

Birmingham Unitarian Church
Board of Trustees
Meeting Minutes
January 27, 2025

Present: Donna Cunningham, Mary Jo Ebert, Keith Ensroth, Art Hillman, Claudia Kocher, Tanya Nordhaus, Brian Schandavel Diane Slon, Amy Smalley, Rev. Connie Grant

Visitors: Kimery Campbell, Marilyn Mast, Jane O'Neil, Cynthia Osterhage, Chris Slon

The meeting was held both in person and on Zoom.

Diane called the meeting to order at 7:02 PM. Amy read the Board Covenant.

Rev. Connie led the chalice lighting and check-in.

Minutes

- Mary Jo moved that the minutes of the December 16, 2024, board meeting be accepted.
- The motion passed unanimously.

Monthly Reports

1. Treasurer's Report – Keith

- Amy moved that the Treasurer's report be accepted.
- Keith presented the Treasurer's report (document attached)
- Re: pledges at risk, Rev. Connie proposed that she and Valerie reach out to the main ten pledgers, as an administrative/pastoral call.
- Keith noted that this is the point where we discover people who may have left the church.
- Re: endowment draws, Keith moved to go forward with general and music endowment draws and hold on memorial glen until Keith meets with Buildings & Grounds to get their needs for the year. If they need less than \$5k, we will not take the draw this year. The motion passed unanimously.
- The motion to approve the Treasurer's report passed unanimously.

2. Minister's Report – Rev. Connie

- Rev. Connie presented the Minister's report (document attached)
- Re: Interim progress appraisal that is due now Rev. Connie proposed that everyone jot down responses and send to the secretary for compilation.
- Target to discuss our comments is the February meeting. Amy will create Google form and send it out to everyone for their responses.
- Rev. Connie revisited the need to revise the bylaws and policies.(e.g., defining voting members, inactive members). Some things are unnecessary, some unclear.
 - Sylvia Whitmer, Marilyn Kelly, Art Hillman, Brian Schandavel, and Amy Smalley comprise this team.

- Connie will send the team documents to review. Hotchkiss's *Governance and Ministry* is a good place to start on policies. We will start by reading the bylaws and note what is not clear about items (e.g., membership). Voting eligibility is not clear.
- The team will meet in person to start, then homework and zoom meetings to follow.
- It was noted that some things are in bylaws and policies. Connie: indicated that the group will eliminate redundancies and make definitions clearer.
- Ministerial Search
 - Diane participated in the Mid-America call last week. Sharon Dittmar indicated that the search process is in flux.
 - BUC's by-laws state that the committee has seven members: 4 elected by the congregation, 3 appointed by the Board.
 - The recommended process for finding committee candidates is to get recommendations from the congregation by asking, "Who would you trust to perform this important function?" The Board then tallies those and balances that out with respect to demographics and experience. The Board must also make sure those people are willing to serve.
 - If we decide to do a contract minister, or contract-to-call, the advantages are (1) the search process is cheaper since there are no candidating weekends, (2) it is an opportunity to try someone out and see if they are a good fit. Not the same level of commitment but still need to make a careful selection. Start with one year with an option to renew.
 - For a contract minister, the candidate expresses interest, and the congregation sees if they are interested. Currently, the UUA is encouraging congregations to keep to same time frame, but this may change in the next year before we are actively searching.
 - Connie would lean toward recommending that we do a contract ministry search. She has heard that the candidate pool is smaller, as many ministers have left. As the pool diminishes, making the right matches is harder.
 - Last year, the Board had talked about doing a developmental ministry followed by a settled ministry. Rev. Connie noted that a developmental ministry is focused on a particular issue we need to work on.
 - Transitional ministers meet in April; hopefully, we will know more by then. Regardless of type, will need to have people in place by May. We also need to be mindful that because a settled search is much more demanding, people might be willing to do one but not the other.
 - We need to clarify in the bylaws that the minister is the executive regardless of ministry type; the Board would fulfill executive duties in the absence of a minister.
 - The Board will revisit the ministerial search in February.

