this methodology is Open Skåne, an initiative launched in Malmö, Sweden, in 2015, with the assistance of Rev. Ficca.*

Faith for \$15 Now: Members of First Universalist are becoming engaged with the \$15 Now, Living Wage Campaign, and I’m working with a group of faith leaders to create a faith statement about why a living wage is a religious and moral imperative.

Faithful Action Partnership Testimonial: (from one of our partner orgs; this person asked to remain anonymous) “I’m a person of color who works at a nonprofit organization. First Universalist Church is a partner with our nonprofit. I wanted to share how much I appreciate the work First Universalist has done internally around racial justice, and how they have worked to bring its nonprofit partners along in the process. It has played a role in moving our own internal work around racial justice and ensuring that we could get over some sticking points to move forward in a thoughtful and meaningful way.

As a person of color, bringing up issues of race and power structures and unconscious bias can feel lonely and isolating. I often feel like I am looked at, in exasperation, as that ‘person of color talking about race once again’. It is powerful when a white ally, and particularly powerful when the white ally is a church partner and donor, also pushes this work forward.

My best friend always challenges me and helps me be the very best I can be. It's great to think that true partnerships can also work in a similar fashion. Your work to push us around racial justice has helped my organization move forward on our work on racial justice and has helped me feel like I am not so alone in this important work. Thank you. I see some exciting changes ahead for this organization and I look forward to this continued partnership."

Pledge Drive Update: At the Board meeting, we'll share the most up to date numbers on the pledge drive.

Comprehensive Stewardship Campaign Update: In early May, I'll be meeting with congregants (architects, interior designers, and others who really know the building) and staff, to share the high-level vision for the campaign, to walk through the building, and to begin to map out what we might do, and how much it might cost. Ideally, we'll move toward some sketches and visuals that begin to reflect our dreams, that we might be able to use at the readiness assessment focus groups in the fall.

Racial Justice Resources: I've attached two RJ related resources from Chaka Mkali, an organizer from Hope Community. I met with Chaka a few months ago.

Developing an Organization that Supports Racial Justice

Assessing our Progress

1. **Mission & Values:** Include in your organization's mission statement a clear commitment to racial justice.

Is this commitment in your mission statement? What is your mission statement?

2. **Visioning and Strategic Planning:** Since institutional change is not easily or quickly attainable, it's helpful to have a long-term vision and strategy. Focus on what is desirable, needed and fair by developing long-term proactive proposals, then working on short-term gains to advance those proposals. A clear and articulated vision of racial justice can help you be *proactive* while often having to *react* to racial inequality.

Are racial justice goals central to your vision and strategic plan? Can you give some examples?

3. **Problem Assessment and Power Analysis:** Be sure that your assessment of problems and systems of power include a racial analysis. How is institutional racism contributing to social inequalities, how are different racial groups affected, and who's responsible?

In what ways have you or are you working to include a racial analysis in your assessment of problems and systems of power?

4. **Framing and Publicizing Issues:** To reduce racism, it must be acknowledged, exposed, and directly challenged. When naming, framing and explaining issues, explicitly address racial inequality, otherwise the opposition will control the debate by concealing racism.

In what ways are you explicitly addressing racial inequities in your public naming, framing and explaining of core issues?

5. **Action:** It's important to engage in visible action to expose and challenge racism. In order to break through the widespread public denial, confusion, silence and inaction around racism, racial justice proponents must act and speak with added clarity, conviction and visibility.

What action has your organization taken to expose and challenge racism?

6. **Membership and Leadership Development:** Organizations may need to change the way they recruit and develop members and leaders so that those most adversely disadvantaged by racism are able to take the most active and visible role in challenging it.

How have you changed the way you recruit and develop members and leaders?

7. **Allies/Alliances:** In order to produce systemic change, more effort needs to be devoted towards developing long-term strategic partners, rather than simply short-term tactical allies. This may involve a greater investment in time to establish true understanding and mutuality—but this investment can yield many long-term benefits.

How have your long term strategic partners changed, and how is that impacting your work for racial justice?

8. **Internal Education:** There must be in-depth, ongoing political analysis with the organizations' leadership, base constituency and allies in order to understand the complex and changing dynamics of racism. The must include a commitment to deal with differences and disagreements in order to arrive at new understandings and options for action. The trust and unity that emerges from a collectivize analysis can create cohesiveness and prevent fracturing.

What kinds of internal education have you carried out with your leadership, base, staff and allies that strengthens their understanding of the complex and changing dynamics of racism? Examples? Lessons?

9. **Movement-Building:** Analytical and strategic connections across issues, constituencies and regions must be made in order to build the diverse and critical mass needed to mount a challenge significant enough to produce systemic change and racial equity.

How are you making connections across issues, constituencies and regions to advance system change and racial equity? How have you come to understand your role in that work?

10. **Organizational Culture and Change:** Social change and racial justice organizations, are themselves institutions, and must be committed to practice what they preach. This may necessitate changes in organizational structure, policies and practices, leadership, decision-making, fundraising and resource allocation, issue selection and framing, etc. Organizations also need to pay attention to their own culture to make sure it's inclusive and vibrant.

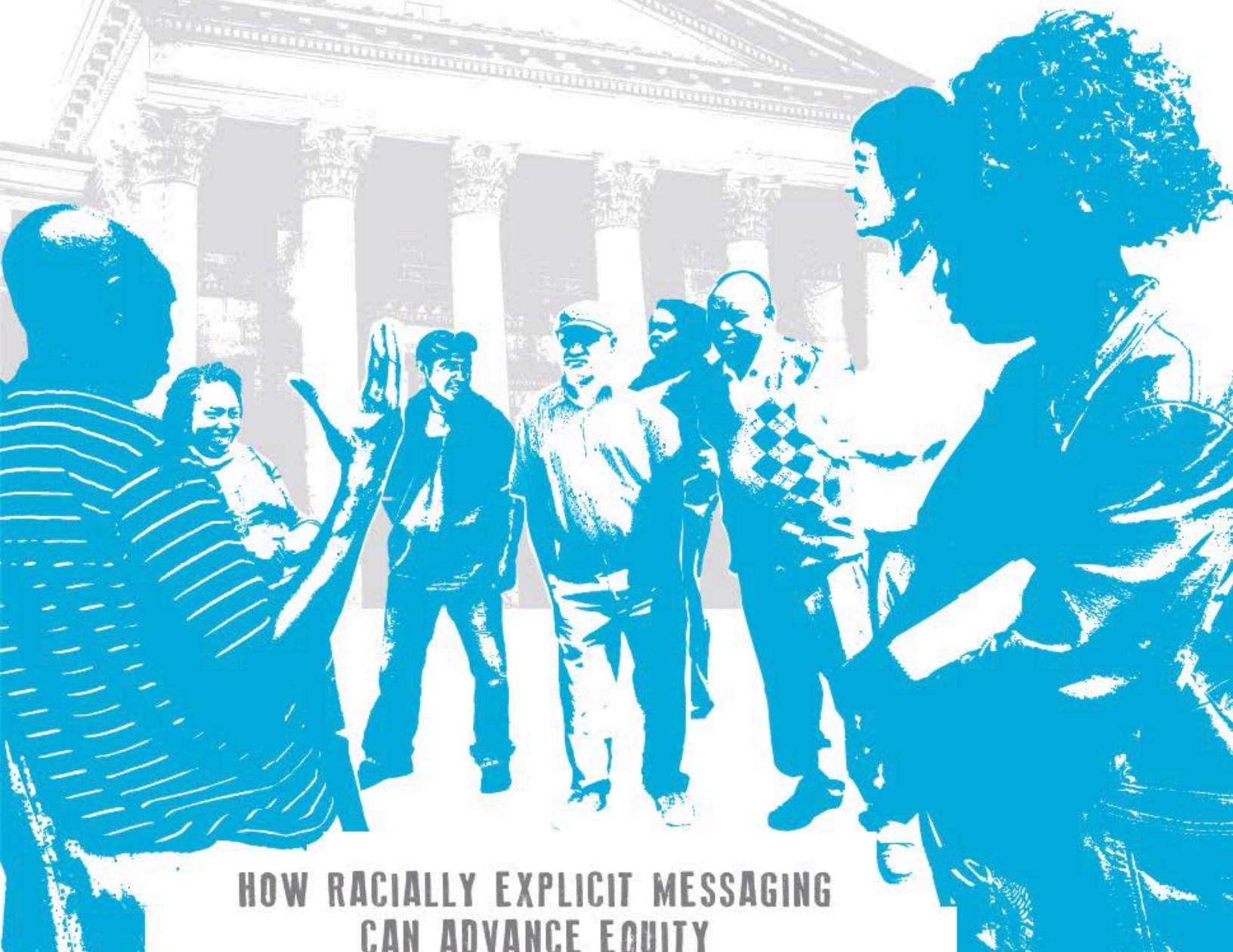
What have you learned about your organizational culture, and what steps have you taken to change or transform that culture in order to practice the racial justice you want to advance in the world?

