

First Universalist Church Board of Trustees
April 19, 2018
Board Packet

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First Universalist Church of Minneapolis

Board of Trustees Meeting

April 19, 2018

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 (see SM report)
- Spiritual reflection question (see SM report)

II. Consent Agenda (6:50)

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

III. Budget Projections for 2018-19 (6:55 – 7:35)

*This is the Board's first look at the budget for 2018 – 19. A preliminary budget must be read for the congregational budget meetings on **Sunday, April 29, 2018, at 12:45 and Tuesday, May 1, 2018, at 6:30 p.m.***

A copy of the Board's Legacy Funds policy and a draft Board policy (that was not adopted) regarding the amount and use of reserve funds is included in the packet because we may need it for reference during the meeting.

IV. Co-Ministry 7:35 – 8:10

Two tasks here: pull together the remaining documents and consider the presentation at the annual meeting.

BREAK 8:10 - 8:20

V. Bylaws. 8:20 – 9:15

Last month we reviewed about half of the revised bylaws. This month we will try to finish the other half. An updated draft of the bylaws is included in the Board packet.

VI. Adjournment (9:15)

**First Universalist Church of Minneapolis
Board of Trustees Meeting
March 15, 2018**

Trustees and Ministers present: Richard Spratt, Bryana French, Caitlin Rogers, Karin Wille, Jen Crow, Eric Cooperstein, Cindy Marsh, Jen Crow, Lillie Pang, Justin Schroeder

Missing: Dick Niemiec

Guests: Ben Miles, Kayci Rush, Sarah Hedge, Daryn Woodson

I. Call to Order

- a. Lighting of the Chalice
- b. Reading and reflection– We watched the video of Nina Simone singing “Young, Gifted and Black” - https://www.youtube.com/watch?v=_hdVFiANBTk

II. Consent Agenda

- a. Approval of Minutes from February meeting
- b. Monitoring: Acceptance of attendance and membership numbers
- c. Monitoring: Acceptance of staff and significant volunteer changes

APPROVED

III. Administrative

- a. Board meeting for May will be moved from May 17 to May 24, 2018

IV. Financial

- a. Report on current income and expenses for FY ‘18

Things are going along as projected. Pledge income and capital campaign expenses are coming in well. The fill the gap campaign was a rousing success! The \$20,000 matching was a wonderful incentive and the total is over \$47,000. We should end the year well.

Moving from a 5% mortgage to 4.5% for the remainder of the term through 2020.

- b. Staff Budget Assumptions 2018- 2019 including ministers’ benefits
 - Annual giving of \$1,174,500 (2016 – 2017 income level)
 - Miscellaneous fundraising of \$10,000
 - Include the funding of racial justice priorities within program budgets, and continue to set aside a minimum of \$7,500 for specific racial justice

programming needs and for racial justice related needs that come up during the course of the year

- 5% increase to UUA and MidAmerica dues
- 3% salary increase pool
- Meet increased health insurance costs, maintain same or better plan
- Continue to pay mortgage interest from operating budget (\$39,000) and do not include principal in operating budget
- Adjust Ruth and Elaine's salaries to meet a 2-year plan of bringing them into the assistant minister minimum on the UUA salary guidelines
- Adjust other salaries that are not within their appropriate salary ranges
- Continue to track staff hours that are dedicated to the building project and pay for those hours from our capital budget

c. Budget Assumptions and Change Team Requests

The Change Team is a subcommittee of the Board. Change Team members include Karin Wille and Richard Spratt from the Board as well as Kayci Rush, Sarah Hedge, Benjamin Miles, and Justin Schroeder. The Change Team has been meeting monthly and have focused on building relationships with POCl. They have held four hours of listening sessions, which have been very powerful.

They have several recommendations to the Board:

1. A budget line item for the staff to work with the UUA on revising OWL curriculum to include a racial justice lens;
2. A budget line item to include administrative support for POCl activities; and
3. A budget line item to hire a full-time minister of color in the 2018 – 2019 budget year

The Board had an extended conversation with the members of the Change Team about their third recommendation, which is centered on the Visionary Goal of being a multiracial and multicultural church and the feedback from the listening sessions, which included positive feedback on having guest ministers of color.. Currently, we have four white ministers who are permanent and full-time; hiring an intern of color in a temporary and “lesser” is not sufficient to move us toward that visionary goal. The Change Team appreciates that it is not easy to just put a full-time minister into the budget but also thinks that we need to take a big step. We have been doing this racial justice work for five years and the time feels right to take the leap and move forward with this recommendation. They also recognize that this is potentially a challenging situation for the minister who may

be “tokenized.” Regardless of whether we have an intern or a minister of color, we need to have the support systems in place to make the person successful.

How is it possible to be a multicultural church without leadership? The Change Team does not believe we are going to get any more people of color in the church until we have people of color in the pulpit. The Change Team believes there is some urgency to this request. POCI want to see this and feel listened to and acknowledged. The Change Team wants to build capacity. You can’t build capacity by doing something once. We also have to make sure that we are not doing harm – lots of other white institutions do harm to POCI.

A full-time minister would be around \$85,000 to \$90,000 a year. An intern would be funded with some money from the Cummins Fund and some other fundraisers so would have less of an impact on the operating budget. The expectation for our budget discussion next month is that we will be cutting expenses to balance the budget; we do not currently have extra income to devote to this new proposal.

Some process questions about the relationship between the Board and the Change Team. The Change Team is here to push the Board beyond business as usual. The Change Team is about being open to opportunities.

Rev. Schroeder has had about two dozen conversations with colleagues about how to support an intern of color and create places for the intern to transition into as more permanent positions. We have a lot of work to do before we even have an intern of color.

The Board agreed to try to find time to schedule an additional board meeting to discuss the full-time minister of color proposal.

d. Capital Campaign Spending Priorities

The Building Team has been meeting and talking about planning and priorities. The priorities are:

- Needed Repairs/Deferred Maintenance
- Improving Accessibility
- Increasing and Improving Religious Education and Meeting Room Space
- Sanctuary Update/Refresh

Other priorities, if contingency funds remain:

- Mortgage pay off

The Board is in accord with this order of the priorities.

V. Bylaws Subcommittee

Our current bylaws are somewhat sloppy and so the Subcommittee is recommending that we do quite a bit of moving and changing of text. The impact of this, however, is that there will be a lot of redlining if someone wants to look at a track changes document. We will likely need to provide several documents to those congregants who will want to really dig into the changes.

Karin and Caitlin walked the Board through the current provisions and proposed changes. It was recommended that we add discussion of the bylaws to the Budget Meetings.

The Board discussed the recommendation from the Change Team that the Nominating Committee become a committee appointed by the Board rather than elected by the congregation. The current Nominating Committee is not included with the Governance Policy Handbook or the Board.

Cindy did some analysis several years ago and found that about half of the UU churches had an independent Nominating Committee and about half of the UU churches have the Nominating Committee as a Committee of the Board.

There was general consensus that the Nominating Committee should be brought into the structure of the GPH. This is the last vestige of our pre-Policy Governance days. This is NOT about the individuals on the Nominating Committee nor the caliber of the people they are recommending.

VI. Adjournment

The meeting was adjourned by the Chair at 9:45.

March Attendance							
			2018				2017
Adults	9:30 AM	11:15			9:30 AM	11:15	
1st week	266	228	494		279	254	533
2nd week	219	300	519		275	407	682
3rd week	244	295	539		323	292	615
4th week	231	280	511		319	255	574
5th week							
Monthly Total							
Average for March	960	1103	2063		1196	1208	2404
	240	275.75	515.75		299	302	601
RE							
1st week	208	168	376		208	163	371
2nd week	192	193	385		185	166	351
3rd week	166	168	334		187	166	353
4th week	76	56	132*		160	138	298
5th week							
Monthly Total	642	585	1227		740	633	1373
Average for March	160.5	146.25	306.75		185	158.25	343.25
Combined Average	400.5	422	822.5		484	460.25	944.25
Notes	*Spring break, no RE. Childcare only.						

**2018 Statistical Report
March, 2018
Board Meeting April 19, 2018**

MEMORIAL SERVICES: 1

Faith Buss – 3/5/18 – Rev. Elaine Aron Tenbrink

MARRIAGES/SERVICES OF COMMITMENT: 0

MEMBERS FOR APPROVAL: 0

MEMBERS REINSTATED: 0

MEMBERS FOR REMOVAL: 1

Morgan Paldron, asked to be removed

CHILDREN DEDICATED: 0

	To Date	End of Year Totals			
MEMBERS	2017-2018	2016-2017	2015-2016	2014-2015	2013-2014
(Fiscal Year)	51	109	54	58	46
TOTAL MEMBERS: 1047		1,011	934	920	921

TOTAL MEMBERS AS OF THE LAST MEETING: 1047

To be added:

To be removed : 1

TOTAL MEMBERS:

Ministers' Report

Opening Reading and Reflection:

On April 8, Rev. Karen Hutt and I preached about the possibilities and limits of forgiveness. You can listen to the sermon here:

<http://firstuniv.podbean.com/e/april-8-2018-sermon-by-rev-justin-schroeder-and-rev-karen-hutt-our-soul-is-intact/>.

Reflection Questions: What struck you? Where is forgiveness most needed in your life? What (or who) are you unwilling or unable to forgive?

Monitoring Items:

Transitions in Staff and Volunteer Positions: No significant transitions to report.

Staff Survey: The 2018 Staff Survey has been shared with the staff. We'll share feedback at the May meeting. We noted that that survey needs to be updated to reflect a racial justice lens/set of questions.

