



**Birmingham Unitarian Church
Board of Trustees Meeting
January 26, 2026 at 7:00 pm**

Attendees: The following board members were in attendance: Donna Cunningham, Mary Jo Ebert, Keith Ensroth, Bill Fox, Art Hillman, Claudia Kocher (on-line), Tanya Nordhaus, Brian Schandavel, and Harper West. Rev. Connie Grant, ex-officio, was also in attendance.

Additional Participants: Chris Slon, Kym Worth

Minutes

Call to Order – President Mary Jo Ebert called the meeting to order at 7:04pm.

Covenant – Bill Fox

Chalice lighting and check-in – Rev. Connie

Strategic Planning Update – Chris Slon

The Strategic Planning team is in the Vision stage of their work and would like to present to the board soon. Chris will let Mary Jo know when they are ready. Chris said the team is on schedule, is working well together and will have something to show by the end of February. Chris will let Mary Jo if the team will want to be part of the coming Town Hall sometime after Wednesday, January 28th.

Harper asked which BUC leaders and teams the Strategic Planning team is consulting with on the plan. Chris said they plan to talk to several groups but do not have a list yet. He will look at the Member Resources section of the BUC website to see who leads each program / committee.

It was also noted that Stewardship will not give an update at the Town Hall on February 1, as it has a full kickoff starting February 10th.

Overview of Goldsmith Scholarship Program – Kym Worth

History – Mary Jo gave a brief history of the scholarship. It originated in 2012 with a \$200,000 bequest from the estate of former BUC church member Stuart Goldsmith. The BUC board decided to create a scholarship fund, with awards going to graduates of Pontiac high schools who are pursuing higher education.

Once established, the board delegated responsibility for the program to the Social and Environmental Justice team. The Community Foundation for Southeast Michigan manages the fund and facilitates the application and award process, including selecting award recipients. Pontiac high school students and graduates up to age 30 are eligible to apply if they are Pell Grant qualified and have a high school GPA of 2.5 or higher, or, if in college already, 2.0 or higher. Originally the scholarship was for \$2000 per student per year, and was later increased to \$5000. Students can reapply each year, for a total of four years. Despite the relatively light eligibility requirements, there is difficulty getting applicants. Funding is available for up to 11 scholarships this year.

An Indiana-based UU, Mark Walsh, graduated from Pontiac High School and has contributed to the scholarship fund every year totaling \$73,000 to date. He is sent a thank you note every year, and Mary Jo met him when he visited BUC about six years ago. Anyone can contribute to the fund.

This program is summarized on the [BUC website](#) and in the annual report each year.

There is an issue in that statements from the Foundation do not contain any details of fund performance, fees or dividend rates, although they did have some of these details in the past. Donna suggested talking to Dick Rappleye, which Kym said she would do. The Board briefly discussed moving administration from the Foundation and decided not to do so. **Actions:** Kym will determine if the fund is managed by itself or as part of a larger fund. Keith to check what kind of report we get for another fund we have with them. Kym to seek advice from Dick Rappleye.

December Minutes

Approval of minutes from the:

December 15 board meeting

Harper moved to approve with changes, Tanya seconded. Approved unanimously.

December 15 executive session

Harper moved to approve, Art seconded. Approved unanimously.

December 20 executive session

Harper moved to approve, Donna seconded. Approved unanimously.

Monthly Reports

Treasurer's Report – Keith presented the treasurer's report. Art moved that we accept the Treasurer's Report and Brian seconded. Approval was unanimous. Report is attached.

