

First Universalist Church Board of Trustees
February 15, 2024
Board Packet

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First Universalist Church of Minneapolis
Board of Trustees Meeting
February 15, 2024
6:30 - 9:00 pm
First Universalist Church
Cummins Room & [Zoom](#) (multiplatform)

Start	Duration	Topic	Lead
6:30 PM	5	Call to Order	Sarah
		Lighting the Chalice <i>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.</i>	All
6:35 PM	5	Agenda Approval	Sarah
6:40 PM	20	Executive Session Somatic Grounding Spiritual Community Building	Sarah Arif
7:00 PM	5	Consent Agenda - Approval of January meeting minutes - Monitoring: Acceptance of attendance and membership numbers & trends - Monitoring: Acceptance of staff and significant volunteer changes - Monitoring: Congregant grievances - Monitoring: Staff & Volunteer grievances - Monitoring: Exit interviews - Monitoring: Review of annual workplan - Monitoring: Staff compensation/benefits	All
7:05 PM	40	Finance Committee - Second Quarter financials - 2023-24 Budget Gap Closure - 2024-25 Budget - Preliminary Budget Expense Outlook - Budget Assumptions/Gaurdrails	Marc
7:45 PM	10	Stewardship Committee Update	Emily/Will
7:55 PM	5	Break	All
8:00 PM	30	Governance Committee - Discussion on commitee plans and how newly approved Visionary Goals factor into them	Lou, Sarah
8:30 PM	15	IDI - Next Steps	All
8:45 PM	5	Board Visibility	All
8:50 PM	10	Gratitudes	All
9:00 PM		Adjourn	All

Roles, responsibilities, and resources for Board Members

JOB DESCRIPTION: First Universalist Board of Trustees

Church Bylaws

Governing Policies Handbook

2023-24 Monitoring Schedule

Minister's report - Feb 2024

There are so many good things happening it is hard to know where to start.

It feels safe to say that First Universalist Church started the 2nd half of this year in a really strong way.

From my "state of the church" report at our mid-winter meeting, we noted the following:

- Art & Soul worship series in July
- Reintroduction of worship associates is weaving new voices and perspectives into our shared spiritual journey
- The strengthening melody of our congregation singing together
- Growing worship attendance (a trend that was particularly palpable during our holiday services)
- Deepening sense of congregational engagement and leadership in our services
- Transition to a new database with congregant directory coming soon (including photos!)
- Increased building use by congregant led programs and external rentals
- January's Congregational Retreat saw 20% of our voting membership participate
- Saturday Sprouts and Parents of Adolescents programming for parental support and community building
- Over 220 families and 344 children and youth enrolled in Children, Youth, & Family Ministries (CYFM) programming
- Start of Youth Leadership Team & CYF Advisory Team
- Habitat for Humanity seeing full build teams
- Community Dinners see 100+ each month
- Vibrant congregant-led programming across generations and interests (see the most recent program guide)
- And did we mention that a new website is on the way (consultant has been identified and contract signed!), and a choir is in the works too.

And so much more.

In the weeks since, you all have lit a fire under the congregation to raise funds to make good on the revenue promised for this year. As of right now, we sit around \$227,800 which is just plain incredible. Spirits are up, the annual giving campaign is rolling out, and our sense is that we are on track for a strong campaign, provided we keep up the energy, the momentum, and the spaces to really hear and welcome one another.

In other words, we are in the midst of another developmental opportunity. From where we stand, it is incredibly clear how central relationship and connection are to the sense of positivity that's flowing through the church of late. The opportunity before us is to learn how we do this across multiple platforms, demographics, and the many cultures already present within our walls, nevermind those who are yet to join us.

And life is rarely one thing. Just before Rev. Jen was out for leave in 2019, she noted to the church that it is during times of sabbatical or other leave that congregations can get a little squirrely. So it has been here, and before we share the highlights of the squirrels we're chasing, I want to invite us to know that we have a choice in how we encounter things. We can see them as problems to be solved, or

opportunities to ask ourselves how each challenge presents an opportunity to grow relationship, to live into our visionary goals, to practice our commitments to beloved community.