THANKS!

This assessment is based on the Handout "Developing Racial Justice Organizations" created by the Applied Research Center.

LET'S TALK ABOUT RACE

EXECUTIVE SUMMARY



HOW RACIALLY EXPLICIT MESSAGING
CAN ADVANCE EQUITY



CENTER FOR SOCIAL INCLUSION

As we approach a time when there will no longer be any single racial majority in America, we have to ask ourselves hard questions. Are we comfortable with race, and racial dynamics, as our nation's demographics change? Are we ready to embrace one another despite our perceived differences, or will we choose the cynical acceptance of what has become the norm in our country—ongoing segregation, Black voter suppression, economic exploitation, militarized policing, and mass incarceration? Can we counter the race wedge - the process of using race as a tactic to divide people in order to achieve a political outcome? Are we ready to embrace a new vision of shared prosperity? Are we willing to embrace a truly inclusive democracy?

We can assess where Americans land on many of these questions by understanding how people respond to messages about race in the first place. In CSI's first communications testing report, *Talking About Race: A Summary of Findings*,¹ we demonstrated that it is better to address race than to avoid it. Most notably, we demonstrated that progressive messages about health care reform and subprime lending that addressed race prevailed over conservative messages that avoided it, as well as over progressive messages that were race neutral.

RACE WEDGE

The term "race wedge" refers to the process of using race as a tactic to divide people in order to achieve a political outcome.

In this report, we explored whether talking about race directly could effectively move people to support progressive fiscal policies.

FISCAL POLICY

The term "fiscal policy," for this particular round of testing, refers to three main themes: government's role in job creation, tax reform, and increasing safety net services. At its core, this is a dialogue that's more about values than driving government spending. Progressive fiscal policy values include ensuring that the wealthy pay their fair share in taxes and regulating the market, while supporting a social safety net and expansion of the middle class. Conservative fiscal policy values include limiting taxes on the wealthy and deregulating the market, while privatizing traditionally public resources.

With the participant data supplied by research consultants, the Analyst Institute in 2012 and Pacific Market Research in 2014, CSI successfully completed two rounds of testing with a nationally representative sample. We tested messages that re-frame people of color as contributing, hardworking Americans —"makers" instead of "takers"—with the goal of moving people toward supporting more progressive fiscal policies.

• First round of testing: Does the Messenger Matter?

We tested progressive messages with White spokespeople and with racially diverse spokespeople against conservative messages to see if the race of the messenger affects how participants respond to the message.

• Second round of testing: What Counters the Race Wedge on Fiscal Policies?

We tested several progressive messages against one conservative message to see if people's attitudes about progressive fiscal policies differed based on the level of racial explicitness of the message and on the stereotypical or non-stereotypical nature of the spokespersons' occupations.

¹ The Center for Social Inclusion and Westen Strategies, LLC, *Talking About Race: A Summary of Findings* (2012).

KEY FINDINGS

The results from our testing show that race explicit messages move people toward progressive fiscal policies and that people like and agree with messages that have a multiracial cast. While the testing revealed information in a number of areas, the following findings stand out:

1. Progressive policy messages that specifically name race are successful with the general public.
2. The majority of people are holding two frames at once on policy issues and race, both progressive and conservative.
3. Even people with high implicit bias, when watching a progressive, racially explicit message, agreed with progressive fiscal policies.
4. Talking about race does not elevate individual implicit bias
5. Racially diverse spokespeople are better received than White-only spokespeople.

FRAMES

Unconscious thought process consisting of networks of associations that we use to interpret information. Frames are used as a long-term strategy in changing perceptions.

This shows us that we can talk about race more explicitly than ever before. Not only does this finding support on-the-ground efforts to highlight the experiences of people of color, but it also can be used to inform communications strategies for a range of issues, from housing to education to health care and beyond.

IMPLICIT BIAS

Unconscious attitudes and stereotypes toward individuals and social groups that “affect our understanding, actions, and decisions.”
(Adapted from Kirwan Institute)

CSI has developed strategies for organizers and advocates in creating messages that build support for racially equitable policy solutions. Through multiple rounds of testing, we determined that to combat the dominant race narratives that deepen the race wedge and increase inequity, it is critical to include three components that we call ACT:

Affirm: Engage the audience with an initial emotional connector and affirm “shared fate.”

Counter: Explain the history of the problem and address race directly to counter the race wedge.

Transform: End with an engaging, emotional solution and transform the narrative.

It has never been more important to talk about race in the right ways. By 2042, the United States will be a nation comprised primarily of people of color. If persistent racial disparities and growing racial tensions accompany this demographic shift, the nation’s wellbeing will be in jeopardy. We have a collective responsibility to discuss race in the context of solutions that work for all of us. Our research demonstrates that we can talk about race explicitly and win.

First Universalist Church – Finance Committee Minutes
Thursday, April 14, 2016

Attendance: Present – Nate Ahlberg, Eric Cooperstein, Christina Nicholson, Karin Wille, Rev. Jen Crow

Karen Wille convened the meeting at 6:00 pm.

The committee approved the March 10, 2016 minutes.

Bequest. The Church received a bequest of \$124,000 from a member who passed away recently. Pursuant to the Gift Acceptance Policy, unrestricted gifts of over \$10,000 are designated for the Legacy Fund but 10% of the gift may be allocated to the Church's operating budget for the current year. After a **MOTION** made and duly seconded, the Committee voted to recommend to the Board that we follow the policy and allocate 10% of the bequest to the current operating budget.

Vendor Policy: Rev. Crow reported on the staff's progress in developing a policy to apply to the selection of vendors to incorporate a racial justice lens to large purchasing decisions. Rev. Crow hopes to implement a policy starting July 1, 2016, for purchasing decisions over \$5,000, although the staff may begin using the policy sooner depending on approval of the final policy.

