

MINUTES

First Unitarian Church of Des Moines

Annual Meeting

June 5, 2016

Welcome and Chalice Lighting

Jean Rommes, BOT President

This light we kindle is set in the lamp of our history

We inherit this free faith from the brave and the gentle,

fierce and outspoken hearts and minds that have come before us.

Let us be worthy inheritors of this faith

and through our good works, pass it boldly to a new generation.

Call to Order

Greg Nichols, Moderator

11:10 am

Establish quorum

Greg Nichols, Moderator

Reported that 76 members are required for quorum. At 11:10 am we have 79 members checked in establishing quorum.

The Year in Review

Jean Rommes, BOT President

I want to give you a quick year in review from the viewpoint of the Board of Trustees. Your Board of Trustees for the 2015-2016 church year are: Margaret Schultz, Zac Bailey, Shelly Kaldenberg, Steve Evans, Ross Loder, Mike Stimson, and Katy Philby. Brandon Bundt resigned his position in early May due to conflicts with work and family. We thank him for his service.

Under policy governance the Board's roles include:

- 1) Ensure that the global end the End Statements are consistent with the vision of the church- you can find these in your Annual Meeting materials.
- 2) Ensure through oversight that the programming and culture meet these Ends Statements. The Board sets the vision by establishing the Ends and Mark is charged, as our executive, with making sure our programs and services work toward those ends. We receive a monthly report of the activities going on at the church and how they tie to each of these Ends Statements. The board reviews Mark's performance annually using a modified 360 approach
- 3) Every month the Board reviews the financials of the church and we carefully review the budget each year. The financial oversight committee works with Deb on a quarterly basis to ensure that our financial position is accurately stated at all times.

In keeping with the role of being the “visionary” body for the church, the Board recognized that the Ends Statements in place since 2009 at least needed to be reviewed and probably updated. We had to know from the congregation what they wanted from our church so we could develop Ends Statements reflective of the congregation’s wishes. We hired Unity Consulting, a UU consulting firm specializing in working with boards and congregations, to help us with this project. Some of you attended the Forums in May where we reviewed the process and rolled out the new Ends for your review, but for those who didn’t, here’s a quick review of the process we used:

Using a group of trained facilitators, we held 12 Appreciative Inquiry sessions for members to find out what the highlights of their church experiences were, what they valued most from those experiences and this place, and what their wishes for the future were. The Board then aggregated the information and spent time reviewing it in preparation for a weekend retreat during which we developed the Values, Mission, and Ends Statements for 2016-2021. We reviewed our work several times before reaching what is included in your booklet. I invite you to review them carefully, because they will shape our programs, services, and activities going forward.

One of the things that became abundantly clear in this process was that while we all held many of the same values about our church experiences, like community, support, and connectedness, HOW each of us experienced those things was very different. We are increasingly aware that we must provide a variety of ways for members to experience the things that are important to them and that not everyone attaches the same value to the activities we offer. For example, Sunday morning services may be very important to some of us, but there are others for whom the most important things occur on Wednesday evenings or during Social Justice activities and they rarely come to Sunday services. We must provide opportunities for everyone.

I want to make one last point. Many of you will have realized that this year our projected income has decreased, partly because of the loss of generous members, but also because a large segment of our members did not increase their pledges. As an individual, I’ve worked hard to avoid having to live paycheck to paycheck, and I want my church to be in a similar position. Right now, we’re not supporting 100% of all the programs and services you hold dear; we’re supplementing our budget using bequests to the church. The church is buying groceries with its credit card. I challenge all of you to look at what you value from the church and think about what the dollar value of that is. The Generosity Team will be working throughout the year on this issue.

The Board will continue to use the committee structure to do the work of the board. Our four committees include:

Nominating Committee, made up of Board and congregation members to reach out and then vet nominees for various committees and groups;

Financial Oversight Committee, made up of Board and congregation members, which works with Deb to complete an in-depth review of the financial statements on a quarterly basis;

Ministerial Review Committee, made up of Board members who review Mark’s performance annually;

Congregation Connections Committee, made up of Board members who are charged with creating opportunities for dialogue and creative interchange with members of the congregation.