In this spirit (and aligned with our commitment to report on conflicts and grievances), we want to let you know that we're meeting several opportunities at the moment:

- We're concerned about staff and in particular about staff burnout. In Jen's absence, staff are picking up extra work and in some cases receiving less support. It is clear that we do not have sufficient administrative capacity and this means that staff whose time could be better used in direct ministry are spending it on administrative work that is necessary and that reduces hours devoted to direct ministry.
- Stretched staff can lead to frayed nerves and we are actively supporting staff in addressing conflicts with each other directly - this is good and important. And it too takes energy.
- We are accompanying the Circle Supper team in working with a conflict that occurred at the start of the circle supper program. It is possible that as we support the team in engaging this conflict with compassion and curiosity, we will want to involve members of our nascent team that is learning how to engage congregational conflict.

In all this, it is imperative to note that conflict is not a sign that something's wrong. Human beings, trying to do things together will invariably come into conflict. That we are hearing about conflict, that we are learning how to engage conflict, all of these are very positive signs of a congregation that is growing in relationship, health, and trust. May it continue.

First Universalist Church of Minneapolis
Board of Trustees Minutes
January 18, 2024
6:30 - 9:00 pm
First Universalist Church
Cummins Room & Zoom (multiplatform)

Start	Duration	Topic	Lead
6:30 PM	5	Call to Order	Jeff
		Lighting the Chalice <i>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.</i>	All
6:35 PM	5	Agenda Approval Approved Absent: Ilo Lippek	Jeff
6:40 PM	20	Executive Session Somatic Grounding Spiritual Community Building	? Jen/Arif
7:00 PM	5	Consent Agenda Approved	All
7:05 PM	10	Finance Committee Report Project a deficit greater than budgeted. Behind in collating pledges. Expect to get the Federal payroll protection fund. 3 Prong plan--Get Pledges In. Acquire additional pledges. Expense reduction. The Board should take ownership of this plan. CAn each Board member pledge additional funds.	Marc
7:15 PM	10	Governance Committee Report Eric Cooperstein to join.	Lou, Sarah
7:25 PM	10	Stewardship Committee Report Move Spring Fundraising Event to Fall. Focus on small group and 1:1 conversations. Can we incorporate stewardship in all our meetings and groups.	Emily
7:35 PM	20	Visionary Goals Update & Plans Discussion on next steps and how to move forward. Agreement on these goals and can they be tightened up and made more inspirational. Moved to present these goals at the Mid Winter meeting.	Jeff, All
7:55 PM	10	Break	All
8:05 PM	10	Goal for Current Church Year - Agreement and Outlook Make positive progress toward congregational sustainability; economically viable, socially just, ecologically sound, and humane over the long term. Approved with the removal of "over the long term".	
8:15 PM	15	Mid-Year Meeting Coordination Review the ordination request from Jill Braithwaite and vote to recommend ordination to the congregation. Recommended Finalize the Agenda Discussion on agenda and times for each item.	Jeff, All
8:30 PM	15	IDI Follow-up We will have small groups to check up on our progress monthly. Groups of 3 TBD.	All
8:45 PM	5	Annual Meeting - Can date be chnged? Moved to June 2, 2024	All
8:50 PM	10	Gratitudes	All
9:00 PM		Adjourn	All

Roles, responsibilities, and resources for Board Members

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2023-24 Monitoring Schedule

January Attendance

	2024						2023				
Worship	Sun. 9a Sanctuary	Sun. 10a Sanctuary	Sun. 11a* Sanctuary	Sun. 11a Webinar	YouTube Views	Totals	Sun. 9a Sanctuary	Sun. 11a* Sanctuary	Sun. 11a Webinar	YouTube Views	Totals
1st week		187		47	108	342	*	69	53	129	251
2nd week		129		60	112	301	124	149	61	45	318
3rd week	89		166	41	81	377	87	136	68	144	367
4th week	119		166	34	65	384	96	129	58	143	368
5th week							96	152	61	164	473
Monthly Total	208	316	332	182	366	1404	403	635	301	461	1777
Average for January	104	158	166	46	92	351	101	127	60	92	355
RE						9 & 11 RE					9 & 11 RE
1st week						24					n/a
2nd week						12					160
3rd week						113					68
4th week						121					168
5th week											67
Monthly RE Total						270					463
Average for January						68					116
Combined Average						419					471

YouTube views recorded 2/6/24 at 1:30 p.m.

* one service at 10 a.m.