The Committee discussed the draft policy, which includes an equity / social justice matrix that is currently used by Unity Church-Unitarian. The Committee identified some vague criteria in the matrix that seemed difficult to implement. The Committee recommended to Rev. Crow that initially the policy include a series of open-ended questions to be posed to vendors and that the responses be considered in selecting vendors. After using the policy for several months, it should be possible to evaluate the usefulness of the questions, whether they have an equity impact, and determine how the vendor policy might be adjusted for continuing use.

Capital Budget update: Although the Church was successful in obtaining a \$50,000 grant for environmentally-friendly improvements in the resurfacing of the parking lot, the Church's share of the project will likely increase to \$130,000 from \$100,000. Rev. Crow has discussed the situation with staff and volunteers who have been monitoring this project for quite some time and all agreed that taking advantage of the grant is consistent with the Church's environmental values and should go forward. This requires a reallocation of the existing capital budget and the funds that the Church obtained last year through a line of credit. A bidding process can be initiated next week (with application of the draft vendor policy) and the work could be done this summer.

After a **MOTION** made and duly seconded, the Committee voted to recommend that the Board amend the capital improvements budget as requested by Rev. Crow to reallocate funds toward the resurfacing of the parking lot.

Proposed 2016-17 budget. Rev. Crow presented a revised draft budget for the 2016-17 fiscal year. The most significant change from earlier drafts of the budget is that it appears we will not have a major tenant for next year. The highlights, from Rev. Crow's written summary include:

Income changes

- An increase of \$72,000 in our pledge base, from \$1,128,000 in FY16 to an anticipated \$1,200,000 for FY17, about a 6% increase.
- Rent from our existing large tenant continues through August.
- Increase our miscellaneous room rentals by \$10,000.
- \$15,000 increase in Unrestricted Donations

Expense Adjustments

- Reduced facilities staff hours to the bare minimum (1 FTE and .8 FTE) (partly a function of not having a tenant).
- Elimination of summer camp income and expenses.
- Change health insurance plans as of July 1, 2016, producing a savings of \$22,000.

Positive Highlights:

Even without the tenant, the proposed budget includes:

- \$15 minimum hourly wage for all adult employees
- Maintain the \$7500 Racial Justice line item
- Continue the elimination of RE fees – reducing expected donations to \$0
- Increase the Guest Speaker line from \$600 to \$1500 to reflect the cost of welcoming preachers/speakers of color into the pulpit once per month
- Meet increased expenses that result from employees qualifying for retirement benefit after one year of employment (\$6300)
- Maintain communications staff hours at 40/week
- Make adjustments to two staff salaries that are below their target ranges.
- Increase Mid-America and UUA dues by \$2,050 (5% increase)
- Increased Board expenses by \$2,500 to accommodate for a Choice Points /Racial Justice lens consultant for the Board of Trustees.

Currently unfunded:

- Development consulting in the operating budget (\$4000)

- Pool for raises (3% of salaries) (savings of \$21,050)
- Salary increases for Senior Minister and Executive Minister
- Increase in Repairs and Maintenance line item

During the review of the budget, the Committee recognized that if we go forward with a capital campaign next year, we would not likely have a Great Gathering fundraiser, which was designated as \$35,000 of income. There was some discussion of whether this amount could be designated as part of a loan from the Legacy Fund or would be reimbursed by the proceeds of the capital campaign but these alternatives seemed unworkable. The Committee believed that rather than slashing the budget or proposing a deficit budget we should remove the payment of the principal on the mortgage from the operating budget (\$28,000) and increase the unrestricted gifts line item by \$2,500 (for R.E. contributions at the end of FY17), leaving only \$5,000 in the Fundraising line item.

Upon a **MOTION** made and duly seconded, the Committee decided to recommend that the Board adopt the draft budget with the changes described in the preceding paragraph.

The meeting adjourned at 7:40 pm.

Submitted by Eric Cooperstein.

**Finance Committee Meeting
April 14, 2016
Summary prepared by Rev. Jen Crow**

Bequest

We have received a bequest from Carol Anderson in the amount of \$124,138.77. I suggest that the board approve that 10% of this bequest (\$12,413.88) be directed toward the operating budget. Should it become clear as we approach the end of the fiscal year that we will have a surplus, I will direct that this \$12,000 go either to funding the pulpit or toward building maintenance.

**February 2016
Income and Expenses – Executive Summary**

Summary

Overall, we continue to track as expected in both income and expenses, with our income exceeding our expenses by roughly \$37,000. This does not include payments toward our mortgage principle which total roughly \$28,000 annually. No major unanticipated expenses or income occurred this month.

Income

Our income is tracking roughly \$28,000 ahead of budget for this point in the year. Pledges are tracking slightly under budget (\$7,000) for this point in the year. Unrestricted contributions continue to track higher than expected for this point in the year. Fundraising for both YCE and our Youth Trips has significantly exceeded what was budgeted, and the entirety of the current Fundraising income line comes from these two items. Expenses for YCE and our Youth Trips exactly match these income items for no net effect on our operating budget. The income and expenses for the Gift of Home holiday giving project are not reflected in this analysis, and represent another major component of our Fundraising income and expense expectations.

Expenses

Our expenses are tracking roughly \$67,000 under budget for this point in the year. Salary and benefits are tracking roughly \$85,000 under budget for this point in the year. Childcare expenses (which are included in the temporary labor category) are significantly higher than budgeted, representing our commitment to have at least one paid and consistent youth or adult staff member in every young children's classroom. The increase in childcare expenses also reflects the decision by our Director of CYFM to underspend her Salary & Benefit line to offset this Childcare expense. You may note that Program Expenses appear to be tracking high. Some of this is to be expected, as the majority of program supplies are purchased at the beginning of each church year. We also budgeted \$10,000 for Youth Trips, but have spent much more - this increased expense is offset by increased income in the Fundraising line. Miscellaneous Program

Expenses also appear to be tracking high, again, this increased expense comes largely from YCE travel expenses, and is offset entirely by increased income in the Fundraising line. Administrative expenses and Utilities are coming in under budget thus far.

2016-17 Budget Proposal

Pledge Update

We currently have \$1,053,000 in hand for pledges for 2016-17. There are roughly \$120,000 in pledges outstanding. We have verbal commitments from 8 of these pledge units totaling \$21,000. Thus far, including the verbal commitments, we have commitments from roughly 500 pledge units, which is 50 less than where we were at this point last year. We have roughly \$100,000 in pledges outstanding to meet our expectation of \$1,180,000 for this portion of our pledge number. We will continue to contact these individuals and families to secure their pledges. They have already received an email and will receive a follow-up phone call.

We anticipate adding \$20,000 in pledges that will come from new members and new pledges in the 2016-17 church year. A specific outreach to non-pledging choir members and RE families will also take place and we expect this to bring in an additional \$10,000. We believe it is safe to project our pledge income for 2016-17 at \$1,200,000. This represents a significant increase in our pledge base.

In preparing for the pledge drive, we took our total pledge number for 2015-16 from the budget presented at the annual meeting in June 2016. That number was \$1,155,000. When we created our pledge drive materials several months ago, we aimed for an \$80,000 increase in pledges, naming the pledge goal as \$1,235,000. It is now clear that our actual pledge base for 2015-16 is \$1,128,011. Therefore, with a significant increase in pledges for 2016-17, our estimated pledge number for 2016-17 is \$1,200,000.

Changes in Assumptions

At our last meetings, the Board and the Finance Committee instructed me to come back with a budget that assumed \$80,000 less in income, along with suggestions about what items we would add back first to the operating budget should more income become available. We also eliminated the assumption that our mortgage would be paid off by 4/1/2017. In order to accommodate these requests, several of the agreed upon assumptions that the Finance Committee and Board charged the staff with in creating the budget needed to be adjusted.

