

MEETING AGENDA - First UU Austin Board of Trustees

Meeting

Meeting Date	Tuesday, December 20, 2022
Start Time	6:30 PM
End Time	8:30 PM (CST)
Location	Zoom - https://zoom.us/my/firstuuaustin (password = 512452) Zoom ID: 940 671 9275 Dial in number: (346) 248-7799 or (669) 900-6833
Purpose	Regular scheduled meeting

RSVP

No response: Martha Arrendando, Donna Carpenter, Vic Cornell, Suzette Emberton, Rob Hirschfeld, Russell Holley-Hurt, Joseph Hunt, Chris Jimmerson, Jonalu Johnstone, Jonalu Johnstone, Mateo Kresha, Nesan Lawrence, Shannon Posern, Kelly Raley, Dave Riehl, Kelly Stokes, Erin Walter, Nathan Walther

Agenda

1. Coming Back into Covenant

1.1. Chalice Lighting and Opening Words	Nathan Walther / 2 min. (6:30 PM - 6:32 PM)
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1.2. Reading of Board Covenant	Nesan Lawrence / 2 min. (6:32 PM - 6:34 PM)
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With the Values, Mission and Ends of First UU Austin foremost in mind, we the leadership do covenant to:

- Treat our time together and board commitments as spiritual practice
 - Work collaboratively to clarify, assess and further our mission.
 - Respect our time together by being focused, prepared and timely.
 - Keep confidentiality when it is requested.
 - Listen actively, address concerns directly with each other in a timely manner, and encourage others to do the same.
 - Presume good faith in all our interactions acknowledging the importance of both intention and impact.
 - Conduct ourselves openly, show compassion, respect boundaries, and enjoy each other's good humor in times of agreement and disagreement.
 - Publicly support one another's decisions and leadership by speaking with one voice at the end of our deliberations.
 - Agree to be called back into covenant.
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1.3. Confirm Timekeeper and Process Evaluator	Nesan Lawrence / 2 min. (6:34 PM - 6:36 PM)
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- Time Keeper: Joseph
 - Process Evaluator: Russell
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1.4. Approve Agenda and Consent Agenda	Nesan Lawrence / 2 min. (6:36 PM - 6:38 PM)
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- Minutes from November Board meeting
- Monitoring - End 1.4.3

Documents

- Minutes-2022-11-15-v1.pdf 4-9

- 1.4.3 monitoring 12-2022.pdf 10-11
- 1.4.5 interpretation.pdf 12-14
- 2.6 Asset Protection interpretations.pdf 15-23
- 1.4.4 Ends Interpretation intergenerationalFeb2022.pdf 24

2. Connecting with our Moral Ownership

2.1. Visitor's Forum Russell Holley-Hurt / 10 min. (6:38 PM - 6:48 PM)

Leo Collas will join us to discuss LGBTQ Heart Circle

2.2. Recognition of Church Volunteers and Staff Donna Carpenter / 5 min. (6:48 PM - 6:53 PM)

2.3. Moment with Rev. Chris Chris Jimmerson / 10 min. (6:53 PM - 7:03 PM)

Documents

- 2022State of the Church.pdf 25-28

2.4. Moment with Rev. Jonalu Jonalu Johnstone / 10 min. (7:03 PM - 7:13 PM)

Documents

- Report on Listening Circles.pdf 29-32

3. Monitoring our Progress

3.1. Church Financials Chris Jimmerson / 10 min. (7:13 PM - 7:23 PM)

Documents

- October2022financialreports.pdf 33-38
- 2023budgetrolledupOMFTnocc12-06-22.pdf 39-40

3.2. Monitoring of OKRs Chris Jimmerson / 10 min. (7:23 PM - 7:33 PM)

OKR.3) at least 20% of members have participated in at least one interim activity of reflection. BIPOC, disabled, LGBTQ+ participation is documented and robust.

3.3. Update on Congregational Survey Rob Hirschfeld / 10 min. (7:33 PM - 7:43 PM)

3.4. Update from Transitions Committee Kelly Raley / 10 min. (7:43 PM - 7:53 PM)

Documents

- Board Transition Committee December report.docx 41-43

3.5. Update from Board special committee on budget Nesan Lawrence / 5 min. (7:53 PM - 7:58 PM)

4. Learning & Creating the Future

4.1. Board Book Discussion Kelly Raley / 15 min. (7:58 PM - 8:13 PM)

Chapters 5 and 6 from 'Do Better'



5. Adjourn

5.1. Action Items and Announcements

Nesan Lawrence / 5 min. (8:13 PM - 8:18 PM)

Item requiring Board Motion:

- Ministerial Housing Allowance

Announcements:

- Candidates for next year's nominating committee
- Stewardship Committee Leadership

Let's review the action items from this meeting:

5.2. Assign Roles for Next Meeting

Nesan Lawrence / 2 min. (8:18 PM - 8:20 PM)

Assign roles for:

- Readings
 - Timekeeper
 - Process Evaluator
 - Book Discussion
-

5.3. Process Evaluation

Russell Holley-Hurt / 2 min. (8:20 PM - 8:22 PM)

Documents

- Board process review form.docx 44
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5.4. Extinguishing the Chalice and Closing Words

Nathan Walther / 2 min. (8:22 PM - 8:24 PM)



MEETING MINUTES - First UU Austin Board of Trustees

Meeting

Date	Tuesday, November 15, 2022
Started	6:30 PM
Ended	8:48 PM (CST)
Location	Zoom - https://zoom.us/my/firstuuaustin (password = 512452) Zoom ID: 940 671 9275 Dial in number: (346) 248-7799 or (669) 900-6833
Purpose	Regular scheduled meeting
Chaired by	Nesan Lawrence
Recorder	Vic Cornell