We will continue to do the work we are charged to perform as your Board. It’s a privilege to serve you.

Outreach Partner Program

Reverend Erin Gingrich

Faith in Action in Review

I have two social justice initiatives that we've begun or will soon begin since I've been serving this church that I'd like to celebrate with you.

The first is the generosity we've expanded through our Faith in Action program. Through this program, we partner with outside organizations for two months at a time, providing half of our weekly offering and volunteer support with service projects. We have completed five and a half partnerships over the past 11 months under this new model. In some cases, we also held fundraisers to raise extra money or provided a REACH grant from our endowment to pay for costly materials.

In these 11 months we have donated \$19,296 to our partner organizations.

We've also started serving with our partners.

This past year we helped renovate transitional housing and build a fence with Monsoon, who provide support for Asian and Pacifica Island survivors of domestic violence and sexual assault.

We helped create over 500 feminine hygiene kits for women and girls around the world over the course of a year with Days for Girls.

We helped teach math and what it means to be a welcoming neighbor with EMBARC who serve Burmese refugee youth living in Des Moines.

We helped feed and house families experiencing homelessness through Family Promise.

We helped clean out the clothing closet and gardens at the Central Iowa Shelter.

We are currently supporting leisure activities and providing much desired social time with adults with intellectual disabilities through the Link Associates.

In July and August, we will be partnering with the Young Women's Resource Center to provide food and supplies to young mothers in classes at the center.

To give an accurate representation of how many people have participated, I need to share the numbers from Days for Girls separately. They worked all year and went above and beyond our outreach partnership program and deserve special recognition. I did include an estimate for their numbers that were generated during September/October, their two month period as a church outreach partner.

Over the past 11 months, over 290 people volunteered providing almost 2100 hours of service. Amazing!

When we add in the work of Days for Girls, the numbers skyrocket. Each menstruation kit takes about 13 hours to make, plus the additional amount of time it takes for the leaders to coordinate the groups, supplies and generate the funding to support the work. They put a lot of time into their work to achieve 500 kits in the last year! They reached 250 volunteers over the year, providing another over 6800 hours of service!

This means 425 people were involved in service work, providing over 7400 hours of service thanks to people like you!

Days for Girls is a wonderful example of some of the additional gifts that have emerged from our Faith in Action work. We began with a day of service over a year ago. We canceled services and went into the community to work on service projects together. Outreach Partnerships with Days for Girls and EMBARC emerged from this day of service. Since then, we've introduced even more people from our church to worthwhile organizations. But, Days for Girls also reached beyond to student from Drake, youth groups, churches and other community groups to share the good work.

Another hoped for and resulting gift from this work is that members of our church have continued to support each of our 5 past partners members through their own volunteer time and donations.

We *are* expanding our generosity and finding meaningful ways to act on the values we celebrate as a religious community.

Two exciting additions to this ministry we hope to implement next year include another Faith in Action Day where the entire congregation is invited into service projects with one another. And I am working with Tracy, our Director of Religious Education, to form a Family Justice team. This team will help find ways for our youth and families to engage in service to love the world.

Over \$19,000, 425 volunteers and 7400 volunteer hours of service!
We've worked hard! We have much to look forward to next year with our new partners as we continue to find ways to contribute to the web of life.

Now, Sue Huber has an exciting announcement to share with you.

Comments from Sue Huber

Family Promise

Family Promise is a network of congregations who take turns hosting families experiencing homelessness for a week at a time. Each congregation hosts 4 times a year.

Over the past year we have explored the possibility of becoming a hosting congregation ourselves. We:

1. volunteered at other churches who were hosting,
2. held a series of educational forums,
3. reflected on our congregation's desired ends statements,
4. held conversations with the Religious Education Council, the Council for Congregational Ministries, and staff,
5. as well as met with other congregations in the network.
6. We have gathered names of 60 volunteers, 5 team coordinators, and 4 people willing to serve on the coordinating leadership team.