With this budget, our income assumptions include:

- An increase of \$72,000 in our pledge base. Moving from \$1,128,000 to \$1,200,000.
- We will have a large tenant through August.
- We will increase our miscellaneous room rentals by \$10,000.

- Maintain, but not increase, fundraising line at \$35,000 - Great Gathering, end of year giving, Give to the Max, Auction, Giving Tuesday
- \$15,000 increase in Unrestricted Donations

With this reduced income budget, we were able to retain:

- \$15 minimum hourly wage for all adult employees
- Maintain the \$7500 Racial Justice line item
- Continue the elimination of RE fees – reducing expected donations to \$0
- Increase the Guest Speaker line from \$600 to \$1500 to reflect the cost of welcoming preachers/speakers of color into the pulpit once per month
- Meet increased expenses that result from employees qualifying for retirement benefit after one year of employment (\$6300)
- Maintain communications hours at 40/wk
- Make adjustments to two salaries that are below range.
- Mid-America and UUA dues - 5% increase - \$2,050
- Increased Board expenses by \$2500 to account for a Choice Points consultant.

We let go of:

- Include development consulting in the operating budget (\$4000)
- Pool for raises (3% of salaries) - \$21,050
- Increase in Repairs and Maintenance line

Expense Adjustments

- We have reduced facilities staff hours to the bare minimum (1 FTE and .8 FTE).
- We have eliminated summer camp income and expenses.
- We expect to change health insurance plans as of July 1, 2016.

Capital Budget Update

We are excited to have received a significant grant from the Watershed District to support environmental upgrades to our new parking lot. Given that work must be completed within one year, and given that the grant is \$50,000 – with room to grow or contract depending on actual costs of environmental upgrades, and given that these upgrades are in alignment with our values – the Buildings and Grounds Committee and church staff agree that we should postpone all remaining projects in our 2015-16 Capital Budget so that we can proceed with construction on an environmentally friendly parking lot in the summer of 2016. The cost of this new parking lot will exceed what we originally budgeted. Our original capital budget for 2015-16 included \$100,000 for a non-environmentally friendly parking lot. We anticipate that our cost for the environmentally friendly parking lot will be closer to \$130,000. We request that the Finance Committee recommend to the Board an adjustment in the 2015-16 Capital Budget to recognize this change. Both the original 2015-16 Capital Budget and the newly amended 2015-16 Capital Budget are attached here.

Pulpit Funding Update

\$13,000 remains to be paid. We anticipate using the following to meet this need:

\$1800 - 10% of Jean Roberts bequest

\$1000 - gift from Elaine Davis

\$1500 - remaining in capital line

\$5000 – Gift from Corky Johnson for a special project

\$2000 - AUW second ask

\$1700 - additional fundraising

Vendor Policy

Church Staff present this draft staff policy for your review. We especially invite your feedback on the proposed matrix – do these criteria best represent the values we are trying to express?

We hope to implement this policy beginning in July 2016.

Vendor Policy

Proposal for Intent and Implementation

We believe that the church expresses its values in the way it spends its resources. We are committed to being intentional with contracts for services and vendors. We believe that the process of evaluating and educating current vendors and the process of intentionally choosing new vendors based on our values will promote our consistent and conscious intention of moving our church community forward using a racial justice lens. With respect to First Universalist's commitment to becoming an actively anti-racist institution the Church Staff may not fail to:

Search out qualified vendors and contractors from traditionally under-represented groups (for example, minority and women-owned businesses).

Maintain an active conversation with its vendors by engaging them in a process of evaluation and education, applying a matrix of values with all vendors above a threshold of \$5000.00 annually. This matrix of criteria will be applied to current and potential vendors and contractors who have demonstrated that they hold the essential skills, licenses, and qualifications to provide the services needed.

We propose:

- Developing and implementing a matrix of criteria for vendors and contractors that expresses the church's stated values and ends.
- Surveying current contractors and vendors to evaluate their compliance with our criteria
- Creating goals for our current vendors and contractors who are not in compliance, thus challenging and educating them;
- Applying the criteria to all future processes for the selection of contracted services and vendors.
- Reporting results to the Board of Trustees and the congregation annually in an effort to be accountable and transparent.

Matrix of Criteria for contracts and vendors (weighted):

1. Minority hiring practices - resulting in a 31% employment of people of color and women. (25%)
2. Sustainability practices – demonstration of a commitment to healing the earth. (15%)

3. Local engagement – demonstration of a commitment to the community's overall health and well-being. (15%)
4. Worker's Equity in fair compensation, inclusive benefits and healthy work environment. (20%)
5. Competitive fees for goods and services (25%)

First Universalist Church of Minneapolis
Balance Sheet
February 2016

Headings and Account

Assets		
Current Assets		
Cash & Cash Equivalents		
Sunrise Bank - Checking	\$ 13,738.34	
U S Bank - Checking	\$ (904.72)	
U S Bank - Savings	\$ 416.67	
Total Cash & Cash Equivalents	\$ 13,250.29	
Investments		
Schwab- Church Operating	\$ 27,698.90	
Schwab - Church Reserve	\$ 263,927.08	
Schwab - Don Carter & Mary Carter	\$ 60,720.65	
Schwab- Legacy Fund	\$ 684,260.96	
Schwab - Temporarily Restricted	\$ 95,793.07	
Sunrise - Church Reserve	\$ 180,432.66	
Total Investments	\$ 1,312,833.32	
Cash & Cash Equiv - Foundation		
University Bank - Foundation	\$ 11,138.34	
Total Cash & Cash Equiv - Foundation	\$ 11,138.34	
Investments - Foundation		
Schwab - Foundation	\$ 1,462,318.82	
Total Investments - Foundation	\$ 1,462,318.82	
Total Current Assets		\$ 2,799,540.77
Other Current Assets		
Other Current Assets		
Prepaid Loan Expenses	\$ 8,285.83	
Total Other Current Assets	\$ 8,285.83	
Total Other Current Assets		\$ 8,285.83
Fixed Assets		
Fixed Assets		
Fixed Assets	\$ 1,716,053.01	
Total Fixed Assets	\$ 1,716,053.01	
Total Fixed Assets		\$ 1,716,053.01
Total Assets		\$ 4,523,879.61

Liabilities & Equity

Current Liabilities

Accounts Payable

Accounts Payable	\$	31,646.59
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Total Current Liabilities	\$	31,646.59
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Other Current/Long-Term Liabilities

Benefits Payable	\$	3,333.13
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Accrued Expenses	\$	8,003.24
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Deferred Revenue	\$	27,460.34
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Misc Other Liabilities	\$	13,700.05
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Mortgage Payable - Long Term	\$	604,926.43
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Mortgage LOC Advance Payble	\$	157,222.85
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Total Other Current/Long-Term Liabilities	\$	814,646.04
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Total Liabilities & Equity		\$ 846,292.63
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Fund Principal and Excess Cash Received

Fund Principal

Undesignated Net Assets/Equity

Church Equity	\$	1,883,103.61
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Total Undesignated Net Assets/Equity	\$	1,883,103.61
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Designated Net Assets

Board Designated Net Assets	\$	833,931.79
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Total Designated Net Assets	\$	833,931.79
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Unrestricted Net Assets

Unrestricted Net Assets	\$	662,660.73
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Total Unrestricted Net Assets	\$	662,660.73
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Temp Restricted Net Assets

Temporarily Restricted Funds	\$	124,747.81
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Total Temp Restricted Net Assets	\$	124,747.81
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Other Temp Restr Net Assets