Attendance

Present:	Donna Carpenter, Vic Cornell, Suzette Emberton, Rob Hirschfeld, Russell Holley-Hurt, Joseph Hunt, Chris Jimmerson, Jonalu Johnstone, Jonalu Johnstone, Nesan Lawrence, Kelly Raley, Dave Riehl, Nathan Walther
Late:	Mateo Kresha
Absent:	Martha Arrendando, Shannon Posern, Kelly Stokes, Erin Walter

Minutes

1. Coming Back into Covenant

1.1. Chalice Lighting and Opening Words

Dave read opening words while Nesan lit the chalice

Status: Completed

1.2. Reading of Board Covenant

With the Values, Mission and Ends of First UU Austin foremost in mind, we the leadership do covenant to:

- Treat our time together and board commitments as spiritual practice
- Work collaboratively to clarify, assess and further our mission.
- Respect our time together by being focused, prepared and timely.
- Keep confidentiality when it is requested.
- Listen actively, address concerns directly with each other in a timely manner, and encourage others to do the same.
- Presume good faith in all our interactions acknowledging the importance of both intention and impact.
- Conduct ourselves openly, show compassion, respect boundaries, and enjoy each other's good humor in times of agreement and disagreement.
- Publicly support one another's decisions and leadership by speaking with one voice at the end of our deliberations.
- Agree to be called back into covenant.

All present read the board covenant together

Status: Completed

1.3. Confirm Timekeeper and Process Evaluator



- Time Keeper: Joseph
- Process Evaluator: Suzette
- Time Keeper: Joseph
- Process Evaluator: Suzette

Status: Completed

1.4. Approve Agenda and Consent Agenda

- Minutes from Oct Meeting
- Discussion of End 1.4.3
- Monitoring - End 1.4.2
- Special Announcement regarding interim period and timeline

Minutes from Oct Meeting

Discussion of End 1.4.3

Monitoring - End 1.4.2

Special Announcement regarding interim period and timeline

Consent agenda was approved unanimously

Status: Completed

Documents

- Minutes-2022-10-18-v1.pdf
 - 1.4.2 monitoring 2022.pdf
 - 1.4.3 Interpretation 2021.pdf
 - November 2022 Special Announcement .docx
-

2. Connecting with our Moral Ownership

2.1. Recognition of Church Volunteers and Staff

We will be having a dinner for the stewardship volunteers

Donna will bring cards next Sunday for board members to sign

Status: Completed

2.2. Moment with Rev. Chris

Shannon is currently reaching out to various teams and asking what their volunteer needs are.

We've created a New to UU page, as well as a Path to Membership page, on the website. There's also a new quick connections guide. We will need a contractor to help with our site at some point.

The KUT radio sponsorship is playing again. We're getting a lot of new faces, and repeat visitors. So anecdotally it's working.

A lot of people are worried about the pressure that Shannon is currently under. She has been uncharacteristically stressed. We may get a volunteer to put together some manuals for people to step in should anything happen to her and/or Rev. Chris. See notes in the staffing plan. Kinsey is now stepping up to near-full-time and we're trying to hire a facilities person. Both of those should help with the pressure on existing staff.

We are going to need a way for there to be backups for Chris and Shannon along the lines of passwords, procedures, etc. Hopefully before the end of the year. Looking for some volunteer help to assist in putting these



procedure manuals in place. We also need to retrain the congregation to not ask for staff to overperform. Going to teach staff how to say no.

The UUA just changed its salary recommendations, starting their 2023-24 fiscal year. It doesn't look like it'll make a huge difference for us. But we should expect it to effect next year's budget.

Did our second vespers service tonight, about 20 people attended. It seems to be going well.

We're going to have a Thanksgiving potluck again! We have two volunteers that have stepped up to coordinate.

Kelly S is also being over-worked and stressed. Same issues as with Shannon. Rev. Chris is going to work with her on saying no and working part-time hours.

Status: Completed

Documents

- New Web Pages.pdf

2.3. Moment with Rev. Jonalu

Rev. Jonalu led discussion about "Church size presentation" PowerPoint.

85 people have participated in listening circles so far. It will be over 100 before we're done. Diversity isn't as good as we hoped. Some themes have emerged...

- The spirit & positivity are high.
- The recurring moment of pride is when the church offered sanctuary.
- Need to have small ways to connect with justice work.
- Love of music is strong, with undercurrent of "why is it all about the music?"
- People are proud of the way the congregation handles conflict.
- OWL and RE programs and staff are greatly appreciated.

Some people have the sense that the UUA is requiring elements of transition, not that the board is making (and owning) decisions. This congregation has some distrust of the UUA.

The Gay Mens Chorus thanked the church for its years of support. These connections are incredibly important.

We need someone to volunteer to take notes at Thursday 11:30am Listening Circle. Please contact Kelly R if you can do it.

Status: Completed

Documents

- Church size presentation.pptx

2.4. Request for Consideration as an Affiliated Community Lay Minister

Request from Dr. Eric Hepburn

Eric Hepburn has asked for consideration as an affiliated community lay minister. This is for awareness raising and questions only. No motion or vote will take place tonight. He will need a board recommendation at some point. He would like a way to help people (including himself) get some pulpit time. See his email in meeting packet for suggestions on potential systems for this to move forward. He is available to answer any questions. Any conversation, reflection, etc. that we have we should bring to him. If we don't feel that it's an option we can take on right now, he'd appreciate it if we could tell him sooner rather than later. This would be the equivalent of deacon in other denominations.

