

As servant leaders of the congregation, we the Board covenant with one another to:

- ~ Frame all of our activities with mindful regard for the church's mission and vision.
- ~ Respect our time together by being focused, prepared and timely.
- ~ Engage with one another and our work by
being present and participating,
listening to one another,
and supporting one another's leadership.
- ~ Communicate clearly by,
seeking to understand one another,
addressing concerns directly with one another,
and, at the end of our discussion, speaking with one voice.
- ~ Encourage our personal and collective health by
showing compassion and support to one another,
respecting boundaries and limits,
and enjoying each other's good humor,
- ~ Conduct ourselves openly and respectfully in times of agreement and disagreement,
keeping confidentiality when it is requested,
and agreeing to be called back into covenant.

**First Unitarian Universalist Church of Austin
Board of Trustees Meeting
Agenda of Meeting
Tuesday, May 18, 2010, 6:30 P.M.**

| | | | | |
|------|---|----------------------------------|-------------------------|-----------------|
| I. | Call to Order | Nell Newton | 3 minutes | 6:30 |
| II. | Adopt Agenda (page 2) | All | 2 minutes | 6:33 |
| III. | Board Covenant Read in Unison (packet cover) | Janet Newman | 3 minutes | 6:35 |
| IV. | Visitors Forum (and Introduction of New Board Members) | | 10 minutes | 6:38 |
| V. | Adopt Consent Agenda (pages 3 – 33, T.O.C. on page 3) | Nell Newton | 2 Minutes | 6:48 |
| VI. | Discussion and Action Items | | | |
| | A. Retreat (May 22) and Values/Mission/Ends Session (June 12) | Eric Stimmel | 5 Minutes | 6:50 |
| | B. Appoint Sally Scott Chair of the Fellowship Committee | Nell Newton | 5 Minutes | 6:55 |
| | C. Report on Interim Minister Search | Michael West | 10 Minutes | 7:00 |
| | D. Check Signing Policy Revision (pages 34-35) | Kae McLaughlin | 5 Minutes | 7:10 |
| | E. Finance Committee and Treasurer Description Revisions | Sean Hale | 5 Minutes | 7:15 |
| | F. Governance Discussion – Draft of Covenant Between Board and Executive Team (page 36) | Janet Newman and Chris Jimmerson | 10 Minutes | 7:20 |
| | G. Governance Discussion – Philosophy of Governance | Brendan Sterne | 30 Minutes | 7:30 |
| | | | Break and Snacks | 15 Minutes 8:00 |
| | H. Review of Goals for Board Year and Celebration of Board Year (page 37) | Nell Newton | Open | 8:15 |

Adjourn

May 2010 First UU Church of Austin Board of Trustees
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New Members and Resignations Report for May 2010 Bot Meeting

New Members for approval at May board meeting

April 25, 2010

Perry Gardner

Cody Blair

Carol Trautman

Resigned Members

None of record

First Unitarian Universalist Church of Austin, Board of Trustees Meeting Minutes
Tuesday, April 20, 2010 at 6:30 p.m.
First UU Church of Austin, 4700 Grover, Austin, TX 78756 in Room 13

In Attendance:

Trustees: Nell Newton, President; Eric Stimmel, Vice-President; Kae McLaughlin, Treasurer; Chris Jimmerson, Secretary; Sheila Gladstone, Immediate Past President (Ex-Officio); Margaret Borden; Jeff Hutchens, Derek Howard; Aaron Osmer, Youth Trustee; Brendan Sterne; Michael West.

Executive Team: Janet Newman, Interim Minister (Ex-Officio); Sean Hale, Executive Director (Ex-Officio)

Staff Present: Brent Baldwin, Director of Music, Lara Douglass, Director of RE

Visitors Present: Sandra Ries, Chair of the Nominating Committee

Call to Order

The President called the meeting to order at 6:36 p.m.

Adoption of Agenda

The Trustees present adopted the agenda (Appendix A, page 1).

Motion: Margaret Borden – Adopt the agenda.
Second: Brendan Sterne
Discussion: None
Vote: All affirmative

Reading and Lighting of the Chalice

The trustees read the board covenant (Appendix A, Cover Page) in unison and the President lit the chalice.

Visitor's Forum

No visitors were present at the meeting who wished to speak during the visitor's forum.

Consent Agenda Items

The trustees had read the consent agenda items prior to the meeting.

Motion: Brendan Sterne – adopt the consent agenda items.
Second: Michael West
Discussion: None.
Vote: All Affirmative

Discussion and Action Items

Nominations Committee: The Chair of the Nominating committee presented the Leadership Slate for the upcoming year (Appendix A, page 36). She noted that the Nominating Committee would be interviewing a candidate to chair the Fellowship Committee shortly.

Motion: Chris Jimmerson – Appoint the committee chairs and board-appointed nominating committee members as recommended by the Nominating Committee
Second: Derek Howard
Discussion: None
Vote: All Affirmative

The Trustees expressed appreciation to the Nominating Committee, specifically phrased as “you guys rock”. The Trustees also expressed their appreciation for the committee chairs and nominating committee members who had agreed to serve.

Governance Discussion – Speaking with One Voice: The Treasurer gave an overview of the policy-based governance (PGB) principle of the board speaking with one voice (or not at all). She summarized the major points from resources located at <http://www.carvergovernance.com/pg-np.htm> and <http://policygovernancetalk.blogspot.com/> (scroll to “Rigorous Debate”). She highlighted that board members must speak up when discussing high-level, policy decisions and be willing to engage in debate. After such debate though, the board speaks as one voice under PBG.

She gave an example for board discussion wherein a church member expresses discontentment with personnel policy and wants something done about it. The member particularly dislikes the paid holidays days, which they find excessive in number and some frivolous in nature. They would like to see staff work on Martin Luther King Day, Memorial Day, and others, just as people do “in the real world” because this member certainly does not get those days off.

The Trustees suggested the following way to handle such a situation:

- Invite them to a board meeting
- Do not invite them to a board meeting and inform them that the board has voted to delegate Holiday Policy to the Executive within certain limitations. Ask if they have spoken with the Executive and if they have not, redirect to the Executive.
- Would the Executive have a conflict, as Holiday Policy would affect them too?
- Ask them to tell me more – find out if there are any mission/policy issues and if not move the conversation to mission/policy. People often just want to be heard. Redirect to Executive after hearing their concerns.

The Treasurer gave a second example in which a staff person approaches a board member because they believe the staff receive too few paid holidays and that Veteran's Day, Columbus's Birthday, and others should get added, just like government employees, bankers, and others. There was general consensus that the staff person would be redirected to the Executive.

As a final exercise, she raised the question of whether individual board members should vote in a congregational meeting on matters upon which the board as a whole has made a recommendation.

The Trustees discussed the following:

- Board members may have more influence and a board member voting against would not be “speaking with one voice” and could raise questions within the congregation over whether the board had really settled the matter amongst ourselves before making a recommendation.
- Should not a member in good standing be able to vote, even if it is a board member?
- If the recommendation to the congregation will involve the staff having to carry out a policy, the board not speaking with one voice could undermine staff efforts.
- Perhaps think of the board as one entity – as a servant of the church wherein Trustees may be giving up some autonomy they might normally have as a church member when they agree to serve on the board.
- If the board has not reached the point on any particular issue where individual members feel comfortable speaking with one voice, even if they were in the minority on the issue when the board held its vote, it may be too soon for the board to speak.
- The situation might be analogous to parenting wherein the parents must be providing the same message.

The President noted that this was for discussion purposes, as the church is not yet functioning under PGB. A Trustee asked for a “straw poll”, as even though the church is not fully under PGB a congregational meeting was scheduled soon. The President asked for a show of hands on whether Trustees would be comfortable with each of the following options as regards individual Trustees voting on board recommended items at congregations meetings (will total more than attending as Trustees could vote for any option with which they would be comfortable):

All Trustees would be asked to vote for the board recommendation: 2

All Trustees would be asked not vote on the issue at the meeting or abstain: 10

Trustees would vote their conscious as a church member: 2

The Trustees agreed that this had been an excellent discussion that warranted further consideration at future meetings.