Temp Restr - Legacy Fund	\$	87,878.84
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Temp Restr Cummins Ministerial Fund	\$	173,450.19
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Total Other Temp Restr Net Assets	\$	261,329.03
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Permanently Restricted

Don Carter Endowment	\$	47,289.73
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M E Carter Endowment	\$	12,902.68
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Total Permanently Restricted	\$	60,192.41
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Total Fund Principal	\$	3,825,965.38
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Excess Cash Received

Excess Cash Received	\$	(148,378.40)
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Total Excess Cash Received	\$	(148,378.40)
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Total Fund Principal and Excess Cash Received		\$ 3,677,586.98
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Total Liabilities, Fund Principal, & Restricted Funds		\$ 4,523,879.61
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First Universalist Church of Minneapolis
Analysis of Revenues & Expenses - Summary
July 2015 to February 2016

Accounts	Current Balance (This Year)	YTD Budget (This Year)	Annual Budget (This Year)
Revenues			
Pledges	\$724,758.15	\$731,500.00	\$1,097,250.00
Contributions Unrestricted	\$76,216.85	\$71,866.16	\$107,799.20
Contributions Temp Restricted	\$0.00	\$0.00	\$0.00
Contrib Released from Restr	\$107,647.06	\$94,333.36	\$141,500.00
Fundraisers	\$48,266.90	\$42,000.00	\$63,000.00
Program Fees	\$10,361.00	\$8,066.64	\$12,100.00
Dividends & Interest	\$11,410.87	\$6,666.64	\$10,000.00
Rental Income	\$66,785.24	\$72,296.00	\$108,444.00
Realized Gains & Losses	(\$291.65)	\$0.00	\$0.00
Unrealized Gains & Losses	(\$96.81)	\$0.00	\$0.00
Other Income	\$7,742.26	\$2,222.24	\$3,333.33
Total Revenues	<u>\$1,052,799.87</u>	<u>\$1,028,951.04</u>	<u>\$1,543,426.53</u>

First Universalist Church of Minneapolis
Analysis of Revenues & Expenses - Summary
July 2015 to February 2016

Accounts	Current Balance (This Year)	YTD Budget (This Year)	Annual Budget (This Year)
Expenses			
Salaries & Wages	\$485,295.21	\$502,553.36	\$753,830.00
Payroll Taxes	\$29,524.41	\$21,604.56	\$32,407.00
Employee Benefits			
Medical Insurance	\$46,139.87	\$50,811.36	\$76,217.00
LTD	\$306.25	\$700.00	\$1,050.00
Life	\$1,219.52	\$1,585.28	\$2,378.00
401K	\$37,967.57	\$38,213.28	\$57,320.00
Total Employee Benefits	\$85,633.21	\$91,309.92	\$136,965.00
Professional Expenses	\$14,268.00	\$16,993.36	\$25,490.00
Temporary Labor	\$23,581.37	\$17,600.00	\$26,400.00
Program Expenses	\$70,806.29	\$36,305.84	\$54,459.00
Miscellaneous Program Expenses	\$24,868.84	\$8,416.72	\$12,500.00
Membership Program Expenses	\$6,892.74	\$5,800.00	\$8,700.00
Fundraising Expenses	\$505.99	\$49,200.08	\$73,800.00
Administrative Expenses	\$51,447.24	\$65,779.92	\$98,670.00
Miscellaneous Expenses	\$1,523.59	\$4,800.00	\$7,200.00
Insurance	\$12,814.90	\$14,172.00	\$21,258.00
Dues & Memberships	\$8,400.00	\$28,306.72	\$42,460.00
Utilities	\$29,474.34	\$37,333.36	\$56,000.00
Repairs & Maintenance	\$19,167.73	\$21,333.28	\$32,000.00
Other Building Related Expense	\$47,435.65	\$46,967.76	\$70,451.62
Offering Plate for Community	\$97,866.08	\$44,000.00	\$66,000.00
Other Charitable Contributions	\$5,595.61	\$0.00	\$0.00
Total Expenses	\$1,015,101.20	\$1,012,476.88	\$1,518,590.62
Net Total	\$37,698.67	\$16,474.16	\$24,835.91

	2016-17	2015-16	
	Budget	Budget	
Income			
Pledges			
4015 · Pledges	\$ 1,174,500.00	\$ 1,155,000.00	
4025 · Est Unpaid Pledges Releases	-\$ 58,725.00	-\$ 57,750.00	
Total Pleges	\$ 1,115,775.00	\$ 1,097,250.00	
Contributions Unrestricted			
4110 · Contributions Unrestricted	\$ 67,500.00	\$ 50,000.00	reflects upward trend of 2015-16
4113 · Contributions Hospitality	\$ 500.00	\$ 500.00	
4140 · Offering Plate for Church	\$ 30,000.00	\$ 36,000.00	reflects actuals of 2015-16
Total Unrestricted	\$ 98,000.00	\$ 86,500.00	
Contributions Temp Restricted			
4291 · Cummins Contr Temp Restr	\$ -	\$ -	
Total contributions Temp Rest	\$ -	\$ -	
Contributions Released from Rest			
4310 · Misc Contr Releases	\$ 9,500.00	\$ 9,500.00	
4320 · Offering Plate for Comm Release	\$ 40,000.00	\$ 54,000.00	reflects actuals of 2015-16
Grant from Foundation	\$ -	\$ 5,000.00	
4380 · Legacy Fund Releases	\$ 22,000.00	\$ 21,299.20	
Loan from Legacy Fund	\$ 295,000.00		
Total Contrib Released from Restricted	\$ 366,500.00	\$ 89,799.20	
Fundraisers			
Families Moving Forward Fundraising	\$ 5,000.00	\$ 9,000.00	
Families Moving Forward, 10% retained	\$ 500.00	\$ 1,000.00	
Holiday Giving, 10% goes to church for admin. exp.	0	\$ 7,000.00	
Holiday Giving	\$ -	\$ 63,000.00	no holiday giving project this year
4540 · Misc Fundraisers	\$ 5,000.00	\$ 35,000.00	reduced by 30,000
4550 · YCE	\$ 11,000.00	\$ 11,000.00	
4560 · Youth Trips	\$ 10,000.00	\$ 10,000.00	
Total Fundraisers	\$ 31,500.00	\$ 136,000.00	
Program Fees/Donations			
4601 · RE Basic	\$ -	\$ -	
4602 · RE 7th Grade Donation	\$ -	\$ 500.00	
4603 · RE 8th Grade Donation	\$ -	\$ 1,000.00	
4604 · RE COA Donation	\$ -	\$ 2,500.00	
Senior High Donation	\$ -	\$ 500.00	
4609 · RE Summer	\$ -	\$ -	
4610 · Re 5th Grade OWL Donation	\$ -	\$ 1,000.00	
4620 · Summer Camp Fees	\$ -	\$ 6,600.00	
Total Program Fees	\$ -	\$ 12,100.00	
Large Tenant			
4711 · Misc Room Rentals	\$ 14,600.00	\$ 77,000.00	no large tenant after August
4712 · Weight Watchers	\$ 19,000.00	\$ 9,000.00	increased by 10,000
4713 · ShirTikvah	\$ 4,800.00	\$ 4,800.00	
4714 · 12 Step Groups	\$ 4,800.00	\$ 4,000.00	
4770 · Antennae Lease	\$ -	\$ 500.00	
4770 · Antennae Lease	\$ 13,200.00	\$ 12,144.00	
4781 · Weddings & Commitments	\$ 1,000.00	\$ 1,000.00	