Statistical Report for January 2024

Board Meeting Feb. 15, 2024

MEMBER MEMORIAL SERVICES:

MARRIAGES/SERVICES OF COMMITMENT: 0

MEMBERS FOR APPROVAL: 0

MEMBERS REINSTATED: 0

MEMBERS FOR REMOVAL: 0

CHILDREN DEDICATED: 0

Total members as of the last meeting: 1051

To be added: 0

To be removed: 0

TOTAL MEMBERS: 1051

First Universalist Church of Minneapolis
Finance Committee Meeting Minutes
12 February 2024
4-5:30 pm

Members present: Dan Berg, Marc Gorelick, Julie Most, Dick Niemic

Staff present: Arif Mamdani, Brad Schmidt

Guests present: Will Hegemann

Meeting convened at 4:05 pm

1. Chalice Lighting
2. Minutes from the prior meeting were approved
3. YTD Financial Update. Brad presented December YTD performance and year-end projections. Highlights include:
 - a. Expenses continue to track slightly higher than budgeted, particularly software licenses (due to prolonged transition costs) and utilities. Current projection is for expenses to exceed budget by \$12,000, or less than 1%
 - b. Projected revenue shortfall is \$245,000. However, this does not include any of the additional “close the gap” fundraising since the mid-year meeting (\$227,000 as of just prior to the 2/11 Sunday service). Thus, estimate is that the deficit will be closer to \$127,000, vs the \$100,000 budgeted.
 - c. No update on status of Employee Retention Credit (we anticipate \$200,000 payment, which is budgeted to be used to replenish reserves).
4. Staff bonus. Ministers presented a proposal to provide a one-time bonus of 10% of a single paycheck to staff, in recognition of extra work taken on in Jen’s absence. They propose to use funds that have been restricted but whose purpose is now obsolete. Committee was supportive of the bonus payment proposal (estimated cost approx \$3500), and of cleaning up obsolete restricted funds and releasing those from restriction (Brad believes there are 10-12 such funds).
5. Initial budget priorities. Arif mentioned several initial budget priorities for 2024-25:
 - a. Aligning staff salaries with UUA guidelines (several staff are currently below minimum)
 - b. Additional administrative support
 - c. Increased program costs for curriculum and supplies due to updates
 - d. Expansion of Intercultural Development Inventory to all lay leaders
 - e. Discussion: general support for aligning salaries, some questions about expansion of administrative staff; going forward, would be helpful to hear about budget priorities sooner, prior to pledge drive (\$1.8M figure for 2024-25 was included in pledge packets but had not been reviewed by finance committee or board); some concern about the ability to increase giving by the required amount next year.
 - f. Initial budget draft is due to be presented at the April finance committee meeting
6. Stewardship update. Will presented an update on stewardship team’s work, including a multiyear effort to increase giving, and to weave generous giving into the life of the church rather than seeing it as a discrete “pledge drive” effort.
7. Policy review.

- a. Investment policies. Gift acceptance, Legacy Fund, and Cummins Fund policy revisions were drafted by Dan and presented to the committee. These revised policies were approved by the committee and recommended for approval by the Board. Foundation Fund policy will be subsequently revised, with changes to be aligned with those in the other investment policies.
- b. Monitoring schedule. A revised financial monitoring schedule was reviewed and approved.
- c. Revisions to audit and reserve policies will be reviewed at a subsequent meeting

Meeting adjourned at 5:34 pm

Respectfully submitted,

Marc Gorelick, Treasurer

Financial Monitoring Schedule
DRAFT 2/10/24

Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
Monthly financial performance and prior year-end results Policy review	Monthly financial performance and year-end projections Audit/ internal review results	Monthly financial performance	Monthly financial performance	Monthly financial performance and year-end projections Annual comp review (salary ranges) and preliminary budget priorities	Monthly financial performance Investment performance	Monthly financial performance Draft budget	Monthly financial performance and year-end projections	Monthly financial performance Final budget	Monthly financial performance

First Universalist Church of Minneapolis

Balance Sheet

	Actual As of <u>12/31/2023</u>
Assets	
Current Assets	
Cash	\$95,680.56
Investments	\$3,216,715.71
Other Current Assets	\$9,721.76
Total Current Assets	<u>\$3,322,118.03</u>
Non-Current Assets	
Fixed Assets	\$5,676,570.35
Total Non- Current Assets	<u>\$5,676,570.35</u>
Total Assets	<u><u>\$8,998,688.38</u></u>
Liabilities and Fund Balance	
Liabilities	
Current Liabilities	
Accounts Payable	\$40,043.99
Benefits Payable	\$17,342.99
Other Current Liabilities	\$1,877.85
Total Current Liabilities	<u>\$59,264.83</u>
Long Term Liabilities	
Loan Payable	\$1,500,180.77
Interfund Transfer	\$0.00
Total Long Term Liabilities	<u>\$1,500,180.77</u>
Total Liabilities	<u>\$1,559,445.60</u>
Fund Balance	
Unrestricted Net Assets	\$4,250,170.74
Donor Restricted Net Assets	\$3,189,072.04
Total Fund Balance	<u>\$7,439,242.78</u>
Total Liabilities and Fund Balance	<u><u>\$8,998,688.38</u></u>