Delegation of Financial Reporting and Budgeting to the Executive: The Treasurer gave a brief overview of proposed motions to delegate financial reporting and development of the annual budget (Appendix A, pages 25 and 26). The Trustees discussed the following:

- Concerns regarding not being clear over how the process of developing the budget would work.
- The process would be similar to prior years wherein the chair of the finance committee developed the spreadsheets and worked with the different areas of the church to update them and develop the budget. What would happen instead is that the Executive Director (ED) would develop the spreadsheets and manage the process with the finance committee assisting and serving as a sounding board.
- The motions should say “Executive Team” rather than “Executive Director”, as we would be delegating the budget to the team.
- The Executive Director’s job description already specifies this duty.
- Concerns that 10 minutes on the agenda is not enough time to discuss this (time was subsequently added to the discussion).
- Concerns that, with two changes to the Executive Team over the next 14 months because we are in the interim period, whether the ministerial/values/mission weighing of resources would be strong enough. The finance committee performed this weighing last time.

- The next finance committee chair may not be able to manage the process due to time constraints and in the prior process the board seemed to get too “down in the trenches” in the budgeting process.
- The ED’s responsibility is to the mission and the ED would have to work with their Co-Executive in developing the budget and the budget pass muster with the board. The board has to philosophically and literally sign off on the budget.
- We are already delegating to the finance committee to develop the budget. The only difference here is we are delegating to the Executive Team instead.
- A Trustee suggested language to amend the draft motion on page 26 of Appendix A to make clear that budget development must further the mission of the church.

There had been little concern regarding delegating financial reporting and management to the ED, so the following motion was offered.

Motion: Michael West -- The Board of Trustees of First UU Church of Austin hereby assigns responsibility and authority for church financial reports, related data, and otherwise supervising financial operations to the Executive Team. Said authority and responsibility includes the ability to change and adjust the report format, the manner of keeping data, and any related policy or procedure outlined in the Policies and Procedures Manual, with the exception of the Financial Assets Management Policy and Bylaws, which require congregational approval to change.

The Executive Director will inform the board of any material changes through her/his regular monthly report.

The Executive Director’s July 2010 monthly report will provide a more thorough description of the changes undertaken since adoption of this policy, the results, and significant concerns which have arisen in the process.

Second: Chris Jimmerson

Discussion: There was no further discussion.

Vote: All affirmative.

Based upon the discussion of delegating the budget development process, the following motion was offered:

Motion: Chris Jimmerson -- The Board of Trustees of First UU Church of Austin hereby assigns responsibility and authority to develop the annual budget for the board to the Executive Team. Said authority and responsibility overrides any language to the contrary within the Policies and Procedures Manual, with the exception of the Financial Assets Management Policy and Bylaws, which require congregational approval to change.

Acting to further the mission of the church, the Executive Team will present a budget proposal to the board for consideration no later than its monthly October meeting.

Second: Eric Stimmel

Discussion: There was no further discussion

Vote: Affirmative – 7, Negative – 2, Abstain – 0

Delegation of Rental Policy to the Executive Team: The Vice-President presented a proposed motion to delegate facilities rentals to the Executive Team to free the board of discussions over small adjustments to the policies and operational details (Appendix A, page 27).

Motion: Jeff Hutchens – The Board of Trustees of First UU Church of Austin hereby assigns responsibility for and authority to change church rental policy to the Executive Team. Said authority and responsibility overrides any language to the contrary within current policy, including the Policies and Procedures Manual, with the exception of the Financial Assets Management Policy and Bylaws, which require congregational approval to change.

The Executive Director will inform the board of any material changes to said policy through her/his regular monthly report.

The Executive Director's July 2010 monthly report will provide a more thorough description of the changes undertaken since adoption of this policy, the results, and significant concerns which have arisen in the process.

Second: Brendan Sterne

Discussion: None

Vote: All Affirmative

Covenant Between the Board of Trustees and the Executive Team: As the board has begun delegating to the Executive Team, the Secretary and the Interim Minister facilitated a discussion of promises the board and the Executive Team might make with one another to ease this transition and support one another. Such promises that the board might make to the Executive Team and that the Executive Team might make to the board will serve as the basis of a covenant. As the discussion unfolded, it became clear that most of the promises were mutual. They included:

- We will presume good faith.
- The board will speak with one voice and the Executive Team will speak with one voice.
- We will support one another's decisions publicly.
- We will address concerns directly with one another and encourage others in the church to do so also.
- We will communicate crucial issues with one another in a timely manner.
- The board promises to Executive Team that we have "got your back" during this time of change in the church, and the Executive promises to trust that the board has "got your back".
- We will have patience with one another as we learn new modes of governance.

A Trustee suggested that the current board covenant might also serve as the board and Executive Team covenant, while others expressed a desire to see a specific covenant regarding the board/Executive Team relationship. The Interim Minister and Secretary agreed to take the data from the discussion and return with draft language for a Board of Trustees and Executive Team Covenant of Healthy Relations.

Settled Minister Search Committee: Trustee Michael West, who had been charged by the board to lead the selection process for the committee, presented the following church members to serve on the Settled Minister Search Committee (SMSC): Sharon Moore, Maria Nehring, Jill Wiggins, Lynda West, Jill Smith, John Franks, Dale Whiteaker-Lewis, Michael Kersey, Gary Bennett. The Trustees agreed that this was a great group to serve in this important role. A

Trustee commented that it will be important that the SMSC operate with an open and transparent process while also guarding confidentiality.

Motion: Derek Howard -- adopt the slate of members of the SMSC as recommended and charge them with the task of selecting the candidate for presentation to the Congregation for Senior Minister of First UU Austin.

Second: Chris Jimmerson

Discussion: A Trustee inquired as to the reasons the members had given for serving on the committee. Their reasons included:

- A feeling this is an important decision in the life of the church
- Wanting to make an important contribution
- Feeling strongly about the importance of the ministry of the church
- Feeling this importance affects all areas of the church, for example Stewardship.

Michael West also noted that the members will bring a variety of skills and experience, demographics and lengths of time as church members.

Vote: All Affirmative

The Interim Minister offered to conduct a ceremony of investiture for the SMSC, as well as the new Board of Trustees, once elected. The Trustees agreed that this would be terrific.

Report on Interim Minister Salary and Housing Package: The President reported that in order to attract the best candidates for Interim Minister and to prepare ourselves for doing the same for the Settled Minister Search, the Executive Committee had authorized the Interim Minister Search Task Force to enter midpoint into the UUA Settlement System. This totaled a package of \$110,080. The Treasurer noted that moving expenses would be required also.

Request to Authorize the Executive Committee to Finalize the Agenda: The President requested this authorization for the Executive Committee, as there will not be another board meeting beforehand. She noted that the agenda would be much the same as the one for the Pre-Congregational Meeting (Appendix A, page 10)

Motion: Brendan Sterne -- Authorize the Executive Committee to finalize the agenda for the Spring Congregational Meeting.

Second: Margaret Borden

Discussion: None

Vote: All Affirmative.

The Secretary noted that the change to membership requirements in the bylaws that had been a requirement of a contribution of record within the last 13 months at the Pre-Congregational meeting would be changed to 12 months for the Congregational Meeting. This change was based upon discussions at the Pre-Congregational Meeting.

Special Fees: The Immediate Past President presented a proposed motion to allow the ED to set and assess certain fees on rentals when such rentals caused extra costs to be incurred by the church (see proposal and examples on page 28 of Appendix A). Such fees would only offset these increased expenses and would not result in excess revenue. This would prevent the need to go through budget revision procedures each time such excess costs are incurred.

The Trustees discussed that the Executive Team rather than only the ED will be allowed to make these decisions; however, the ED could be the person who complies monitoring reports for the board.