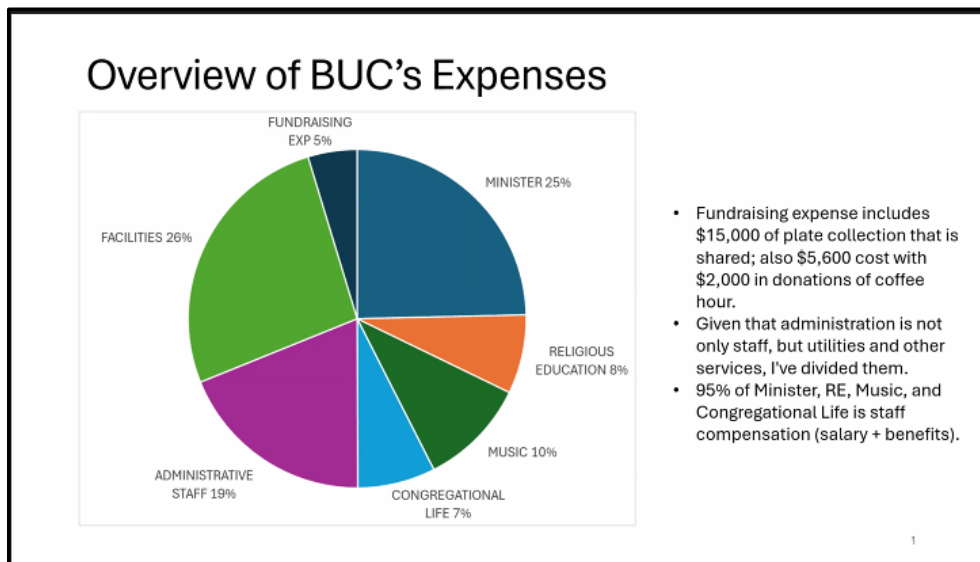
Revenue Committee Update

Mary Jo talked to Craig Stroup and Tanya regarding revenue committee work. The budgeted \$3600 for RE revenue does not have a corresponding RE expense item. In other words, the revenue is projected to be spent in other areas. The revenue projection includes bake-off, which the RE committee is not running this year, as proposed by Rev. Connie in a prior meeting and agreed to by the board. Tanya and Rev. Connie are in talks with Alliance about the possibility that they might lead Bake-Off. The money raised would go into the general fund and not be specifically for Religious Education.

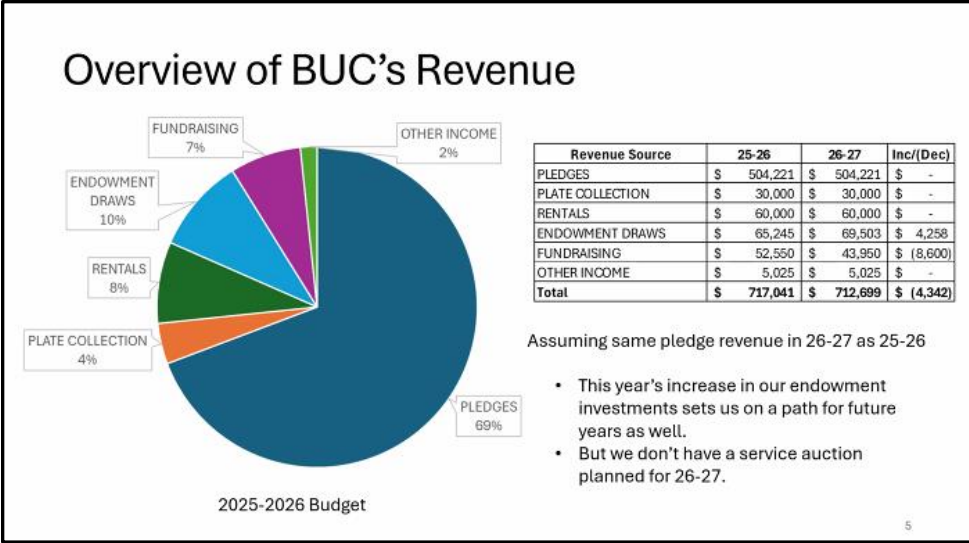
ACTION: Mary Jo to schedule a meeting with Keith and Connie to discuss RE fundraising and budget allocation.

2026-2027 Budget Draft – Keith

Keith reviewed the proposed budget showing the breakout for facilities, staff, programs, etc.:



BUC has both W2 employees and 1099 employees. Both are included under "Staff."



In comparing last year's budget to next year's budget, most items increased. The 2026-2027 budget requires a 7% increase in pledges over last year, to a total of \$540,000.

One of the expense increases is bookkeeping. After Joanne Copeland retired from bookkeeping, Kathy Duhane did the job pro bono for two years. She is stepping down at the end of this fiscal year. Rev. Connie proposed that Shannon Snideman take over bookkeeping and some support for rental coordination. Assuming the budget can be balanced, Shannon would maintain her current 20 hours for RE and 10 hours for office assistance and take an additional 10 hours to fill the bookkeeper role.