We are thrilled to announce after this year of study and exploration, our church has decided to officially join Family Promise as a hosting congregation starting next fall

sometime!

Please contact our coordinating team if you'd like to get involved- Sue Huber, Mike Stimson, Becky Evans, and Angela Tedesco.

Minutes of 2015 Annual Meeting

Greg Nichols

Call for corrections to the 2015 Annual Meeting Minutes

Bruce Martin moved approval of the 2015 Minutes as written in the Annual Meeting packet.
Bob Baker seconded.

Barb Royal complimented the quality and completeness of 2015 Minutes.

Voice vote-unanimous approval.

Annual Elections

Zac Bailey, Nominating Committee Member

Biographical data about each of the nominees can be found in your booklet on pages 20 and 21.

Board of Trustees (3) 3 year terms: Michael Stimson, Nina Richtman, Stephen Coverdale

Call for other nominees-no nominations made

Zac Bailey moved approval of the 3 year term appointments to the Board of Trustees, Barb Royal seconded.

Chauncy Bittner requested clarification that there were 3 open positions and 3 nominees. Zac Bailey confirmed that was correct.

Voice vote- unanimous

Board of Trustees 2 year term: Shelly Kaldenberg
Zac Bailey moved to approve Kaldenberg completing this 2 year term.
Anne Mowry seconded.

Voice vote- unanimous

Board of Trustees 1 year term: Heidi Lackman
Zac Bailey moved to approve Lackman's one year term.
Denise Rathman seconded.

Voice vote- unanimous

Endowment and Disbursement Committee: Liz Bredeson and Margaret Schultz
Zac Bailey moved to approve appointment of Endowment and Disbursement Committee candidates.
Barb Royal seconded.

Voice vote- unanimous

2016-2017 Operational Budget

Jean Rommes, BOT President
Deborah Dessert, Director of Finance and Administration

Remarks from Jean Rommes

The budget process in our church has been developed and refined over the years. We are very fortunate to have the services of Deb Dessert. Budgeting for income for a church is something of a science; you can't just assume that you'll get everything that is pledged from every pledging unit. Things happen: people lose jobs, they move away, they die. Over the years, Deb has developed a method that usually accurately predicts what our annual income will be. You can't predict everything, and this year we unexpectedly lost an exceedingly generous individual. Budgeting for expenses is a little easier, because while some things change, it is easier to predict those changes and in many cases to actually know how much things will increase.

Mark and Deb usually work out a budget together. This year, in Mark's absence, the leadership team of Deb, Erin, and Tracy worked together on the budget. Because we were facing a shortfall in income, Mark worked with Deb to determine what cuts would be made in the budget to bring us to a break-even point. The Board was aware of the results of this year's pledging and the reduction in income represented and had discussed this issue in several meetings prior to the budget being presented in April.

Deb presented this budget to the Board at its April meeting. The Board reviewed everything in the budget, reviewed the cuts proposed, asked a number of questions and felt that the explanations we received were appropriate, valid, and represented the least effect on programs and services. We reluctantly agreed that this was probably the best we could do. Deb came to the Board in May with a final budget, which reflected a modest increase in giving and allowed us to give a very small increase to staff and to increase the salary of one staff member to the median point in the UUA's suggested salary structure. We have always tried to be sure that our salaries reflect both the size of our church and the mid-point in suggested salary range for all positions.

We feel strongly that the budget in your booklet is the best we can do under the circumstances. The cuts that are still in place from April were very carefully thought out and were structured to have the least possible effect on programming. This year we held three budget forums and I believe that a total of around 20 people attended, which is many more than we ordinarily have had. I attended two of the forums, and in both, members felt that Deb, Mark, the staff and the Board had done a good job with a difficult situation.

Deb will now take you through the budget that is presented in the booklet.