- Motion:** Chris Jimmerson – The Board of Trustees of First UU Church of Austin hereby assigns authority to set and assess special rental fees, defraying the cost of doing business, to the Executive Team. These pass-through fees will apply directly toward the actual cost of the expense, and may include, but are not limited to, items such as:
- A sexton fee – which we already require for renter use of the Sanctuary and other special events
 - A watering fee – allowing us to rent the northwest parking lot. Without such a fee, to defray the cost of watering the lawn to mitigate wear and tear, ongoing weekday rental of the parking lot during the summer would likely result in us having a mud pit when fall rains comes.

The Executive Director will inform the board of any material changes to said fees through her/his regular monthly report.

The Executive Director’s July 2010 monthly report will provide a more thorough description of the changes undertaken since adoption of this policy, the results, and significant concerns which have arisen in the process.

Second: Derek Howard

Discussion: None

Vote: All Affirmative

Bridge Builders Action Team Charge: The Secretary presented a proposed change to the charge for the Bridge Builders Action Team. The Team is nearing completion of its current charge and has identified the need for a task force to oversee and monitor a governance transition plan. The Trustees discussed that it might be clearer to re-create this as a task force to avoid confusion over the many uses of the word “bridge” that have been employed in the church recently.

Motion: Derek Howard – Create a governance task force charged with developing a plan for transitioning to policy-based governance.

Second: Brendan Sterne

Discussion: None

Vote: All Affirmative

Governance Discussion – Report on Answers from Questions from Prior Board Meeting: The Secretary reported on a discussion he had with our consultant on governance regarding two questions that had come up at the prior meeting. The first had to do with whether a vote to adopt the Consent Agenda Items would still be needed. The Secretary reported that the board would still need to adopt these items. As regards a question over whether an issue involving a memorial fund would be a board policy or an executive policy after a transition to PGB, the secretary reported that the answer would depend upon how the board wrote policy regarding financial matters and where it stopped and delegated remaining interpretation to the executive.

Governance Discussion – Moral Ownership: Brendan Sterne facilitated a discussion of “moral ownership” or to whom the board is accountable. He summarized the highlights from information available at <http://www.carvergovernance.com/pg-np.htm> (scroll to section on board as owner-

representative), explaining the difference between moral owners of an organization or church versus its customers. He also highlighted an article on church ownership contained on pages 30-32 in Appendix A. He noted that while for First UU Austin, church members are obviously part of the moral ownership, that the board's accountability may include ownership beyond church members.

The Trustees discussed the following as their moral ownership:

- Our mission
- Congregation/Congregants
- The future (e.g. future members)
- Our ancestors
- Austin, TX

Proposal to Shift to One Service During the Summer Months: The President presented a proposal from the Executive Team and Senior Staff that the church shift to one service during June, July and August. Such a shift offers several potential advantages:

- Attendance is typically low during the summer so one service could result in that service having higher attendance.
- It could save on some expenses.
- It would allow for time and space for fellowship in Howson Hall after the service.

The Trustees discussed the potential advantages and disadvantages of the proposal, potential times for the one service and how to coordinate with the Public Forum without causing technical or other problems for the forum. The consensus of the Trustees was to pursue this potential change for the summer months, with the President and Executive Team working with the forum team and technical folks on logistics.

With no further business, the President adjourned the meeting at 9:25 pm.

Respectfully Submitted,



Chris Jimmerson
Secretary

REPORT ON THE INTERIM MINISTRY TO THE FIRST UU CHURCH OF AUSTIN, TX
by Janet E. Newman, Accredited Interim Minister

May 16, 2010

In this, my final report to the congregation, I will use the format that we Accredited Interim Ministers tend to employ when describing the process of interim ministry to curious congregants.

The specialty of intentional Interim Ministry is very future-directed, and the work I am doing with the First UU Church of Austin is no exception. During the time I have been on staff, since August 17, 2009 – but not on the payroll until September 1, 2009 -- I have found that the congregation has proceeded well with the transition it began during the first eight months of the year.

HONORING AND COMING TO TERMS WITH THE CONGREGATION'S PAST

One of the tasks that Interim Ministers are expected to do is to guide congregations in their coming to terms with its past – honoring its achievements and recognizing its conflicts and disappointments. My observation is that First UU did very well on the Time-Line project during its existence in October and November, posting many notes in the windows about the congregation's history, especially the events that brought pride and those that caused disappointment. In addition, the area for posting hopes and dreams for the church presented many intriguing ideas for the future. The Transition Team and I read every post-it and reflected deeply on the results of the Time-Line project.

On January 17, The Transition Team developed and presented a worship service based on what they understood about the congregation from the Time-Line project, and I followed up with my sermon titled "The Handwriting on the Wall, Revisited" on February 21. It is my hope that congregants found these reflections helpful in their continued self-examination.

ENCOURAGING NEW LAY LEADERSHIP

Another task that Interim Ministers seek to guide the congregation through is to encourage new leadership, lay and ordained. I am very encouraged by the efforts

of the Nominating Committee, begun before I arrived, to develop leadership by means of the three fall seminars that Michael Kersey conducted.

Presently, the Nominating Committee is sponsoring a 12-session curriculum titled “Harvest the Power.” I had the honor of co-teaching a session with Lara Douglass, Director of Religious Education. There was a notable increase in the number of members who wished to serve in an elected or appointed position compared to former years. I have no doubt that the projects led by the Nominating Committee will continue to bear fruit.

In addition, I find that congregants’ acceptance of my leadership as their minister this year has been constructive for the church and satisfying to me personally. I am sure that your future professional ministers will say the same thing.

I am also pleased that lay leaders are looking carefully at the structure of the committees and other bodies of the church in an effort to make them more effective and inter-related. In addition, the Board continues its progress toward a new style of governance, as indicated by Dr. Peter Steinke last winter. This new style will enable the Board to move forward with increased transparency, efficiency, better use of time and effort, and better connections on a deeper level with congregants.

CREATE A NEW IDENTITY FOR THE CHURCH

Work on the church’s identity, vision, and mission also continues apace, another task that was assigned by Dr. Steinke in early 2009. I am glad to be part of the Bridge-Builders Action Plan which worked hard to put the plans for creating a new identity into practice. Congregants, by means of this spring’s Bridge-Building explorations into the church’s mission, vision, and values, are constructively creating a new identity for the church. This, too, is part of the Interim Ministry agenda.

HEALTHY RELATIONS WITHIN THE CHURCH COMMUNITY

Another factor that enables the church to be clear about its identity is the establishment of guidelines of healthy relations, or, in other words, a behavioral

covenant for the church. This fits with Dr. Steinke's assignment that the church develop healthy community.

The covenant for healthy relations, based on congregants' promises to one another and developed by the Transition Team, has as its goal a much more trusting membership. With increased trust and confidence in one another, congregational schisms are less likely to develop, misunderstandings are more easily cleared up, persons presume good intentions of one another, and systems function with more transparency and flexibility. In addition, newcomers to the church observe immediately how well members treat each other, and they seek to become part of such a caring, respectful, and energetic community.

By the time of the May 16 meeting, congregants will have had ample opportunity to read the proposed Covenant of Healthy Relations in the weekly paper bulletins, on the web site, and in the newsletter. They will have reflected on the benefits of such guidelines to the entire church, and they will be clear in their support.

STRENGTHENING TIES WITH THE ASSOCIATION AND BEYOND

The opportunity to renew connections with the Unitarian Universalist Association and beyond is one that many congregations in transition believe not relevant. However, it is during this very transition that the church relies on the resources of the Association and the district more than ever. I worked to guide a closer relationship with these entities, and I also continued to urge congregants to make use of local, district, and UUA conferences and other efforts.

The weekend workshop and Sunday service by Rev. Stephan Jonasson, the Director of Large Congregations for the UUA, was a very valuable experience for all who participated, and the results of those addresses and discussions will be clear in the church for years to come. Rev. Jonasson visited First UU Church as UUA staff, provided excellent materials and ideas for the paid and volunteer leadership, and was an example of the high quality of service that the church gets for its contributions to the Association.