Expenses have also increased for health insurance, cleaning service, internet service provider, and external tech support

Given that the service auction is on an every-other-year cycle, there is no service auction planned for next year. The revenue will have to be made up elsewhere. This has been a regular challenge for BUC's budget. Discussed having a service auction every year. Rev. Connie said many churches do it every year and people love it because it is a big social event. Board members commented that community-building is one of the primary goals of our auction and at the same time, the amount of work required to carry it out annually needs to be taken into consideration.

Minister's Report – Rev. Connie

Timetable for stewardship.

Stewardship will start with an email to be sent on February 10th. The Stewardship kick-off will be February 15th during service and followed by brunch and activities. The campaign will end on March 14th. The goal is to receive responses from 100 percent of

the congregation. The campaign will conclude on March 15th with Dessert Sunday. Mary Jo offered board members to help with contacts, if needed.

Membership & Attendance

Membership was reported as 262 to the UUA, down 2 from last year's report. Some cleaning up of the membership list has already been done, but there is a bit more to do. Rev. Connie said BUC is not in decline and membership is stable. Attendance on January 18th (MLK Day) for a combined service with other UU churches was 187 with an additional 57 online.

General Assembly update: The UUA is creating a "together everywhere" experience by combining a fully online format with optional, in-person sites. BUC will likely livestream the Sunday morning GA worship service on June 21st at 11am.

Schedule: Connie will take vacation time between March 25th and April 3rd and will miss March 29th when a joint service will be at Farmington for Trans Day of Visibility. It was stated BUC members make an effort to attend the service, reciprocating for Farmington, Northwest, and Detroit members visiting BUC for the MLK service.

Contract Ministerial Search Update – Tanya

The Committee has been scheduling interviews and has reviewed questions, including questions Harper sent and those from the UUA. Interviews start February 1.

Open Topics

Follow-up regarding "All About Eve" for MAMA's Coffeehouse – Mary Jo

Mary Jo checked to see if we should have security, given that the group is outspoken on its social justice stances. She checked with Traverse City and Flint for similar events they've held. Neither congregation did anything extra. Traverse City has a standard security protocol that is used for their events. Rev. Connie offered John Grant as security for this event and said someone else should join him.

Safe Congregation Task Force

Rev. Connie reported that the members of the Safe Congregation task force are Chris Haines, Dave Luckins and, if confirmed, Bruce Webber, and maybe one more person. Donna volunteered to join the task force. Mary Jo asked Rev. Connie if assistance is needed to launch this effort. Connie would appreciate help identifying one more person to join. The Task Force can start with five or six people by developing protocols and collecting information from the UUA website. Keith said that the team should look into what the Montessori school has done. **Actions:** Mary Jo to provide additional names

to Rev. Connie. Keith to investigate Montessori school security protocols and processes.

Thank You Notes

Mary Masson for organizing the Living the Pledge workshop. Mary Jo will bring a card to the next meeting for that.

Art suggested a note to the team that put together the MLK service. Rev. Julie and her team had a major role in it, with support from the other churches and BUC serving as the host venue. Mary Jo will send a note.

Town Hall

A board-led Town Hall will be held February 1st.

Issues arising for the good of the church

Tanya is ending interviews for the historical project as of February 28. Has completed 60 interviews!

Adjourn – Donna moved that we adjourn and Tanya seconded. Approved. The meeting was adjourned at 9:06.