Remarks from Director of Finance and Administration, Deborah Dessert

1. Highlights of Budget Process

- a. Under Policy Governance, the Senior Minister, as the Executive, is responsible for the budgetary decisions.
 - b. Each year, he establishes the budget priorities.
 - I. **For the 2016-17 budget**, the Senior Minister met with the DFA after the Budget Drive was completed (during his sabbatical time) to develop the 2016-17 budget. The Senior Minister made the **final** decisions on the budget, after feedback from the Sabbatical Management Team as the sabbatical liaisons to the staff, church leaders and Council on Congregational Ministry.
 - c. Three budget forums are held – 2 on Sunday and 1 on Wednesday.
 - i. Pleased to tell you there were more members at these budget forums this year than in any of the past 7 years that I have been having these forums.
 - ii. Members who have been at these forums before and new faces - new members and those who have not previously come to a forum.
 - iii. After the budget presentation and discussion, the comments were very supportive and positive. Indicating these difficult decisions were well thought out.
- 2. Budget Drive results**
- a. Our pledge goal was ambitious this year and exceeded our grasp. Overall, for those who pledged, there was a 1.6% increase, which takes into account the loss of a significant generous pledge from the Hurd family upon David's death in February.
 - b. The Sabbatical Management Team and the Generosity Team want to extend a thank you to all who made a financial pledge to the church for the coming year and for your generosity. EVERYTHING that happens in this church is a result of the gifts you, as members, give.
- 3. Budget**
- a. Approximately \$47,000 in reductions from last year or 6% overall decrease
 - b. List of Reductions considered (p. 23)
 - a. Developed by Mark, Deb, Erin and Tracy
 - b. Those line items that are NOT grayed were considered but will NOT be cut or decreased
 - c. The lines that show in gray are the final cuts that will be implemented for a total of \$33,000
 - i. Provision for future audit
 - ii. Senior Minister and AMSJ professional expenses
 - iii. Groundskeeper position will not be filled – resigned in February
 - iv. Mid-American region dues – 50% (We don't make this decision lightly. This congregation has a history of maintaining our commitments to our associations.)
 - v. Member Conferences – registrations for GA and regional conference
 - vi. Music Director – cut from 20 hrs/wk to 15 hrs/wk (same as before added Saturday service) and add PT Children's Choir Director ONLY during the year when Wednesday night programming running
 - vii. Social Justice programming funds – grant applications will be submitted to fund items.
 - viii. UUSC dues are cut. We will keep Social Justice dollars locally for SJ work.
 - ix. Associate Minister maternity leave – The Associate Minister's contract provides 6 weeks of paid maternity leave and 6 weeks of

unpaid maternity leave. The Associate Minister has elected to use the 6 weeks of unpaid leave.

d. Right now you may be having some questioning thoughts... Some concerns. ..You may be thinking “oh, what happened? Why were these decisions made?” I want you to **contemplate** with me for a minute.

i. **There is a choice**

1. (1) Reduce current staffing
2. (2) Reduce programming
3. (3) Reduce dues

ii. Do we want to reduce current **staffing**?

1. Who would pick up the work when our current staff is already working very hard?

a. If the Associate Minister’s position was eliminated or hours reduced, who would pick up the SJ organizing work? Who would guide our community outreach and relationship building? Who would preach the sermons Erin has been preaching?

b. If the DRE position was reduced to PT, how would the RE curriculum work get done? How would volunteers get recruited and trained? Who would oversee the Youth program? What happens to Soul Matters and Wellspring?

c. If the Membership Coordinator position were reduced in hours, who would connect with our visitors? Who would build systems to integrate our new members into the community? How would community be built for those already here?

iii. Do we want to reduce **programming**?

