



First Unitarian Church of Rochester
Board of Trustees Meeting
Monday, November 13, 2023
6:30 pm

Attendance: Keith Abel, Ken Buckle, Emily Clasper, Erin Collier, Barbara Gawinski, Lynn Kinsman, Craig Lending, Robert Lyubomirsky, Carl Olsen, David Pinto, Cathy Reda-Cheplowitz, Elise Wall, Rev. Shari Halliday-Quan.

Guests: Florence Jessup, Elisabeth Halliday-Quan

Absent:

1. Establish a Quorum and Call Meeting to Order at 6:31pm — Lynn Kinsman
Timekeeper for the Meeting: Erin Collier
2. Chalice lighting – David Pinto: Reading adapted from Tracy Cochran, “Passing through the Storm,” *Parabola*, Winter 2023.
3. Consent Agenda [*Note: The consent agenda includes items that are distributed before the Board meeting and are voted on without discussion. Any Board member can request that an item be removed so that it can be discussed.*] accepted as stated below:
 - a. [BOT Oct. 9, 2023 Minutes](#)
 - b. Consent Agenda Motion – Audit Committee Membership Approval
Motion: To approve Jeff Moran, Steve Schmitt and Amy Stockwell membership in '23/24 Audit Committee.
Moved: Robert Lyubomirsky
Approved.
4. Covenant between Elisabeth Halliday-Quan and the Board of Trustees (Cathy, Keith, Ken - with guest Elisabeth)
 - a. Discussion of [draft covenant](#) with revisions suggested
 - b. Consensus reached on the Covenant as revised
 - c. Additional conversation is needed to determine the best way to communicate the purpose and content of the covenant with the larger congregation
5. Treasurer's Report (Robert and Florence) - Quarterly update
 - a. Documents:

- i. [Treasurer's Report #1](#)
 - ii. [Treasurer's Report #2](#)
 - iii. [Treasurer's Report #3](#)
 - iv. [Treasurer's Report #4](#)
- b. Financial September Report
- i. Summary Income/Expenses:
 - September Pledge Income actuals was \$3.4K less than PY YTD (Prior Year Year-to-Date). At the same time, Other Operational Income YTD is fairly flat YOY (Year-over-Year), while transfer from Restricted Fund Income is less \$20.36K from PY (but in line with the plan). Total 1Q Income is ~\$24K less than PY YTD.
 - **While YTD Expense has increased by ~\$10k from Prior Year, it is still 21.4% of Full Year Budget.** That is ahead of Time of Progression (25%), which demonstrates good expense management.
 - YTD Net Income total was \$187.75k (vs. PY YTD \$222.35K, i.e., decrease by ~\$35K).
 - ii. Summary Balance Sheet:
 - The YTD Financial Assets values have decreased \$502.26k due Market Performance (see Investment Fund performance below) and large expenditures on the Board Approved Projects (ex: Windows Restoration Projects). We are still in a very strong, healthy position with First Unitarian Church Financial Assets.
 - 1Q Investment Funds Reconciliation/Performance:
 - a. Income Endowment (IE) value decreased by (\$252.5k) predominantly due to Market Performance.
 - b. Common Fund (CF) value decreased by (\$24.26k).
- c. Update October:
- i. Pledge Income YTD will now exceed last year performance, BUT post Fall Stewardship Campaign - **the overall pledge commitment is still substantially below last year** and therefore the Executive and the BOT should continue monitoring performance & projections post 2Q and 3Q results.
- d. Progress report on open Board motions
- i. Discussion of complications that have arisen in the window replacement project
 - ii. WiFi Project new equipment and routers have been installed to improve coverage within the building. Some areas remain uncovered.
 - iii. Clarification of spending in relation to 3-year commitment to strategic initiatives rebranding project, contemporary service, and nationwide music director search
- e. Audit Committee team in place. Monitoring cadence was established with Craig and Robert. Goal to select an Audit Firm by the end of the year (i.e. make a recommendation to the Board for its acceptance).
- f. [Analysis of Pledge Giving](#) over past five years
- i. Analysis of pledge giving based on congregant's age over the past five years show a concerning trend. Over half our pledge income is now coming from congregants over age 70.