Respectfully submitted,

Bill Fox, Board Secretary



Treasurer's Report

DECEMBER 2025

KEITH ENSROTH

This Month's Topics

Review of the Operating Budget

Review of the Facility Reserve

Opportunity Fund

Financial Procedural Audit Status

Birmingham Unitarian Church									
FY 2026 MTD & YTD Financial Statements									
6 Months Ending - December 31, 2025									
	F(U)			F(U)			F(U)		
	Actual	Budget	Variance	Actual	Budget	Variance	Budget	B + S	B + S
	MTD	MTD		FY 25/26 YTD	FY 25/26 YTD		FYE	FYE	
	Dec-25	Dec-25		Dec-25	Dec-25		Jun-25	Jun-25	
01. REVENUE / 01. PLEDGES / 01. PLEDGES	42,347	41,185	1,162	247,420	257,110	(9,690)	504,221	506,384	
01. REVENUE / 03. PLATE COLLECTION / 01. PLATE COLLECTION	3,993	2,500	1,493	18,509	15,000	3,509	30,000	30,000	
01. REVENUE / 04. LEASE INCOME / 01. LEASE INCOME	399	0	399	2,362	0	2,362	0	0	
01. REVENUE / 05. RENTALS / 01. RENTALS	2,146	5,000	(2,852)	28,589	30,000	(1,411)	60,000	60,000	
01. REVENUE / 06. ENDOWMENT DRAWS / 01. GENERAL	0	0	0	0	0	0	24,042	27,748	
01. REVENUE / 06. ENDOWMENT DRAWS / 02. COMM FOUND SEMI	0	0	0	0	0	0	36,403	36,403	
01. REVENUE / 06. ENDOWMENT DRAWS / 03. MUSIC	0	0	0	0	0	0	2,500	0	
01. REVENUE / 06. ENDOWMENT DRAWS / 04. MEM GLEN	0	0	0	0	0	0	2,300	7,007	
01. REVENUE / 07. GENERAL FUNDRAISING / 01. RUMMAGE	0	0	0	200	0	200	20,000	20,000	
01. REVENUE / 07. GENERAL FUNDRAISING / 02. FUNDRAISERS	255	2,287	(2,011)	2,458	5,000	(2,542)	20,000	20,000	
01. REVENUE / 07. GENERAL FUNDRAISING / 03. MAMA'S	1,198	899	279	4,594	3,955	1,038	8,000	8,000	
01. REVENUE / 07. GENERAL FUNDRAISING / 04. OTHER GENERAL	0	0	0	0	0	0	0	0	
01. REVENUE / 08. DESIGNATED FUNDRAISING / 01. MINISTERIAL	100	50	50	375	150	225	250	250	
01. REVENUE / 08. DESIGNATED FUNDRAISING / 02. RELIGIOUS ED	0	900	(900)	40	900	(860)	3,800	3,800	
01. REVENUE / 08. DESIGNATED FUNDRAISING / 03. MUSIC	0	0	0	0	0	0	0	0	
01. REVENUE / 08. DESIGNATED FUNDRAISING / 04. CONGREGATIONAL LIFE	135	0	135	968	0	968	0	0	
01. REVENUE / 08. DESIGNATED FUNDRAISING / 05. SOCIAL & ENVIRONMENTAL JUSTICE	1,728	0	1,728	4,783	0	4,783	0	4,783	
01. REVENUE / 08. DESIGNATED FUNDRAISING / 06. MEM GLEN	0	350	(350)	700	350	350	700	700	
01. REVENUE / 06. OTHER INCOME / 01. OTHER INCOME	940	510	430	24,564	2,020	22,544	5,025	12,325	
REVENUE	52,784	53,851	(867)	335,593	314,085	21,507	717,041	737,200	
02. EXPENSE / 01. MINISTER / 01. MINISTERIAL STAFF	13,892	15,150	1,258	83,822	90,901	7,079	181,803	185,344	
02. EXPENSE / 01. MINISTER / 02. MINISTERIAL EXP	750	1,087	317	5,248	5,800	553	11,050	11,050	
02. EXPENSE / 02. RELIGIOUS EDUCATION / 01. RE STAFF	5,107	5,308	199	30,899	31,835	936	63,871	65,571	
02. EXPENSE / 02. RELIGIOUS EDUCATION / 02. RE EXP	33	194	72	824	655	(169)	1,300	1,300	
