

First Universalist Church Board of Trustees

October 20, 2016

Board Packet

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First Universalist Church of Minneapolis

Board of Trustees Meeting

October 20, 2016

6:30 p.m. Cummins Room

Agenda

I. Call to Order (6:30).

- 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 and Spiritual reflection question (see SM report)

II. Consent Agenda (6:50)

- Approval of minutes from September meeting.
- Monitoring: Acceptance of attendance and membership numbers
- Monitoring: Acceptance of staff and significant volunteer changes

III. Finance (6:55 to 7:10)

Financial reports are being provided with the Board packet. Because Rev. Crow will be out of town, Brad Schmidt will attend our meeting to answer any questions that may arise.

IV. Comprehensive Stewardship Campaign (CSC) (7:10 – 7:30)

Skip Schlafer will attend to provide us with a brief update of the campaign so far.

Action Item: As a Board, we need to determine how we will manage the review of Skip's written report in early November and the timing of the Board's decision whether to give final approval to the Comprehensive Stewardship Campaign in a way that does not slow down early planning and groundwork for the campaign.

BREAK – 10 minutes

V. Visionary Goals Refresh (7:40 – 8:00)

Karin, Caitlin, and Jen reviewed our work from last month's meeting and developed the draft that is the Board packet.

Action Item: Whether to approve the revised visionary goals as a draft that will be circulated to the congregation for information and comment, discussed as part of the State of the Church meeting in late January or February, and then formally adopted by the Board at the February board meeting.

VI. Patrick Dougherty (8:00 – 9:00)

Patrick Dougherty, a psychologist and member of our church, will lead us in a discussion of the role of unprocessed trauma on our capacity and efforts to engage in racial justice work, as well as how we can recognize the effects of such trauma and work past it to renew connections among us and strengthen our efforts to engage in this work. This is intended to be a learning and skill-building opportunity for our Board, related to our concerns about maintaining our relationships with congregants who have raised questions about the course our racial justice work.

VII. Adjournment (9:00)

First Universalist Church of Minneapolis

Board of Trustees Meeting

Minutes

September 15, 2016

I. Attendance.

Trustees Present: Dave Bach, Eric Cooperstein, Cindy Marsh, Dick Niemiec, Richard Spratt, Karin Wille, Lillie Pang, Caitlin Rogers, Christa Anders

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

Guests Present: Fawzia Khan, Kristen Mengelkoch, and Mike Estomba.

The meeting convened at 6:30 with the call to order and chalice lighting.

The Trustees discussed, as reading and spiritual reflection, “Come, Come” by Leslie Takahashi Morris (adapted from Rumi).

II. Consent Agenda – moved and approved.

- Approval of minutes from August 18, 2016 meeting
- Monitoring: Acceptance of attendance and membership numbers
- Monitoring items from the Senior Minister report:
 - Acceptance of staff and significant volunteer changes
 - Treatment of staff- job descriptions and position criteria
 - Staff grievance procedure (GMT) Direct inspection Annual
 - Treatment of volunteers Internal report – direction inspection Annual
- Nominating Committee Memorandum
- Mosaic Makers Conference Report

III. Financial Report

Reverend Crow distributed the Monthly Financial Report to the Board of Trustees (covering July and August 2016) as well as the draft 2015-2016 End-of-Year Summary. The income and expenses for July and August are tracking as expected with the exception of higher administrative expenses due to the realtor fees paid to obtain a tenant. 2015-2016 was a successful year – we ended in the black by a small amount after anticipating a deficit. This is a solid place from which to launch a capital campaign.

The new tenant, Southside Child Development Center, is moving forward with licensing. The Church needs to install an egress door for the nursery, as required by city code (the Church had a variance when Temple Israel was the tenant last year). The cost of the door (\$8,000) will be shared evenly with the church. There will not be large excess income for first year because of this cost and the realtor fees but years two and three will have more positive cash flow because of this tenant.