- ii. December meeting will be dedicated to discussion of this issue and the implications of the trends
6. 501(c)3 investigation report (Elise and Keith)
- a. Attempts to secure pro bono legal assistance were not successful.
 - b. We have been looking for a lawyer that deals with 501(c)(3). We tentatively have an appointment with an attorney, Elizabeth Randisi, on January 10. The initial appointment is at no charge. Another lawyer (TBD) will also be consulted.
 - c. Given the number of additional schedules, attachments, and exhibits that may be required in addition to the application itself, most Form 1023 filings range between 50-100 pages of information. The IRS estimates a preparation time of well over 100 hours for a novice to prepare Form 1023.
 - d. Professional assistance is advised for the filing process. Options for obtaining this assistance are being investigated, and will likely cost approximately \$2000-4000
 - e. The benefits of going through this process include opportunities for additional Federal grant funding to support future projects. Eligibility for grant funds is increasingly dependent on having a 501(c)3 designation.
 - f. Additional research will be done to determine the recommended next steps and associated costs.
7. Linkage Committee - Discussion
- a. We are coming to the end of a 5-7 year governance cycle The next goal is to determine how to best restart the cycle with new or revised ends based on the will of the congregation.
 - i. Has sufficient progress been made towards our current ends?
 - ii. How do we report these results to the congregation?
 - iii. What process do we need to follow to begin a new cycle?
 - b. Creating a summary of the data we have gathered regarding progress towards our ends during this cycle could serve as a conclusion of the current cycle and as a springboard to inform the beginning of a new cycle.
 - c. Next steps
 - i. Review the data we have gathered - congregational survey results, congregational feedback, etc.
 - ii. Determine what data we still need to gather
 - iii. Report this all out to the congregation
 - Use small group discussions during Connections time to present the report and gather feedback and reactions
 - iv. Use all of this as inputs to develop new ends and restart the cycle
 - d. Ends 4 - where are we with reaching out to the larger community for feedback?
 - i. Rev. Shari and the Linkages team will work together to develop questions and a strategy to engage with external stakeholders on our progress toward Ends 4
8. Minister's Report
- a. Many newcomers to our services. Attendance is still consistent with the two service

- format.
- b. Impacts of changes and challenges on staff were discussed.
 - c. Update on RE activity and proposed path towards a discernment process for the next permanent DRE
9. Other Business:
- a. Ordination of Rev. Verdis Dec. 3 afternoon - The Board's role
 - i. Contributions for gift from the congregation - Send to Anne Perry (Cash, Check, Zelle, Venmo)
 - ii. Guest housing coordination - Carl and Sue Olsen
 - iii. Photography - Cathy
 - iv. Need help coordinating reception (see Anne Perry)
 - b. Policy Governance Committee
 - i. Team has decided to reserve a monthly timeslot on each third Sunday at 2pm.
 - ii. First meeting in Oct. working on a draft of changes to charter for Crescendo Fund. Pablo also has ideas but would like to work on this after the holiday rush of special events. (We have two volunteers for the fund's committee, looking for a third.)
 - c. Enneagram discussion - Board members who have not yet done so should add their reflections.
10. Reminders:
- a. Thanksgiving Day Interfaith Service 11 am
 - i. need ushers, greeters, help with luncheon - signup form in newsletter
 - ii. uniformed security will be present at this service
 - b. New Members book signing Dec. 3 10:30 am - bringing finger foods (sign up with Shannan)
 - c. Staff Appreciation from the Board - Sat. Dec. 16 between the two evening Solstice Services. Need someone to coordinate food.
 - d. UUA Article II Study Commission has released the [revised version](#) for review and amendments. Board members should review this and become familiar with it.
11. Check out: (meeting process or sharing something you heard around church)
- a. Comments included liking the lively discussions, energy, appreciation for the team, flexibility, openness of conversations, and for the work that has been done behind the scenes. We will commit to limiting cross-talk in future meetings. Face-to-face appreciated, and sharing a meal.
12. Chalice Extinguishing – Rev. Shari Halliday-Quan

13. Adjourn. With no objection, meeting adjourned at 9:02pm

APPROVED