Likewise, the visit from UUA Moderator, Ms. Gini Courter, was a great opportunity to learn more about the Association and its challenges during this

financial deep-freeze. Her influence reaches beyond local congregations, well into the interfaith movement.

When I meet with UU clergy colleagues from Central Texas every month, usually hosting our meetings here at the church, it offers the guest ministers an opportunity to experience the health and vibrancy of First UU Church.

At the end of April I participated in the Southwest District/Conference annual meeting in Plano, TX, and I took advantage of every opportunity with district lay leaders and clergy to let them know what excellent progress the church is making with its renewed energy and maturity. A positive buzz in the district will be very welcome.

When I attend General Assembly in June with a team of staff and elected lay leaders from First UU, there will be chances for all of us to spread the good news about the church, deflate any rumors that may be floating around, and correct any misperceptions that attendees may have. This positive talk can increase the attractiveness of the church to any clergy who may wish to be considered for the called ministry here. And it certainly will be a morale boost to the team to sing the praises of First UU of Austin!

ACCEPTING NEW PROFESSIONAL LEADERSHIP AND NEW DIRECTIONS

The result of all of the work of the interim period is to ready the congregation for new ordained leadership and new directions for the church. As First UU has had only eight months of intentional interim ministry, this goal is months away. However, leaders and congregants have made great strides toward readiness, and another year with another Accredited Interim Minister will enable a great deal of progress toward the goal of accepting new clergy leadership and new directions.

STEWARDSHIP AND FINANCES

One of the challenges to such a happy outcome is the philosophy and practice of stewardship at First UU. Although the organization of the fall campaign was the best in years, and the leaders worked very hard to achieve financial success, it was clear that the church is still adjusting to being a smaller congregation. Many

members pledged more, but there were fewer members to support the programs of the church. Such good organization and commitment as was exhibited in the campaign will certainly yield financial fruit as the congregation continues to regain its confidence and its pride in First UU.

Why should congregants be concerned about stewardship? At this time, especially, the Search Committee needs to be able to present a salary that is in the mid-point of the suggested salary structure. Offering a salary that is below mid-point will limit the number of ministers who find serving First UU an attractive prospect. The church requires a called minister who is highly competent in almost all areas of ministry, and such a minister will look for a salary at mid-point or higher.

TRUST VS ANXIETY

Although nearly 60 new members were welcomed from January 2009 through mid-February 2010, there is still some anxiety about the church's future among some congregants. In order for the church to be free to commit to new ordained leadership and direction, the congregation as a whole will need to proceed into the future with renewed hope and courage.

The entire "system" of the church will need to be based on trust rather than self-defense, especially in financial management. That kind of trust can be encouraged by a Covenant of Healthy Relations and can be system-wide. Let the church be all it can be!

It is my pleasure to work with an excellent team of Senior Staff whose reports are also in this appendix, Brent Baldwin, Lara Douglass, and Sean Hale. I owe a great deal to them for their insights and support. In addition, my thanks to the additional support staff and to lay leaders who are of great value to the church. The elected Board has been wonderful to work with.

I am also very grateful to the Transition Team, the congregation's lay leaders and think tank for transitional ministry: Nancy Bene, Jim Burson, Michael Kersey, Wendy Kuo, Sharon Moore, Sylvia Pope, and Margaret Roberts. Please thank them when you next see them; they are working hard on your behalf.

I am very confident that the next months of your ministry together with your next Interim Minister will be fruitful, courageous, and radically hospitable!

Respectfully submitted,

Janet E. Newman, Accredited Interim Minister, '09-'10

Executive Director's Report to FUUCA Board of Trustees April 10 – May 7, 2010

Office & Staff

- Sunday Mailroom – We will have a new volunteer, in June, to staff the mailroom on Sundays and answer the phone (she safely guards her privacy regarding the internet, so I will not put her name here). Barbara Denny will help orient her. Although we have a phone jack, we don't have an active line, so I have begun looking into getting it reconnected while staying within our budget parameters.
- Weekday Volunteers – Ann Edwards, Nancy Groblewski, Joseph Hunt, Deidre Madres, and Mary Jane Ford continue helping us regularly during the week. We're very grateful for their help. Other individuals continue to play important volunteer roles as well outside of the office.
- Personnel Policy Manual – we have updated the background check form using the model from Safe Churches, the organization that runs our background checks.
- Volunteers – we continue to seek new volunteers and new ways to involve new members at the church. To that end, Janet and I hope to begin having lunch (or other one-on-one meetings) with new members shortly after they join. While still far from a perfect system, we hope this may help in the meantime to broaden and deepen our pool of volunteers while strengthening the involvement of new members who might otherwise drift away.

Finances & Data

- Drop in Rental Income – One of our renters, a M-F young children's group, has opted to move their activities to another facility. This represents about \$750/month or 18% of our budgeted rental income. Our relationship with them was characterized by good intentions by all, but also a certain level of frustration as their needs and expectations did not always match ours.
- Rental Return on Investment – This recent experience with the renter has left me considering, again, whether or not the church's interests are best served by the time invested in rentals. At some point, I hope to give serious attention to the question of whether we might not get a better return on staff time by increasing attention given to other activities (e.g., strengthening member support, volunteer support, more events, more activities, etc.).
- ChurchDB – We have begun the process of converting our data from our old systems into ChurchDB, our new database. Portions of the data have already gotten converted and Joseph Hunt has begun to review it. On May 19, we will have a training session for the main people who will interface with the system.
- Special Pledge Growth Report for IMSC – the Interim Minister Search Committee heard questions and concerns from candidates regarding giving and pledge growth in FUUCA. To help them clarify the situation (including, potentially, confusion caused by the numbers we report to the UUA), I produced a special report (attached below) for the IMSC. My research found, in a nutshell, that although we have fewer members than in the past, the size of the average renewed pledge increased more than 10%, per family, compared with 2009.

- Records Backup – I have exported key portions of our old books from QuickBooks into MS Excel format covering 1996-2009. This will allow us to continue to access key information for many years into the future, even if at some point we can no longer access what will eventually become an old QuickBooks file. The reports include both summaries and detail for balance sheets and profit & loss reports. In addition to saving these on my computer, I have also burned a CD and put it in our safe deposit box at the bank. Because these records include some personnel data that some may consider sensitive, I have not saved them on the snap drive.
- Terry Sweetser – Terry Sweetser, the UUA's fundraising guru, had a teleconference with about 10 key church leaders (including Bill Edwards, Stewardship Chair) on Friday, May 7. He helped us to identify the most effective strategies for increasing our income in the short and long-term. Over the long-term, his bequest society proposal seems particularly promising.
- Sunday Deposits – We have two new people lined up as backups for our Sunday deposits. Linda Buehlman and Peter Langlois have agreed to lend a hand when one of our regular Sunday deposit people can't do the work. I plan to train them on Sunday, May 16th.
- Quarterly Reports – financial reports for the first quarter have gotten sent out to committee and department heads. These reports cover transactions in relevant restricted funds (e.g., Paradox Players Fund) and relevant budgets. We aim to continue this on a quarterly basis.

Facility & Hardware

- Facility – our facilities team continues to make progress on a variety of fronts. In addition to addressing maintenance and safety concerns, John Payne and the team continue to seek ways to document their knowledge, and identify lost knowledge, so as to make it easier to pass along to future generations (e.g., mapping where the pipes and electrical go).
- Contractor Parking – I have signed a new contract with Assured towing. This will get us an updated towing sign at the entrance to the property and make it possible for us to tow on demand. I have set this up in response to unauthorized use of parking spaces by some of the contractors and subcontractors working next door at TSBVI and because we often have days during the week when parking becomes scarce for those authorized to use it. I have already spoken with our contacts at TSBVI and with the principal contractor next door (Harvey Clearey) and they fully support this (they don't like dealing with this either).
- Painting the RE Wing – Our Religious Education department has decided to dedicate some of their funding to repainting the Religious Education wing of the building. Beth Cortez-Neavel is organizing the bulk of the project; I'm helping her to recruit some volunteers for a few discrete portions of it (especially groups who would like to adopt a specific space). We hope to complete the work by the end of the summer.