Shir Tikvah Update:

Last week, the First Universalist Ministerial Team met with the Rabbi Team at Shir Tikvah. They are continuing to explore a variety of options to address their space needs, including the possibility of using our space. These conversations have been fruitful

Regardless of whether or not Shir Tikvah and First Universalist eventually share space, we have grown closer because of these conversations, and are grateful for that!

Co-Ministry Update:

We have been meeting and working with our coach; we've created a working covenant to guide our relationship. We've also created updated portfolios for our respective work.

Working Covenant for Co-Ministry:

- Practice honest, courageous truth telling.
- Help each other be the best ministers and parents we can be, encouraging each other to find balance as we prioritize our families and our children, tend to our own growth and renewal, and support each other to take our sabbatical, study leave, and vacation time.
- Always speak positively of each other in front of the staff, congregants, and colleagues.
- Bring up concerns or issues privately with one another; share feedback and observations with sensitivity and directness; bring hard stuff to each other in timely manner and to share the whole story.
- Support each other and not let each other fail; recognize that if we're pushing ourselves, we will fail from time to time. We'll spot each other when we take risks that help us grow and serve the good, and we'll push each other to grow.
- Push and support each other in our racial justice journey, always digging deeper into better understanding how race, racism, and whiteness is at play in us and our ministry.
- Seek to understand and respect each other's strengths.
- Hold at the center our ministry this question: "What's in the best interest of the church?"
- Hold high standards for worship, leadership, programming, etc.
- Ask each other: What are the next steps for your ministry? What do you want to grow into, move into?
- See each other as resources, not threats. Every problem is "our problem," and we're looking for the "win" for the church.
- Communicate discerningly with our partners about unresolved stuff going on between us.
- Engage external support on a regular basis.
- Talk openly and honestly about any changes we're sensing in our ministry/career/calling.
- Avoid triangulation.
- Review this covenant annually.

Our core values: Trust, integrity, love, justice, humor, leading with vulnerability, valuing creative ideas and energy, believing in people and building them up, celebrating what's going well, and having fun together!

Senior. Co-Minister Position Description (Jen's Portfolio)

Position Description

The Sr. Co-Minister is called by the Congregation and works closely with the other Sr. Co-Minister.. The Sr.-Co-Minister is responsible for oversight of the church operations, the creation and oversight of the church budget, as well as the Faith Formation programming of First Universalist. The Sr. Co-Minister exhibits dynamic leadership and oversight - coaching, collaborating, and partnering with key operation and program staff to ensure that the mission and vision of the church (our commitment to justice and equity and the belief in the worth and dignity of all) is alive administratively, operationally, and programmatically in all that we do. Additionally, the Sr. Co-Minister will ensure that there is a rich array of spiritual development and faith formation opportunities at First Universalist Church, working with the Program Team to identify and equip leaders in the church.

Responsibilities

Supervision - Staff Reporting

- Director of Children Youth and Families
- Minister of Membership and Adult Ministries
- Operations Manager
- Accountant
- Communications Manager

Administration

- Lead Program Team meetings, building cohesion, alignment, and shared vision; help Program Team disciple leaders
- Link Program Team to Administrative Team
- Lead Operation Team meetings, building cohesion, alignment, and shared vision; help Operation Team disciple leaders as appropriate
- Attend Board meetings.

Financial

Takes the lead role, in the creation and oversight of the annual budget. Work closely with the church Accountant, and outside consultants, to monitor the budget, and provide regular updates to the staff and Board.

Worship

- Preach twice a month during the regular church year.
- Regular worship support (presence in the service)

Professional Development and Denominational Connections

- Professional Development and UUMA Participation
- Denominational Participation and Leadership

Other Responsibilities

Participate in staff and worship team meetings.

Ensure that there is regular communication with the congregation about the Program Life of the church.

Model delegating and sharing the ministry to Program Staff, Operations Teams, and key lay leaders

Minimum Qualifications

Master's degree in divinity or religious studies.

- Experience in a large-congregation environment (800+), preferably with faith formation, administration, budgeting, and congregation care.
- Comfort and skill in public speaking.
- Demonstrated leadership, leadership development, and small-group facilitation skills.
- Is a committed Unitarian Universalist.
- Knowledge of church growth

Core Competencies

Organizing. Can gather and organize resources (people, funding, material, support) to get things done; can orchestrate multiple activities at once to accomplish a goal; can use resources effectively and efficiently.

Developing leaders. Is able to identify raw talent and recruit capable people into positions of responsibility; provides challenging and stretching tasks and assignments for others to do; delegates appropriately; builds people up; maintains open and active dialogue with volunteers; communicates expectations clearly and holds people accountable.

Accurately assesses the length and difficulty of a project; sets objectives and goals; breaks down work into process steps; develops schedules and task/people assignments; anticipates and adjusts for problems and roadblocks; measures performance against goals; evaluates results.

Managing vision and purpose. Articulates and supports the vision and mission of First Universalist church; communicates a compelling and inspired vision for ministry; talks beyond the here and now to a larger sense of purpose; creates a compelling vision of possibility, hope, and optimism; helps others to own the vision.

Managing conflict. Deals with problems quickly and directly; steps up to conflicts, seeing them as opportunities; reads situations quickly; focuses when listening; settles disputes collaboratively and equitably; finds common ground and gets cooperation.

Interpersonal relationships. Relates well to all kinds of people, inside and outside of the congregation; builds appropriate rapport; builds effective and constructive relationships; diplomacy and tact; is regarded as a team player.

Trust and integrity. Is widely trusted; seen as direct and truthful; keeps confidences; admits mistakes; adheres to an appropriate and effective set of core values during good and bad times.

Sr. Co-Minister Position Description (Justin's Portfolio)

Position Description

The Sr. Co-Minister is called by the Congregation and works closely with the other Sr. Co-Minister. The Sr. Co-Minister works closely with the staff, the Board of Trustees, and congregants to ensure that measurable process toward the Visionary Goals is achieved. The Co-Senior Minister enables and empowers staff to do their jobs effectively, ensuring that their efforts remaining aligned with the Mission and Vision of the Church. The Sr. Co-Minister is responsible for all fundraising and development ministry. The Sr. Co-Minister is the lead on the church's Faithful Action Ministry, as well as its Racial Justice, and Sanctuary and Resistance Ministry.

Responsibilities

Supervision- Staff Reporting

Minister of Worship Arts and Coming of Age Program
Cummins Intern/Ministerial Interns

Worship Leader

- Serve as a worship leader, casting a compelling vision of what it means to live the church's mission in the world. Working with the Minister of Worship Arts, the Sr. Co-Minister is ultimately responsible for helping to create powerful, transformative worship experiences that invite the congregation to grow more fully into Love's people. The Sr-Co Minister preaches at least 2 times a month during the regular church year, and leads rites of passage ceremonies such as child dedications, new member recognitions, etc.

Staff Leadership

- In partnership with the other Sr. Co-Minister, ensure a positive work environment for all staff of the church.
- Ensure that best HR practices are followed throughout the institution.
- Develop and support Direct Reports.

Administrative

- Work closely with the Sr. Co-Minister to oversee the day to day operations of the church.
- Work closely with the Board of Trustees to help move the church toward its desired future, as articulated in its Visionary Goals.
- Mentor, coach, and build up other leaders in other areas of church life.

Fundraising/Financial/Development Work

- Serve as Chief Fundraiser and Development Officer. Work with church leaders and Professional Consultants to continue to build a "culture of generosity and stewardship" in the church. Ensure the financial well-being of the congregation; lead a successful annual giving campaign, support ongoing planned giving efforts, work with church members on annual fundraising, and play a lead role in capital campaign efforts.

Racial Justice and Faithful Action

- Serve on (or liaison with) the Racial Justice Education and Training Team and support the church's racial justice efforts.
- Provide Faith in Action Leadership:
 - Serve as the Co-Chair of the Faithful Action Council.
 - Provide support and leadership to Faith in Action Partners and Team Leads
 - Ensure Faithful Action Spotlights are woven throughout the worship year
 - Lead Holiday Giving campaign and integrate this effort with the overall fund development plans of the Church
 - Support the Sanctuary and Resistance Team and their efforts within and outside the congregation.
 - Work with Program Team to integrate Faith in Action into the life of the church (help the church to live at the intersection of spiritual development and social justice.)
 - Support other Faithful Action efforts, as they emerge.

Public Witness

- Along with the Sr. Co- Minister, serve as the voice of the church in the public sphere, spending time on public witness events, lifting Unitarian Universalist values in the public sphere, and representing Unitarian Universalism in multi-faith settings.

ADDITIONAL RESPONSIBILITIES:

- Write regular columns for the *Liberal*.
- Officiate at memorial services, weddings, and other rites of passage.
- Provide pastoral care, and ensure that it is available for congregants.
- Teach
- Prophetic Witnesses in Community
- Work with all Affiliate Ministers of First Universalist
- Fundraising as needed, i.e., for "Close the Gap" efforts.

Minimum Qualifications

Master's degree in divinity or religious studies.

- Experience in a large-congregation environment (800+), preferably with faith formation, administration, budgeting, and congregation care.
- Comfort and skill in public speaking.
- Demonstrated leadership, leadership development, and small-group facilitation skills.
- Is a committed Unitarian Universalist.
- Knowledge of church growth

Core Competencies

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Current per Dan Bug 7/25/13

11/17/11

A/L 3105

3400

3300 Cummins

3207 Library

First Universalist Church Legacy Funds

PLAN OF OPERATION: STATEMENT OF INVESTMENT AND SPENDING OBJECTIVES AND POLICIES

Revised 11/17/11

Pursuant to Article VII¹ of the Bylaws of the First Universalist Church of Minneapolis ("the Church,"), the following Plan of Operation has been adopted by the Board of Trustees ("the Board") of the Church and may be amended by the Board from time to time.