Status: Completed

Documents

- Request for Consideration as an Affiliated Community Lay Minister.pdf



3. Monitoring our Progress

3.1. FUUCA Financials

Rev. Chris led the discussion

- For December, we exceed our pledges!
- Our projection for year end has improved just a little.
- Our reserves remain at roughly three months.
- Still being very conservative with projections (both revenue and expense sides)
- On the balance sheet, our investment accounts have continued to get hit hard.
- By the end of year we hope to have our pledges up to ~\$820K
- For our budget for 2023, we're looking at ~\$39K net loss for the year.

Status: Completed

Documents

- September2022financialreports.pdf
- pledges.pdf
- 2023budgetrolledup11-08-2022-22.pdf

3.2. Transitional governance

Open discussion on governance style during the transition period - focus on OKRs versus monitoring of Ends

Russell asked the question last month "What are the board's focuses if we're not doing ends monitoring?"

This is a very different year for the board, and the OKRs are a good proxy for what we need to focus on right now.

There is a cadence between some of the ends and some of the OKRs. All of OKRs will work as monitoring devices. Rev. Chris just asks that everyone does actually read the ends monitoring reports, even if they're on the consent agenda.

There is a worry that new board members won't know how to monitor ends if we drop it completely at this point. They will need to know how to do that.

Kelly R gave month-by-month breakdown of the cadence between ends monitoring and OKRs (pg 34 in packet).

The detailed OKRs outline will get reviewed & edited by the Transition Committee, which is meeting with the ministerial team in the next two weeks. The transition team is also going to meet with staff to figure out processes and metrics.

The plan for now is to put monitoring reports in the consent agenda. All board members are strongly urged to actually read those reports and pull them off the consent agenda if they have any concerns or questions. In the actual meeting times, the board can expect to work on the OKRs.

Status: Completed

Documents

- OKR Cadence.pdf

3.3. Prep for pre-congregational meeting

Budget discussion - Russel is very concerned about presenting the congregation with a net loss budget. We should have a clear statement of what we're going to do to deal with it, before we go into the meeting. We can talk about using our cash reserves, or we can talk about having a five year gift that we're recieving all at once. We can talk about how we're hiring and spending aspirationally, spending to invest in growth. We need to re-educate the congregation on what things that they want actually cost. We should talk about the staffing plan.



We are living well under our means at this point. And we need more staff to keep Chris/Kelly/Shannon from burning out. That's going to cost the congregation some money. It's in the OKRs already, and we will indeed be coming to the congregation mid-year 2023 to potentially ask for more money.

This particular congregational meeting feels particularly fraught. We may be able to come up with a reasonable brilliant idea for raising more funds before the actual congregational meeting.

Vic will light the chalice while Nesan reads. We will need a Zoom pilot, Rob will fill that role remotely. Inside the sanctuary, Suzette will be the person doing the headcount and passing the mic. Mary Overton may or may not be doing an announcement at the pre-congregational meeting concerning the special offerings.

Status: Completed

Documents

- 11-22-pre-congmaterials.pdf

4. Learning & Creating the Future

4.1. Board Book Discussion

Do Better: Chapters 3 and 4

"Do Better: Spiritual Activism for Fighting and Healing from White Supremacy" by Rachel Ricketts

Russell led the discussion

People recognize the privilege we're coming from, but we don't know what we're supposed to do now. Don't be complacent. Engaging directly is the challenge.

The book has brought up a lot of emotions for people. Sitting with the discomfort is important (rather than being defensive).

A lot of the exercises are about reconnecting our emotions with our bodies, getting in touch with our bodies and out of our rational minds. Some people have found these exercises very useful.

Status: Completed

5. Adjourn

5.1. Action Items and Announcements

Let's review the action items from this meeting:

- Transitions committee will further refine the OKR cadence
- The special announcement email will go out tomorrow

Status: Completed

5.2. Assign Roles for Next Meeting

Assign roles for:

- Readings
- Timekeeper
- Process Evaluator
- Snacks
- Readings: Nathan



- Time Keeper: Joseph
- Process Evaluator: Russell
- Snacks: Nesan
- Book Discussion: Kelly R

Status: Completed

5.3. Process Evaluation

Suzette had to leave before the meeting ended.

The board failed to keep on time. Other than that we were satisfactory on all counts.

Status: Completed

Documents

- Board process review form.docx
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5.4. Extinguishing the Chalice and Closing Words

Dave read closing words while Nesan extinguished the chalice.

Status: Completed

Monitoring Report - 1.4.3: We engage with one another to care for the Earth and the interdependent web.

First UU Church of Austin December 2022

We engage with one another to care for the Earth and the interdependent web.

Interpretation: I take this to mean that the church is committed to caring for the Earth by being as green as possible in big and small ways. This would include recycling, green construction, supporting our green sanctuary team, and using native plants in any new landscaping. We commit to learning more about how to care for the Earth and to teaching our children how to be loving and responsible members of the interdependent web. We will hold in our minds the interconnectivity of all living beings and the planet that is our home.

Measures: We will continue to have a Green Sanctuary team which will host events encouraging the community to be greener. We will ask those planning and executing construction on our property to do it in as green a way as possible. Our rental contracts will emphasize to our renters that we value the use of sustainable materials in their events. Our children will continue to have gardens on the playground they care for.