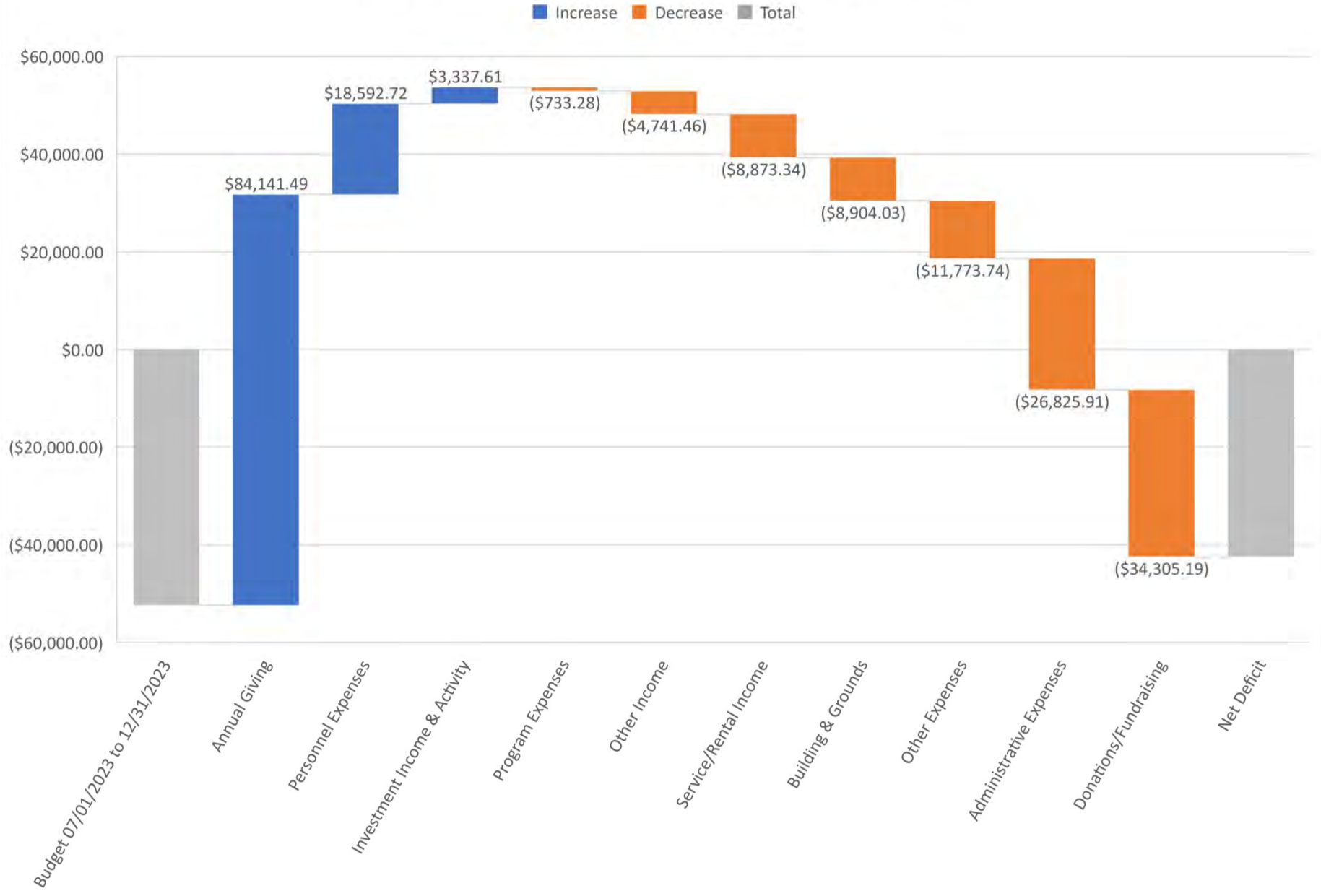
First Universalist Church of Minneapolis