I. INVESTMENT PHILOSOPHY AND OBJECTIVES

The First Universalist Church Legacy Funds ("the Legacy Funds") are composed of restricted net assets, solicited regularly, and invested to generate temporarily restricted income and appreciation to support the fulfillment of the mission of the Church. The Legacy Funds are made up of gifts to the Legacy Fund from members and friends of the church and other money transferred into the Legacy Funds from time to time by the Board of Trustees. The Legacy Funds are established to:

- a. Preserve capital for long term financial needs.
- b. Provide reasonably stable and predictable distributions for the Church's operating budget.
- c. Preserve purchasing power by striving for long-term returns which either match or exceed the total of the spending policy (net of fees) and inflation.
- d. Under extraordinary circumstances, provide a distribution of principal, as resolved by the members of the Church, following the requirements described in Article VII, Section 3, of the By-Laws.

The Legacy Funds' principal (the total of all grants received) will not be reduced except 1) as a result of declining market values of investments, 2) pursuant to the "Spending (Payout) Policy" described in Section V of this policy statement, or 3) pursuant to the "extraordinary circumstances" described in subsection d of this Section 1.

¹ The title of Article VII is "The First Universalist Church Legacy Fund"

II. GOVERNANCE AND REVIEW

The Board of Trustees shall be the custodian of the Legacy Funds, and shall maintain a plan of operation setting forth the administration of the Legacy Funds in accordance with other Board policies. Accordingly, oversight of Legacy Funds assets and any changes to this Plan of Operation are ultimately the responsibility of the Board of Trustees. The Board may appoint or delegate to a committee, composed of members of the Board of Trustees, staff members, and/or other church members, to assist it in fulfilling its responsibility.

The Board will fulfill its fiduciary responsibility regarding the Legacy Funds, itself or through its appointed committee, in part, by:

- Developing and/or recommending these Investment and Spending Objectives and Policies in order to guide the Legacy Funds' investment, management, and annual pay-out.
- Considering proposed changes, as initiated by Board or staff, to these policies from time to time and presenting any such changes to the Board for its review and approval.
- Selecting and/or recommending an Investment Manager or Managers.
- Evaluating investment structure and performance at least quarterly to ascertain progress against the fund's objectives, analyze returns, monitor the level of diversification and sector concentration compared with the broader market, and ensure compliance with relevant policies.
- Exercising ordinary business care and prudence with respect to the Legacy Funds.

III. INVESTMENT POLICIES

Assets should be diversified to reduce risk, by manager (e.g. mutual funds), asset class (e.g. equities, bonds) and within asset classes (e.g. within equities of geography, economic sector, industry, quality and size). The purpose of diversification is to provide a reasonable assurance that no single sector or class of securities will have a disproportionate impact on the fund. To insure this diversification:

- The total security position (debt and equity) in any one company, whether owned directly or as a mutual fund holding, should not exceed 10 percent of the Legacy Funds portfolio.

- No more than 25 percent of the entire Legacy Funds portfolio should be invested in one mutual fund or the securities of any one sector.

Socially responsible investments (SRI) will comprise 20% - 30% of the Fund's investments. Socially responsible investments will consist of investments that are considered by the church's designated invested manager as representing "best of class," meaning that they include allocations to all major sectors and companies who have high SRI ratings relative to their peers.

In order to maintain risk levels consistent with the overall objectives of the fund, and to achieve the investment objectives of the fund, the following ranges will be reflected:

<u>Class</u>	<u>Min.</u>	<u>Target</u>	<u>Max</u>
Equities	60%	70%	80%
Large/Mid Cap	15%	20%	30%
Small Cap	15%	20%	30%
International	15%	25%	30%
Bonds/Cash	10%	25%	40%
Other/Alternatives	0%	10%	15%

Assets may be invested in mutual funds meeting the guidelines defined in this section.

IV. INVESTMENT MANAGER

An Investment Manager, if selected, shall manage assets according to the representations made to the Church at the time of selection and according to a written agreement between the Church and the Investment Manager. Any significant deviation from the manager's policies or style will require notice to the Church and written approval from the Church.

Communication by the Investment Manager to the Church must include monthly written statements, regular meetings on a schedule determined by the Church, and written notice of any material change in firm ownership, organizational structure, financial condition, senior staffing and management, and assets under management.

V. SPENDING (PAYOUT) POLICY

The payout from Legacy Funds for the next fiscal year operating budget will be considered annually at the time of the Board's review of the annual budget and, unless the provisions of Article VII, Section 3 of the By-Laws are implemented, shall not be greater than 7%. The calculation of this payout will be based on a 12* quarter rolling average of the Legacy Funds' market value (with the 12th quarter being the last quarter of the current calendar year). The recommended target rate of payout for support of operations annually is 4%.

VI. PROXY VOTING

The Board may implement a proxy voting policy whereby the proxies issued by companies will be voted according to guidelines consistent with UU principles.

Policy approved by vote of the Board of Directors of First Universalist Church:

May 20, 2010

APPROVED

November 17, 2011

REVISED

* For the first 11 quarters of the Legacy Funds' existence, the calculation is based on a rolling average of market value for the number of its actual full calendar quarters.

First Universalist Church of Minneapolis

Reserves Policy

Approved: November 20, 2014

PURPOSE

The purpose of the Reserves policy for First Universalist Church of Minneapolis is to ensure the stability of the mission, programs, employment and ongoing operations of the church. The Reserve fund is comprised of three components; 1) Operating Reserve; 2) Contingency Reserve; 3) Building and Capital Asset Reserve. Each component serves a specific purpose as outlined below.

- 1) The Operating Reserve is intended to provide an internal source of funds for normal cash flow needs and other situations resulting in a short term cash flow issue. Examples would be during the slow periods experienced in the summer months. The Operating Reserves are not intended to replace a permanent loss of funds or eliminate an ongoing budget gap. It is the intention of First Universalist Church of Minneapolis for Operating Reserves to be used and replenished over a reasonably short period of time, within that fiscal year. The Operating Reserve policy will be implemented in concert with the other governance and financial policies of First Universalist Church of Minneapolis and is intended to support the goals and strategies contained in these related policies and in strategic and operational plans.
- 2) The Contingency Reserve is intended to provide an internal source of funds for situations such as one-time unbudgeted expenses, uninsured losses, significant loss of income, and 3 to 6 months of operating expenses. The Contingency Reserves are not intended to replace a permanent loss of funds or eliminate an ongoing budget gap. Use of this portion of the reserve fund would necessitate a serious review of the circumstances leading up to this event. It is the intention of First Universalist Church of Minneapolis for Contingency Reserves to be used and replenished within the next fiscal year or, upon Board approval, according to a plan for replenishment over a longer period of time. The Contingency Reserve policy will be implemented in concert with the other governance and financial policies of First Universalist Church of Minneapolis and is intended to support the goals and strategies contained in these related policies and in strategic and operational plans.
- 3) Building and Capital Asset Reserve is intended to provide a ready source of funds for repair or acquisition of buildings, leaseholds, furniture, fixtures, and equipment necessary for the effective operation of the organization and programs. The target amount of the Building and Capital Asset Reserve will be determined as a percentage of annual depreciation and added to the fund each year.

DEFINITIONS AND GOALS

The Reserve Fund is defined as the designated fund set aside by action of the Board of Directors. The minimum amount to be designated as Reserve will be established in an amount sufficient to maintain ongoing operations and programs for a set period of time, measured in months. The Reserve serves a dynamic role and will be reviewed and adjusted in response to internal and external changes.

The calculation of each component differs and is outlined below:

- 1) The target minimum **Operating Reserve Fund** is equal to 5 to 10% of the annual operating budget. The calculation of annual operating budget costs includes all recurring, predictable expenses such as salaries and benefits, occupancy, office, travel, program and ongoing professional services. Depreciation, in-kind, temporarily restricted expenses and other non-cash expenses are not included in the calculation. *The initial Operating Reserve Fund will be \$100,000 (7%).*

The amount of the Operating Reserve Fund target minimum will be calculated each year during the development of the annual budget and included in the regular financial reports.

- 2) The target minimum **Contingency Reserve Fund** is 3 months of the average monthly expenses, inclusive of the Operating Reserve Fund. The maximum is 6 months. The calculation of average monthly expenses includes all recurring, predictable expenses such as salaries and benefits, occupancy, office, travel, program and ongoing professional services. Depreciation, in-kind, temporarily restricted expenses and other non-cash expenses are not included in the calculation. *The initial Contingency Reserve Fund will be 3 months average monthly expenses, minus the \$100,000 Operating Reserve Fund (\$350,000 - \$100,000 = \$250,000).*

The amount of the Contingency Reserve Fund target minimum will be calculated each year during the development of the annual budget and included in the regular financial reports.

- 3) The target minimum **Building and Capital Asset Reserve Fund** is 8% of the annual depreciation. The amount of the Building and Capital Asset Reserve Fund target minimum will be calculated each year during the development of the annual budget and included in the regular financial reports.

ACCOUNTING FOR RESERVES

The Reserve Funds will be recorded in the financial records as Board-Designated Reserve Funds. The Reserves will be maintained partially in a money market account held at Sunrise Bank and partially in an investment account at Schwab known as the Reserve Account, in accordance with the First Universalist Reserve Funds Investment Policies.