Evidence of Progress:

2022

Our Green Sanctuary Team continues to partner with the groups from previous years, as well as the Sierra Club. They have been able to host meetings in our building once again, sponsoring the climate crisis committee meeting on the first Tuesday of each month. They have created a Vegan interest group and have helped assure the church offers Vegan options each Sunday.

The Team also continues to update church leadership and/or the congregation on climate issues, as well as educational and advocacy opportunities. They are planning at least one churchwide event for early 2023.

With a new Texas legislative session about to begin, we will also be active in advocating as regards any environmental issues.

We continue to emphasize the use of sustainable materials to our renters. We also continue the use of automatic lighting throughout several areas of the building, including the sanctuary. We are also using high efficiency, programmable thermostats. Our solar panels went offline during the time the building was closed; however, we have now found a technician to help us keep them online.

We have not yet restarted the gardens on the playgrounds. Our director of religious education is seeking volunteers to help get this going again. Several of our curricula include education on respecting the web of all existence of which we are a part.

Our revitalized grounds team is not only making our property look terrific, but also have plans to use native and native-friendly plants that require low amounts of water and thus help us practice more sustainable and environmentally friendly grounds upkeep.

Several of our sermons have included the climate crisis and other environmental issues.

2021

This past year our Green Sanctuary Team has worked with Faiths 4 Climate on its Climate Justice Organizing Call, with the UU Ministry For the Earth, which are both centered here in Austin and have met in our church. These meetings are about to start again now that our church building is open. The UU Ministry For the Earth sponsors various events around the country, mostly now by Zoom. They have worked with Call4Climate on organizing letter writing campaigns, and with 350 Austin, which has been meeting at our church and will begin meeting again now that the building is open. The Green Sanctuary Team also helped with the fight against HB 2692, which would allow nuclear waste to be dumped in the West Texas desert.

The children have begun to be on the playground again, and the gardens are waiting to be replenished so they can have good gardening experiences again. Books in the classrooms encourage a good relationship with the earth, and caring for its creatures, but we haven't been in the classrooms yet. Some of the Stories For All Ages teach care for the earth.

Now that we are re-starting rentals, they will keep being given the guidance about not using Styrofoam, and being as green as possible with their practices.

Our lights in the hallways, the Gallery, and the bathrooms are wired to turn on when someone is there and to turn off when no one is there, saving energy.

2020 Our Green Sanctuary Team continues to sponsor learning events with other organizations, except during the past months of the pandemic. They are involved in education about Climate Change, and they are active in local government hearings which concern environmental justice. The architects and the construction company with whom we worked agreed to our request to make the building and renovation they did for us to the highest standards of green building, equivalent to a level of LEED certification, without being officially LEED certified. We have lights that turn on and off according to occupancy, and our new HVAC systems are more efficient than the last ones we bought. The landscaping that was put in with the construction was made up of native plants at our request.

In our rental contracts, we continue to ask that no one uses Styrofoam in the church building.

Our children spend lots of time on the playground, except in the months of the pandemic. Last year, one of the moms spent the late summer clearing out PI and other undergrowth, so they can now use more of the area. They have been tending gardens in the playground as well, learning to grow things and even sometimes eating what they grew.

This year, we are working with a young man on his Eagle Scout project to make a play/music/rhythm place in the playground so the children can experience that as they play.

Respect and care for the Earth is an element in many of their activities.

Updated Dec. 2022, Chris Jimmerson

Ends Interpretation 1.4.5: We embody the principles of Unitarian Universalism and invite people of goodwill to find a spiritual home with us.

First UU Church of Austin

February 2022

Interpretation:

By this we mean that we as individuals will keep the seven Principles in mind and use them as a guide for living at home and at work as well as at church. As a congregation, as well, we will use the Principles as our guide for decisions made as we live into our Mission.

We will invite people to join this church through becoming more visible in the community, through ads and outreach, through livestreaming the services. We will encourage church members to speak about the church and invite friends to come visit.

We will have a staff member who is in charge of membership, who can guide people as they take steps to move from visiting to joining, and then to more meaningful involvement. Our new Transformation Through Service (as of 2022, Transformation, Connection, Service) program will provide a more detailed and intentional path for members to find their calling in the church and, through involvement and experience, make it more and more their spiritual home.

We say “people of goodwill” because we have been tasked with making this a safe space, so if a person comes in whose behavior is disruptive, we will go through the steps outlined in the Disruptive Behavior Policy* to keep the church safe.

*attached

Measures:

How many of our members know the seven Principles?

Is our congregation growing in numbers? How many views do our livestreams have? How many ads have we run? Are our visitor numbers increasing?

How many people have been served by the TTS team?

Do we have a staff member whose job it is to run the Membership Team?

CHURCH *of* Austin



Disruptive Behavior Policy

revised: April 2019

I: Background

First UU strives to be an inclusive community, embracing our differences in beliefs, opinions, and life experiences. So that our community remains strong and vibrant, we are committed to ensuring the safety and well-being of everyone attending our church or participating in a church-sponsored event. Toward this end, we recognize that the safety and well-being of our congregation as a whole must be given priority over the privileges and inclusion of an individual.

II: Definitions and Scope

The policy applies to all adults while on the First UU campus or at an off-site First UU-sponsored event. We define disruptive behavior to be:

- perceived threats to the physical or emotional safety of any adult or child;
- sexual harassment;
- disruption of church activities;
- a pattern of smaller disruptions which, taken as a whole or cumulatively, can be considered a serious disruption; OR
- diminishment of the church's appeal to its potential or existing membership.

Criminal and violent behaviors are beyond the scope of this policy. In the case of such behaviors, all staff members and congregants have the authority and duty to contact the police immediately.