1. How would our Ends Statements be met? How might that change **why** people seek us out? Would some people leave because their needs **are not being met due** to a programming change?

iv. That’s right. There is a real impact of these decisions. We believe the decisions that have been made are in the best **long-term** interests of the congregation

c. Other highlights of this budget

a. Staffing

i. 1.0% **COLA** for staff,

ii. adjustment to increase **DRE** to new UUA Comp Guidelines for the position at mid-point

iii. Anticipate a Director of Music and Choir Accompanist to be hired by Oct. 1

iv. Membership Coordinator will now report to the Associate Minister

4. Budget Summary Highlights p. 24

- a. Pledge income and other contributions –93%
 - i. Includes pledge payments, cash contributions, offering (previously known as second basket)
 - b. Fundraising income – 3%
 - i. FF, concert series
 - c. Use of \$16,100 of bequest funds (25% of projected remaining funds)
 - i. This is the projected need to balance the budget
 - d. Programming expenses by category
 - e. Administrative Expenses
 - f. Minister compensation and benefits = \$118,000+
 - g. Staff compensation and benefits – 7+ FTEs. \$335,000 or 47% of budget
 - h. Total salary and benefits = 61% of budget
5. Detail on Use of Bequest and CC funds – Page 25.
- a. Projected remaining funds, use approx. 26% of projected funds on hand
6. Summary of Budget Categories – Page 26
7. Staff hours – p. 27
- a. 3 FT employees (Minister, Associate Minister, DRE)
 - b. All other employees are PT. See the hours by position on the chart on page 27
8. Think of the blessings we have in this community.
- a. Caring, committed members who are generous with their time and their resources.
 - b. Members caring for one another within and outside our church community.
 - c. A brightly burning passion for social justice.
 - d. Children and youth who fill our rooms with shouts, laughter and thoughtful contemplation.
 - e. A music ministry that speaks to those of all ages.
 - f. An exceptional building and grounds which provide a place of reflection and sanctuary.
 - g. A Board of Trustees who cares enough to ask you what you dream for our community.
 - h. Two trusted, caring ministers who inspire and guide us by their work.
 - i. AND a committed staff that go above and beyond every day.
9. WE ARE DISAPPOINTED THAT SOME CUTS ARE NECESSARY BUT WE CERTAINLY CAN WEATHER THESE CHANGES AND LOOK WITH OPTIMISM FOR THE FUTURE OF THIS COMMUNITY.

Margaret Schultz moved to approve the 2016/2017 budget as presented. Bob Baker seconded.

Questions/Discussion:

Charlotte Shivers- Q: How much money is in the endowment fund and how is this used?

Deb: Currently there is \$460,000 in the endowment fund. This fund cannot be used for operations. Once it reaches a certain level a portion may be used after a vote is taken.

Charlotte: What is the interest rate earned?

Deb: The endowment fund dollars are invested in the UUA endowment fund and monitored by our endowment committee.

David Witke—Q: What is the current level of the mortgage?

Deb: The current mortgage balance is \$243,000. The mortgage is financed at a 20 year rate with a 5 year balloon which is due in November of 2017. There will be discussion of how to proceed at that time.

Barb Martin—Q: What will be the cost of Family Promise?

Deb: Family Promise has received outreach partner funding. There will be no cost to the church this year.

Barb—Q: How does the 18% of our budget that goes to administration compare to other churches?

Deb: We do not have this information. That 18% does include all staff costs.

Bob Baker—Q: Where is the cost of janitorial services seen in the budget?

Deb: This is included under grounds.

Bob: What is our current membership?

Deb: 506 as of January

Jodie McKay—Q: Was Mark part of the budget planning?

Deb: Yes, he was involved prior to his sabbatical and also came in in March to make final decisions.

Jodie: Should he be here today? Should his sabbatical have been scheduled at another time?

Jean Rommes: This was discussed and taken into consideration at the time that Mark's sabbatical was approved by the Board. He began talking about a sabbatical over a year ago and this was not the original timing he had planned. The dates of his sabbatical were moved specifically so that he would return and be here while Erin takes her maternity leave. The Board felt comfortable with the plan put in place and that Deb and the sabbatical team had covered his responsibilities and that we would be fine to proceed with the budget and annual meeting in his absence.

