

FIRST UNITARIAN CHURCH
Congregational Meeting Minutes
Date: September 23, 2018

Call to Order: Board of Trustees President Dan Schneider welcomed the congregation and called the meeting to order at 11:37am.

Adoption of Agenda: Dan reported the following changes in the meeting agenda: Dennis Finney will not be part of the team presenting the Financial Report (presenters will be Dick Miltner and Carrie Spiess); and Dan will report for the Endowment Fund instead of Dave Wallace. John Schlipf moved and Karen Rohrer seconded the adoption of the proposed agenda with changes. Unanimous approval.

Approval of Minutes: Cynthia Heinrich moved and Patricia Rohrer seconded approval of the minutes of the May 20, 2018 congregational meeting. Unanimous approval.

Registrar's Report: Linda Miltner reported that the following three members were attending their first congregational meeting and establishing their voting privileges: Micki Shea, Kari Morehouse, and Mark Guttman. Since the church year began on July 1, 2018, we have had no new members and no losses. The current active membership is 290.

Minister's Report: Rev. Connie greeted her new congregation with warm wishes and reported that the first sixty days as our new minister have been very busy. In addition to settling into her new home, Rev. Connie has begun to settle into her new church home. She reported that there are unique challenges and opportunities in any new ministry – especially with a new minister who is also a person of color. She has spent time with each of the staff and by necessity much of that time was spent on work that needed to be done immediately. She looks forward to the coming weeks when she and the staff will have more time to do in-depth discussion and planning. Rev. Connie also began regular meetings with the Board President and attended the Board retreat. She also reported that she attended the following committee meetings: Social Justice, Communications, Membership, Worship, Family Programming and MVP.

Rev. Connie said that she continues to review our overall worship program and has made some changes to the Order of Service, added a year-long worship calendar, and plans to implement a worship associate program and vespers service. She also reported that she has seen an increase in requests for pastoral care and plans to work closely with Extended Care to coordinate pastoral care as needed.

Rev. Connie advised the congregation that she will also focus her time on the following areas: Preliminary Fellowship, On-boarding Weekend, and her Installation. Preliminary Fellowship is the pathway Rev. Connie will follow to complete her ministerial credentialing and requires her

to develop a Committee on Ministry (COM) made up of congregants who will advise her during this process, as well as required readings and coursework. This process will take Rev. Connie several years to complete.

The On-boarding Weekend is scheduled for Friday and Saturday, September 28-29, and will be led by Rev. Lisa Presley, UUA MidAmerica Region, and Rev. Darrick Jackson, Interim Associate Executive Director of the UU Ministers Association. Rev. Jackson has agreed to serve as the minister of color co-facilitator. The Unitarian Universalist Association (UUA) does this process every time a congregation calls a new minister. The Friday evening session will be open to all members of the congregation and the Saturday all-day session will be for the minister and board members. The content for both sessions will be developed by the co-facilitators, but the goal of the weekend is to provide a space for all to reflect on the past and plan for the future.

Rev. Connie reports that she is very excited about her installation on Sunday, October 28 at 4p.m. This joyous occasion – filled with special music and spoken messages from UUs near and far – will mark First Church’s commitment to the new minister. We are especially fortunate that former First Church member and UUA president Rev. William Sinkford will be present. A reception for all will follow.

Rev. Connie concluded her report with one of the Board goals that was developed at the Board Retreat on September 18th. The goal is “Create a process to establish an Anti-Racism, Anti-Oppression, and Multiculturalism (ARAOMC) Team for the congregation”. The team (David Johnson, Patricia Rohrer, Linnea Lose, and Rev. Connie) will ensure that First Church is recognized as a Welcoming Congregation and address supremacy and other anti-oppressions issues.

Board President’s Update - Board Goals for 2018/2019: Dan reported that during the annual Board Retreat and the On-boarding Weekend, it became very clear to him that the Board is very dedicated to ensuring that Rev. Connie has all the support she needs to be successful, especially during her first year. He feels that First Church is being closely watched by the UUA not only to assess the on-boarding of a new minister of color, but carefully looking at First Church’s anti-racism, anti-oppression and multicultural work. Dan encouraged all members to pull together and demonstrate our determination to be successful, and as a good starting point, Dan invited all the members present to join the activities of the On-boarding Weekend.