Other

- Website – Peter Roll, a new and active member of our webteam, has begun a thorough review of private information and our website. He found a few things of low-level concern, but fortunately no big problems. He will look into best practices at other

churches and help us to develop and implement a policy to guide us going forward. Janet and I also met with him and Andi Windham regarding the website's general appearance and how it appears to visitors and ministerial candidates. Any comprehensive revision of the website should await the adoption of a new mission and the arrival of a settled minister. Nonetheless, we believe we have identified a few things we can do in the meantime that will improve the impression that new website users get and facilitate their access to information.

- General Assembly – several generous members have stepped forward with donations to the minister's discretionary fund that are helping to defray the costs of attendance at GA for me and at least one other church leader.
- Bylaws 18 month rule – I conducted research into our bylaw that sets one condition of voting membership as making a gift of record within the previous 18 months. It turns out that 5 of the 5 large churches I consulted use either a 12 month rule or one that is even more conservative. Our methodological difference means that the numbers we reported to the UUA in January were 18% higher than they would have been otherwise. This makes the church look significantly less generous in the pay package it offers to prospective ministers, pay to current staff, and in what we give to the UUA each year. The congregation will consider a proposal at its May meeting to adjust our bylaws to a 12 month rule.
- Family Vacation – I will take off Nov 6-13 to travel with my family in Costa Rica.

No Update this month

- Keys & Alarms
- Cry Room Repair
- Security Task Force
- The Big Loud Speakers (formerly stored in Howson Hall)
- Memorials & Staff
- Main office configuration
- NW Parking Lot wear and tear
- Updating wireless microphone technology
- Playground Safety

Some of my other regular activities (Reports for these usually appear elsewhere)

- Finance Committee Meetings
- Board of Trustees
- Board Executive Committee
- Stewardship Committee Meetings
- Bridge Builder Action Team (A-Team)
- Volunteer recruiting and coordination
- Management Team Meetings
- Church Council & Congregational Meetings
- Office Staff Meetings

Respectfully submitted by Sean Hale. May 7, 2010.

Addendum:

2010 Pledges and the health of First UU Church of Austin

By Sean Hale, Executive Director

May 4, 2010

In the midst of budget cuts, we can find it easy to lose sight of good financial news. Specifically, we should recognize and celebrate that members of First UU Church of Austin have pledged, as individuals, with extraordinary generosity. Our membership has decreased, making cuts necessary, but those members who remain have increased their pledges significantly for 2010. Overall, these numbers point to good trends and good progress despite the challenges we have faced.

| | 2009 | 2010 | Change |
|--|-----------|-----------|--------|
| Pledging Units | 334 | 282 | 84% |
| Total Pledged | \$437,986 | \$451,493 | 103% |
| Average (mean) Pledge (per unit) | \$1,311 | \$1,601 | 122% |
| Median Pledge (per unit) | \$900 | \$1,000 | 111% |
| Data source = FY2009 Pledge Statement data from COMS generated Jan 2010. | | | |
| 2009 figures as of Jan 2010 (reflecting adjustments to pledges made during year) | | | |
| 2009 figures do not include special spring canvass pledges | | | |

Giving per family (aka pledge unit) has risen 11-22% even as our number of families has decreased. That this has occurred during a time of church transition and national economic uncertainty speaks volumes about the growing commitment of those families and individuals who make up our active membership. We should also recognize the use of the personalized, one-on-one solicitation during the fall 2009 campaign as a particularly effective strategy.

We see an increase in both the mean and median pledge. This indicates that we can attribute our higher numbers to a broad base of increased giving, not just a handful of wealthy individuals. It seems safe to infer that this broad base of higher pledges indicates a widespread sense of greater satisfaction and commitment.

Overall, we have good news here. Although we can and will do more to improve our health as a congregation and our stewardship techniques, this data demonstrates that we have made significant progress and are headed in the right direction.

Note: this report does not provide a comprehensive review of stewardship, giving, or our overall financial situation. It focuses on just one piece of the larger picture: what are the pledging trends? Are things getting better or worse?

Religious Education Report to the Congregation May, 2010
Lara Douglass, Director of Religious Education
First Unitarian Universalist Church of Austin

The following are examples of how our Religious Education (RE) programs for children, youth, and adults have carried out the mission and vision of our congregation during the past six months.

Vision Statement

As an inclusive religious and spiritual community, we support each individual's search for meaning and purpose and join together to help create a world filled with compassion and love.

Inclusiveness: Adult Religious Education (ARE) offers classes, which reflect the inclusive nature of First Church. For example, Yoga and Tai Chi classes are offered to the church and the wider community on a weekly basis. The Children's Religious Education Classes offer a study of a different world religion every Fall Semester, with a Curriculum of UU Identity offered each Spring. Social Action and Social Justice are the focus of the summer curricula.

Religious Education organized and presented a cooperative Passover Seder meal, which included congregants and visitors.

Building community: RE held and participated in several events in the last six months, which strengthened our community.

Religious Education continues to offer the Spiritual Movie Nights, on the third Friday of each month. RE has assisted the Membership Committee in offering and advertising the leadership building adult curriculum, Harvest the Power.

The Seder, Flower Communion, and children's Easter Egg Hunt were held in April. The whole-church Valentine making party was held in February. Surprise Pals started on February and concluded in April. 22 pairs of children and adults communicated with each other for six weeks, before a party was held so that the children could meet the adults they had been corresponding with for six weeks. As usual, the Surprise Pals program was a great success.

Teaching compassion and love: RE children have participated in several Social Action projects, which teach love and compassion for all. The Children were participants in the Crop Walk this Spring. The 4th-5th graders were so touched by the Haitian Disaster, that they held a bake sale to benefit the UU Service Committee's efforts in Haiti.

Mission Statement

• **Create and sustain a joyful, caring, involved church community.**

As previously mentioned, RE sponsored and co-led many whole-church events. Teachers in children's and youth programming recognize and greet their students by name. The children are still enjoying their weekly story during the Sunday services. The children also collect the offerings for Caritas on Sunday mornings, producing an increase in giving to this program.

• **Promote intimacy, support and fellowship to foster the individual spiritual and emotional growth of our members.**

The Adult RE program, continues to provide programs which both inform us and nurture us. Great Decisions and the Eckhart Tolle group have been very successful. UU History and Articulating Your UU Faith have had very good attendance this Spring.

Religious Education Report to the Congregation May, 2010
Lara Douglass, Director of Religious Education
First Unitarian Universalist Church of Austin

Sharon Moore continues to shepherd the covenant groups, which provide intimacy and fellowship. These groups are open and inviting to visitors and new members.

- **Offer inspirational and challenging worship services.**

Children continue to be regular contributors to the worship services. In addition to sharing stories with the congregation, and enthusiastically collecting food donations for Caritas, the children have become sincere visitor greeters during both sessions of worship on Sunday. RE continues to support and provide rehearsal space for the Children's Choirs. Under the direction of the Music Director, the Children's Choirs have performed several times this Spring, to the delight of the congregation.

The primary choir includes children from preschool to grade 3 and the Secondary Choir, children from Grades 3 and up.

- **Provide ritual and ceremony for rites of passage**

RE has participated in one Child Dedication this Spring. The Youth will present their worship service in May. In June, there will be a bridging ceremony for the graduating high school seniors.

- **Provide progressive religious education for all ages**

Religious Education is provided to children based upon developmentally appropriate curricula. Fortunately, the church has a wealth of curricula written by professionals and purchased by RE through the UUA and directly through the curriculum authors.

We are currently using a rotation system of curricula. We offer curricula based upon our sources (Judaism, Christianity World Religions) in the fall. In the spring we offer curricula based upon our UU identities and history. In the summer we focus on ethics and social action.

As recommended by most religious education professionals, we provide separate programming in five categories, preschool, kindergarten to grade 2, grade 3-5, middle school, and high school.

The Adult RE programs offer Sunday morning classes, as well as classes during the week and special topic explorations.