Total Rental Income	\$ 57,400.00	\$ 108,444.00
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Dividends & Interest

4801 · Div & Int Unrestricted	\$ 15,000.00	\$ 10,000.00
Total Dividends & Interest	\$ 15,000.00	\$ 10,000.00

Other Income

4951 · Misc Income	\$ 3,333.33	\$ 3,333.33
Total Other Income	\$ 3,333.33	\$ 3,333.33
Total Income	\$ 1,687,508.33	\$ 1,543,426.53
Gross Profit	\$ 1,687,508.33	\$ 1,543,426.53

Expenses:

Salaries & Wages

5001 · Salaries & Wages	\$ 722,482.00	\$ 609,232.00
5003 · Senior Ministers Salary	included above	\$ 109,200.00
Total Salaries & Wages	\$ 722,482.00	\$ 718,432.00

Employee Benefits

Payroll Taxes	\$ 55,137.00	\$ 54,830.00
5021 · Medical Insurance	\$ 62,279.00	\$ 84,017.00
5022 · LTD	\$ 1,050.00	\$ 1,940.00
5026 · Life Insurance	\$ 2,378.00	\$ 2,378.00
5028 · 401K	\$ 61,479.00	\$ 56,925.00
Total Employee Benefits	\$ 182,323.00	\$ 200,090.00

Professional Expenses

5031 · Professional Expenses	\$ 24,890.00	\$ 16,990.00
5035 · Senior Minister Prof Expenses	included above	\$ 8,000.00
Total Prof Exp	\$ 24,890.00	\$ 24,990.00

Temporary Labor

5041 · Temp Labor	\$ 1,000.00	\$ 4,500.00
5042 · Childcare	\$ 12,000.00	\$ 7,000.00

5043 - Guest Speakers

	\$ 1,500.00	\$ 600.00
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5045 · Musicians	\$ 8,000.00	\$ 11,000.00
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5047 · Sound Technicians	\$ 3,300.00	\$ 3,300.00
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Total Temp Labor	\$ 25,700.00	\$ 26,400.00
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increased to reflect cost of bringing people of color into the pulpit monthly

Program Expenses

5103 · Classroom Supplies	\$ 10,000.00	\$ 10,000.00
5121 · Teacher Workshops	\$ 1,300.00	\$ 1,300.00
5123 · Grade 7	\$ 800.00	\$ 800.00
5124 · Grade 8	\$ 1,500.00	\$ 1,500.00
5125 · Grade 9 COA	\$ 4,000.00	\$ 2,500.00
5126 · Grade 10 11 12	\$ 700.00	\$ 700.00
5127 · Summer Programs (Camps)	\$ -	\$ 10,739.00
5128 · Youth Social Activities	\$ 400.00	\$ 400.00
5129 · Senior High Trips	\$ 10,000.00	\$ 10,000.00
5131 · Adult Ed	\$ 1,200.00	\$ 1,200.00
5132 · Circles (formerly Small Groups)	\$ 1,200.00	\$ 1,200.00
5799 · Racial Justice	\$ 7,500.00	\$ 7,500.00
5134 · Multigenerational Music	\$ 500.00	\$ 500.00
5135 · Music Purchases	\$ 3,000.00	\$ 3,000.00
5136 · Piano Tuning	\$ 1,750.00	\$ 1,420.00

5137 · Worship Items Misc	\$	500.00	\$	500.00
5140 · Memorials Expense	\$	400.00	\$	400.00
5199 · Other Program Expense	\$	8,300.00	\$	8,300.00
Total Program Expenses	\$	53,050.00	\$	61,959.00

Other Expenses

5201 · Winter Solstice	\$	250.00	\$	250.00
5202 · Labyrinth	\$	-	\$	-
5203 · Library	\$	500.00	\$	500.00
5209 · Action Groups	\$	500.00	\$	500.00
5210 · Friendship Caring Corner	\$	250.00	\$	250.00
5231 · YCE Supplies	\$	11,000.00	\$	11,000.00
5232 · YCE Travel & Related	\$	-	\$	-
5233 · YCE Other	\$	-	\$	-
Families Moving Forward	\$	5,000.00	\$	9,000.00
Total Other	\$	17,500.00	\$	21,500.00

Membership Expenses

5251 · Hospitality	\$	8,000.00	\$	7,500.00
5252 · Visitor Welcoming	\$	600.00	\$	600.00
5254 · New Member Programs	\$	600.00	\$	600.00
Total Membership Expenses	\$	9,200.00	\$	8,700.00

Fundraising Expenses

5301 · Pledge Drive	\$	5,000.00	\$	5,000.00
5302 · Planned Giving	\$	2,000.00	\$	2,000.00
5303 · Misc Fundraisers	\$	-	\$	3,500.00
5390 · Racial Justice	\$	-		
5808 · The Greater Good	\$	-	\$	300.00
Total fundraising Expenses	\$	7,000.00	\$	10,800.00

Office Expenses

5401 · General Office Supplies	\$	6,100.00	\$	6,100.00
5402 · Paper	\$	2,000.00	\$	2,000.00
Total 5400 · Office Supplies	\$	8,100.00	\$	8,100.00

5410 · Small Furnishings Purchases (SPIF	\$	2,000.00	\$	2,000.00
5412 · Visual Arts	\$	4,200.00	\$	4,200.00
5414 · Printing & Copying	\$	20,000.00	\$	18,000.00
5416 · Postage & Shipping	\$	4,300.00	\$	4,000.00
5418 · Telephone	\$	3,800.00	\$	3,500.00
5420 · Internet Expense	\$	1,750.00	\$	1,500.00
5422 · Website	\$	1,500.00	\$	1,500.00
5424 · Software Expense	\$	7,200.00	\$	5,500.00
5426 · Equipment Leases	\$	175.00	\$	175.00
5432 · Sound System	\$	3,000.00	\$	3,000.00
Total 5430	\$	47,925.00	\$	43,375.00

5440 · Insurance

5441 · Workers Comp	\$	7,050.00	\$	7,008.00
5442 · Liability Insurance	\$	16,700.00	\$	14,250.00
Total Insurance	\$	23,750.00	\$	21,258.00

Denominational Expenses

5451 · Dues & Memberships UUA	\$	31,400.00	\$	31,400.00
5452 · Dues & Memberships PSD	\$	9,600.00	\$	9,600.00

5453 · Dues & Memberships Other	\$	1,460.00	\$	1,460.00
Total 5450 · Dues & Memberships	\$	42,460.00	\$	42,460.00

5475 · Financial Review/Audit	\$	1,500.00	\$	1,500.00
5480 · Consultants	\$	17,500.00	\$	32,500.00
5490 · Employee Appreciation	\$	1,800.00	\$	1,650.00
5510 · Volunteer Appreciation	\$	1,800.00	\$	1,620.00
5530 · Board Expenses	\$	1,000.00	\$	1,000.00
5540 · Leadership Development	\$	-	\$	-
5560 · Interest Expense	\$	39,000.00	\$	38,976.62
5571 · Payroll Processing Fees	\$	3,000.00	\$	2,800.00
5572 · Bank Service Charges	\$	1,500.00	\$	1,500.00
5573 · Credit Card Discount Fees	\$	13,000.00	\$	13,000.00
Total 5570	\$	80,100.00	\$	94,546.62