FUNDING OF RESERVES

The Reserve Funds are initially composed of First Universalist Church Balance Sheet accounts #1108 (Schwab Church Reserve) and #1109 (Sunrise Church Reserve). Additions to the Reserve Funds will be funded with surplus unrestricted operating funds. The Board of Directors may from time to time direct that a specific source of revenue be set aside for Reserves. Examples may include bequests of less than \$10,000, 10% of bequests of greater than \$10,000, special grants, or special appeals.

USE OF RESERVES

Use of the Reserves requires three steps:

1. Identification of appropriate use of Reserve Funds:

The Director of Operations and staff will identify the need for access to Reserve Funds and confirm that the use is consistent with the purpose of the Reserves as described in this Policy. This step requires analysis of the reason for the need, the availability of any other sources of funds before using Reserves, and evaluation of the time period over which the funds will be required and replenished.

2. Authority to use reserves:

A. Operating Reserve Fund: Authority for use of the Operating Reserve is delegated to the Director of Operations without further consent, unless replenishment is not expected within three months or by the end of that current fiscal year. The use of Operating Reserves will be reported to the Finance Committee in the context of its monthly financial review.

B. Contingency Reserve Fund: Authority for use of the Contingency Reserve is delegated to the Director of Operations in consultation with the Treasurer and/or Chair of the Finance Committee. The use of Contingency Reserves will be reported to the Finance Committee and the Board of Trustees at their next scheduled meetings, accompanied by a description of the analysis and determination of the use of funds and plans for replenishment to restore the Reserve Fund to its target minimum amount. The Director of Operations must receive prior approval from the Board of Trustees if replenishment of the Contingency Reserve will take longer than 12 months.

C. Capital Reserve Fund: Authority for use of the Capital Reserve is delegated to the Director of Operations in consultation with the Treasurer and/or Chair of the Finance Committee. The use of Reserves will be reported to the Finance Committee and the Board of Trustees at their next scheduled meetings,

3. Reporting and monitoring:

The Director of Operations is responsible for ensuring that the Reserve Funds are maintained and used only as described in this Policy. Upon approval for the use of Reserve Funds (if required), the Director of Operations will maintain records of the use of funds and plan for replenishment. He/she will provide regular reports to the Finance Committee and Board of Trustees of progress to restore the fund to the target minimum amount.

Financial Summary
Prepared by Rev. Jen Crow
April 16, 2018

Summary

You'll find in your packet a summary of Revenues and Expenses from February 2017, the February balance sheet, and an update on income and expenses for our Capital Campaign. Pledges continue to track behind budget, which is to be expected due to our pledge shortfall. Close the Gap Sunday was very successful, with \$29,274 received in the month of February from individual donors. The matching gift of \$20,000 was received in March, and this gift will be reflected in our March income and expense statements. Close the Gap fundraising efforts totaled \$49,274. We continue to monitor spending tightly, making adjustments as needed, with no major surprises.

Capital Campaign Fundraising and Expenses

As you can see in the information provided, payments on Capital Campaign pledges continue to come in as expected. We currently have \$1,279,000 in capital campaign gifts in the bank, and we are paying architectural fees on schedule. The schematic design is expected to be complete by mid-May, and the Building Team will review that design at its May meeting. A meeting of the Building Team's Finance sub-team was held in April. At this meeting, Rev. Crow recommended that the church reconsider paying off the mortgage using capital campaign funds. This suggestion was rejected, with the team recommending that all capital campaign funds be reserved for the building project. Rev. Crow also recommended (with guidance from our financial consultant), that we pursue construction financing internally rather than externally, borrowing from our significant reserves and repaying ourselves with interest, on a binding schedule, rather than securing financing through a bank. The sub-team also rejected this proposal, and the construction loan will come from an external source.

Additional Items

The church recently received a bequest from Pam Vincent in the amount of \$108,244.26. We request that 10% of this gift be allocated to the 2017-18 operating budget, as allowed by our gift acceptance policy.

**First Universalist Church of Minneapolis
Analysis of Revenues & Expenses - Summary
July 2017 to February 2018**

Accounts	Current Balance (This Year)	YTD Budget (This Year)	Annual Budget (This Year)	Last Year YTD Actual
Revenues				
Pledges	\$724,705.98	\$785,057.06	\$1,115,775.00	\$741,516.50
Contributions Unrestricted	\$107,417.46	\$113,757.64	\$141,700.00	\$79,518.85
Contributions Temp Restricted	\$0.00	\$0.00	\$0.00	\$0.00
Contrib Released from Restr	\$180,489.24	\$91,963.92	\$115,445.89	\$196,217.25
Fundraisers	\$24,618.81	\$32,666.72	\$46,500.00	\$52,771.82
Program Fees	\$1,652.00	\$4,400.00	\$6,600.00	\$2,079.25
Dividends & Interest	\$12,983.79	\$10,000.00	\$15,000.00	\$9,208.96
Rental Income	\$84,809.50	\$91,828.00	\$137,742.00	\$62,960.41
Realized Gains & Losses	(\$3,922.21)	\$0.00	\$0.00	\$1,037.04
Unrealized Gains & Losses	\$19,048.09	\$0.00	\$0.00	\$841.13
Other Income	\$1,838.90	\$2,222.24	\$3,333.33	\$8,526.81
Total Revenues	\$1,153,641.56	\$1,131,895.58	\$1,582,096.22	\$1,154,678.02
Expenses				
Salaries & Wages	\$526,451.49	\$539,573.92	\$809,361.00	\$494,651.86
Payroll Taxes	\$39,911.34	\$41,190.16	\$61,785.00	\$37,156.37
Employee Benefits				
Medical Insurance	\$50,486.48	\$46,667.28	\$70,001.00	\$41,208.78
Long Term Disability Insurance	\$0.00	\$0.00	\$0.00	(\$0.04)
Life Insurance	\$1,461.58	\$1,585.28	\$2,378.00	\$1,113.80
403(b)	\$43,761.47	\$44,058.64	\$66,088.00	\$41,720.36
Total Employee Benefits	\$95,709.53	\$92,311.20	\$138,467.00	\$84,042.90
Professional Expenses	\$13,268.21	\$16,600.08	\$24,900.00	\$16,424.00
Temporary Labor	\$22,727.82	\$22,399.92	\$33,600.00	\$20,899.50
Program Expenses	\$18,695.95	\$28,999.84	\$43,500.00	\$26,202.60
Miscellaneous Program Expenses	\$29,565.62	\$20,733.36	\$31,100.00	\$72,789.77
Membership Program Expenses	\$5,694.65	\$7,666.64	\$11,500.00	\$7,718.06
Fundraising Expenses	\$29.32	\$5,333.28	\$8,000.00	\$466.39
Administrative Expenses	\$52,842.75	\$53,533.20	\$80,300.00	\$58,385.92
Miscellaneous Expenses	\$3,465.21	\$4,133.36	\$6,200.00	\$3,364.64
Insurance	\$14,496.73	\$15,991.68	\$23,987.50	\$15,046.13
Dues & Memberships	\$31,255.88	\$30,668.40	\$46,002.50	\$22,259.00
Utilities	\$38,706.85	\$33,999.92	\$51,000.00	\$34,135.66
Repairs & Maintenance	\$12,186.67	\$20,533.28	\$30,800.00	\$13,006.49
Other Building Related Expense	\$120,949.69	\$48,050.00	\$72,075.00	\$179,129.40
Offering Plate for Community	\$29,367.31	\$26,666.72	\$40,000.00	\$36,397.69
Other Charitable Contributions	\$69,697.96	\$50,297.28	\$75,445.89	\$7,767.16
Total Expenses	\$1,125,022.98	\$1,058,682.24	\$1,588,023.89	\$1,129,843.54
Net Total	\$28,618.58	\$73,213.34	(\$5,927.67)	\$24,834.48

First Universalist Church of Minneapolis
Balance Sheet
February 2018

Headings and Account

Current Balance (This Year)

Assets		
Current Assets		
Cash & Cash Equivalents		
Cash	\$ 778,979.83	
Total Cash & Cash Equivalents	\$ 778,979.83	
Investments		
Schwab- Church Operating	\$ 534,647.91	
Schwab - Church Reserve	\$ 331,988.09	
Schwab - Don Carter & Mary Carter	\$ 78,301.58	
Schwab- Legacy Fund	\$ 827,026.22	
Schwab - Temporarily Restricted	\$ 122,813.68	
Total Investments	\$ 1,894,777.48	
Cash & Cash Equiv - Foundation		
Sunrise Bank - Foundation	\$ 11,220.46	
Total Cash & Cash Equiv - Foundation	\$ 11,220.46	
Investments - Foundation		
Schwab - Foundation	\$ 1,756,773.59	
Total Investments - Foundation	\$ 1,756,773.59	
Total Current Assets		\$ 4,441,751.36
Other Current Assets		
Other Current Assets		
Mortgage Escrow Deposits	\$ 3,315.12	
Prepaid Expenses	\$ 16,320.96	
Prepaid Loan Expenses	\$ 5,224.66	
Prepaid Medical Insurance	\$ 9,320.36	
Total Other Current Assets	\$ 34,181.10	
Total Other Current Assets		\$ 34,181.10
Fixed Assets		
Fixed Assets		
Fixed Assets	\$ 1,663,636.05	
Total Fixed Assets	\$ 1,663,636.05	
Total Fixed Assets		\$ 1,663,636.05
Total Assets		\$ 6,139,568.51