02. EXPENSE / 03. MUSIC / 01. MUSIC STAFF	6,001	6,216	(685)	35,759	36,296	537	72,842	73,305	
02. EXPENSE / 03. MUSIC / 02. MUSIC EXP	0	1,500	1,500	43	1,650	1,607	1,800	300	
02. EXPENSE / 04. CONGREGATIONAL LIFE / 01. CONGREGATIONAL LIFE STAFF	3,857	3,891	34	23,892	23,345	(547)	46,891	47,127	
02. EXPENSE / 04. CONGREGATIONAL LIFE / 02. CONGREGATIONAL LIFE EXP	99	413	314	1,084	2,475	1,391	7,150	7,150	
02. EXPENSE / 05. SOCIAL & ENVIRONMENTAL JUSTICE / 01. SOCIAL & ENVIRONMENTAL J	0	0	0	0	0	0	0	0	
02. EXPENSE / 05. SOCIAL & ENVIRONMENTAL JUSTICE / 02. SOCIAL & ENVIRONMENTAL J	4,509	25	(4,484)	4,509	150	(4,359)	300	4,359	
02. EXPENSE / 06. ADMINISTRATOR & FACILITIES / 01. ADMINISTRATIVE STAFF	1,811	3,200	1,389	11,177	16,200	5,023	38,400	38,400	
02. EXPENSE / 06. ADMINISTRATOR & FACILITIES / 02. OFFICE SERVICES & SUPPLIES	9,214	9,219	(165)	54,229	54,113	(116)	108,228	110,291	
02. EXPENSE / 06. ADMINISTRATOR & FACILITIES / 03. MUSIC EXP	1,779	1,817	38	9,137	10,000	1,783	21,800	21,800	
02. EXPENSE / 06. ADMINISTRATOR & FACILITIES / 03. TECH SERVICES & FEES	0	0	0	0	500	500	500	500	
02. EXPENSE / 06. ADMINISTRATOR & FACILITIES / 04. UTILITIES	1,361	1,008	(352)	5,888	8,500	2,612	14,500	14,500	
02. EXPENSE / 06. ADMINISTRATOR & FACILITIES / 05. BUILDING R&M	2,318	2,500	(181)	11,887	13,500	1,613	27,000	27,000	
02. EXPENSE / 06. ADMINISTRATOR & FACILITIES / 06. GROUNDS R&M	789	4,500	3,711	28,221	29,160	2,639	68,300	69,800	
02. EXPENSE / 06. ADMINISTRATOR & FACILITIES / 07. RENTAL & LEASE EXP	1,680	3,542	1,862	6,183	13,751	7,568	27,500	27,500	
02. EXPENSE / 07. GENERAL FUNDRAISING EXP / 01. RUMMAGE EXP	399	0	(399)	2,362	0	(2,362)	0	0	
02. EXPENSE / 07. GENERAL FUNDRAISING EXP / 02. SERVICE AUCTION	0	0	0	127	0	(127)	3,000	3,000	
02. EXPENSE / 07. GENERAL FUNDRAISING EXP / 03. MAMA'S EXP	0	750	750	0	1,500	1,500	3,000	3,000	
02. EXPENSE / 07. GENERAL FUNDRAISING EXP / 04. OTHER GENERAL EXP	1,185	697	(518)	3,910	2,687	(1,243)	6,000	7,243	
02. EXPENSE / 08. DESIGNATED FUNDRAISING EXP / 01. MINISTERIAL EXP	1,800	1,200	(610)	8,677	7,600	(1,077)	15,400	15,400	
02. EXPENSE / 08. DESIGNATED FUNDRAISING EXP / 02. RELIGIOUS EDUCATION EXP	0	850	850	80	850	770	950	950	
02. EXPENSE / 08. DESIGNATED FUNDRAISING EXP / 03. MUSIC EXP	0	0	0	0	0	0	0	0	
02. EXPENSE / 08. DESIGNATED FUNDRAISING EXP / 04. CONGREGATIONAL LIFE EXP	374	133	(241)	2,862	800	(2,062)	1,600	1,600	
02. EXPENSE / 08. DESIGNATED FUNDRAISING EXP / 06. MEM GLEN EXP	0	0	0	6,000	0	(6,000)	1,800	6,950	
02. EXPENSE / 06. OTHER EXPENSE / 01. OTHER EXPENSE	0	0	0	2,519	0	(2,519)	0	0	
EXPENSE	67,816	62,448	4,831	338,318	356,219	17,903	714,583	735,130	
NET OPERATING INCOME / (LOSS)	(6,032)	(8,707)	3,705	(2,724)	(42,133)	39,400	2,458	2,070	