IV. Visionary Goals Refresh

Trustees reviewed the four visionary goals in light of our racial justice work and the results from Rainbow Research and the Congregational Surveys. It was agreed that racial justice work would be better served by incorporating appropriate racial justice into the existing four goals rather than adding a separate fifth racial justice stand-alone goal. The Board broke into four small groups to develop first drafts and then reported out to the entire Board. Karin Wille and Caitlin Rogers agreed to revise these drafts for consideration at the next Board meeting.

V. Items from the President

The President asked Board members to attend a special board only focus group on October 8 as well as sign up to host several focus groups in October and November. The President may cancel the December Board meeting in light of all the additional time being spent on these meetings.

The meeting adjourned at 9:07 p.m.

September Attendance									
				2016					2015
Adults	9:30	10:00	11:15			9:30	10:00	11:15	
1st week		232		232			202		202
2nd week	340		311	651		*		266	266
3rd week	255		236	491		234		203	437
4th week	236		309	545		281		288	569
5th week									
Monthly Total	831	232	856	1919		515	202	757	1474
Average for September	277	232	285	480		258	202	252	369
RE	9:30	10:00	11:15			9:30	10:00	11:15	
1st week		33		33	*		38		38
2nd week	23		15	38	*	14		16	30
3rd week	219		212	431		222		220	442
4th week	198		145	343		209		232	441
5th week									
Monthly Total	440	33	372	845		445	38	468	951
Average for September	147	33	124	211		148	38	156	238
Combined Average	424	265	409	691		406	240	408	607
Notes	*Labor Day weekend, child care only					*No data collected for 9:30 service.			
	*Multi-gen service: Water Communion								

**First Universalist Church
September 2016 Statistical Report
October 20, 2016**

MEMORIAL SERVICES: 0

MARRIAGES/SERVICES OF COMMITMENT: 0

MEMBERS FOR APPROVAL: 9

Travis and Jacqueline Creley, Plymouth
Elisha Huse and Jess Wasilewski Huse, Edina
Molly Vasich, Minneapolis
Conrad Carlozzi, Minneapolis
Michael Nyland, Minneapolis
Tim Gluszak, St. Louis Park
Nathan Horek, Minneapolis

MEMBERS REINSTATED: 0

MEMBERS FOR REMOVAL: 2

Adele Hersey, deceased 9/19/16
Mary Djerf, deceased 9/23/16

CHILDREN DEDICATED: 0

MEMBERS (Fiscal Year)	To Date	End of Year Totals			
	2016-2017	2015-2016	2014-2015	2013-2014	2012-2013
	14	54	58	46	110
TOTAL MEMBERS:	915	934	920	921	1030

TOTAL MEMBERS AS OF THE LAST MEETING: 908

To be added: 9

To be removed : 2

TOTAL MEMBERS: 915

Sr. Minister Report for Oct 20, 2016 Board Meeting

I. Opening Reflection -

The Gates of Hope - Rev. Victoria Safford

Our mission is to plant ourselves at the gates of Hope—
Not the prudent gates of Optimism,
Which are somewhat narrower.
Not the stalwart, boring gates of Common Sense;
Nor the strident gates of Self-Righteousness,
Which creak on shrill and angry hinges
Nor the cheerful, flimsy garden gate of
“Everything is gonna’ be all right.”
But a different, sometimes lonely place,
The place of truth-telling,
About your own soul first of all and its condition.
The piece of ground from which you see the world
Both as it is and as it could be
As it will be;
The place from which you glimpse not only struggle,
But the joy of the struggle.
And we stand there, beckoning and calling,
Telling people what we are seeing
Asking people what they see.

Reflection Questions: What is the condition of your soul right now? Or, said another way: how is it with your spirit? What do you see, as you stand at the gates of hope? Or, what gates are you standing at? What do you see there?

II. Monitoring Items from Monitoring Schedule:

A. The only monitoring items this month are Protection of Assets and Investment and financial policies, both of which merely require review of insurance policies and financial policies that are unchanged from last year.