Liabilities & Equity			
Current Liabilities			
Accounts Payable			
Accounts Payable	\$	38,020.29	
Total Accounts Payable	\$	38,020.29	
Total Current Liabilities			\$ 38,020.29
Other Current Liabilities/Long-Term Liabilities			
Benefits Payable	\$	1,763.76	
Accrued Expenses	\$	15,735.31	
Deferred Revenue	\$	22,425.40	
Misc Other Liabilities	\$	13,000.00	
Line of Credit Advance Payble	\$	119,278.88	
Mortgage Payable	\$	561,028.80	
Total Other Current/Long-Term Liabilities	\$	733,232.15	
Total Other Current/Long-Term Liabilities			\$ 733,232.15
Total Liabilities & Equity			\$ 771,252.44
Fund Principal and Excess Cash Received			
Fund Principal			
Undesignated Net Assets/Equity			
Church Equity	\$	1,371,936.56	
Total Undesignated Net Assets/Equity	\$	1,371,936.56	
Board Restricted Net Assets			
Board Designated Net Assets	\$	1,067,591.52	
Total Board Restricted Net Assets	\$	1,067,591.52	
Temp Restricted Net Assets			
Temp Restricted Net Assets	\$	1,654,918.46	
Total Temp Restricted Net Assets	\$	1,654,918.46	
Permanently Restricted			
Don Carter Endowment	\$	60,613.77	
M E Carter Endowment	\$	16,088.45	
Total Permanently Restricted	\$	76,702.22	
Total Fund Principal	\$	4,171,148.76	
Excess Cash Received			
Excess Cash Received	\$	1,197,167.31	
Total Excess Cash Received	\$	1,197,167.31	
Total Fund Principal and Excess Cash Received			\$ 5,368,316.07
Total Liabilities & Equity, Fund Principal, & Restricted Funds			\$ 6,139,568.51

Capital Campaign 2016-2017 Budget Breakdown (As of 3/31/2018)

Division	Budget	\$	Remaining Budget
Revenue			
Donations/Legacy Fund Transfer	\$ 6,400,000.00	\$ 1,658,769.55	\$ (4,741,230.45)
Expense			
Consultants	\$ 230,000.00	\$ 229,030.00	\$ 970.00
Printing/Supplies	\$ 8,000.00	\$ 8,000.00	\$ -
Launch Event	\$ 30,000.00	\$ 52,689.09	\$ (22,689.09)
Architectural Pre-Work	\$ 27,000.00	\$ 2,000.00	\$ 25,000.00
Total Budget	\$ 295,000.00	\$ 291,719.09	
Remaining Budget	\$ 3,280.91		
Projects			
Full Compass Hearing Assist	\$ 3,664.34		
Architect Fee	\$ 67,973.66		
Staff Salaries	\$ 11,739.96		
Misc. Fees	\$ 1,915.38		
Consultant	\$ 2,500.00		
	\$ 87,793.34		
Total Loan from Legacy Fund	\$ -		
Net Income	\$ 1,279,257.12		

First Universalist Church of Minneapolis
July 2018 to June 2019

Headings and Account	2018-19	Year End Projections (2017-18)	Annual Budget 2017-18
Revenues			
Pledges			
Unpaid - Current Year	\$ (58,725.00)	\$ -	\$ (58,725.00)
Unrestricted Pledge Donations	\$ 1,174,500.00	\$ 1,050,000.00	\$ 1,174,500.00
Total Pledges	\$ 1,115,775.00	\$ 1,050,000.00	\$ 1,115,775.00
Contributions Unrestricted			
Hospitality Donations	\$ 600.00	\$ 600.00	\$ 700.00
Legacy Fund Contribution	\$ 47,000.00	\$ 38,000.00	\$ 38,000.00
Memorials Designated		\$ 5,300.00	\$ -
Offering Plate for Church	\$ 36,000.00	\$ 35,000.00	\$ 38,000.00
Unrestricted Donations	\$ 65,000.00	\$ 65,000.00	\$ 65,000.00
Unrestricted RE Donations	\$ 500.00	\$ 400.00	\$ -
Total Contributions Unrestricted	\$ 149,100.00	\$ 144,300.00	\$ 141,700.00
Contrib Released from Restr			
Families Moving Forward *	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00
Holiday Giving *	\$ -	\$ 23,472.00	\$ 45,000.00
Ministers Discretionary Fund *		\$ 20,000.00	\$ -
Miscellaneous *		\$ 40,000.00	\$ 25,445.89
Capital Campaign *	\$ 70,000.00	\$ 70,000.00	\$ -
Offering Plate for Community *	\$ 40,000.00	\$ 40,000.00	\$ 40,000.00
History Hounds release	\$ 3,500.00		
Audio Visual fund	\$ 4,500.00		
Children's Offering *		\$ 1,106.09	\$ -
Total Contrib Released from Restr	\$ 123,000.00	\$ 199,578.09	\$ 115,445.89
Fundraisers			
Boston Youth Trips	\$ 10,000.00	\$ 15,000.00	\$ 10,000.00

Families Moving Forward 10%	\$	500.00	\$	500.00	\$	500.00
Holiday Giving 10%	\$	-	\$	2,900.00	\$	5,000.00
Miscellaneous Fundraisers	\$	10,000.00	\$	20,000.00	\$	20,000.00
Senior High Youth Trips	\$	500.00	\$	500.00	\$	-
YCE	\$	11,000.00	\$	11,000.00	\$	11,000.00
Total Fundraisers	\$	32,000.00	\$	49,900.00	\$	46,500.00
Program Fees						
Adult Ed Fees	\$	-	\$	7.00	\$	-
Daytime Connections	\$	1,000.00	\$	1,000.00	\$	-
Summer Camp Fees	\$	-	\$	-	\$	6,600.00
Total Program Fees	\$	1,000.00	\$	1,007.00	\$	6,600.00
Dividends & Interest						
Don Carter Fund Div & Int - Admin	\$	3,250.00	\$	3,250.00	\$	-
Unrestricted Dividends & Interest	\$	15,000.00	\$	15,000.00	\$	15,000.00
Total Dividends & Interest	\$	18,250.00	\$	18,250.00	\$	15,000.00
Rental Income						
Miscellaneous Room Rentals	\$	12,000.00	\$	9,000.00	\$	9,000.00
Shir Tikvah	\$	-	\$	4,800.00	\$	5,000.00
Southside Child Development Center	\$	103,992.00	\$	103,992.00	\$	103,992.00
T-Mobile Antennae Lease	\$	14,200.00	\$	14,025.00	\$	13,950.00
Weddings & Commitments	\$	1,000.00	\$	1,000.00	\$	1,000.00
Weight Watchers	\$	4,800.00	\$	4,800.00	\$	4,800.00
Total Rental Income	\$	135,992.00	\$	137,617.00	\$	137,742.00
Realized Gains & Losses						
Realized Gains/Losses - Fundr	\$	-	\$	-	\$	-
Total Realized Gains & Losses			\$	-	\$	-
Unrealized Gains & Losses						
Unrlzd Gain/Loss Oper A/C - Fundr	\$	-	\$	8,500.00	\$	-
Total Unrealized Gains & Losses			\$	8,500.00	\$	-

Other Income				
Miscellaneous	\$	3,333.00	\$ 3,333.33	\$ 3,333.33
Total Other Income	\$	3,333.00	\$ 3,333.33	\$ 3,333.33
Total Revenues	\$	1,577,450.00	\$ 1,612,485.42	\$ 1,582,096.22

Expenses

Salaries & Wages

Salaries	\$	791,437.00	\$ 786,280.00	\$ 809,361.00
Total Salaries & Wages	\$	791,437.00	\$ 786,280.00	\$ 809,361.00

Payroll Taxes

FICA	\$	62,454.00	\$ 60,220.00	\$ 61,785.00
Total Payroll Taxes	\$	62,454.00	\$ 60,220.00	\$ 61,785.00

Employee Benefits

Medical Insurance

Medical Insurance	\$	87,956.00	\$ 76,300.00	\$ 70,001.00
Total Medical Insurance	\$	87,956.00	\$ 76,300.00	\$ 70,001.00

Long Term Disability Insurance

LTD	\$	-	\$ -	\$ -
Total Long Term Disability Insurance	\$	-	\$ -	\$ -

Life Insurance

Life Insurance	\$	2,378.00	\$ 2,325.00	\$ 2,378.00
Total Life Insurance	\$	2,378.00	\$ 2,325.00	\$ 2,378.00

403(b)

403(b)	\$	66,087.00	\$ 66,000.00	\$ 66,088.00
Total 403(b)	\$	66,087.00	\$ 66,000.00	\$ 66,088.00

Total Employee Benefits	\$	156,421.00	\$ 144,625.00	\$ 138,467.00
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Professional Expenses

Prof Exp Admin			\$ -	\$ -
Prof Exp Associate Minister Elaine	\$	4,000.00	\$ 2,500.00	\$ 4,000.00
Prof Exp Associate Minister Ruth	\$	5,000.00	\$ 4,400.00	\$ 5,000.00
Prof Exp Co-Senior Minister Jen	\$	6,500.00	\$ 6,500.00	\$ 6,500.00