III: Confidentiality

Silence empowers the aggressor and often engenders gossip. Due to the types of behaviors that trigger this policy, confidentiality cannot be assumed. Often the aggressor tells their own version of events. Leadership must feel free to speak the truth about these events to the extent that good judgment indicates.

IV: Actions

A disruptive situation can be handled by the senior minister if they are available. However, all staff members and congregants have an interest and responsibility in the response to disruptive behavior. As such, any staff member or congregant who feels capable may handle a disruptive situation in a covenantal manner.

Usually a situation escalates from uncomfortable to disruptive. See Appendix A for examples of disruptive behavior. Make an attempt to diffuse the situation. If the situation continues to escalate, the recommended actions are:

1. Request that the offending party cease the behavior
2. Ask them to leave
3. Contact police or security to calm the situation or remove the offending person

If the senior minister does not handle the situation, the person who did so shall leave the senior minister a message immediately, followed by a detailed report within 24 hours. The initial message can be email, text, or voice mail. The report may be written or sent by email.

If the offending party is not a member or friend of our congregation, the matter is considered closed. If the offending party is a member or friend of our congregation, immediate action is taken per the Disruptive Behavior Policy. As follow-up, it is recommended that the senior minister and the board president follow the Serious Covenant Breach Policy.

Appendix A:

Here are a few examples of disruptive behavior:

- perceived threats to safety: a rowdy drunk
- disruption of church activities: white person wanting to join the POC group
- diminishment of appeal: someone panhandling on the church campus
- disruption of church activities: someone on moratorium comes back to church and is asked to leave
- sexual harassment: sexual innuendos

Limitations Interpretation 2.6 – Asset Protection

First UU Church of Austin

January 11, 2022

The Senior Minister shall not cause or allow Church assets to be unprotected, inadequately maintained, or unnecessarily risked.

Interpretation:

The Senior Minister has primary responsibility for the safety of church assets. Those assets must receive adequate protection. Although we cannot eliminate risk completely, the assets shall not be exposed to undue risk.

Measures (Indicators of Compliance):

Specific measures of this appear in the interpretations that follow.

Rationale:

This particular limitation serves as an umbrella for those that follow, which provide additional specificity. Any measures of this one, independent of the others, would prove redundant.

Evidence of Compliance – The Data

Specific data appear in the interpretations that follow.

Accordingly, The Senior Minister Shall not:

2.6.1 Fail to insure against theft and casualty losses and against liability losses to Board members, staff, and the organization.

Interpretation:

We shall carry adequate insurance in order to protect the organization, board, and staff against both casualty losses and liability losses.

We understand “casualty loss” to mean a sudden, out of the ordinary loss such as a flood or fire. We will carry sufficient insurance coverage to cover full replacement cost.

We understand “liability loss” to mean legal responsibility for injury or harm to a third party or a third party’s belongings.

Measures (Indicators of Compliance):

Documentation that we hold an insurance policy that covers such losses.

Rationale:

This limitation deals with holding insurance. The only possible measure is whether or not we

have such insurance.

Evidence of Compliance – The Data

I report compliance.

Church Mutual, our insurance company, has a strong track record among churches (it covers more churches than any other insurer) and we have certainly been satisfied with our experience over the previous years. Other churches speak almost unanimously of having a positive experience with this carrier.

Just to be careful, however, we rebid our liability insurance in April 2013 and the alternate bid came in at double the price. We decided to stick with Church Mutual.

Our property and liability insurance policy with Church Mutual, includes our Directors and Officers coverage (the part that protects the board for claims made against trustees personally.)

Our liability policy covers up to \$1,000,000 per incident up to an aggregate of \$3,000,000.

Our liability policy does not cover flood damage, however. The church added flood insurance through Farmers in April 2013. It covers \$100,000 on the building and \$50,000 on its contents. We have continued to renew this policy each year, so it remains in effect.

2.6.2 Fail to seek professional, independent financial advice to guide investment decisions.

Interpretation:

We have professional, third-party advice regarding church investments through holding our funds in the UUA Common Endowment, which is professionally managed.

The UUA charges the costs of their professional advice to our investment funds (divided among them according to their size). We anticipate that those costs will amount to about 1% of the value of our invested funds based upon figures from the UUA common endowment.

Measures (Indicators of Compliance):

The professional expertise for the UUA Common Endowment is documented on their website.

Rationale:

The UUA Common Endowment is much better able to secure such advice and manage funds than we could be.

Evidence of Compliance – The Data

I report compliance.

We hold our investments funds in the UUA Common endowment where they are being professionally managed.

2.6.3 Fail to operate based on a clearly articulated investment plan, that may include mutual funds or Exchange Traded Funds (ETF), but that shall not include individual securities.

Interpretation:

The UUA Common Endowment is in compliance with this policy in that it uses a well-documented investment plan and avoids the types of funds excluded by this policy.

Measures (Indicators of Compliance):

A copy of the written investment plan and of the investment portfolio for the UUA Common Endowment is available at <http://uucef.org>.

Rationale:

Again, the UUA common endowment has greater resources and expertise than do we to ensure compliance with this policy.

Evidence of Compliance – The Data

I report compliance.

Our funds are invested in the UUA Common Endowment and are being managed in compliance with the investment plan at the link above.

2.6.4 Allow un-bonded personnel access to material amounts of funds.

Interpretation:

Any staff with regular access to a material amount of funds shall be bonded.

For the purpose of this limitation, a material amount is \$500 cash.