Income Statement

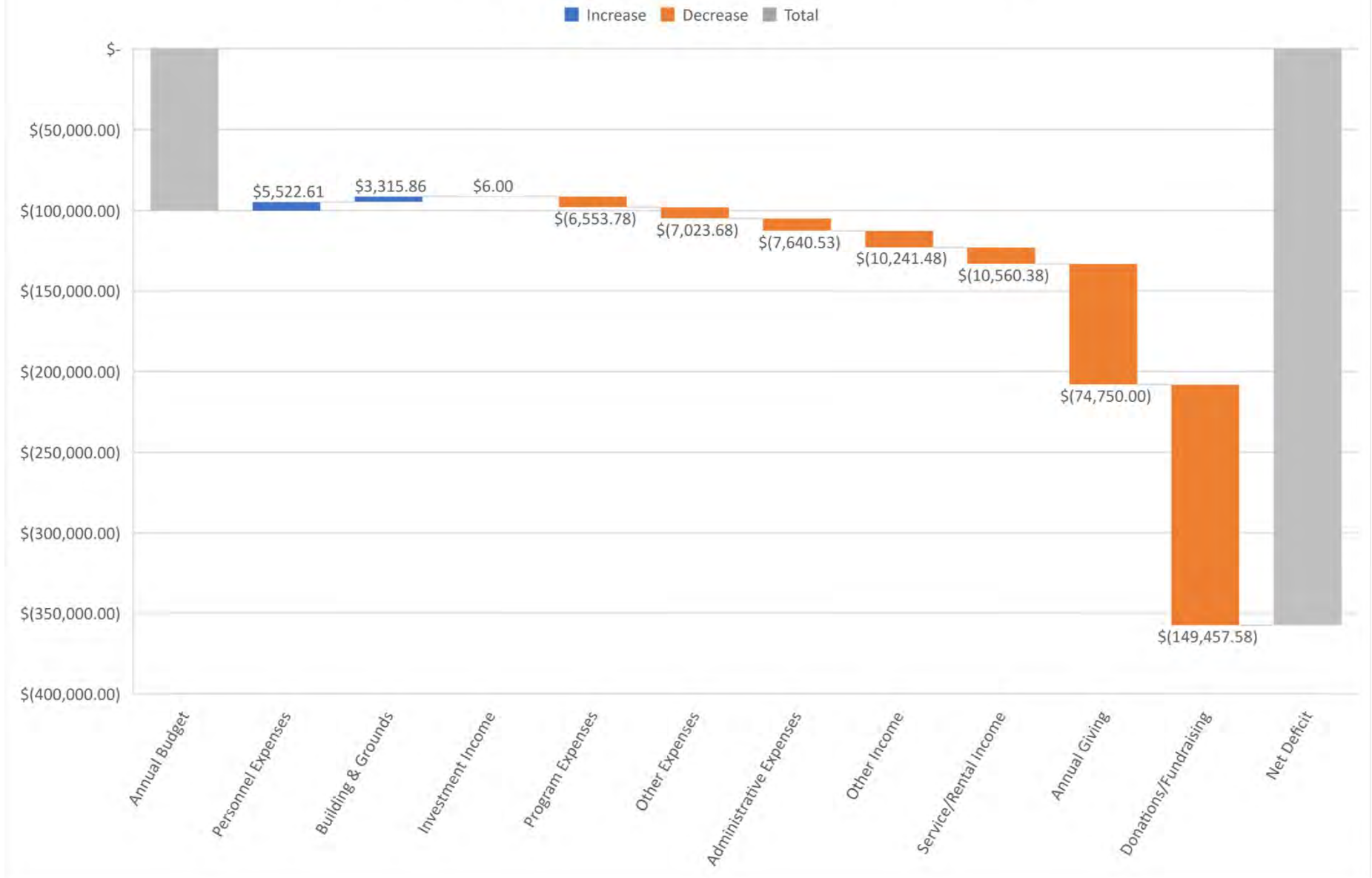
Operating Budget

	Actual	Budget	Annual Budget		Fiscal Year End Projection		
	07/01/2023 to 12/31/2023	07/01/2023 to 12/31/2023	Variance	to 06/30/2024	Best	Expected	Worst
Revenues							
Support							
Annual Giving	\$652,111.47	\$567,969.98	\$84,141.49	\$1,049,750.00	\$1,050,000.00	\$975,000.00	\$877,500.00
Donations/Fundraising	\$64,144.69	\$98,449.88	(\$34,305.19)	\$293,750.00	\$328,729.21	\$144,292.42	\$140,417.42
Total Support	\$716,256.16	\$666,419.86	\$49,836.30	\$1,343,500.00	\$1,378,729.21	\$1,119,292.42	\$1,017,917.42
Earned Revenue							
Service/Rental Income	\$42,626.60	\$51,499.94	(\$8,873.34)	\$103,000.00	\$103,791.79	\$92,439.62	\$88,039.62
Investment Income	\$3.17	\$0.00	\$3.17	\$0.00	\$10.00	\$6.00	\$6.00
Other Income	\$758.52	\$5,499.98	(\$4,741.46)	\$11,000.00	\$11,015.00	\$758.52	\$758.52
Total Earned Revenue	\$43,388.29	\$56,999.92	(\$13,611.63)	\$114,000.00	\$114,816.79	\$93,204.14	\$88,804.14
Total Revenues	\$759,644.45	\$723,419.78	\$36,224.67	\$1,457,500.00	\$1,493,546.00	\$1,212,496.56	\$1,106,721.56
Expenses							
Personnel Expenses	\$589,671.37	\$608,264.09	\$18,592.72	\$1,205,464.00	\$1,188,374.38	\$1,199,941.39	\$1,196,276.79
Administrative Expenses	\$99,775.69	\$72,949.78	(\$26,825.91)	\$145,900.00	\$143,822.86	\$153,540.53	\$163,990.53
Program Expenses	\$40,733.06	\$39,999.78	(\$733.28)	\$80,000.00	\$67,813.18	\$86,553.78	\$89,503.78
Building & Grounds	\$58,783.89	\$49,879.86	(\$8,904.03)	\$116,800.00	\$102,634.14	\$113,484.14	\$121,984.14