Prof Exp Co-Senior Minister Justin	\$	6,500.00	\$	6,500.00	\$	6,500.00
Prof Exp CYFM	\$	2,000.00	\$	2,000.00	\$	2,000.00
Prof Exp Worship	\$	900.00	\$	900.00	\$	900.00
Total Professional Expenses	\$	24,900.00	\$	22,800.00	\$	24,900.00
Temporary Labor						
Childcare	\$	16,000.00	\$	18,500.00	\$	16,000.00
Guest Speakers	\$	-	\$	1,800.00	\$	1,800.00
Musicians	\$	14,800.00	\$	14,800.00	\$	14,800.00
Substitute Sound Technicians	\$	1,000.00	\$	1,000.00	\$	1,000.00
Temp Labor - Admin	\$	-	\$	1,000.00	\$	-
Total Temporary Labor	\$	31,800.00	\$	37,100.00	\$	33,600.00
Program Expenses						
7th Grade (NF)	\$	1,000.00	\$	1,000.00	\$	1,000.00
8th Grade (OWL)	\$	1,000.00	\$	1,000.00	\$	1,000.00
9th & 10th Grade (COA)	\$	4,500.00	\$	4,500.00	\$	4,500.00
Adult Ed	\$	1,000.00	\$	600.00	\$	1,700.00
Circles	\$	1,000.00	\$	600.00	\$	1,200.00
Classroom Supplies	\$	9,500.00	\$	9,000.00	\$	11,000.00
Memorials Exp - Past Care			\$	400.00	\$	-
Music Purchases	\$	3,150.00	\$	3,000.00	\$	3,000.00
Other - Adult Ministries	\$	-	\$	50.00	\$	1,000.00
Other - CYFM	\$	-	\$	-	\$	1,000.00
Other - FIA	\$	1,000.00	\$	1,000.00	\$	1,000.00
Other - Membership	\$	-	\$	-	\$	1,000.00
Other - Pastoral Care	\$	750.00	\$	600.00	\$	600.00
Other - Worship	\$	-	\$	225.00	\$	1,300.00
Piano Tuning	\$	2,000.00	\$	4,000.00	\$	4,000.00
Senior High	\$	700.00	\$	700.00	\$	700.00
Summer Camps	\$	-	\$	-	\$	6,600.00
Teacher Workshops	\$	2,000.00	\$	1,250.00	\$	2,000.00
Worship Items Miscellaneous	\$	500.00	\$	500.00	\$	500.00
Youth Social Activities	\$	500.00	\$	400.00	\$	400.00

Total Program Expenses	\$ 28,600.00	\$ 28,825.00	\$ 43,500.00
Miscellaneous Program Expenses			
Action Groups	\$ 500.00	\$ 500.00	\$ 500.00
Boston Youth Trips	\$ 10,000.00	\$ 15,000.00	\$ 10,000.00
Faithful Action Council	\$ 1,500.00	\$ 1,500.00	\$ 1,500.00
Friendship Caring Corner	\$ 100.00	\$ 100.00	\$ 100.00
Labyrinth - AE		\$ -	\$ -
Library	\$ 250.00	\$ -	\$ 500.00
Library *		\$ 250.00	\$ -
Other - Fundr		\$ -	\$ -
Racial Justice	\$ 7,500.00	\$ 7,500.00	\$ 7,500.00
Racial Justice *		\$ 1,000.00	\$ -
Senior High Youth Trips		\$ 500.00	\$ -
Winter Solstice *		\$ 350.00	\$ -
YCE Supplies	\$ 11,000.00	\$ 11,000.00	\$ 11,000.00
YCE Travel	\$ -	\$ -	\$ -
Total Miscellaneous Program Expenses	\$ 30,850.00	\$ 37,700.00	\$ 31,100.00
Membership Program Expenses			
Hospitality	\$ 8,500.00	\$ 8,000.00	\$ 8,500.00
New Member Programs	\$ 2,000.00	\$ 1,500.00	\$ 2,000.00
Visitor Wecoming	\$ 1,000.00	\$ 500.00	\$ 1,000.00
Total Membership Program Expenses	\$ 11,500.00	\$ 10,000.00	\$ 11,500.00
Fundraising Expenses			
Miscellaneous Fundraisers	\$ -	\$ -	\$ 3,000.00
Planned Giving	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00
Pledge Drive	\$ 4,000.00	\$ 4,000.00	\$ 4,000.00
Total Fundraising Expenses	\$ 5,000.00	\$ 5,000.00	\$ 8,000.00
Administrative Expenses			
Bank Service Charges	\$ 750.00	\$ 500.00	\$ 1,000.00
Consultants	\$ 11,500.00	\$ 6,000.00	\$ 11,500.00

Credit Card Discount Fees	\$	13,000.00	\$	14,000.00	\$	13,000.00
Staff Training (CPR/AED)		\$0				
Employee Appreciation	\$	1,000.00	\$	1,000.00	\$	1,000.00
Financial Review/Audit	\$	400.00	\$	300.00	\$	750.00
Internet	\$	1,500.00	\$	1,300.00	\$	1,500.00
Mileage	\$	500.00	\$	500.00	\$	1,000.00
Office Supplies	\$	5,000.00	\$	5,000.00	\$	5,000.00
Paper	\$	2,000.00	\$	2,000.00	\$	2,000.00
Payroll Fees	\$	5,500.00	\$	5,300.00	\$	3,100.00
Postage & Shipping	\$	5,500.00	\$	5,500.00	\$	5,500.00
Printing & Copying	\$	20,500.00	\$	20,000.00	\$	19,000.00
Software	\$	8,000.00	\$	7,800.00	\$	8,000.00
Telephone	\$	5,500.00	\$	5,300.00	\$	4,800.00
Volunteer Appreciation	\$	800.00	\$	500.00	\$	825.00
Volunteer Appreciation	\$	800.00	\$	400.00	\$	825.00
Website	\$	1,500.00	\$	1,400.00	\$	1,500.00
Total Administrative Expenses	\$	83,750.00	\$	76,800.00	\$	80,300.00
Miscellaneous Expenses						
Board Exp - Admin	\$	-	\$	20.00	\$	-
SPIFF	\$	2,000.00	\$	2,000.00	\$	2,000.00
Visual Arts	\$	4,200.00	\$	4,200.00	\$	4,200.00
Total Miscellaneous Expenses	\$	6,200.00	\$	6,220.00	\$	6,200.00
Insurance						
Liability	\$	15,500.00	\$	14,500.00	\$	16,867.00
Workers Compensation	\$	7,000.00	\$	6,500.00	\$	7,120.50
Total Insurance	\$	22,500.00	\$	21,000.00	\$	23,987.50
Dues & Memberships						
Mid America	\$	10,584.00	\$	10,584.00	\$	10,584.00
Other Membership Fees and Dues	\$	-	\$	-	\$	800.00
UUA	\$	34,618.50	\$	34,618.50	\$	34,618.50
Total Dues & Memberships	\$	45,202.50	\$	45,202.50	\$	46,002.50

Utilities					
Electricity	\$	30,000.00	\$	30,000.00	\$ 28,000.00
Gas	\$	16,000.00	\$	16,000.00	\$ 16,000.00
Water & Sewer	\$	8,000.00	\$	8,000.00	\$ 7,000.00
Total Utilities	\$	54,000.00	\$	54,000.00	\$ 51,000.00
Repairs & Maintenance					
Alarm System	\$	500.00	\$	400.00	\$ 1,500.00
Elevator Maintenance	\$	3,300.00	\$	3,300.00	\$ 3,300.00
General Repairs & Maintenance	\$	10,000.00	\$	12,000.00	\$ 16,000.00
HVAC	\$	8,000.00	\$	7,000.00	\$ 10,000.00
Total Repairs & Maintenance	\$	21,800.00	\$	22,700.00	\$ 30,800.00
Other Building Related Expense					
Capital Campaign *	\$	70,000.00	\$	70,000.00	\$ -
Equipment Leases	\$	-	\$	-	\$ 175.00
Groundskeeping	\$	15,000.00	\$	16,800.00	\$ 16,800.00
Interest Expense	\$	29,544.00	\$	35,400.00	\$ 37,500.00
Janitorial Supplies	\$	8,500.00	\$	8,500.00	\$ 7,500.00
Other Exp - Facility *			\$	4,000.00	\$ -
Other Admin Expense	\$	-	\$	-	\$ 750.00
Other Facility Expense	\$	-	\$	-	\$ 750.00
Pest Control	\$	600.00	\$	600.00	\$ 600.00
Sound System	\$	-	\$	1,000.00	\$ 3,000.00
Trash & Recycling	\$	5,000.00	\$	5,000.00	\$ 5,000.00
Total Other Building Related Expense	\$	128,644.00	\$	141,300.00	\$ 72,075.00
Offering Plate for Community					
Children's Offering *	\$	-	\$	1,106.09	\$ -
Habitat for Humanity *	\$	-	\$	-	\$ -
Offering Plate for Community *	\$	40,000.00	\$	38,000.00	\$ 38,000.00
Simpson Meals *	\$	-	\$	-	\$ -
TRUST *	\$	-	\$	2,000.00	\$ 2,000.00

Total Offering Plate for Community	\$ 40,000.00	\$ 41,106.09	\$ 40,000.00
Other Charitable Contributions			
Families Moving Forward *	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00
Holiday Giving *	\$ -	\$ 23,472.00	\$ 45,000.00
Ministers Discretionary Fund *	\$ -	\$ 20,000.00	\$ -
Miscellaneous *	\$ -	\$ 34,400.00	\$ 25,445.89
Total Other Charitable Contributions	\$ 5,000.00	\$ 82,872.00	\$ 75,445.89
Total Expenses	\$ 1,550,058.50	\$ 1,623,750.59	\$ 1,588,023.89
Net Total (before principal payment)	\$ 27,391.50		
Principal on Mortgage& Line of Credit	\$ (42,193.00)		
Net Total	\$ (14,801.50)	\$ (11,265.17)	\$ (5,927.67)

* Release from Restriction Account (No Net Impact)

Bylaws of the First Universalist Church of Minneapolis

Approved _____

Preamble

First Universalist of Minneapolis (the “Church”) is a nonprofit corporation, organized under Minnesota Statutes Chapter 317A.