- **Enrich our community through music, drama, and the arts**

In addition to supporting the Children's Choirs, the Children's Programming Committee offered a Children's Christmas Pageant again this year.

In April, the Adult Religious Education presented an opportunity to meet and get to know Fady Joudah, a Palestinian-American poet and physician. He is the 2007 winner of the Yale Series of Younger Poets Competition for his collection of poems *The Earth in the Attic*, which was published by Yale University Press in April 2008.

- **Empower and encourage members toward social and civic leadership.**

The Youth have been working on cleaning the toddler playground and have been exploring other opportunities to be involved as more of a group in social and civic activities.

- **Share our values and gifts with the larger community.**

The class offerings of the adult RE program continue to attract members of the wider community. Ongoing classes such as Yoga, Tai Chi, the weekly book discussion groups and various other Spiritual and Philosophical Discussion groups are open to the larger community.

Religious Education Report to the Congregation May, 2010
Lara Douglass, Director of Religious Education
First Unitarian Universalist Church of Austin

- **Strive to create a more diverse church community.**

The children, youth, parents, newcomers and visitors represent a diverse population, including multiple racial and ethnic groups, as well as diversity through our thriving gay, lesbian, and transgendered community and visitors. An evening with Marc Adams, author of nine books which chronicles his life as a gay person growing up in a fundamentalist family, was advertised widely throughout the community.

Contact Information

If you would like to know more about our Religious Education Programs or to discuss Religious Education in our church, please contact me (Lara Douglass, DRE) or any of the RE staff or committees. You may contact me at (512) 452-6168, ext. 305 or email, lara@austinuu.org.

We invite you to contact a committee member or attend a meeting of the Religious Education Committees.

Children's Program Committee: Meets the last Sunday of each month in room 9 from 1:15pm to 2:30pm. Vicky Bailey Miller is the Chair...

Adult Religious Education Committee: Meets the second Thursday of January, March, May, July, September, and November in room 9 from 7pm to 9pm and as needed for time-sensitive matters. Michael LeBurkien is the Chair of this committee.

Respectfully submitted by:
Lara Douglass
Director of Religious Education
First UU Church of Austin
May 16, 2010

April 2010 Attendance Summary

| April Monthly Totals | | | | April Weekly Totals ALL | | | |
|----------------------|------------|------------|------------|-------------------------|------|-------|------------|
| CLASS | 9:45 | 11:30 | TOT | DATE | 9:45 | 11:30 | TOT |
| Nursery | 48 | 35 | 83 | 4-Apr | 38 | 27 | 65 |
| PRE-K | 21 | 15 | 36 | 11-Apr | 31 | 34 | 65 |
| K-2 | 42 | 21 | 63 | 18-Apr | 33 | 45 | 78 |
| 3rd - 5th | 25 | 33 | 58 | 25-Apr | 34 | 38 | 72 |
| Middle School | | 24 | 24 | Monthly Total | | | 280 |
| High School | | 10 | 10 | | | | |
| YRUU | | 6 | 6 | | | | |
| Choir (1 & 2) | 40 | 28 | 68 | | | | |
| TOT | 136 | 144 | 348 | | | | |

Breakdown by RE Class

| Nursery | 9:45 | 11:30 | TOT | 3-5 Grade | 9:45 | 11:30 | TOT |
|---------|------|-------|-----|-----------|------|-------|-----|
| 4-Apr | 17 | 8 | 25 | 4-Apr | 5 | 5 | 10 |
| 11-Apr | 16 | 10 | 26 | 11-Apr | 5 | 5 | 10 |
| 18-Apr | 7 | 6 | 13 | 18-Apr | 8 | 13 | 21 |
| 25-Apr | 8 | 11 | 19 | 25-Apr | 7 | 10 | 17 |

| Pre-K | 9:45 | 11:30 | TOT | Middle School | 11:30 |
|--------|------|-------|-----|---------------|-------|
| 4-Apr | 6 | 4 | 10 | 4-Apr | 4 |
| 11-Apr | 0 | 4 | 4 | 11-Apr | 5 |
| 18-Apr | 7 | 4 | 11 | 18-Apr | 8 |
| 25-Apr | 8 | 3 | 11 | 25-Apr | 7 |

| K-2 | 9:45 | 11:30 | TOT | High School | 11:30 | YRUU | TOT |
|--------|------|-------|-----|-------------|-------|------|-----|
| 4-Apr | 10 | 5 | 15 | 4-Apr | 1 | 0 | 1 |
| 11-Apr | 10 | 5 | 15 | 11-Apr | 5 | 0 | 5 |
| 18-Apr | 11 | 6 | 17 | 18-Apr | 2 | 6 | 8 |
| 25-Apr | 11 | 5 | 16 | 25-Apr | 2 | 0 | 2 |

| Choir | 1st | 2nd | TOT |
|--------|-----|-----|-----|
| 4-Apr | 12 | 7 | 19 |
| 11-Apr | 6 | 7 | 13 |
| 18-Apr | 10 | 7 | 17 |
| 25-Apr | 12 | 7 | 19 |

Report to the Congregation – Director of Music
5/18/10

Adult Choir

The FUUCA Adult Choir is keeping up a busy pace this spring. The choir most recently undertook a musical Earth Day celebration (featuring nature-themed works by Randall Thompson and Dvorak) and a joint collaboration with the children's choirs. May holds another such collaboration on Mother's Day (5/9) and an anthem by Elgar on 5/23. The 2010 spring season will culminate in a special musical service on June 6th, featuring Eric Whitacre's colorful and percussion-laden piece, Cloudburst (sung in Spanish to the beautiful poetry of Octavio Paz).

A chamber quartet subset of the Adult Choir continues to make musical offerings during our services. Our most recent offerings have included a selection from "O Brother Where Art Thou" and a work by Aaron Copland. There are more selections scheduled for the coming months.

Children's Choirs

The FUUCA Children's Choirs collaborated with the Adult Choir on 4/25 (see below) and will wrap up their Second Spring session will share a special musical offering during services on May 9th. The Children's Choirs will then go on break until the fall.

Director Danielle Solan will once again do some musical work with the Hogwarts Camp this summer.

Intergenerational Choir

The FUUCA Intergenerational Choir sang the Beatles classic "With a Little Help from my Friends" on 4/25, and will help the Children's Choirs close their season with our special arrangement of "Bridge Over Troubled Water" on 5/9.

We continue to invite choir parents and guardians (not to mention aunts, uncles and grandparents) to sing with the group, further deepening the intergenerational feel of the experience. It's been a great joy to have these folks sing with us.

Respectfully submitted,
Brent Baldwin

First Unitarian Universalist Church of Austin
Balance Sheet
As of April 30, 2010

| | <u>Apr 30, 10</u> |
|------------------------------------|----------------------------|
| ASSETS | |
| Current Assets | |
| Checking/Savings | |
| 1000 · Cash & Investments | |
| 1100 · Bank | |
| 1140 · THCU CDs | 15,000.00 |
| 1130 · THCU Money Market | 93,139.89 |
| 1110 · THCU Checking | 43,065.67 |
| 1120 · THCU Savings | 29.23 |
| Total 1100 · Bank | <u>151,234.79</u> |
| 1200 · Schwab Accounts | |
| 1210 · Permanent Endowment Account | 111,967.33 |
| 1220 · Mixed Investment Account | 357,877.15 |
| 1230 · Murr Music Account | 37,531.42 |
| Total 1200 · Schwab Accounts | <u>507,375.90</u> |
| 1300 · Annuity 2014 | 11,007.73 |
| Total 1000 · Cash & Investments | <u>669,618.42</u> |
| Total Checking/Savings | <u>669,618.42</u> |
| Total Current Assets | 669,618.42 |
| Fixed Assets | |
| 1500 · Fixed Assets | |
| 1510 · Building | 672,232.75 |
| 1530 · Land | 1,508,930.00 |
| 1540 · Furniture & Equipment | 92,631.86 |
| Total 1500 · Fixed Assets | <u>2,273,794.61</u> |
| Total Fixed Assets | <u>2,273,794.61</u> |
| TOTAL ASSETS | <u><u>2,943,413.03</u></u> |
| LIABILITIES & EQUITY | |
| Liabilities | |
| Current Liabilities | |
| Other Current Liabilities | |
| 2000 · Liabilities | |
| 2400 · Payroll Liabilities | 2,822.31 |
| 2200 · Security Deposits | 70.00 |
| Total 2000 · Liabilities | <u>2,892.31</u> |
| Total Other Current Liabilities | <u>2,892.31</u> |
| Total Current Liabilities | <u>2,892.31</u> |
| Total Liabilities | 2,892.31 |