Heidi Lackmann—Q: Will there be a capital campaign this year.

Deb: There will not be a capital campaign in this budget year.

Barb Royal--- Comments: I appreciate all of the thought and work that has gone into this budget. I would like to express two concerns: 1) I am concerned that we have done away with the Director of Congregational Life. 2) We must look hard at how we handle our canvass next year.

Deb: We are in a time of transition with the Director of Congregational Life position becoming the Membership Director. We are thankful for the time that Linda Barnes served in this role and now we will see how this develops with Laura Berardi taking the role and reporting to Erin. It is my own personal goal to improve stewardship in this congregation next year.

Dick C. Q: When was the last audit conducted?

Deb: The only audit ever done was done 6/30/2008.

Heidi Lackmann—Q: Is there currently money in the audit fund?

Deb: Yes, \$6000

Karen Herwig—Q: What is the effect of reducing our dues?

Deb: Mid-American Region provided help when a congregation needs assistance navigating difficult issues and they also give some grant money. This is a healthy congregation and we haven't had a lot of need for their services.

Linda Lemons—Q: Tomorrow team-Money in budget?

Deb: We have talked with a consultant and decided to bring them in to help assess our readiness for a capital campaign. Because this decision was not made until after the May Board meeting, the money is not in the budget, it would come from bequest funds.

Voice vote to approve budget- unanimous

Comments from Jean Rommes, BOT President

Thank you for your participation in this process and your questions. I think you can see that continuing along this path is not sustainable. Having worked for most of my professional life in non-profit organizations, I know full well that not having income that exceeds the expenses of the organization for operating is not good business. Families that don't live within their means either need to increase income or reduce expenses; the same is true of organizations. We are more fortunate than organizations that depend on shrinking federal and state dollars; we have a congregation, we are growing and our sources of income can grow accordingly. One of our new ends encourages us to give generously of time, talent, and treasure. The Generosity Team will be working with all of us to determine how we can do that.

General Assembly Delegates

Jean Rommes, BOT President

General Assembly will be held in Columbus, Ohio this year. Ellen Taylor will be attending and has applied to be a delegate to represent our congregation.

Barb Royal—Q: What is the process at this point to become a delegate at this point?

Jean: If you decide to attend, contact me and we will look into that.

Unsung UU Award

Shelly Kaldenberg, BOT Member

Unsung UU Award Goes to...Eileen Lundberg Each of us has been touched by the work of this year's Unsung UU. Each and every one of you has enjoyed a cookie or a cup of coffee between services. Each of us has been greeted by a friendly usher when we arrived at services on Sunday morning. But did you know that one person creates those teams of volunteers? That one person trains all new members and assigns them to those teams? And that same person reminds the leader of the teams each week and notifies the office so that they can be posted and recognized in the order of service? It's true. And those are just a few of the routine duties. This same person responds to every complaint, concern, change and any other hiccup in the hospitality process. There is no doubt that her job as our Director of Hospitality is a big one! But as noted in ONE of the nominations that she received, "What makes Eileen very special is that it is not just about keeping the coffee brewing, but the amazing love that she imparts at the same time." We are honored that this year's Unsung UU is Eileen Lundberg. Due to her declining health, Eileen can't be with us today. I would like to ask Ellen Taylor to accepted this on her behalf and present it to her on our behalf.

Recognition of Retiring Board Members

Zac Bailey, BOT Vice President

At this time I would like to thank Margaret Schultz and Ross Loder for their service to the Board. We are grateful for the contributions they have made during their 3 year terms of service.

Extinguish Chalice & Closing Words

Jean Rommes, BOT President

Motion to Adjourn

Greg Nichols, Moderator

Bruce Martin moved to adjourn, Anne Mowry seconded.

Voice Vote- Unanimous

Adjourned 12: 33 PM

Respectfully submitted,
Shelly Kalderberg, Board of Trustees