Article I Members

1. Eligibility for Membership

Any person fourteen years of age or older who subscribes to the mission and values of First Universalist Church (the “Church”) and who desires to become a member of the Church may do so by signing the book kept by the Church for such purpose. The name will be added to the Register of Members.

2. Voting Members

A member shall become a voting member of the Church upon making a pledge in any amount to the current or upcoming operating fund or upon receiving a waiver regarding such pledge, from a minister of the Church. Unless a waiver has been received, if no pledge contribution has been received from that person, or that person’s household, at the time of a congregational meeting vote, then the member shall not be considered a voting member for the purposes of that meeting or that vote and until such time as a pledge contribution is received or a waiver is granted.

3. Register of Members

There shall be a register of the names of all members and voting members.

Membership shall be reviewed at least annually by Executive Leadership. Members who do not respond to membership status inquiries mailed to their most recent postal or email address listed with the Church, shall be removed from membership after a period of one year from the date of such mailing.

4. Resignation of Membership

Any member may resign at any time by giving a written notice to a member of the Executive Leadership of the Church.

Members who have requested resignation shall be removed immediately.

Article II Meetings of the Church

1. Annual Meeting

The annual meeting of the Church shall be held at the building where the usual religious services are held, or elsewhere at such place as may be designated by the Board of Trustees, at such time each year as the Board of Trustees shall determine. The purposes of the meeting shall be:

- a) Presentation of annual reports;
- b) Election of Trustees, Officers, Chair and Directors of the First Universalist Foundation, Elected Members of the Nominating Committee of the Church, and Delegates to the General Assembly of the Unitarian Universalist Association;
- c) Presentation and approval of the budget recommended by the Senior Minister and the Board of Trustees for the next fiscal year;
- d) Discussion and vote on resolutions properly presented; and
- e) Transaction of other business which may properly come before the meeting.

2. Meeting Quorums

Ten (10) percent of the voting members of the Church shall be required to form a quorum at all meetings, except that for the purpose of selecting or dismissing a minister the quorum shall be twenty-five (25) percent.

3. Special Meetings

Special meetings of the Church may be called by the Board of Trustees. If a written request to the Board of Trustees by 50 voting members or ten (10) percent (whichever is fewer) for a special meeting is denied by the Board of Trustees, said meeting may be called by such 50 voting members or ten (10) percent (whichever is fewer).

4. Meeting Notices

Written notice of each meeting of the Members, whether the Annual Meeting or a Special Meeting, shall be sent to each Member and posted on the website at least

seven (7) days before the meeting, addressed according to the most recent membership records. Notice may be provided by electronic means when possible.

Notice of the meeting shall include an agenda of the principal matters of business to be considered at the meeting.

5. Meeting Agendas

Any voting member desiring to have any matter considered at the meeting shall request the Board of Trustees to place it on the agenda, and if it is in the form of a resolution, shall furnish the Board with a copy of such resolution. Such request shall be presented to the Board of Trustees in writing at least fourteen (14) days prior to the meeting, or such later date as the Board of Trustees may designate. The Board may place such requested item on the agenda and must do so if the request is supported in writing by at least 15 voting members of the Church. If the request is approved for inclusion on the agenda and includes a resolution, such resolution shall be reproduced by the Board of Trustees and distributed to the voting members as a part of the notice of the meeting. Matters not placed on the agenda may nevertheless be considered at the meeting, but may not be put to final vote unless three-fourths (3/4ths) of the voting members present at such meeting shall first vote to so consider it. If the meeting is a special meeting, business transacted at the meeting which is not included in the purposes described in the notice of the meeting may be voidable as described in Minn. Stat. 317A.433.

Section 6. Voting by Proxy.

There shall be no voting by proxy by members until the Board's establishment of a proxy voting policy in line with our values of inclusion and democracy.

Article III Board of Trustees

1. Board Membership

The Board of Trustees shall consist of nine (9) members, except as provided in the paragraph below. Each Trustee shall be a voting member of the Church and shall be elected for a term of three (3) years. At every annual meeting, voting members shall elect three (3) Trustees and vote on any vacancies that have been filled by the Board since the last annual meeting. A Trustee may be nominated to serve a second consecutive term. A Trustee who has served two consecutive terms may not be

nominated to serve an additional term until the Trustee has been off the Board of Trustees for at least three years.

A Trustee shall take office upon the election of that Trustee and shall continue until the term expires, the Trustee resigns or dies, or the Trustee is removed. In the event of a vacancy on the Board of Trustees for any reason, the Board may at its sole discretion elect a successor to fill the vacancy for the remainder of the unexpired term. Such election shall be subject to approval by voting members of the Church at the next annual meeting.

Any Trustee may resign by giving notice in writing to all Trustees. A Trustee may be removed, with or without cause, by action of two-thirds (2/3rds) of the Trustees or by vote of a majority of the voting members of the Church present at an annual meeting of the Church or at a special meeting called pursuant to Paragraph 3 of Article II of these Bylaws. If three (3) or more vacancies exist at any one time, a congregational meeting for the purpose of filling these vacancies shall be held within thirty (30) days.

Trustees shall serve without compensation, but may be reimbursed for travel and reasonable expenses incurred in fulfilling their duties.

2. Board Powers

The business, property, and affairs of the Church, including the approval of the annual budget in the circumstance detailed in the paragraph below, shall be governed by the Board of Trustees, which shall promulgate policies for the conduct of the affairs of the Church consistent with the laws of the State of Minnesota, the Articles of Incorporation, and these Bylaws.

At the annual meeting, the budget for the next Church year is presented to the congregation for its approval. If there is not a quorum present to approve the budget (per Article II, 2), the Board of Trustees is empowered to approve the budget.

3. Board Meetings

Regular meetings of the Board of Trustees shall be held at a location and on dates and times determined by the Board of Trustees.

Special meetings of the Trustees may be called by the President, or by the Secretary on the written request of any two (2) Trustees. Written notice of special meetings shall be sent to each Trustee before the date of the meeting. Such notice may be provided in person, or by electronic communication to those who have consented to electronic communication, at least four (4) calendar days before the meeting, or by notice mailed to the Trustee at least seven (7) calendar days before the meeting. Such notice may be waived with the consent of each Trustee in situations where a more urgent need is present as determined by the Chair.

A majority of the Trustees shall constitute a quorum. If a quorum is present when a duly called meeting is convened, the Trustees present may continue to transact business until adjournment, even though the withdrawal of one or more Trustees leaves less than the number otherwise required for a quorum.

Any action by the Board of Trustees may be decided upon by a majority of the votes cast by those present at the meeting unless otherwise specifically increased in Board of Trustees policies or as required by applicable law.

A Trustee may not appoint a proxy for himself or herself or vote by proxy at a meeting of the Trustees.

A Trustee may participate in a meeting of the Trustees by means of conference telephone or by such other means of remote communication, in each case through which that Trustee, other Trustees so participating, and all Trustees physically present at the meeting may communicate with each other on a substantially simultaneous basis. Participation in a meeting by remote communication constitutes presence at the meeting.

Any action that could be taken at a meeting of the Trustees may be taken instead by written action signed, or consented to by authenticated electronic communication by all of the Trustees. A Trustee may consent to an action by affixing his or her signature on a document setting forth the action, or by electronic communication as defined in Minnesota Statutes, section 317A.011, Sub. 7a, as amended from time to time.

All board meetings shall be open to the public, with the exception that the Trustees may vote to devote all or a portion to a board meeting to an Executive Session to discuss confidential matters.

4. Nominating Committee

The Board of Trustees shall have a Nominating Committee charged with recommending to the Board of Trustees, for approval by the members at the annual meeting, candidates for appointment to open seats on the Board of Trustees, the First Universalist Foundation, and for the Nominating Committee itself. The Committee shall submit its slate of candidates to the Board of Trustees. Upon approval, the Board shall submit its recommendations to the annual meeting of the Church.

Additional nominations may be submitted from the floor of the annual meeting by voting members.

The Nominating Committee will consist of five members: (1) immediate past president of the Board of Trustees, who will chair the committee; (2) members appointed by the Board of Trustees; and (2) members elected by the congregation. The term of the chair shall be one year, renewable for up to three years. The terms of the other members shall be two years, renewable for one additional term.

If the immediate past president is unable or unwilling to serve as chair, then the most senior Trustee currently serving will be the chair, other than the current President or Treasurer.

5. Other Committees

The Board of Trustees may appoint such other committees as it deems appropriate to assist the Board in doing its work. The Board will determine the scope of the work of any such committee in a manner that preserves Board wholeness and is consistent with these bylaw and such policies as are established by the Board from time to time.

Article IV Officers of the Church and the Board of Trustees

ARTICLE IV. Officers

Section 1. Number, Term, and Duties

There shall be four Officers, a President of the Congregation, a Vice-President a Secretary, and a Treasurer, to be elected by the Members at the Annual Meeting to one-year terms from among the Trustees. Officers shall take office on July 1 following their election unless they are elected to fill a vacancy, in which case they shall take office upon election. No Officer may hold more than one office at a time. The Board of Trustees shall establish such additional officers as it may find necessary. In the event of a vacancy in the offices of Vice-President, Secretary, or Treasurer, the Board may

appoint a Member of the Congregation to fill the unexpired portion of that Officer's term.