Open Business

1. Strategic Planning Update – Chris Slon (see attached)
 - In November, the Task Force presented an overview of strategic planning based on *Holy Conversations*. Today, they have returned with the timeline we requested.
 - Task force is not the committee. We need to educate the congregation about strategic planning and then start choosing candidates. The Board will select and invite them.
 - Board will have a significant role in defining objectives in 2026.
 - Evaluation stage is iterative. Task force envisions having a mechanism to compare the plan to our performance. If there is a gap, does the plan need changing or do we need to address performance?
 - Discussion:
 - A question arose whether the Implementation line includes how we spend our money, given that we start a new budget year in July. Chris indicated that this includes all resources. Priorities might change the budget process. Strategic planning will need to align with other functions (e.g., NomCom). The committee can the adjust timeline to fit other activities at BUC.
 - It was asked how this work will dovetail with actual ministerial search process and the activities needed around that--will it be redundant? Can it be complementary? Chris responded that the activities need coordination and communication.
 - A question was raised whether the Task Force's knowledge can be easily communicated to the committee, so they do not have to start at the beginning. Chris noted that the documents the task force has are very approachable. The Committee should be people who can get the job done: members should be able to pull in all the voices but even if they do not necessarily represent all of them. Project Management, writing, and communication skills are required.
 - It was asked if the Task Force could provide a synopsis of the *Holy Conversations* approach to selecting committee members, as it could help identify candidates for NomCom and ministerial search as well. Chris agreed to do that but recalled our November discussion about surveying the skill set of the congregation. Mary Jo, who had taken the survey as a to-do, will pursue. Across the board, it would be useful to have a sense of what people can do.
 - Keith made a motion to approve the Task Force's work and direct them to formally begin the strategic planning process. The motion was approved unanimously.
 - The Task Force was asked to come back to the Board with summary of how to choose people and then discuss what groups to pull in.
2. Future Town Hall Dates – Diane
 - February – no town hall because of Stewardship kickoff.
 - March – the third week is Stewardship dessert event. Board will provide a ten-minute update.

Issues Arising for the Good of the Church

1. Thank you notes. Amy distributed thank-you notes to the volunteers willing to write notes to congregants who made year-end gifts. Amy will send names and a sample script tomorrow.

Visitor Comments/Questions

1. Cynthia: She is hearing the Board state a need to populate three diverse groups: Strategic planning, search, and NomCom. There may be people who come up in more than one of those categories; there needs to be a communication mechanism to get people into the roles where they can best serve. Rev. Connie noted that as part of revising bylaws, we may want to reduce the size of the board to seven given our size.
2. Jane: NomCom needs 10 people, which Rev. Connie agreed is also a lot. Marilyn stated that NomCom still looking at the list of eligible people. We can consider having a separate vote to reduce the sizes of NomCom and the Board.

Tanya moved to adjourn. The motion passed unanimously, and the meeting was adjourned at 8:32 PM.

Respectfully submitted,
Amy Smalley, Secretary

Treasurer's Report

DECEMBER 2024

KEITH ENSROTH



Highlights For the Month

We did an analysis of pledges by pledge unit (names anonymized).


We also did a deep-dive to a more detailed level to look for over/under budget items that don't show up well at the high level.

We discovered both additional expenses and additional revenue.

- Biggest expense increases are Cleaning Services and Valerie's promotion.
- Biggest additional revenue is from increase in pledge income. (See next slide.)

While still have a deficit budget, we have a complete path to closing the deficit due to the \$57K COVID money and the \$26K year-end gifts.

Cost saving initiatives haven't turned up many additional savings yet.

- There are no better insurance options.
 - Other areas still under investigation.
- 

Pledge Analysis

With a \$450K goal for the pledge drive, we budgeted for \$430,000, a 5% buffer rounded to the nearest \$10,000. This was our best estimate at the time that several dozen pledge units had not yet committed.

The total pledged amounts ended up at slightly more than \$460K.

So far, we have received \$305K, including some early January payments.

11 pledge units have already given more than their pledged amount, for a total of \$9K.

4 pledge units, 3 monthly and 1 quarterly, have paid ahead of their committed dates. This only accounts for \$2K of income we have received early.

In summary,

- The increase we've been following is not due as much to people paying ahead; it is due to some very generous people paying more than they pledged.
- We have moved our forecast of pledge income from \$430K to \$449K.