5580 · Mileage	\$	2,000.00	\$	2,000.00
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5590 · Utilities				
5591 · Utilities Electric	\$	27,000.00	\$	27,000.00
5592 · Utilities Gas	\$	14,000.00	\$	20,000.00
5593 · Utilities Water & Sewer	\$	8,000.00	\$	9,000.00
Total Utilities	\$	49,000.00	\$	56,000.00

return to pre-renter levels
return to pre-renter levels

Repairs & Maintenance				
5601 · Repairs & Maintenance General	\$	17,400.00	\$	17,200.00
5602 · HVAC Repairs & Maintenance	\$	10,000.00	\$	10,000.00
5603 · Elevator Maintenance	\$	3,300.00	\$	3,300.00
5604 · Alarm Maintenance	\$	1,500.00	\$	1,500.00
Total 5600 · Repairs & Maintenance	\$	32,200.00	\$	32,000.00

Miscellaneous Other Expenses				
5620 · Janitorial Supplies	\$	6,500.00	\$	8,000.00
5630 · Trash & Recycling	\$	3,500.00	\$	5,000.00
5640 · Groundskeeping	\$	11,700.00	\$	11,700.00
5650 · Pest Control	\$	600.00	\$	600.00
5660 · Other Expense	\$	2,500.00	\$	3,000.00
5701 · Offering Plate for Community	\$	38,000.00	\$	45,500.00
5704 · TRUST	\$	2,000.00	\$	4,000.00
Holiday Giving Gift	\$	-	\$	63,000.00
Total 5700	\$	64,800.00	\$	140,800.00

return to pre-renter levels
return to pre-renter levels

Comprehensive Stewardship Campaign				
Consultants	\$	230,000.00		
Launch Event	\$	30,000.00		
Architectural Pre-Work	\$	35,000.00		
Total Comprehensive Stewardship Campa	\$	295,000.00		

Total Expenses	\$	1,687,480.00	\$	1,513,410.62
Net Income	\$	28.33	\$	30,015.91

Loan Principal	-\$	28,306.10	-\$	28,306.10
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Adjusted Net Income	-\$	28,277.77	\$	1,709.81
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This budget:

eliminates all RE fees and suggested donations

pays all adult employees a minimum of \$15/hr

reduces facilities staff, utilities, janitorial supplies, trash and recycling to pre-tenant levels as of July 1

reduces the fundraising income line to \$5,000 to reflect that we will not be having a major fundraising event

includes estimated costs of launching a comprehensive stewardship campaign

does not include an increase in UUA & MidAmerica dues

does not include payment of the mortgage principal in the operating budget

maintains our \$7500 Racial Justice programming line item

assumes that the Board racial justice consultant (likely \$2500) will be paid for out of the Racial Justice line item

includes an increase in our guest speaker line to cover the cost of inviting a person of color into the pulpit each month

does not include a significant increase in the repairs and maintenance line item

includes an additional \$10,000 of miscellaneous rental income

increases our expected unrestricted donations to \$67,500

includes a change in medical insurance for staff

combine childcare line with salaries - reduce salary and FICA numbers down by \$11,100

Amended 2015-16 Capital Budget

Total Funding Available	\$175,000
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Completed Projects

Building Audit/Reserve Study	\$5000
Balcony Railing	\$2495
Carpeting for stage stairs (social hall)	\$325
New Lighting sanctuary	\$1790
New Lighting Chandeliers	\$2000
Freezer - reach-in	\$3200
Total Completed	\$14,810

Projects in progress

Computers & AV needs	<u>Estimated Cost</u> \$28,300
Parking lot	\$131,890

Total in progress	\$160,190
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Total Estimated Costs of Proposed Projects	\$175,000
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Projects not happening

Carpet (library, balcony, chancel stairs)	\$4000
AC Split System (serves sanctuary) 1976	\$25,000-30,000
Front Landing Replacement	\$5000
Repair Main Entrance Stairwell	\$8000

Projects paid through operating budget

Pipe repairs	\$3000
Vinyl Asbestos Tile (Arches) seal and carpet	\$100

Governance Committee
<p>Monday, April 4, 2016 — 6:30-8:00 p.m.</p> <p>Narthex Room, First Universalist Church</p> <p>Attendees: Lark Weller, Marion Dane Bauer, David Leppik, Jill Braithwaite, Richard Spratt</p>

Reading + reflection

April, May, June monitoring schedule items

- April: Congregational survey.
 - **Dave** will run the survey May 1 through May 29. Dave will request a space in the social hall during those 5 Sundays.
 - **BOARD:** We would like at least 1 Board or committee member to be with Dave on those Sundays following both services. Ideally, volunteers will also bring a laptop and/or iPad on which others can take the survey. Dave will create signup sheet we can use to ensure the survey table is staffed.
 - **Lark** will take May 1, both services. **Richard** will take May 8.
- May:
 - Membership and attendance trends. Completed in February.
 - Staff-volunteer grievances. **Richard** to check with Justin, Jen, and Cindy to see if any of these have been submitted.
 - Congregant grievances. **Richard** to check with Justin, Jen, and Cindy to see if any of these have been submitted.
 - Ends outcomes review. Justin has historically provided this in the Board packet. Is this the intent again for the April Board packet? **Jill** will check with him on the ends outcomes review and **whether it will be available in the April board packet.**
 - Staff survey. Senior Minister is responsible for making sure these are conducted. **Marion** will check with him about when these will be conducted and let him know that ideally she would have the results by April 25.
 -
- June:
 - Staff performance reviews completed; format and process (Report on completion; direct inspection of format and process). **Jill** will remind Justin of this upcoming deadline.
 - Senior minister evaluation. We discussed the various elements and assigned them for completion. Cindy would like to have our elements completed by May 15, but we agreed that that deadline is too tight, given the various dependencies involved. We settled on May 30 a reasonable deadline.
 - What follows are the elements of the review, who is responsible for creating it, and its deadline. Each element will be circulated among the other GC members for review.
 - Board/Senior Minister survey of how we work together and of Senior Minister executive competencies. (Last year's is [here](#); it was completed by Board members by June 11.)
 - **Jill** will create the survey.
 - Board members complete May 2 – 6.
 - Results shared with GC at May GC meeting; results shared with Board at May Board meeting.

- Ends outcomes review (to be completed for May; see above). This is adding our own evaluation to what Justin provides.
 - **Richard** will complete a few days prior to the May 9 GC meeting if possible. If not, will circulate via email.
- Findings/themes from congregational survey analysis
 - **Dave** to complete during first week of June.
 - Analysis complete by June 6 GC meeting and given to Cindy ASAP after that.
- Findings/themes from staff survey analysis (themes, areas of improvement over last year, and so on).
 - **Marion** will complete after May 16 and circulate via email. Will be completed by May 30.
- GC assessment of Senior Minister's adherence to Senior Minister Limitations policy
 - **Lark**. To be completed by May 9 GC meeting.
- Evaluation of progress on strategic plan
 - **Jill** will use workplan to evaluate.
 - Circulate to GC by mid-May; complete by May 30.
- Board self-evaluation. Last year, we determined that we will do the "long version" of this every other year. (Here's a link to [last year's version](#).) We will use the long version this year. **Lark** will coordinate that and will have a draft for GC at our May meeting.

Racial justice (RJ) lens and decision points

- Last month, the GC presented a recommendation that the Board, Nominating Committee, and staff receive additional training on the choice points process. Cindy has looked into a possible trainer for this. In addition, the idea was raised to adapt the report from the mapping process that was conducted last year into a sort of monitoring schedule.
- We believe it would be helpful for the GC to review the mapping process document with this possibility in mind, to evaluate the feasibility of that idea, and/or if other ideas come up as a result.