Dan also reported that the Board developed its 2018/2019 Board Goals at the annual Board Retreat. Although the board goals do not have specific dates attached at this time, Dan advised the First Church members that the goals carefully outline the Board’s priorities, especially the necessary support to ensure Rev. Connie’s ease with transition and on-going success. (See attached list of Board Goals)

Midwest Leadership School Report: As a new Board member, Denys Steele was offered the opportunity to attend a training at the Midwest Leadership School and reported that the week-long experience was transformative. Lectures covered a wide span of information that included: Religious Values and Heritage, Myers Brigs, Typology, White Supremacy, Developing Covenant, Mission Statement, and Compassion with Behaviors. The training offered worship services twice a day prepared by participants in the program and many opportunities to form deep connections. Despite the busy structure of the day, Denys reported that there was less structured time at day's end which allowed for time to enjoy the other participants company and time for person reflection. Denys deeply thanked the congregation for this invaluable experience and knows that the knowledge she gained and the connections she made will enhance her skills as a Board member. Denys acknowledges that this type of training is an investment in the future of our church and money well spent in ensuring the longevity of our congregation.

Financial Reports:

Capital Report and Operations Manager: Carrie reported that the capital budget revenue included distributions from the Endowment Fund's two building accounts, proceeds from the annual Heart and Hand auction, and this year two additional sources of income from Ohio Department of Transportation (ODOT) and an anonymous donation. The account balance at the end of FY18 was \$33,555 and remains consistent with carryovers from recent years. On the expense side, in FY18, 13 projects were completed totaling \$31,929, which was a new high in annual spending on capital projects. Also, \$38,640 went to pay the mortgage remaining from a previous capital campaign. Carrie advised the congregation that the Board has been able to keep a balance of about \$30,000 for building emergencies based on best practices, through continued good budgeting and accounting practices that lays a foundation for long-term stability and sustainability of the church. She also reported that in 2015, the Building & Grounds Committee had a capital reserves study conducted for First Church by professionals and this study continues to guide building maintenance decisions today.

Carrie also reported that as a continued commitment to best practices and in collaboration with the Finance Committee, she made a recommendation to integrate the church's financial software systems and with Board approval started a multi-step conversion process. The integration of payroll, accounting, and banking will allow for real-time monthly reports to the Board, as well as saving hours of administrative time. Future improvements will include real-time secure access to a member's pledge status, allowing for a digital record of each member's activities. This will be an opt-in, free service to each member and will begin with a pilot program over the next several months.

Carrie reported that the Human Resources Committee continues its commitment to an overall plan to achieve salary protocols within the UUS recommended guidelines based on our Geo Index. The intent is to help First Church attract and maintain excellent staff.

In conclusion, Carrie thanked Dennis Finney and Dick Miltner for their continued dedication to integrity, maintaining internal controls to prevent fraud, putting in countless hours, as well as preparing reports with a focus on providing transparency. Carrie acknowledged and thanked the Board leadership under Shelly Wallace, the new Board leadership under Dan Schneider, as well as the Finance Committee for their collective support in providing resources to ensure the day to day operational integrity of First Church. Lastly, Carrie thanked the Ministerial Search Committee (MSC) and the congregation for bringing Rev. Connie to First Church at this moment in time. Rev. Connie has provided solid leadership in the short time since she arrived.

Treasurer's Report: Dick reported that at the end of FY18, assets were as follows: the church held \$301,847 at PNC Bank and \$10,000 of this is always held in the church's checking account and the balance in an interest bearing savings account.

Of this total, \$202,878 was **restricted** in use:

1. \$33,555 represented the amount held in the Capital Fund for building emergencies;
2. \$68,142 in bequests fell to \$18,742 at year's end as \$49,020 was used to replace the boiler and water heater with high-efficiency units;
3. The last quarter of FY18, the church received multiple donations with attached restrictions that totaled \$46,577;
4. Long standing restricted funds totaled \$22,578 and these are for the use of the committees and the Minister outside the operating budget;
5. Future year (FY19 and FY20) pledge payments received in FY18 totaled \$63,630;
6. With the widening of Reading Road and the loss of some church property, the church received \$11,900 from the Ohio Department of Transportation in FY17. In FY18, \$2,344 was used for playground fencing and the balance is held in the treasury for future audio/visual upgrades;
7. \$3,871 was unspent by the Ministerial Search Committee and it will be used to partially fund Rev. Connie's installation in FY19 and matched with funds taken from the General Fund;
8. \$4,000 remained in the Board's Growth Initiative to be distributed by the Board to members, committee and staff piloting efforts outside the operating budget; and
9. Sound tech fee are collected from building renters and during the FY some of these fees were used for sanctuary sound system upgrades (not shown in the capital budget).