Section 2. President of the Congregation

The President of the Congregation shall prepare agendas for all Board meetings and all official meetings of the membership and shall preside over these meetings. If the President becomes unable to serve out his/her term, the Board will elect another Trustee to serve as President.

Section 3. Vice-President

The Vice-President shall perform the duties of the President of the Congregation in her/his absence.

Section 4. Secretary

The Secretary shall be responsible for the recording of the minutes of all official meetings of the membership and of the Board of Trustees and forwarding them to Church staff in a timely manner for archiving with other official records of the Church. The Secretary shall oversee the publishing of all notices as required by these Bylaws. The Secretary shall also be responsible for ascertaining the eligibility of all who wish to vote on Church business.

Section 5. Treasurer

The Treasurer shall lead the financial monitoring efforts of the Board of Trustees.

Section 6. Authorization for Board or Member Action

The President of the Congregation, acting together with either the Vice-President, the Secretary, or the Treasurer is hereby authorized and directed to execute and acknowledge any instruments, certificates, and other documents on behalf of the Church and to perform any additional acts on behalf of the Church which they may deem necessary and proper to complete a course of action approved by a majority decision of the Board of Trustees or the Members of the Church at a lawful meeting.

Article V

Ministers and Staff

1. Executive Leadership of the Church

The Board of Trustees shall establish an executive leadership structure for staff of the Church ("Executive Leadership"). Executive Leaders who report directly to the Board of Trustees shall include at least one Called Minister (defined as a minister who is called by and elected by the voting members of the Church as described in Section 2 below)

and may include one or more additional called or hired ministers or non-ministerial executives as determined by the Board of Trustees. The Executive Leadership structure established by the Board of Trustees may, but need not, include provision for an executive team that reports collectively to the Board of Trustees. The Board of Trustees is responsible for ensuring that Executive Leadership position(s) that report to the Board of Trustees are filled in a timely manner.

In the event that no Called Minister currently serves the Church, whether because of resignation, disability, death, or other reason, the Board of Trustees shall engage and interim minister who reports directly to the Board of Trustees. The Board of Trustees shall be responsible for taking the steps necessary for the congregation to select and call one or more ministers to serve as the Executive Leadership of the Church, as set forth in Section 2 below.

Executive Leaders shall have responsibility for working collaboratively to advance First Universalist's mission, ends, values, and vision within limits and policies as established by the Board of Trustees.

Nothing in this section shall be construed to allow the Board of Trustees to supercede the authority of the congregation to call ministers or to remove called ministers.

2. Selection or Removal of Called Minister(s)

To fill a Called Minister position, the Board of Trustees shall appoint a Search Team from among the voting members of the Church. The Search Team will conduct the search and present a candidate to the congregation for approval. After the Search Team has selected a candidate but prior to the candidate's presentation to the congregation, the Board of Trustees will be authorized to determine the compensation and other terms and conditions of employment offered to the candidate and will conduct any negotiations regarding the same. The Board of Trustees shall establish such other processes as may be appropriate to facilitate the selection process, including a process for selection of the Search Team that includes substantial input from the voting members of the Church.

The Board of Trustees shall determine the number, job descriptions, and other responsibilities of the Called Minister(s).

The selection or removal of a Called Minister shall require consent of three-fourths (3/4ths) of the voting members of the Church in attendance at a meeting of the Church called for that purpose pursuant to section ____.

3. Staff other than Called Minister(s)

For Executive Leaders other than Called Ministers, the Board of Trustees approves the hiring and removal of other Executive Leader(s) (if any) who report to the Board of Trustees, including any interim ministers. The Board of Trustees may, but need not, appoint a search team from among staff, trustees, and voting members of the Church to assist it in sourcing and recommending candidates for such positions.

Executive Leaders administer and approve the hiring and removal of professional and other staff who do not report directly to the Board of Trustees, subject to policies and budgets established by the Board of Trustees.

4. Employment Agreements

The Board of Trustees shall establish the compensation and other terms of employment of the Called Minister(s) and other Executive Leaders who report to the Board of Trustees and shall memorialize such terms in a written agreement which will be subject to review and potential modification over time.

Any other written employment agreements must be approved in advance by an Executive Leader or other staff member authorized by the Board of Trustees to sign such agreements.

Article VI

Other Provisions

1. Fiscal Year

The fiscal year of the Church shall begin on each July 1 and end on the following June 30.

2. Contracts and Grant Agreements

All written contracts representing a singular or cumulative expenditure of over \$20,000 where such amount has not previously been approved or authorized in the current annual budget, and all deeds, conveyances, and mortgages of the Church shall be approved by the Board of Trustees and signed by the President of the Board of Trustees and countersigned by the Secretary. Grant agreements shall be approved by

the Board of Trustees and signed by the President of the Board of Trustees and countersigned by the Secretary.

3. Real Estate

No Member shall have rights in or to any property of the Church at any time.

The main meeting place of the Church and any real property intended to become the main meeting place of the church shall not be constructed, substantially reconstructed (as determined by the Board of Trustees), purchased, sold, conveyed, or encumbered, or made subject to any lien unless such activity or transaction shall be first authorized by a vote of two-thirds (2/3rds) of the Board of Trustees, and three-fourths (3/4ths) of the voting members in attendance at a meeting of the Church; each body acting separately, at an annual meeting of either, or at a special meeting of either duly called for that purpose, which purpose shall be plainly stated in the notice.

Any other real estate purchased, sold, conveyed, encumbered, or made subject to any lien must be authorized by a majority vote of the Board of Trustees.

4. Indemnification

The Church shall indemnify Trustees and other persons acting in an “official capacity” as provided in and limited by Minnesota Statutes Chapter 317A up to the coverage limits of its then applicable insurance policies.

Article VII

Amendment of Bylaws

These Bylaws may be amended at any annual or special meeting of the Church by a vote of two-thirds (2/3) of the voting members present at the meeting. Notice of the meeting, stating the purpose including the proposed amendment, shall be given as provided in Article II hereof.

Article VIII. The First Universalist Foundation □

Section 1. Purpose

The First Universalist Foundation of the First Universalist Church of Minneapolis shall be responsible to the Trustees of the Church for allocating funds from the First Universalist Foundation for social justice. In carrying out this responsibility the Foundation may initiate, receive, solicit, and evaluate proposals from groups within or

outside of the Church to promote social justice. The Foundation shall keep accurate records of all Foundation proceedings and of all business transacted.

Section 2. Directors

□The First Universalist Foundation shall consist of nine (9) Directors, each of whom shall be a Member of the Church. The Directors shall be elected by the Members at the Annual Meeting.□The term of office of each of the Directors shall be three (3) years. The terms shall be staggered so that no more than three (3) Directors shall be elected for three-year terms at the same□Annual meeting. No Director may be a member of the Board of Trustees. No Director shall□serve more than two (2) consecutive, full terms. Directors elected to fill out an unexpired term□on the Foundation shall be eligible to serve two (2) full terms in addition to the partial term served.□

Section 3. Vacancies□

Directors unable to carry out their responsibilities as determined by the Foundation shall be replaced by appointment by the Trustees from among nominees presented by the Nominating Committee to the Trustees, following notification of the Members as specified in Article III,□Section 3. Persons so appointed shall serve until the next Annual Meeting, at which time they or replacements shall be elected in accordance with Article II, Section 5, to serve out the□remaining terms.□

Section 4. Officers□

The Foundation shall have a Chair, who shall preside at all meetings of the Foundation. The Foundation President shall be nominated by the Nominating Committee and elected by the Members at the Annual Meeting from among the Directors of the Foundation. The term of office of the President of the Foundation shall be one year.□

Section 5. Duration

The Foundation's structure or purpose may not be dissolved or modified except upon the affirmative vote of the majority of Members of the Church voting at an Annual Meeting or Special Meeting of Members called for that purpose.□

Section 6. Funds and Disbursements

- a) No part of the Foundation's funds shall be used as a substitute for or replacement of regular operating expenses of First Universalist Church.
- b) Operating Expenses. Proper expenses of the Foundation shall be a legitimate claim on the Foundation's funds and shall be paid from those funds upon certification by the Foundation.

c) Allocations. The Foundation may allocate its funds in accordance with its Mission and shall report at least quarterly to the Board of Trustees regarding such allocations.

d) Disbursements. Decisions regarding disbursements from the Foundation funds, grants, and operating expenses shall be made by majority vote of the Directors of the Foundation.

Article IX. The First Universalist Church Legacy Fund

Section 1. Establishment and Purpose:

The Church shall maintain a fund to be known as the First Universalist Church Legacy Fund (the Legacy Fund). The purpose of the Legacy Fund is to support and enhance the mission of the Church. The Legacy Fund will be made up of gifts to the Legacy Fund from Members and friends of the Church and other money placed into the Legacy Fund from time to time by the Board of Trustees.

Section 2. Distributions:

The Board of Trustees shall direct the distribution of money from the Legacy Fund. Except where authorized otherwise in the terms of a gift or by the Membership in accordance with subsection c, the Board of Trustees shall make distributions from the Legacy Fund annually in amounts not to exceed seven (7) percent of the fair market value of the Legacy Fund as determined by the Board of Trustees.

Article XI. Parliamentary Procedure

Robert's Rules of Order, Newly Revised, shall be the parliamentary rules of procedure governing all meetings of this Church.

Article XI. Affiliation

This Church is a member of the Unitarian Universalist Association and the MidAmerica Region.