



First Unitarian Church of Rochester
Annual Congregational Meeting
Sunday, June 9, 2024
11:35 am in person and by Zoom

1. **Establish a Quorum** — Barbara de Leeuw, Moderator
(120 people in person and 4 people online) and Call Meeting to Order at 11:45 am
2. **Opening Words/Chalice lighting** – Rev. Shari Halliday-Quan
3. **MOTION:** To approve minutes of June 4, 2023, meeting
Moved: Gregory North Seconded: David Pinto
The motion was approved with one abstention.
4. **Annual Report** – Lynn Kinsman, President; Rev. Shari Halliday-Quan
 - Rev. Halliday-Quan shared a story from the April 8th eclipse event and the importance of sharing that experience in community. The spring seasonal theme included a cosmic element, reflecting the transformative feeling of this year.
 - Staffing changes, including the addition of Rev. Verdis Robinson as Minister for Growth and Amanda Graff as Acting Director of Religious Education puts us on the path for additional transformation
 - Thanks to all Church staff for their efforts this year
 - Special thanks to Florence Jessup for her steady support in keeping the congregation's operations going strong
 - A goodbye to Shannan Foos, who gave a unique set of gifts to the Church
 - Gratitude to the lay leaders of the Church for bringing their diverse gifts
 - Recognition of the work of the Board of Trustees
 - The coming year: continuing this transformative work and embarking on new
 - Church covenant will be developed in the Fall
 - Continuing Rev. Verdis's work to bridge who we are with who we can and will be in the future with a Podcast, the Jubilee UU Singers, and other projects
 - Continuing the work of growth and transformation with our connection with the broader community.
 - Kinsman thanked Rev. Halliday-Quan for their remarks and reflection.
 - Joyful surprises from the past year: Hosting the Interfaith Thanksgiving Day service, being one of the ordaining congregations for Rev. Verdis and the incredible service held here for that event.
 - The Board of Trustees has engaged in generative discussion and linking with the full congregation on what more we could be doing to lean into our stated mission and ends. This year, we've been inspired by meaningful conversations during the Fall and Spring stewardship drives where 95 conversations took place, at our annual Policy Governance

forum and Budget forums, and in three discussion circles and an associated poll and comments in April and May where we heard from 53 of you. The input we're hearing is that the Mission and Ends crafted in 2019 are still resonating with people, but may be due for a refresher. We also heard acknowledgement that we want to attract and retain newcomers who may have different life experiences than their own, expanding our racial, class, age, and neuro-diversity, while also attending to the particular needs of our elders who sustain us by holding our collective history. We heard that there is room to be more effective in our Social Justice initiatives and that our work in Religious Education, although on a regrowth trajectory, could be building stronger connections among our children and youth.

- These are all ambitious visions for us. To get there, we have two resource obstacles to wrestle with: one is monetary and the other is our people power.
- First resource challenge: Monetary
 - Increasing congregational giving is always our #1 goal, but we've seen that income remain flat for several years. That's a concern.
 - This year, the Board put energy around applying for 501(c)(3) status with the IRS in order to make us grant-eligible for things that could help us make our building and grounds more sustainable. Our application is awaiting approval, which we expect in the next few months.
 - This was the first full church year with our cash-on-hand acting as another income stream. Implemented during last church year by our amazing staff, the practice of managing that liquid cash for short-term earnings has been helping the income side of our budget all this year.
- Second resource challenge: Our people power
 - Thanks expressed to the church staff for their dedication and commitment to the church.
 - One of the key learnings from our interim period with Rev. Joel Miller, before Rev. Shari's arrival, was that this church has a history of depending too heavily on its staff and that expectations had to be adjusted. We've made strides toward improvement in this area, but it would serve us well to think more like a church where "we the people" feel the responsibility and empowerment to "be the church." We have a few people doing a lot of the work. Church is a place where you get more when you give more and individuals are called to do the work., and we have capacity that we haven't accessed yet.
 - Sustaining a high-caliber staff presents challenges. In the coming months, the Board, along with Rev. Shari, will be reimagining both financial and people resources to tap into sources that are currently locked up. We can leverage funds we already have in better ways. We can imagine new ways to connect people to tasks that need doing. There are new roles we haven't even thought of yet that might fit better with the people we have.
- Legos symbolize that we all have a block to bring. We all need to be part of building the scaffolding that supports the work of this community. The Board partnering with Rev. Shari and the staff - can help everyone find their block so you all can add it to our foundation. It is the job of the board to articulate the vision held collectively by the congregation and to support our lead minister in striving toward it. We promise to be creative in how we do that in the coming year.
- Thanks expressed to the congregation and Rev. Shari for the wonderful opportunity to be your President this year and the mutual support we gave each other during the ups and downs of these many months.