Birmingham Unitarian Church
FY 24/25 MTD & YTD Financial Statements
6 Month Endings - December 31, 2024

	F/(U)			F/(U)			Budget FYE Jun-25	6 + 6 FYE Jun-25
	Actuals	Budgets	Variance	Actual	Budget	Variance		
	MTD Dec-24	MTD Dec-24		FY 24/25 YTD Dec-24	FY 24/25 YTD Dec-24			
OPERATING REVENUES:								
PLEDGES - PRIOR YEAR	50	0	50	7,415	15,000	(7,585)	15,000	7,415
PLEDGES - CURRENT YEAR	30,689	48,905	(18,216)	248,222	236,646	11,576	430,000	449,000
PLATE COLLECTION	4,064	2,500	1,564	17,748	15,000	2,748	30,000	30,000
MEMORIAL GLEN	600	350	250	2,950	350	2,600	700	2,950
SPECIAL MUSIC	0	0	0	0	0	0	2,500	2,500
CoA, <u>net</u>	(106)	50	(156)	783	50	733	1,700	1,700
GUUSH, <u>net</u>	(20)	0	(20)	(20)	0	(20)	950	950
SCRIP, <u>net</u>	182	117	65	811	700	111	1,400	1,400
RUMMAGE, <u>net</u>	0	0	0	65	0	65	17,000	17,000
OTHER FUNDRAISING	(500)	2,150	(2,650)	1,046	4,300	(3,254)	8,600	8,600
COMM. FOUND. SE MI DRAW	0	0	0	0	0	0	36,403	36,403
GEN. ENDOW. ANNUAL DRAW	0	0	0	0	0	0	24,042	24,042
RENTALS	12,657	4,167	8,491	41,015	25,000	16,015	50,000	60,000
CAPITAL EXPENDITURES		0		0	0		0	0
OTHER INCOME:								
ERTC	0	0	0	0	0	0	0	57,531
Non-Pledge Contribution	21,540	500	21,040	25,970	2,000	23,970	5,000	26,000
Bequest	0	0	0	0	0	0	0	0
Reimbursements	0	10	(10)	0	20	(20)	25	25
Newsletter Ads	0	0	0	0	0	0	0	0
Green Sanctuary, <u>net</u>	0	0	0	0	0	0	0	0
UFO - Other, <u>net</u>	0	0	0	0	0	0	0	0
UFO - Bake-Off, <u>net</u>	0	0	0	0	0	0	0	0
RE - Scholarships, <u>net</u>	0	0	0	0	0	0	0	0
Emerging Needs	0	0	0	100	0	100	0	0
MAMA'S Coffee House, <u>net</u>	0	222	(222)	515	889	(374)	2,000	2,000
Art Committee	0	0	0	0	0	0	0	0
Coffee Hour Supplies, <u>net</u>	(227)	(133)	(94)	(675)	(800)	(75)	(1,600)	(1,600)
Building Projects	0	0	0	0	0	0	0	0
Sunday Flowers, <u>net</u>	(145)	10	(155)	(20)	(10)	(10)	(150)	(150)
Social Justice Discretionary	0	0	0	0	0	0	0	0
Memorial Glen Endowment Draw	0	0	0	0	0	0	2,300	2,300
Memorial Tributes	0	0	0	440	0	440	0	0
Communities United WHRC	0	0	0	0	0	0	0	0
General Endowment Income	0	0	0	965	0	965	0	0
Music Endowment Income	0	0	0	0	0	0	0	0
420,999 Desig Inc trf to Payabl - <u>excl.</u> Cap Camp '14	0	0	0	0	0	0	0	0
NET REVENUES:	68,784	58,847	9,937	347,128	299,145	47,984	625,870	728,086
OPERATING EXPENSES:								
TOTAL DESIGNATED EXPENSES:	6,213	2,600	(3,613)	17,694	15,850	(2,134)	33,500	34,650
TOTAL RELIGIOUS EDUCATION:	5,187	5,189	2	30,096	31,132	1,033	62,314	62,682
TOTAL OFFICE / FACILITIES STAFF:	19,007	19,499	492	112,358	113,495	1,137	228,489	230,141
TOTAL MINISTER EXPENSES:	14,560	15,509	949	77,507	79,041	1,534	167,295	171,163
TOTAL FELLOWSHIP / FUNDRAISING:	906	1,167	260	2,544	4,000	1,456	10,200	10,200
TOTAL FACILITY & OFFICE:	10,835	14,267	3,632	78,781	76,400	(2,381)	148,200	170,950
1ST MERCHANT DEBT SERVICE - INTEREST	1,937	3,200	1,264	11,918	19,200	7,282	38,400	38,400
DEPRECIATION - BUILDING	1,667	0	(1,667)	10,002	0	(10,002)	0	0
TOTAL OPERATING EXPENSES:	60,112	61,430	1,318	341,191	339,117	(2,074)	688,398	727,186
OPERATING INCOME	8,672	(2,583)	11,255	5,938	(39,972)	45,910	(62,528)	881
*CASH FLOW * ADJUSTMENTS TO OPERATING INCOME								
DEPRECIATION - BUILDING (+)	1,667	0	1,667	10,002	0	10,002	0	0
1ST MERCHANT DEBT SERVICE - PRINCIPAL (-)	(1,190)	0	(1,190)	(6,840)	0	(6,840)	0	0
TOTAL ADJUSTMENTS	477	0	477	3,162	0	3,162	0	0
ADJUSTED OPERATING INCOME	9,149	(2,583)	11,732	9,100	(39,972)	49,072	(62,528)	881