Measures (Indicators of Compliance):

A list of staff with regular access to a material amount of funds and a copy of the insurance policy that bonds them will serve as indicators.

Rationale:

The list plus the documentation of coverage confirm compliance.

Evidence of Compliance – The Data

I report compliance.

Our Church Mutual insurance policy includes a blanket bond (form A309), which covers all employees.

2.6.5 Allow facilities, premises, and equipment to be subject to improper wear and tear or insufficient maintenance.

Interpretation:

We shall not allow the facility, grounds, or equipment to be used in ways that create unusual or undue wear and tear. We shall maintain the facility, grounds, and equipment in good, working order.

Measures (Indicators of Compliance):

1. Progress on resolving deferred maintenance and upkeep issues; prompt attention to new ones as they occur.
2. Regular safety inspection by our insurance company.

Rationale:

These measures will bring to light any significant issues and allow us to anticipate those that have a certain degree of predictability.

Evidence of Compliance – The Data

I report compliance to the degree currently possible.

We are spending more on grounds upkeep and have completed several building upgrades and maintenance on parts of the building that were not included in the recent renovations and expansion.

We last had a safety inspection by Church Mutual in February 2020. We complied with most of their recommendations before having to close the building because of Covid 19. We will return to the remaining items when it is possible.

2.6.6 Fail to protect intellectual property, information, and files from loss or significant damage, or the lack of application of appropriate documentation and retention standards.

Interpretation:

We are not aware of the church having any significant intellectual property to protect at this time.

The church keeps certain sensitive information such as direct deposit data of staff, member credit card numbers, and the like. That information shall be kept securely both electronically and physically, as appropriate.

We interpret “appropriate documentation and retention standards” to mean that we shall have and implement a document-retention policy that follows best practices.

Measures (Indicators of Compliance):

In the case of intellectual property, we will use a passive indicator: the absence of any substantiated reports of the infringement of our copyright.

Regarding sensitive information, a copy of our document retention policy, written affirmation of compliance with the policy, and the absence of reports of data misuse will serve as indicators.

Rationale:

Active indicators of the protection of intellectual property could prove quite expensive and out of proportion to the likely risk and losses that an infringement of our copyright would create. A passive indicator, in this case, is sufficient to confirm compliance.

With sensitive information, the active indicators of policy plus implementation provide a good first layer of defense. The significant misuse or abuse of sensitive data would draw the attention of impacted church members and potentially legal authorities, providing a second layer of defense and indicator.

Evidence of Compliance – The Data

I report compliance.

1. We have received no reports, substantiated or otherwise, of the infringement of any church copyrights.
2. Sensitive information
 - a. Document retention policy. We have a document retention policy posted where we keep sensitive documents and backed up electronically and are in compliance with the policy.
 - b. Data misuse. We have received no reports, substantiated or otherwise, of data misuse.

2.6.7 Fail to seek competitive bids when appropriate.

Executive Operational Interpretation:

Any new contract of over \$5,000 within one fiscal year, or \$10,000 over multiple years, requires at least two bids. Any renewal contract of over \$15,000 within one fiscal year, or \$50,000 cumulatively, requires at least two bids.)

Measures (Indicators of Compliance):

1. Reporting, in this limitations report or otherwise, by the executive.
2. Direct review of records by audit team or other board appointees.

Rationale:

1. The executive's regular report of compliance or non-compliance gives an important safeguard.
2. Direct review of relevant records and documentation would confirm compliance.

Evidence of Compliance – The Data

I report compliance.

For every new expense and contract within the above parameters during the previous twelve months, we would have obtained and documented at least two bids; however, we do not show documentation of any new contracts that have met this threshold.

2.6.8 Receive, process, or disburse funds under insufficient controls.

Executive Operational Interpretation:

We shall have and execute fiscal controls in order to minimize the opportunity for the misappropriation of funds.

Measures (Indicators of Compliance):

A copy of our fiscal control process and written affirmation of compliance.

Rationale:

A copy of the fiscal control process confirms the existence of the controls. A written affirmation confirms compliance.

Evidence of Compliance – The Data

I report compliance to the degree currently possible.

We have good controls in place, and a contract CPA documented them for us. For example:

- Every volunteer deposit supervisor receives a background check
- Staff who handle material amounts of money have received background checks
- Two family members cannot count the Sunday collection together
- Good separation of duties documented and implemented.

We are aware of no significant departures from generally good financial controls during the previous year with the exception noted above for those items that require volunteer help while we cannot have volunteers in the building. For those deposits, the congregational administrator is completing them and the contract bookkeeper and minister for program development are reviewing them. These are mainly checks and such instruments mailed to the church. During the brief time the building reopened, we returned to the Sunday morning controls that utilize volunteers.

2.6.9 Maintain material amounts of church funds outside either federally insured accounts or investments made pursuant to the clearly articulated investment plan.

Interpretation:

We anticipate that the church's liquid assets shall be kept in three ways, and in all cases with appropriate safeguards. In the case of banks, we shall use FDIC-insured accounts or the equivalent for credit unions. In the case of investments, they are kept within the UUA Common

Endowment, according to a written investment plan. Petty cash and undeposited funds shall be kept locked up. Undeposited funds will be deposited at least once weekly.

For the purpose of this limitation, “material amounts” means 1% of the annual budget.

Measures (Indicators of Compliance):

1. Reconciled financial reports, a copy of a recent bank statement, and documentation of the bank’s FDIC status shall serve as indicators for assets in the bank.
2. A copy of the investment plan, the reconciled financial reports, and a copy of a recent brokerage statement shall serve as indicators for assets in the bank.
3. The financial reports will serve as an indicator of the amount of assets kept in petty cash.
4. A written affirmation will indicate whether or not petty cash and undeposited funds are kept locked up.