5. **Elections:** Leadership Nominating Committee Report and Elections - Nancy Wesson and Kristina Williams
- President (1-Year term): Lynn Kinsman
 - Treasurer (2-yr term): Craig Lending
 - 3 Trustees (3-year term): Lynette Blake, Mariane Randall, Cathy Reda-Cheplowitz
 - 1 Trustee (1-year term, completing the term of Craig Lending): Ernesto Michelucci
 - Moderator (2-yr term): Tim Farnum
 - Leadership Nominating Committee (2-yr term): Ira Stole, Christopher Cooper
 - Recognition of outgoing elected officials:
 - Treasurer - Robert Lyubomirsky (5 years)
 - Trustees - Ken Buckle (6 years), Barbara Gawinski (3 years)
 - NomCom members - Nancy Wesson and Kristina Williams (2 years)
 - Moderator - Barbara deLeeuw (6 years)

Nominees accepted by the congregation by acclamation.

6. **Budget July 1, 2024-June 30, 2025.** Rev. Shari Halliday-Quan, Robert Lyubomirsky, Treasurer & Florence Jessup, Director of Operations [LINK TO PRESENTATION](#)

- Treasurer Robert Lyubomirsky gives gratitude to The Board, Rev. Shari Halliday-Quan and Director of Operations Florence Jessup who is responsible for all the background work for this budget and presentation. Craig Lending will assume the role of Treasurer.
- This budget was presented to the Board who found it to reflect our values, mission, and ends. Congregants were shown the budget proposal in the Budget forums, and are welcome to ask additional questions.
- Graphic presented to show Long-Term reserve growth (more than 4x growth since 2012) and short-term reserve (3x growth since 2012)
- The balance sheet and investments are strong.
- Long-term reserves are largely funded by bequests and aided by market performance. The income endowment fund has grown.
- Rev. Halliday-Quan reports that we are ending the year in a strong financial position
- We are anticipating that we will exceed the budgeted pledge income and return money to the reserve
- Unanticipated, growing expenses caused the reduction in staff hours
- The Budget relies more and more on passive income, but we have many new donors
- We are committed to creating a budget based on our mission, values, and Ends and serves the spiritual needs of all members of the congregation
- Digital ministry and relationships with sibling congregations are important and evolving
- We are in a multi-year process of realigning our staff compensation model with national and UUA best practices
- Re. Verdis will continue his work to encourage growth
- A transfer for the Operating Cash Reserve will help to balance the budget
- Florence Jessup presented third third-quarter balance sheet and fourth-quarter projections
- We are returning approximately \$60,000 - 65,000 to the operating reserve due to vacancy savings, the exact amount to be determined
- Rev. Shari presented Key Assumptions that go into the development of the budget:

- The Ends of the Church
- Staff are a critical part of how we do our work and are prioritized to retain positions, including giving a Cost of Living Adjustment to those staff who did not get one last year
- We need to take wise risks - made possible through a projected increase in pledge donations
- One service through the summer, two services in the Fall
- Additional programming outside of Sundays to meet diverse needs
- Newer members tend to give at lower levels initially, and this aligns with the economic realities of those currently in their 30's and 40's
- Rental Income -
 - Winton Rd Nursery School change in terms of contract moves responsibility for cleaning to the tenant, reducing the amount of rent collected. This is offset in expenses by a reduction in maintenance expenses
- Operating Cash is being managed as a source of income
- Projecting at least a 12% increase in the cost of health insurance in the coming year.
- RE Staffing - one position will not be backfilled, resulting in a slight increase in the budget line for that.
- Pledge income is being managed in a less conservative manner, assuming more risk to reap more potential benefits while we are in a strong financial position.
- The stewardship team has changed the way pledges are recorded to ensure more accuracy in projections in what will be collected.
- Plate collections have done well this year
- Increase in Income Endowment draw based on the growth of the Endowment
- \$1.2 Million income anticipated based on projections
- Expenses impacted by increases in employee benefits, additional staff development and leadership. Staff recognition budget line to allow for one-time recognition of their efforts for staff who do not receive a Cost of Living Adjustment.
- The generosity of congregants has been essential to the construction of this budget. The Fall stewardship campaign will help to make this projected budget a reality.
- This is a balanced budget
- Based on UUA guidelines for internal equity, Senior Minister proposed compensation to remain flat.

2024-2025 Budget and Motions (*Treasurer & Director of Operations*)

Approve senior minister's compensation:

Senior Minister Compensation	Current 2023- 2024 Budget	Proposed 2024- 2025 Budget
Salary + Housing	\$112,405.00	\$112,405.00
Professional	\$20,298.98	\$20,299.00
Expenses Total	\$132,703.98	\$132,704.00

Approve total budget:

OPERATING INCOME	
Category	Proposed Budget 2024/25 (7/1/24-6/30/25)
Total Pledges	\$680,000.00
Total Other Ops/General Income	\$136,718.00
Total Transfer From Restricted Funds	\$401,120.00
Total	\$1,217,838.00

OPERATING EXPENSE	
Category	Proposed Budget 2024/25 (7/1/24-6/30/25)
Administrative & Finance	\$253,744.00
Building Operations	\$221,412.00
Denominational	\$67,217.00
Child Religious Education	\$97,078.00
Social Justice	\$5,227.00
Leadership/Governance	\$9,700.00
Congregational Care/Outreach	\$46,360.00
Worship, Music & Arts	\$103,230.00
Ministerial Staff	\$232,206.00
Staff Benefits	\$181,664.00
Total	\$1,217,838.00

MOTION: To approve the 2024-2025 Senior Minister's compensation (Salary + Housing) & Professional Expenses in the amount of \$132,704.00

Motion from the Board does not require a second, however, Robert Lyubomirsky offered to make

the motion and Gregory North offered to second.

The motion was approved.

MOTION: To approve the budget for the 2024-2025 fiscal year

Moved by the Board of Trustees. *Motion from the Board does not require a second.*

The motion was approved.

7. Announcements and Thanks

- Barbara deLeeuw thanked Tim Farnum for taking on the role of moderator for the coming year and transferred the gavel to him.
- Lynn Kinsman expressed gratitude to Barbara deLeeuw for her many years of hard work. Over the past 15 years, Barbara has been a Board Member, Vice President, President, and now Moderator for the last 6 years. She was a leader of our bylaws revisioning, leader of the People of Color Soul Matters group, and a contributor to Soul Matters packets. Barbara's deep commitment to Unitarian Universalism shows through her current work on the UUA Board where she is leading an initiative to revise the UUA bylaws
- Congregants present in person are invited to add their Lego block to the tower being built in the sanctuary to symbolize the congregation working together to build our vision.
- Barbara deLeeuw thanked the delegates to the UUA

8. Adjourn

Moved: Barbara deLeeuw Second: Emily Clasper

There being no further business and with no objection, the meeting adjourned at 1:05pm

Respectfully submitted,
Emily E. Clasper, Clerk