Pledge Risk

22 pledge units are at risk for a total of \$20,000.

- 10 of them pledged to send in their payments monthly, quarterly, or semi-annually but haven't sent in any payments yet (\$12,000 of the pledge money at risk). I would consider these at great risk given that they have missed between 1 and 6 payments.
- The remaining 12 pledged \$8,000 in total to pay annually but did not specify a date, or the date that they have specified has passed.
- Note: 11 pledge units that specified annually also specified a date that is later in the year. I don't consider those at risk, not that they couldn't be.

I would recommend that we call at least the first 10 at highest risk, and if possible, the other 12, to find out if they still plan to contribute.

What does this tell us when it comes to determining a buffer for the 2025/2026 pledge drive?

Endowment Draws – BUC Constitution

ARTICLE XIV. ENDOWMENT FUNDS

5. The committee shall distribute to the society annually out of the balance of the General Endowment Fund and the Music Endowment Fund a percentage of their value as of December 31 of the prior year, as follows:
 - a. General Endowment Fund: 1% when year-end balance is \$0-\$100,000;
2% when year-end balance is \$100,001-\$250,000;
3% when year-end balance is \$250,001-\$500,000;
4% when year-end balance is \$500,001-\$1,000,000;
5% when year-end balance is >\$1,000,000.
 - b. Music Endowment Fund: 5% of the year-end balance.
6. The committee may distribute to the society annually out of the Memorial Glen Endowment Fund 5% percent of the fund's balance as of December 31 of the prior year; however,
 - a. the distribution shall not reduce the fund below its balance as of January 1 of the prior year unless the amount in the fund exceeds the long term needs of the fund as determined by the Memorial Glen policies and the executive.
 - i. if past annual disbursements have not been requested or paid out, those past distributions may be added to the current year's disbursement.

Endowment Draws - This Year's Numbers Board Decision Needed

Proposed Draws Per Valerie Phillips

- **General Endowment** 4% of year end total of \$633,689.60 is **\$25,347.58**
- **Music Endowment** 5% of year end total of \$52,572.39 is **\$2,628.62**
- **Memorial Glen Endowment** 5% of year end total of \$49,465.25 is **\$2,473.26**. If we take this withdrawal, the balance (\$46,991.99) will NOT be below the balance as of January 1, 2024 (\$46,751.26), but really, just barely.

The first two are basically a given unless there are exceptional circumstances.

The last one is up to the board to decide.

- We had budgeted to receive \$700 in revenue for the Memorial Glen.
- We have already received \$2,950.
- We also have \$2,441 set aside in a restricted expense.
- With \$5,391 in available funds, do we need to take this year's withdrawal?