Let's start with the bottom line. For the sixth month in a row, we are within a ½% of a balanced budget. More specifically, we went from our forecast being short by \$181 last month, to be \$2,070 to the good this month. The following will explain the changes to the highlighted lines above.

- 01. REVENUE / 06. ENDOWMENT DRAWS / 01. GENERAL: Because of the increase of earnings in the financial markets this past year, we were able to draw \$3,700 more than we had budgeted from the General Endowment.
- 01. REVENUE / 06. ENDOWMENT DRAWS / 03. MUSIC: The draw is not being taken this year as because there are no projects that meet the criteria for the draw this year.
- 01. REVENUE / 06. ENDOWMENT DRAWS / 04. MEM GLEN: As we've discussed in previous board meetings, we took advantage of the policy that we can take the draws from any previous years that weren't taken. Given a great deal of expense needed to maintain the Memorial Glen, we took not only this year's draw, but the two other years that had not been taken in 2023 and 2025. This fund also had an increase due to the financial markets.
- 01. REVENUE / 08. DESIGNATED FUNDRAISING / 05. SOCIAL & ENVIRONMENTAL JUSTICE: We did not budget for specific SEJ fundraising, but some has taken place this year. This is balanced with a corresponding entry for 02. EXPENSE / 05. SOCIAL

& ENVIRONMENTAL JUSTICE / 02. SOCIAL & ENVIRONMENTAL JUSTICE EXP.

- 02. EXPENSE / 03. MUSIC / 02. MUSIC EXP: The budget entry for using money from the Music Endowment has been reduced by \$1,500 that had been budgeted. (Note: we should have budgeted for the expense to match the budgeted income. We will correct this for next year.
- 02. EXPENSE / 07. GENERAL FUNDRAISING EXP / 03. MAMA's EXP: We are running \$1,000 to the good on MAMA's revenue, but that also means that we have more expenses because we share income with the musicians. We didn't raise the forecast for the revenue for MAMA's to be on the safe side.

Facility Reserve Budget 2025-12									
BUDGET	Dec-25	Jan-26	Feb-26	Mar-26	Apr-26	May-26	Jun-26	Jul-26	Aug-26
ACTUAL + FORECAST	Dec-25	Jan-26	Feb-26	Mar-26	Apr-26	May-26	Jun-26	Jul-26	Aug-26
Beginning Balance	177,101	156,359	149,384	141,297	3,767	11,236	8,705	1,174	8,644
Inflows	6,295	7,868	7,868	17,868	7,868	(2,132)	7,868	7,868	7,868
Outflows	(27,038)	(14,843)	(15,955)	(155,399)	(399)	(399)	(15,399)	(399)	(399)
Ending Balance	156,359	149,384	141,297	3,767	11,236	8,705	1,174	8,644	16,113
Inflows:									
Funding from BUC Operating Fund				10,000		(10,000)			
Rent in from Montessori	6,295	7,868	7,868	7,868	7,868	7,868	7,868	7,868	7,868
Security Deposit from Montessori									
Additional Other Funding									
Total Inflows	6,295	7,868	7,868	17,868	7,868	(2,132)	7,868	7,868	7,868
Outflows:									
Amortization of Lease Expenses	(399)	(399)	(399)	(399)	(399)	(399)	(399)	(399)	(399)
Commission Set-Aside	(26,639)								
Roof				(155,000)					
HVAC	(14,444)	(15,556)					(15,000)		
Parking Lot (Major)									
Carpeting									
Other									
Total	(27,038)	(14,843)	(15,955)	(155,399)	(399)	(399)	(15,399)	(399)	(399)

We continue to be in balance on the Facility Reserve. This view shows the current month that just past as well as eight future months. If you want a copy of the entire spreadsheet with a column for 60 months, please let me know.

The two green-highlighted cells in the row labeled HVAC were moved from Dec-Jan to Jan-Feb since the work did not take place in December. There was no December meeting of the Building and Grounds Committee. They will meet this month and confirm when the work will be done.

The row under Inflows that is labeled "Funding from the BUC Operating Fund" reflect the fact that, given current estimates, the reserve will "go negative" for two months. In other words, we will need to dip into the cash that is allocated to the operating budget and then "pay it back" two months later. We have more than enough money in the bank to do this. We will work with our Financial Consultant, Jim Myers, for how to book this appropriately so that we have an audit trail.