Other Expenses	\$16,523.68	\$4,749.94	(\$11,773.74)	\$9,500.00	\$16,523.68	\$16,523.68	\$16,523.68
Total Expenses	\$805,487.69	\$775,843.45	(\$29,644.24)	\$1,557,664.00	\$1,519,168.24	\$1,570,043.52	\$1,588,278.92
Investment Activity							
Realized Losses	(\$148.23)	\$0.00	(\$148.23)	\$0.00	\$0.00	\$0.00	\$0.00
Unrealized Losses	(\$2,845.50)	\$0.00	(\$2,845.50)	\$0.00	\$0.00	\$0.00	\$0.00
Dividends & Interest	\$1,065.62	\$0.00	\$1,065.62	\$0.00	\$0.00	\$0.00	\$0.00
Unrealized Gains	\$5,262.55	\$0.00	\$5,262.55	\$0.00	\$0.00	\$0.00	\$0.00
Total Investment Activity	\$3,334.44	\$0.00	\$3,334.44	\$0.00	\$0.00	\$0.00	\$0.00
NET SURPLUS/(DEFICIT)	(\$42,508.80)	(\$52,423.67)	\$9,914.87	(\$100,164.00)	(\$25,622.24)	(\$357,546.96)	(\$481,557.36)

2023-2024 Year to Date Net Income Actual vs Budget



2023-2024 Projected Year End Net Income vs Annual Budget



First Universalist Church of Minneapolis

Income Statement

Building & Capital Reserve Budget

	Actual 07/01/2023 to 12/31/2023	Budget 07/01/2023 to 12/31/2023	Variance	Annual Budget 07/01/2023 to 06/30/2024
Revenues				
Support				
Donations/Fundraising	\$12,905.00	\$77,749.98	(\$64,844.98)	\$155,500.00
Total Support	\$12,905.00	\$77,749.98	(\$64,844.98)	\$155,500.00
Total Revenues	\$12,905.00	\$77,749.98	(\$64,844.98)	\$155,500.00
 Expenses				
Administrative Expenses	\$3.40	\$0.00	(\$3.40)	\$0.00
Building & Grounds	\$49,249.95	\$77,749.88	\$28,499.93	\$155,500.00
Total Expenses	\$49,253.35	\$77,749.88	\$28,496.53	\$155,500.00
 NET SURPLUS/(DEFICIT)	(\$36,348.35)	\$0.10	(\$36,348.45)	\$0.00