With \$202,878 in restricted use, there was \$98,969 for **unrestricted** use. This \$98,969 resides in the General Fund which supports the operating budget. It represents 2.74 months of operating expenses in reserve. This varied from 2.74 months to 4.36 months in reserve throughout the FY.

Operating Budget:

Per Dick, in May of last year, the congregation voted in a balanced budget for FY18 and as of the close of FY18, the church had a surplus of \$6,711. Dick reported that \$367,933 of the \$383,763 budgeted pledges was collected for a high pledge collection of 95.9%. Dick thanked the Canvass Co-Chairs (Ray Sinclair and Lisa Davis Roberts) for their strong understanding of stewardship and leadership. Other revenues included plate collections (\$6,591), donations (\$14,095 which exceeded budgeted amount by \$5,095), building rental (\$26,145 which exceeded the budgeted amount by \$8,145), Endowment Fund revenue and other revenues. Expenses too were less than expected and the most notable areas that were under budget were in health insurance, gas and electric costs. Health insurance was lower due to the minister going to Medicare coverage and the new boiler and water heater system impacted the gas and electric costs. Overall expenses were \$12,103 less than projected. With savings in expenses below that which was budgeted coupled with a healthy revenue side, the church was able to realize an end-of-year surplus.

Dick thanked the finance team partners (Operations Manager Carrie Spiess, Finance Committee and Chair Dennis Finney and Board President Shelly Wallace) for all their dedication, guidance, and responsiveness to the financial needs of First Church. Dick also thanked the members of the Ministerial Search Committee and the congregation for bringing Rev. Connie as the new settled minister.

During a discussion after the financial reports, several issues were raised about the janitorial contract (listed under Other Operational Expenses) and Carrie said that she would look into the matter and get back to the congregation.

Endowment Fund Report: Dan reported that the Endowment Fund grew modestly in FY18 due primarily to positive market returns but also from donations. The Endowment Fund Total as of June 30, 2108 was \$1,144,310. The Endowment Fund contribution to the Church for FY18 was \$42,892 and after member's pledges, this distribution continuous to be the second largest source of revenue to the Church.

The distributions for FY18 include the following: Historical Building Account was \$34,374 (go to capital budget); Restated Building Account was \$3,233 (go to capital budget); Outreach Account was \$1,795 (for Social Justice Committee's operating budget); General Account was \$1,484 (go

to operating budget); and Religious Education Account was \$592 (support Family Programming Committee's operating budget).

Dan reported that Legacy Society members have made significant contributions to the Fund or have notified the Endowment Fund Trustees that they have included the Endowment Fund in their estate plans. The Trustees have prioritized their work for FT19 and recruiting new members to the Legacy Society will be one of their main focuses.

Froehlich Estate Report: As General Counsel for First Church, Steve Olden reported First Church is one of the beneficiaries of the Phil and Doris Froehlich estate; however upon their deaths it was discovered that the Froehlich's had been swindled out of \$500,000 - the bulk of their estate - by unscrupulous financial planners. First Church was to receive 50% of the estate assets. First Church, with approval from the Board of Trustees, decided to sue the financial planner and others who convinced the Froehlichs to convert their existing assets into annuities with a company that then went bankrupt. First Church hired The Blessing Law Firm as their attorney and a case has been filed and placed on the Court of Common Pleas, Hamilton County. A trial date is set for February 25, 2019 (First Unitarian Church of Cincinnati vs Louis Randall Siciliano, et al). The Blessing Law Firm discovered that Mr. Siciliano was insured and these are the funds that will be tapped in the lawsuit. The deposition and discovery work is mostly completed and Steve believes that the case may be settled before the trial date.

Installation Service Report: Barb Rider reported has been busy planning Rev. Connie's installation service. The service will take place on October 28, 2018 at 4:00p.m. The installation will take place in the sanctuary of First Church and a reception will follow across Reading Road at the University of Cincinnati's Innovation Hub. The theme for the day will be **A New Beginning**. UU's near and far will be invited to the service. Rev. Connie has developed an invitation list of colleagues, family, and friends. The service will be filled with music, readings, inspirational works, testimonials, and good wishes. Rev. Bill Sinkford, former UUA President and member of First Church, will deliver the sermon. All are welcome; this will be a great event.

Comments and Questions: Dan reminded all the members to be sure to take a copy of First Unitarian of Cincinnati Annual Reports 2017-2018 to review all the work and activities of the past church year.

Adjournment: At 12:35, Dan adjourned the September 23, 2018 Annual Meeting.