Balance Sheet

As of April 30, 2010

| | <u>Apr 30, 10</u> |
|--|-------------------|
| Equity | |
| 3001 · Fixed Assets - Equity | 2,273,794.61 |
| 3100 · Restricted Funds | |
| 3200 · Cong. Restricted Funds | |
| 3220 · Permanent Endowment Fund | 111,967.33 |
| 3240 · Memorial Savings Fund | 256,219.37 |
| 3260 · Murr Music Fund | 37,731.42 |
| Total 3200 · Cong. Restricted Funds | <u>405,918.12</u> |
| 3400 · Board Restricted Funds | |
| 3550 · Minister's Discretionary Fund | 504.60 |
| 3406 · Bridge Builder Action Team Fund | 10,916.14 |
| 3405 · Long Range Fund | 41,282.73 |
| 3410 · Capital Campaign Fund | 10,000.00 |
| 3415 · Paradox Players Fund | 15,709.36 |
| 3420 · Religious Education Fund | |
| 3422 · CampUU/Hogwarts Fund | 10,128.25 |
| 3424 · Junior High Fund | 3,386.56 |
| 3426 · Senior High Fund | 4,952.07 |
| 3427 · Lecture Series Fund | 330.43 |
| 3428 · Adult RE Fund | 7,999.68 |
| 3429 · Children's RE Fund | 1,329.64 |
| Total 3420 · Religious Education Fund | <u>28,126.63</u> |
| 3440 · Caring Fund | 5,188.20 |
| 3450 · Music Fund | |
| 3452 · Children's Choir Fund | 3,717.52 |
| 3456 · Music Other Fund | 979.15 |
| Total 3450 · Music Fund | <u>4,696.67</u> |
| 3460 · Bookstore Fund | 2,354.52 |
| 3465 · Denominational Affairs Fund | 70.02 |
| 3470 · Facility Fund | |
| 3472 · Emergency Fund | 2,923.63 |
| 3474 · Green Sanctuary Fund | 1,586.55 |
| 3476 · Recycling Program Fund | 778.71 |
| Total 3470 · Facility Fund | <u>5,288.89</u> |
| 3480 · Flowers Fund | 329.34 |
| 3490 · Technology Fund | |
| 3492 · Internet Ministries Fund | 2,797.67 |
| 3494 · Media Team Fund | 2,233.62 |
| Total 3490 · Technology Fund | <u>5,031.29</u> |
| 3505 · Mid-Week Gathering Fund | 811.58 |
| 3515 · Social Action Fund | 1,751.23 |
| 3525 · Voyagers Fund | 211.39 |
| 3530 · YARN Fund | 208.24 |
| 3535 · Yew Grove Fund | 147.53 |
| 3540 · Library Fund | 505.38 |

Balance Sheet

As of April 30, 2010

| | <u>Apr 30, 10</u> |
|---------------------------------------|-----------------------------------|
| Total 3400 · Board Restricted Funds | <u>133,133.74</u> |
| Total 3100 · Restricted Funds | 539,051.86 |
| 3900 · Unrestricted Net Assets | 113,768.74 |
| Net Income | <u>13,905.51</u> |
| Total Equity | <u>2,940,520.72</u> |
| TOTAL LIABILITIES & EQUITY | <u><u>2,943,413.03</u></u> |

First Unitarian Universalist Church of Austin
Profit & Loss Budget vs. Actual
 January through April 2010

| | Total Committees | | Facility & Grounds (Departments) | | Ministry (Departments) | | Music Dept (Departments) | | Program Support (Departments) | | Religious Ed Dept (Departments) | |
|---|------------------|------------------|-------------------------------------|-------------------|---------------------------|--------------------|-----------------------------|-------------------|----------------------------------|--------------------|------------------------------------|--------------------|
| | Jan - Apr 10 | Budget | Jan - Apr 10 | Budget | Jan - Apr 10 | Budget | Jan - Apr 10 | Budget | Jan - Apr 10 | Budget | Jan - Apr 10 | Budget |
| Ordinary Income/Expense | | | | | | | | | | | | |
| Income | | | | | | | | | | | | |
| 4000 · Unrestricted Income | | | | | | | | | | | | |
| 4100 · Contributions | | | | | | | | | | | | |
| 4140 · Forum | 0.00 | | 0.00 | | 0.00 | | 0.00 | | 0.00 | | 0.00 | |
| 4110 · Pledge | 0.00 | | 0.00 | | 0.00 | | 0.00 | | 0.00 | | 0.00 | |
| 4120 · Sunday Plate | 0.00 | | 0.00 | | 0.00 | | 0.00 | | 0.00 | | 0.00 | |
| 4130 · Sunday Coffee Service | 0.00 | | 0.00 | | 0.00 | | 0.00 | | 0.00 | | 0.00 | |
| 4190 · Other | 0.00 | | 0.00 | | 0.00 | | 0.00 | | 0.00 | | 0.00 | |
| Total 4100 · Contributions | 0.00 | | 0.00 | | 0.00 | | 0.00 | | 0.00 | | 0.00 | |
| 4200 · Rental | 0.00 | | 0.00 | | 0.00 | | 0.00 | | 0.00 | | 0.00 | |
| 4400 · Misc Income | 0.00 | | 0.00 | | 0.00 | | 0.00 | | 0.00 | | 0.00 | |
| Total 4000 · Unrestricted Income | 0.00 | | 0.00 | | 0.00 | | 0.00 | | 0.00 | | 0.00 | |
| 4300 · Interest & Dividends | 0.00 | | 0.00 | | 0.00 | | 0.00 | | 0.00 | | 0.00 | |
| Total Income | 0.00 | | 0.00 | | 0.00 | | 0.00 | | 0.00 | | 0.00 | |
| Expense | | | | | | | | | | | | |
| 6000 · General Expenses | 0.00 | 7,925.00 | 0.00 | | 0.00 | | 0.00 | 6,500.00 | 0.00 | | 0.00 | 1,150.00 |
| Total 6100 · Ministry Support | 0.00 | | 0.00 | | 2,500.00 | 7,200.00 | 275.00 | | 0.00 | | 0.00 | |
| Total 6200 · Supplies & Materials | 632.67 | | 33.36 | | 43.19 | | 0.00 | 0.00 | 667.30 | 4,500.00 | 0.00 | |
| 6300 · Repairs and Upkeep | | | | | | | | | | | | |
| Total 6300 · Repairs and Upkeep | 0.00 | | 24,414.13 | 74,760.00 | 0.00 | | 0.00 | | 0.00 | | 0.00 | |
| Total 6400 · In house services | 35.20 | | 0.00 | | 0.70 | | 0.00 | | 6,770.35 | 30,300.00 | 0.00 | |
| Total 6500 · Miscellaneous | 203.93 | | 0.00 | | 0.00 | 7,500.00 | 0.00 | 1,000.00 | 89.44 | 4,300.00 | 0.00 | |
| Total 6600 · Employee Expenses | 49.89 | | 6,814.58 | 19,765.00 | 28,588.20 | 89,592.00 | 24,212.04 | 72,931.00 | 44,435.64 | 151,104.00 | 30,826.47 | 106,837.00 |
| Total 6700 · Charitable Contributions | 0.00 | | 0.00 | | 0.00 | | 0.00 | | 0.00 | | 0.00 | |
| Total Expense | 921.69 | 7,925.00 | 31,262.07 | 94,525.00 | 31,132.09 | 104,292.00 | 24,487.04 | 80,431.00 | 51,962.73 | 190,204.00 | 30,826.47 | 107,987.00 |
| Net Ordinary Income | -921.69 | -7,925.00 | -31,262.07 | -94,525.00 | -31,132.09 | -104,292.00 | -24,487.04 | -80,431.00 | -51,962.73 | -190,204.00 | -30,826.47 | -107,987.00 |
| Net Income | -921.69 | -7,925.00 | -31,262.07 | -94,525.00 | -31,132.09 | -104,292.00 | -24,487.04 | -80,431.00 | -51,962.73 | -190,204.00 | -30,826.47 | -107,987.00 |