Rationale:

The aforementioned indicators provide thorough documentation as to the whereabouts and safety of the vast majority of the church’s liquid assets. Petty cash and undeposited funds only rarely exceed 1% of the annual budget, and even when they do they are kept safe.

Evidence of Compliance – The Data

I report compliance.

1. We have provided monthly reconciled financial reports to the board; the documentation is available for inspection including bank statements. Our accounts at Texas Health Credit Union are covered by NCUA, the government-operated equivalent of FDIC for credit unions. Coverage is described online here:
<http://www.ncua.gov/Legal/GuidesEtc/GuidesManuals/NCUAHowYourAcctInsured.pdf>
2. Our capital funds are now less than the FDIC insured amount.
3. Statements on our investment funds held by the UUA and invested according to the aforementioned investment plan are available for inspection. They are reconciled with each financial statement.
4. We have provided monthly financial reports to the board. We consistently hold less than \$200 in petty cash, which is well under 1% of the church budget and have reported on it with each financial statement. It is kept locked in a safety file drawer.
5. I affirm that undeposited funds are kept locked up.

2.6.10 Endanger the organization's public image or credibility.

Executive Operational Interpretation:

The church’s reputation represents one of its most valuable, and most difficult to quantify, assets. We shall not engage in activities or practices that are likely to endanger it, as any negative impact to it could severely damage the organization’s fiscal health and ability to fulfill its mission.

Measures (Indicators of Compliance):

In the short-term, we will use a passive indicator: the absence of any substantiated reports to the contrary will serve as an indicator.

Over the long-term, we will develop methods of measuring, on a regular basis, the church's reputation among both our members and our other stakeholders.

Rationale:

The meaningful measure of reputation, especially outside of membership, represents a potentially large investment of time and money. The development and use of measures beyond the passive indicators will require a thoughtful development of tools that will allow us to do this without the cost to the organization exceeding the likely risk and likely consequences of non-compliance.

Evidence of Compliance – The Data

I report compliance.

We have received no reports, substantiated or otherwise, of danger to the church's public image and credibility.

Our online worship attendance continues to include folks from throughout the U.S. and even overseas. This indicates credibility.

2.6.11 Fail to follow UUA guidelines for Socially Responsible Investing to ensure that our investments are reasonably consistent with our values.

Executive Operational Interpretation:

The church's investments will be kept in the UUA's Common Endowment Fund so that we will automatically conform with the UUA's SRI guidelines.

Measures (Indicators of Compliance):

We will invest our funds in the UUA Common Endowment thus assuring compliance with these standards.

Rationale:

If the UUA is the standard of excellence for this limitation, then its measure on this should likewise be the most appropriate.

Evidence of Compliance – The Data

I report compliance.

In 2014, the UUA expanded its definition of socially responsible investing to better encompass climate change and other environmental issues. In 2015, we moved our investments into the UUA Common Endowment Fund so that they are now invested according to UUA standards.

[Last updated 01/11/2022.]

APPENDIX 1: SEGREGATION OF DUTIES

Financial Segregation of Duties

First UU Church of Austin

Last updated: March 5, 2014

Sunday Collection	2 Ushers	The ushers count loose cash, number of envelopes, and number of loose checks. They put their report into the Financial Administrator's box and put the collection into the vault.
Deposit of Sunday Collection	2 Deposit Supervisors	The deposit supervisors come in on Monday, put together the deposit, and take it to the credit union.
Open mail	Communications Coordinator	Checks go into the vault (as does any other cash or check that arrives during the week).
Deposit of income during the week	2 Deposit Supervisors	The two-person team comes in on Thursdays to put together the deposit and take it to the credit union.
Data into Quickbooks, ACS, etc.	Contract Bookkeeping Firm	
Prepare checks (payments)	Contract Bookkeeping Firm	
Sign checks	Minister for Program Development	President & Treasurer just backup or checks that require multiple signatures
Reconciliation	Minister for Program Development	Monthly (final approval)
Internal Audit	Internal Audit Committee	IA Cmte members must be independent of check signers and Financial Administrator (no family relation, etc.)

Contract Bookkeeping Firm

- Routine duties specifically exclude handling of cash or checks as they are offsite

Minister for Program Development

- Routine duties exclude writing checks
- Only handles cash or income checks occasionally

Vault Access

- Only the Communications Coordinator and Minister for Program Development have access to the vault (where we keep undeposited funds and blank checks).

- Ends Interpretation 1.4.4: We care for one another in intergenerational community and connect in fun and fellowship.

First UU Church of

Austin

February, 2022

- We care for one another in intergenerational community and connect in fun and fellowship.

Interpretation:

We take this to mean that all of us intentionally involve the children, youth, adults, and elders in as much church programming as possible. We teach the children and youth ways to care for others. We reach out to church members when they are ill or struggling.

We realize that connection with one another is richer when, in addition to Sunday morning connections, ministry team connections and social justice project connections, we make connections with one another in the context of parties and just-for-fun events.

Measures:

We have a Care Team who sends cards, arranges for meals, occasionally gives rides, and provides some connection for our elders who can no longer attend regularly.

The children wear nametags and the adults are encouraged to learn their names

We have a “caring fund” which can be used to support members who are in financial difficulties.

We mark special occasions with parties.

Narrative: The church adults and children speak to one another in the hall. The adults know the kids’ names. The children are considered in church plans as much as the adults are.