III. Information Items

A. September/October Updates: The **parking lot** is completed and Tracy, Bree, and congregants are doing the final walk through/approval with the parking lot installation team. The parking lot was completed amidst a very full start up to the church year - especially for our Operations Team - as we **hosted Shir Tikvah** for the High Holy Days, and **as we secured our tenant**, negotiating final details on their lease, and worked with them to install a door in their infant room (which they needed for licensing approval.)

B. Campaign Update: I've been working closely with Skip Schlafer and others in the church to begin to put together the infrastructure for the Campaign, working to identify Campaign Co-Chairs, Event Planners, Advance Gift Co-Chairs, etc. I've also attended three Focus Groups, in order to hear the conversation and questions.

C. Interfaith Partners for Peace Trip to Israel: As I mentioned at our June meeting, and last month, as well, I've been invited by Rabbi Michael Latz, of Shir Tikvah, to participate in an interfaith partners for peace trip to Israel and Palestine, from Oct 30 to Nov 8, 2016. Interfaith Partners for Peace is a network of pairings of rabbis and non-Jewish clergy in locations across the country committed to peace and reconciliation and to two thriving states for Israelis and Palestinians, as well as true interfaith dialogue without tearing down the narratives of either group. I'm excited about this experience and my deepening relationship with Rabbi Latz. I will bear the costs of the trip (which is heavily subsidized) and will use my available study leave time for the days away from church.

Monthly Financial Report to the Board of Trustees
September 2016
Prepared by Rev. Jen Crow
10/16/16

Overview

Income and expenses are tracking largely as expected, with income exceeding expenses by \$8700. A few exceptions include:

- Pledges are tracking roughly \$12,000 behind the Year to Date budget expectations
- Unrestricted donations are tracking roughly \$10,000 behind Year to Date budget expectations
- It is important to note when comparing Current Balance income and expenses with Year to Date budget expectations, that the YTD budget expectations are a simple equation that divides the year by 12 months, and does not recognize the natural rhythms of income and spending for the church year.
- Administrative expenses are tracking higher than expected. This is the result of realtor fees paid to obtain a tenant and is a part of the total cost of securing Southside Child Development as our tenant. It remains for us to determine whether we will bear the full cost of realtor fees in this budget year alone, or if staff will recommend to the board that this expense be divided over the three years of the tenant's lease.

Capital Campaign Income and Expenses

When viewing the capital campaign income and expense spreadsheet, you will see that as of September, we have only had one expense - the \$5,000 retainer of Klote and Associates paid in March of 2016 - and we have had our first donation of \$25,000 as of 9/27/16.

First Universalist Church of Minneapolis
Balance Sheet
September 2016

Headings and Account

Current Balance (This Year)

Assets		
Current Assets		
Cash & Cash Equivalents		
Sunrise Bank - Checking	\$	52,587.13
U S Bank - Checking	\$	(994.72)
U S Bank - Savings	\$	416.73
Total Cash & Cash Equivalents	\$	52,009.14
Investments		
Schwab- Church Operating	\$	50,848.26
Schwab - Church Reserve	\$	292,453.27
Schwab - Don Carter & Mary Carter	\$	67,856.48
Schwab- Legacy Fund	\$	757,612.90
Schwab - Temporarily Restricted	\$	107,195.39
Sunrise - Church Reserve	\$	138,838.45
Total Investments	\$	1,414,804.75
Cash & Cash Equiv - Foundation		
University Bank - Foundation	\$	11,138.34
Total Cash & Cash Equiv - Foundation	\$	11,138.34
Investments - Foundation		
Schwab - Foundation	\$	1,579,340.06
Total Investments - Foundation	\$	1,579,340.06
Total Current Assets		\$ 3,057,292.29
Other Current Assets		
Other Current Assets		
Mortgage Escrow Deposits	\$	1,532.45
Prepaid Loan Expenses	\$	6,756.19
Prepaid Medical Insurance	\$	11,502.05
Total Other Current Assets	\$	19,790.69
Total Other Current Assets		\$ 19,790.69
Fixed Assets		
Fixed Assets		
Fixed Assets	\$	1,629,807.68
Total Fixed Assets	\$	1,629,807.68
Total Fixed Assets		\$ 1,629,807.68
Total Assets		\$ 4,706,890.66