Facility Reserve Budget 2025-12							
BUDGET	24-25	25-26	26-27	27-28	28-29	29-30	GRAND TOTAL
ACTUAL + FORECAST	24-25	25-26	26-27	27-28	28-29	29-30	GRAND TOTAL
Beginning Balance							
Inflows	190,076	81,832	95,832	98,706	101,670	43,660	611,776
Outflows	(43,604)	(288,130)	(74,785)	(69,785)	(114,785)	(72,392)	(663,481)
Ending Balance							
Inflows:							
Funding from BUC Operating Fund	9,000	-	-	-	-	-	9,000
Rent in from Montessori	13,148	81,832	95,832	98,706	101,670	51,588	442,776
Security Deposit from Montessori	7,928	-	-	-	-	(7,928)	-
Additional Other Funding	160,000	-	-	-	-	-	160,000
Total Inflows	190,076	81,832	95,832	98,706	101,670	43,660	611,776
Outflows:							
Amortization of Lease Expenses	-	(4,785)	(4,785)	(4,785)	(4,785)	(2,392)	(21,532)
Commission Set-Aside	-	(26,639)	-	-	-	-	(26,639)
Roof	(7,250)	(155,000)	(55,000)	(50,000)	(50,000)	(70,000)	(387,250)
HVAC	(5,425)	(101,706)	(15,000)	-	(30,000)	-	(152,131)
Parking Lot (Major)	-	-	-	(15,000)	-	-	(15,000)
Carpeting	-	-	-	-	(30,000)	-	(30,000)
Other	(30,929)	-	-	-	-	-	(30,929)
Total	(43,604)	(288,130)	(74,785)	(69,785)	(114,785)	(72,392)	(663,481)

At a summary level, this shows the year-by-year plan. As I've mentioned before, we will come up short if the Montessori school doesn't renew their lease and we can't find another tenant to replace them. However, we will know by December 2028 whether the school wants to renew for the next five years or not.

Opportunity Fund

Based on decisions at the last two Board meetings, we have pooled these funds together into one Designated Payable which shall be called the "Opportunity Fund".

This could fund

- One or more special projects
- Seed money for a capital campaign
- Drawing down our mortgage principle
- Increasing our General Endowment fund
- Other?

Designated Payable	Balance
220.103 Memorial & Tributes	15,273
220.106 Special Music	7,156
220.131 Art Committee	510
220.141 Building Projects	32,000
220.311 Social Justice	1,415
Larry Freedman Bequest	10,000
Total	66,354

I just hold this hear as a reminder. When we have some input regarding a potential plan to improve security and technology, we can decide what we want to do with this money.

Financial Procedural Audit Status

Work has begun developing the ~40 procedures.

We track our progress using the following categories at right.

1. Review Evanston document (29)
2. Draft procedure for BUC (1)
3. Review draft with persons who execute the procedure (6)
4. B&F review of draft (2)
5. Accepted as current procedure (0)
6. Dropped as separate document (6)

As you may recall, we are not going to bring in a consultant to conduct an audit until we have our procedures documented.

We have divided up the draft procedures from the Evanston church. Members of the Budget & Finance Committee have volunteered to take on procedures. Each of the steps is described in additional detail below. The steps at the right also indicate how many procedures are in each step. When we meet next month, we'll decide if we have enough procedures ready for the committee to review them and set up a separate meeting for doing the review.

1. Review Evanston document: Current owner reads Evanston version and decides if BUC needs a procedure for this topic. If no, report to committee and delete the procedure. If yes, owner proposes to the committee who should draft the BUC version of the document.
2. Draft procedure for BUC: Owner updates procedure and notifies the committee that the document is ready for review.
3. Given that some procedures have several people executing them, the owner will review the draft with those persons who execute the procedure.
4. B&F review of draft: Committee members review the procedure, and the committee votes to approve at its next meeting.
5. Accepted as current procedure: Document is approved and indicated as the current BUC procedure in the Budget & Finance Committee Google Drive (unless

and until there is a decision to store them elsewhere).

2. Dropped as separate document: Fairly obvious; see step 1.