GC goals for this year

- Racial justice lens and decision points.
- Guidelines to ensure all voices are heard in committee and Board meetings: Update on discussion with the Board in May.
- Congregational survey (evaluate what we are getting from this tool or what we might get from other tools).
- Visionary Goals, and mission evaluation.
- Strategic Plan's upcoming "expiration" (6 years after the VGs were adopted).

Next meeting: May 9, 6:30-8:00p.

***Unitarian Universalist Association's Racial Justice Resolution,
passed at General Assembly, 1996***

Whereas:

- We are witnesses to a crisis in our nation regarding systemic racism and oppression in education, employment, government and our justice system;
- Systemic racism has been highlighted in the news media because of the pervasive mistreatment, including recurring killings, of African Americans and other people of color by law enforcement officers in communities throughout the nation;
- We are guided by the following definitions: Racial Justice is the systematic fair treatment of people of all races, resulting in equitable opportunities and outcomes for all;
- a Racial Justice Lens focuses on ways in which race, racism, and whiteness shapes experiences with institutional and cultural power, access to opportunity, treatment and outcomes, both today and historically;

The impacts of systemic racism are fundamentally at odds with our Unitarian Universalist beliefs, and confronting racial inequity and oppression is essential for our humanity and spiritual life.

First Universalist's Mission and Visionary Goals

The Mission of the Church:

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

The Visionary Goals are:

1. We, the people of First Universalist Church, grow in our UU faith: we are equipped to live out our values and experience worship, spiritual practices, and rituals that challenge, comfort, celebrate, and heal.
2. 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.
3. First Universalist Church is an intergenerational community of mutual caring and support. We build this community by actively welcoming everyone and encouraging each person to discover, develop and share their gifts.
4. 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.

First Universalist Church Racial Justice Resolution

Approved by the Congregation at the May 31, 2015 Annual Meeting

Whereas:

- We are witnesses to a crisis in our nation regarding systemic racism and oppression in education, employment, government and our justice system;
- Systemic racism has been highlighted in the news media because of the pervasive mistreatment, including recurring killings, of African Americans and other people of color by law enforcement officers in communities throughout the nation;

	<ul style="list-style-type: none"> • We are guided by the following definitions: Racial Justice is the systematic fair treatment of people of all races, resulting in equitable opportunities and outcomes for all; a Racial Justice Lens focuses on ways in which race, racism, and whiteness shapes experiences with institutional and cultural power, access to opportunity, treatment and outcomes, both today and historically; • The impacts of systemic racism are fundamentally at odds with our Unitarian Universalist beliefs, and confronting racial inequity and oppression is essential for our humanity and spiritual life; • First Universalist Church has made a commitment to Racial Justice through intensive education and training of our congregation on the historical and current impacts of systemic racism and white privilege on society and the environment; • We have created a Racial Justice Leadership Team and a Faithful Action Leadership Team to provide guidance for our Racial Justice work; • First Universalist Church has undergone an extensive Racial Justice mapping process to define the most strategic areas for change, within our church structure, that will have the most impact on eliminating structural racism within our church; • We have made a commitment to looking at our worship services, religious education curricula, board meetings, committees, and all our programming with a Racial Justice Lens; and • Members of our congregation and clergy are standing next to our brothers and sisters in public protests, on social media, and in our communities to support efforts to address racial injustice; <p>Therefore, be it resolved that: First Universalist Church of Minneapolis publicly declares its commitment to: Continuing the fight for Racial Justice through ongoing changes to the processes of the church, education, advocacy, self-reflection, and relationship-building; and Addressing structural racism and whiteness in First Universalist Church through intentional efforts in every area of our ministry and work.</p>
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First Universalist Church
Racial Justice Resolution
Approved by the Congregation at the
May 31, 2015 Annual Meeting of the Members

Whereas:

- We are witnesses to a crisis in our nation regarding systemic racism and oppression in education, employment, government and our justice system;
- Systemic racism has been highlighted in the news media because of the pervasive mistreatment, including recurring killings, of African Americans and other people of color by law enforcement officers in communities throughout the nation;
- We are guided by the following definitions: Racial Justice is the systematic fair treatment of people of all races, resulting in equitable opportunities and outcomes for all; a Racial Justice Lens focuses on ways in which race, racism, and whiteness shapes experiences with institutional and cultural power, access to opportunity, treatment and outcomes, both today and historically;
- The impacts of systemic racism are fundamentally at odds with our Unitarian Universalist beliefs, and confronting racial inequity and oppression is essential for our humanity and spiritual life;
- First Universalist Church has made a commitment to Racial Justice through intensive education and training of our congregation on the historical and current impacts of systemic racism and white privilege on society and the environment;
- We have created a Racial Justice Leadership Team and a Faithful Action Leadership Team to provide guidance for our Racial Justice work;
- First Universalist Church has undergone an extensive Racial Justice mapping process to define the most strategic areas for change, within our church structure, that will have the most impact on eliminating structural racism within our church;
- We have made a commitment to looking at our worship services, religious education curricula, board meetings, committees, and all our programming with a Racial Justice Lens; and
- Members of our congregation and clergy are standing next to our brothers and sisters in public protests, on social media, and in our communities to support efforts to address racial injustice;

Therefore, be it resolved that:

First Universalist Church of Minneapolis publicly declares its commitment to:

- Continuing the fight for Racial Justice through ongoing changes to the processes of the church, education, advocacy, self-reflection, and relationship-building; and
- Addressing structural racism and whiteness in First Universalist Church through intentional efforts in every area of our ministry and work.



Using Choice Points to Advance Equity

1. **Identify a Choice Point:** What is one of your points of opportunity to make or influence a decision that may affect equitable outcomes?

2. **Assess Impacts:** What are the impacts of current decisions and actions that may be unintentionally reinforcing bias, barriers or inequities?

3. **Generate Options:** What are some alternative action options that could produce different outcomes? (Try to generate several of them.)

4. **Decide Action:** Which option will generate the most leverage, momentum or gain towards advancing equity and inclusion?

5. **Change Habits:** What reminders or “equity primes” can be structured into you routine practices and protocols to make equity an ongoing priority and habit? What relationships, supports, incentives or accountability measures could help?

First Universalist Church of Minneapolis
Board and Board Committee Goals for 2015-16
Adopted 19 November 2015

Board of Trustees Goals:

- 1) Continue leading on racial justice, using the groundwork established through the passage of the Racial Justice resolution; specifically we will:
 - Continue educating ourselves about race, racism, and whiteness.
 - Consistently apply the *Race Forward* Choice Points model to achieve inclusion and equity as we identify opportunities and make decisions.
- 2) Create, review, and revise policies to ensure they reflect our racial justice work and commitment.
- 3) Review the current and future financial needs, strategic goals, and aspirations of First Universalist Church and develop a financial and strategic plan to address them, incorporating congregant input.
- 4) Work with Nominating Committee and through our own efforts to increase equity and inclusion among leaders in our senior leadership roles: Board of Trustees, Foundation Board, and Nominating Committee (e.g., increase diversity based on age, gender, tenure with church, race, point of view, and other demographics).
- 5) Continue Board linkage with the congregation through meaningful opportunities to listen closely to needs and aspirations.
- 6) Implement the shared leadership model and best practices developed by the Board and Senior Minister Team in order to build a trusting and effective partnership; periodically evaluate our progress in implementing these practices. Complete analysis on Board operations (use of committees, meeting times, selection of officers, and so on) and implement needed improvements.