Liabilities & Equity		
Current Liabilities		
Accounts Payable		
Accounts Payable	\$	31,631.28
Total Accounts Payable	\$	31,631.28
Total Current Liabilities		\$ 31,631.28
Other Current/Long-Term Liabilities		
Benefits Payable	\$	3,745.45
Accrued Expenses	\$	14,288.21
Deferred Revenue	\$	12,881.18
Misc Other Liabilities	\$	29,395.65
Mortgage Payable	\$	592,648.25
Mortgage LOC Advance Payble	\$	146,433.69
Total Other Current/Long-Term Liabilities	\$	799,392.43
Total Other Current/Long-Term Liabilities		\$ 799,392.43
Total Liabilities & Equity		\$ 831,023.71
Fund Principal and Excess Cash Received		
Fund Principal		
Undesignated Net Assets/Equity		
Church Equity	\$	1,639,658.45
Total Undesignated Net Assets/Equity	\$	1,639,658.45
Designated Net Assets		
Board Designated Net Assets	\$	965,634.00
Total Designated Net Assets	\$	965,634.00
Unrestricted Net Assets		
Unrestricted Net Assets	\$	662,660.73
Total Unrestricted Net Assets	\$	662,660.73
Temp Restricted Net Assets		
Temp Restricted Net Assets	\$	133,388.81
Total Temp Restricted Net Assets	\$	133,388.81
Other Temp Restr Net Assets		
Temp Restr - Legacy Fund	\$	86,902.83
Temp Restr Cummins Ministerial Fund	\$	191,568.12
Total Other Temp Restr Net Assets	\$	278,470.95
Permanently Restricted		
Don Carter Endowment	\$	52,900.60
M E Carter Endowment	\$	14,427.64
Total Permanently Restricted	\$	67,328.24
Total Fund Principal	\$	3,747,141.18
Excess Cash Received		
Excess Cash Received	\$	128,725.77
Total Excess Cash Received	\$	128,725.77
Total Fund Principal and Excess Cash Received		\$ 3,875,866.95
Total Liabilities, Fund Principal, & Restricted Funds		\$ 4,706,890.66