2024-01-27

Report to Board of Trustees

From Rev. Connie Grant

Interim Progress Appraisal

Interim Progress Appraisals are a time for the board and leadership to reflect with the minister on the joint work of interim ministry. How well are the leadership and interim minister working on the tasks of interim ministry? What needed more work than expected? Where does work need to begin? Is the process moving along well? The appraisals should be approached as a conversation between leaders and the interim. The UUA Transitions Team likes to have copies of the appraisals to learn about the congregation's readiness for settled ministry and to see how self-reflective and open the interim minister and congregation are as they move forward. They are not meant as an evaluation of the interim minister. The evaluation from the congregation should be done as a group, with one form submitted on behalf of the leadership after consultation with the minister. The interim minister should also consult with the board before submitting their own interim ministry appraisal. Cycles For a 24-month interim ministry The appraisals are due: 1. six months after the start date 2. twelve months after the start date (good to begin a church year with reassessment) 3. toward the end of the interim ministry (in the last month or two)

Interim appraisals should be completed separately by congregation and interim minister with results shared. Appraisals are due after 6 months, after 12 months, and at the end of the second year of interim ministry. In the case of a three-year interim, a final appraisal should be conducted at the end of the ministry. Please email completed form as an email attachment to transitions@uua.org.

1. Congregation Name (please enter full name)
2. Congregation City and State/Province
3. Name of Interim Minister
4. Date Interim Ministry Began
5. Name of Person Completing Appraisal
6. Email of Person Completing Appraisal
7. Role of Person Completing Appraisal
8. When was this appraisal conducted?
 - after 6 months
 - after 12 months
 - at end of second year
 - at end of third year
9. Date of Appraisal

10. How did the leadership and congregation prepare itself for interim ministry?
11. Had previous interim ministries affected how interim ministry is viewed? If so, please describe.
12. Goals of the interim ministry:
13. Please assess the congregation's work toward engaging and acknowledging its grief and conflicts.
14. Please assess the congregation's work toward recognizing its unique identity and its strengths.
15. Please assess the congregation's work toward recognizing its needs and challenges.
16. Please assess the congregation's work toward understanding the appropriate role of the minister(s), church staff, and lay leaders.
17. Please assess the congregation's work toward successfully navigating leadership shifts that often accompany times of transition.
18. Please assess the congregation's use of appropriate external resources, e.g. the UUA, Regional or District Resources, etc.
19. Please assess the congregation's ongoing work about being engaged in the wider world e.g. service to others, social justice, anti-oppression.
20. Is the interim minister capably ministering as preacher, pastor, and teacher? Have there been difficulties or have constraints been put upon the minister's ability to do so?
21. Has the interim minister been attentive to self-care and to a spiritual practice of choice?
22. Is the interim minister courageously raising the needful issues in the congregation?
23. Is the interim minister gaining the cooperation of the church leadership in addressing those issues?
24. What would you like to see addressed during the remaining interim period or in the future? Are there any adjustments that need to be made to the initial goals or anything else?
25. Any additional thoughts or observations?
26. Has this appraisal been shared with the minister if being completed by the board or with the board if being completed by the minister?
27. If appraisal has not been shared, please explain.

Strategic Planning Timeline

Presentation to the BUC Board of Trustees 2025-01-27

Strategic Planning Task Force

Kimery Campbell
Donna Cunningham
Marilyn Mast
Chris Slon

Takeaways:

1. The overview of the timing is based on detailed steps.
2. The detailed steps were derived from additional strategic planning sources.

Objectives:

1. Approval from the Board to get to work.
2. Establish a monthly reporting process.

Last meeting the SPTF presented an overview of the approach to Strategic Planning based on the book *Holy Conversations*.

This month we present an overview of the proposed timing.

2025														2026						
		Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	Mar-26	Apr-26	May-26	Jun-26	
Foundation	Key documents																			
Prepare	Educate the congregation																			
	Select a committee																			
	Revise the plan and timeline																			
Listen	Gather data																			
Envision	Answer foundational questions																			
	Evaluate current Mission and Vision																			
	Revise current Mission and Vision																			
	Present to Board (for approval)																			
	Present to congregation																			
Plan	Define priorities (goals)																			
	Define objectives																			
Implement	Align resources and tools to objectives																			
Evaluate	Ongoing evaluation of plan and performance																			