First Unitarian Universalist Church of Austin
Profit & Loss Budget vs. Actual
 January through April 2010

| | Other Operating Fund | | TOTAL | | | |
|---|----------------------|-------------------|-------------------|-------------------|--------------------|----------------|
| | Jan - Apr 10 | Budget | Jan - Apr 10 | Budget | \$ Over Budget | % of Budget |
| Ordinary Income/Expense | | | | | | |
| Income | | | | | | |
| 4000 · Unrestricted Income | | | | | | |
| 4100 · Contributions | | | | | | |
| 4140 · Forum | 624.69 | | 624.69 | 0.00 | 624.69 | 100.0% |
| 4110 · Pledge | 156,171.57 | 450,000.00 | 156,171.57 | 450,000.00 | -293,828.43 | 34.71% |
| 4120 · Sunday Plate | 9,105.38 | 65,000.00 | 9,105.38 | 65,000.00 | -55,894.62 | 14.01% |
| 4130 · Sunday Coffee Service | 1,115.12 | 4,000.00 | 1,115.12 | 4,000.00 | -2,884.88 | 27.88% |
| 4190 · Other | 2,744.93 | 5,000.00 | 2,744.93 | 5,000.00 | -2,255.07 | 54.9% |
| Total 4100 · Contributions | 169,761.69 | 524,000.00 | 169,761.69 | 524,000.00 | -354,238.31 | 32.4% |
| 4200 · Rental | 20,210.51 | 50,000.00 | 20,210.51 | 50,000.00 | -29,789.49 | 40.42% |
| 4400 · Misc Income | 1,422.27 | 2,000.00 | 1,422.27 | 2,000.00 | -577.73 | 71.11% |
| Total 4000 · Unrestricted Income | 191,394.47 | 576,000.00 | 191,394.47 | 576,000.00 | -384,605.53 | 33.23% |
| 4300 · Interest & Dividends | 129.70 | 72.00 | 129.70 | 72.00 | 57.70 | 180.14% |
| Total Income | 191,524.17 | 576,072.00 | 191,524.17 | 576,072.00 | -384,547.83 | 33.25% |
| Expense | | | | | | |
| 6000 · General Expenses | 0.00 | | 0.00 | 15,575.00 | -15,575.00 | 0.0% |
| Total 6100 · Ministry Support | 0.00 | | 2,775.00 | 7,200.00 | -4,425.00 | 38.54% |
| Total 6200 · Supplies & Materials | 1,140.91 | 5,000.00 | 2,517.43 | 9,500.00 | -6,982.57 | 26.5% |
| 6300 · Repairs and Upkeep | | | | | | |
| Total 6300 · Repairs and Upkeep | 0.00 | | 24,414.13 | 74,760.00 | -50,345.87 | 32.66% |
| Total 6400 · In house services | 0.00 | | 6,806.25 | 30,300.00 | -23,493.75 | 22.46% |
| Total 6500 · Miscellaneous | 1,370.54 | | 1,663.91 | 12,800.00 | -11,136.09 | 13.0% |
| Total 6600 · Employee Expenses | 1,515.12 | 4,692.00 | 136,441.94 | 444,921.00 | -308,479.06 | 30.67% |
| Total 6700 · Charitable Contributions | 3,000.00 | 12,350.00 | 3,000.00 | 12,350.00 | -9,350.00 | 24.29% |
| Total Expense | 7,026.57 | 22,042.00 | 177,618.66 | 607,406.00 | -429,787.34 | 29.24% |
| Net Ordinary Income | 184,497.60 | 554,030.00 | 13,905.51 | -31,334.00 | 45,239.51 | -44.38% |
| Net Income | 184,497.60 | 554,030.00 | 13,905.51 | -31,334.00 | 45,239.51 | -44.38% |

Amendments to First UU Policies and Procedures

Check Signing Authority

Date of Original Board Approval: May, 1997

Date of Latest Revision Approval: ~~June, 2009~~ April, 2010

| | | | |
|--------------------|---|-----------------------|-------------------------|
| Officer | Operating Checking Account Bank Accounts | Endowment Accounts | Other Investments |
| Treasurer | Backup & large checks <u>Primary</u> | Primary | Primary |
| Executive Director | Secondary <u>Primary</u> | Secondary | Secondary |
| President | Backup & large checks | Backup & large checks | Backup and large checks |

Either Treasurer or Executive Director shall sign all checks for under \$2,000.

~~Both Treasurer and Executive Director shall sign~~ checks for more than \$2,000 shall require signatures from two of the following three people: Treasurer, Executive Director, or President.

~~All three of Treasurer, Executive Director, and Board President shall sign any check for more than \$10,000.~~

~~Any check payable to the Treasurer, Executive Director, or President~~ A check signer may not sign a check payable to her/himself (with the exception of regularly recurring payments as described below) ~~requires two signatures, unless it is over \$2,000 in which case it requires three.~~

No checks shall be made payable to cash.

Regularly recurring payments (e.g. payroll, regular contracted services, etc.) shall be reviewed and authorized with signature by at least one check signer. For payments that are not recurring, the disbursement shall be reviewed and authorized with the same number of signatures required of checks of the same amount.

Treasurer

The Bylaws set out the Treasurer's primary role and duties. Additional duties of the Treasurer are:

- Serve as a member of the Finance Committee and work with them to prepare the annual budget for the Board and Congregation.
- Maintain books for general operations, capital improvements and special funds and serves as the ~~primary~~ back up check signer.
- Supervise financial assistant(s) handling church funds.
- Work closely with committees which utilize the church budget to assure that use of money is prudent.
- Does or oversees bank statement reconciliation.
- Using input from the Finance Committee establishes with Board members the yearly minimum voting requirement.

Draft Covenant of Healthy Relations for the Board and the Executive Team 5/6/10

With the mission and vision of the First UU Church of Austin uppermost in mind, we, the Board and the Executive Team, covenant with one another to:

1. Presume good faith in all our interactions
2. Publicly support one another's decisions and leadership
3. Address concerns directly with each other in a timely manner and encourage others in the church to do the same
5. Speak with one voice
6. Communicate crucial issues with one another in a timely manner
7. Have patience and trust one another explicitly as we all learn new modes of governance; we will support each other in the face of congregational misunderstandings and disagreements
8. Conduct ourselves openly and respectfully in times of agreement and disagreement
9. Agree to be called back into covenant.

Vision and Goals for the Board in 2009-2010:

- Define values/mission/vision (7)
- Begin finding ways to implement policy governance (4)
 - Board step back and let ED do his job (2)
- Support a successful interim ministry (4)
 - Better programs and ministry support
- Improve systems – office, process, information technology, etc. (3)
- Organize board procedures
- Get the library together
- Congregational education on what it means to be a UU and a church member
- Re-establish good ministry and worship
- Encourage increased engagement
- Complete healing so that we can move forward
- Participate more in caring congregation
- Enhance integration of affiliated committees and activities
- Enhance and standardize communication throughout the church
- Establish a conflict management system that meets people's needs.
- Improve board meeting process
- Harness good energy and keep moving forward
- Stewardship – name the dream and achieve it
- Finish 2009 in the black/establish balanced budget for 2010
- Begin moving toward calling a settled minister
- Better use of UUA resources – become fair share.