**First Universalist Church of Minneapolis
Analysis of Revenues & Expenses - Summary
July to September 2016**

Accounts	Current Balance (This Year)	YTD Budget (This Year)	Annual Budget (This Year)	Last Year YTD Actual
Revenues				
Pledges	\$266,969.29	\$278,943.75	\$1,115,775.00	\$277,637.74
Contributions Unrestricted	\$20,128.76	\$30,000.00	\$120,000.00	\$10,739.36
Contributions Temp Restricted	\$0.00	\$0.00	\$0.00	\$0.00
Contrib Released from Restr	\$0.00	\$0.00	\$0.00	\$0.00
Fundraisers	\$17,895.19	\$6,625.02	\$26,500.00	\$25,987.00
Program Fees	\$0.00	\$1,650.00	\$6,600.00	\$7,940.00
Dividends & Interest	\$1,035.97	\$3,750.00	\$15,000.00	\$1,354.01
Rental Income	\$29,359.29	\$14,349.99	\$57,400.00	\$21,059.79
Realized Gains & Losses	\$0.00	\$0.00	\$0.00	(\$291.65)
Unrealized Gains & Losses	(\$706.35)	\$0.00	\$0.00	\$238.90
Other Income	\$112.00	\$833.34	\$3,333.33	\$2,077.38
Total Revenues	\$334,794.15	\$336,152.10	\$1,344,608.33	\$346,742.53
Expenses				
Salaries & Wages	\$179,024.49	\$181,305.51	\$725,222.00	\$173,756.53
Payroll Taxes	\$13,445.89	\$13,836.27	\$55,345.00	\$7,724.07
Employee Benefits				
Medical Insurance	\$15,369.32	\$15,942.72	\$63,771.00	\$17,468.57
LTD	(\$0.04)	\$262.50	\$1,050.00	\$131.25
Life	\$307.80	\$594.48	\$2,378.00	\$307.80
401K	\$15,609.25	\$15,591.72	\$62,367.00	\$13,681.28
Total Employee Benefits	\$31,286.33	\$32,391.42	\$129,566.00	\$31,588.90
Professional Expenses	\$4,244.24	\$6,060.00	\$24,240.00	\$7,659.55
Temporary Labor	\$4,488.00	\$8,824.98	\$35,300.00	\$5,148.03
Program Expenses	\$14,657.41	\$13,099.95	\$52,400.00	\$25,046.19
Miscellaneous Program Expenses	\$9,426.34	\$3,062.52	\$12,250.00	\$17,605.05
Membership Program Expenses	\$1,365.41	\$2,300.01	\$9,200.00	\$2,046.96
Fundraising Expenses	\$105.00	\$1,374.99	\$5,500.00	\$12.20
Administrative Expenses	\$29,848.73	\$19,587.48	\$78,350.00	\$21,465.44
Miscellaneous Expenses	\$168.92	\$1,800.00	\$7,200.00	\$116.89
Insurance	\$6,693.97	\$5,937.51	\$23,750.00	\$6,016.28
Dues & Memberships	\$575.00	\$10,962.51	\$43,850.00	\$7,850.00
Utilities	\$11,493.01	\$12,250.02	\$49,000.00	\$9,856.55
Repairs & Maintenance	\$5,371.24	\$7,999.98	\$32,000.00	\$7,380.27
Other Building Related Expense	\$13,851.59	\$16,243.74	\$64,975.00	\$14,393.26
Offering Plate for Community	\$0.00	\$1,875.00	\$7,500.00	\$3,525.00
Total Expenses	\$326,045.57	\$338,911.89	\$1,355,648.00	\$341,191.17
Net Total	\$8,748.58	(\$2,759.79)	(\$11,039.67)	\$5,551.36

Capital Campaign 2016-2017

Date	Event	Revenue	Total Revenue
9/27/2016	Stock Donation	\$ 25,000.00	\$ 25,000.00
			<u>\$ 25,000.00</u>

Date	Event	Expense	Total Expense
3/18/2016	JDK & Associates: Retainer Fee	\$ 5,000.00	\$ 5,000.00
			<u>\$ 5,000.00</u>

Income/(Borrowed from Legacy Fund): \$ 20,000.00

Visionary Goals Refresh

<u>Goal</u>	<u>Current Text</u>	<u>Suggested 2016 Update</u>
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.	First Universalist is a faith community committed to the transformational spiritual path of Unitarian Universalism's Seven Principles. Our communal and individual worship, spiritual practices, and rituals unify and strengthen our community, challenge our personal and communal assumptions, and provide comfort to all who participate. Together, we celebrate our progress on our spiritual path, and help heal ourselves and the world.
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.	First Universalist is a community where people of all ages find opportunities to strengthen and deepen their personal spirituality and their Unitarian Universalist faith. Multigenerational faith-formation offerings connect children, youth, and adults to our UU history and ever-evolving faith tradition while also providing meaningful fellowship and relationship opportunities.

3	First Universalist Church is an intergenerational community of mutual caring and support. We build this community by actively welcoming all and encouraging each to discover, develop and share their gifts	First Universalist is a multi-racial, multi-cultural, and intergenerational community of mutual caring and support where people of all backgrounds feel a sense of welcoming and belonging, and find a variety of opportunities for meaningful fellowship and deep relationship. Each person's unique identity and history is acknowledged, nurtured, and shared to create this community of caring and support. Our sense of who we are as a community is ever expanding.
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.	We are a faith community committed to working with humility, compassion, and bravery to create a racially just and sustainable world. Understanding the impact of race, racism, and whiteness is our first step in all of our justice efforts, whether they are social, economic, or environmental issues. We work with community partners who share our values, including our commitment to racial justice, to build a just and sustainable world.