Families know one another, and they are engaged with one another. Those who are ill do not feel forgotten.

State of the Church

- Stewardship campaign

Many thanks to Liz Nielson, who has chaired our stewardship council for the past three years through the hardest of times, as well as her great team of folks. They, along with a special joint sub-group formed in conjunction with our board, found ways to address our greatly increased pledge needs for 2023.

With their leadership, this religious community rose to the challenge, securing about \$815,000 in pledges and one time challenge contributions – 96% of a very ambitious goal!

- Facilities and Grounds

Our facilities and grounds deteriorated during the pandemic while the building was closed. We also suffered some damage due to the snowstorm and extended freeze in 2021. We have been performing maintenance and upgrades. We have been limited in doing so because of being short-staffed and a lack of funds to address some of the needed repairs and maintenance, so things are moving more slowly than we would like.

We have made progress. The following are a few examples:

We ran electricity to the outside wall of the RE Wing by the playground and had an electrically operated awning installed. We had several of the RE rooms and areas repainted and installed new window coverings. We vastly improved one of the portable rooms such that it is a very livable space for visitors.

We also had the electrical lines to the portable rooms replaced, as they had been done incorrectly when these portable rooms were first installed.

Luther Elmore filled in the spaces between the large blocks in the courtyard to improve safety.

A new group of terrific volunteers has been doing great work to improve our grounds. They also funded bringing in a professional arborist to clear away deadwood and clean up our grounds.

Some of the hallways in the church were cluttered with items that we had no place to store. We rented offsite storage so that we clear the hallways.

Likewise, our technical crew and volunteers cleared out or masked much of the exposed sounds and other cabling in the sanctuary, and we cleared out the hallway by the choir loft so that the second candle wall can now be used during services.

- Staffing Planning

Our church staff has grown smaller through attrition that occurred during the pandemic, the retirement of our senior minister and the death of a long-time, much loved staff member. We were already short-staffed compared to churches of a similar size. Trying to emerge from the pandemic, revitalize our ministries and programs and do the work of the transition has resulted in staff overworking and risking burnout. We have been restructuring and looking at ways to relieve staffing stress and workload, as well as to create a future staffing plan to better meet the church's needs and goals.

The 2023 budget includes some staffing realignments.

- Visitation/Attendance/KUT

Our attendance and visitation have been trending upward. October 2022 in person attendance increased by 69% over October 2021 (we had just returned to in person services in October 2021).

Average in person worship attendance this church year has been 195, compared to an average attendance of 139 in the months the church was open to in person attendance in the prior church year.

We have had an average of 20 in person visitors at each worship service, with an average of 11 returning visitors.

Our online service videos have been averaging 250 to 450 "views"; however, that does not tell us how many people watched the entire service or whether they watched it live. Based upon comments during the Livestream, it seems as if about 20 to 40 folks are joining the live-stream each Sunday, with many others watching the video later.

We have run sponsorships on KUT during this church year, and some of the increase in attendance and visitation correlates with the time periods during which we ran the sponsorships.

Anecdotally, church members who had not been attending since the pandemic have commented that hearing the sponsorship prompted them to attend again, and several church folks have commented that hearing the sponsorship on KUT boosted their excitement about the church.

Overall, we have noted a high level of positive energy on Sundays at the church.

The voting membership list increased from 397 for the May congregational meeting to 431 for this congregational meeting.

- 8th Principal and UUA Bylaws Article II

The ministry team will be working with the board and several of our church ministry teams to use the UUA's Commission on Institutional Change report, *Widening the Circle*, to more fully live into the 8th Principle, as well as our ends statement, "we partner with other organizations and faith communities to dismantle a culture of white supremacy and other systems of oppression, within ourselves, within our church community, and beyond our walls."

Widening the Circle provides an excellent blueprint for doing so.

On a related note, Paula Cole Jones, one of the original authors of the 8th Principle, serves on Study Commission to examine a potential revision to Article II of the UUA bylaws, which currently contains our principles and sources.

The commission is proposing a change to Article II which would involve a covenant of shared values rather than the principles in the bylaws themselves. However, congregations could still use the principles.

Dr. Jones and the commission have issued a statement that many of the proposed values grew specifically out of the work done on the 8th principle and embody the spirit of its intent. The work demanded by the 8th principle would go on, even if the proposed changes to Article II are adopted.

I will hold a session on the proposal for Article II in February. In the meantime, the following link provides more information:

<https://www.uua.org/uuagovernance/committees/article-ii-study-commission>.

It is interesting to me that this change would move the UUA as a whole toward focusing on values, mission and ends, just as our church has already done.

- Sermons and Music

Some smaller Unitarian Universalist churches and fellowships have been using our service and/or sermons or musical videos for their worship. We recently gave a group called the "UU Free Range Ministry website" [permission to link to our sermons and services.

- Revitalization and reimagining of ministry teams after the pandemic

Many of our ministry teams are now rebuilding after the pandemic and are also reimagining these ministries given how our world has changed. These include the First UU Cares Council, the Memorial Services team, Social Action Team (including many of its

“pillars” or sub-teams, such as reproductive justice), the Membership Team, The Healthy Relations Team, and Senior Lunch.

The Fun and Fellowship Team is very active again. The LGBTQ Heart Circle is now officially a program of religious education.

Folks are also in discussion about restarting our BIPOC group, as well as a possible white allies group. Paradox Players and the Public Forum are also in discussions about relaunching.

As mentioned above, a newly formed team is working on our grounds and landscaping.

Report on Listening Circles
December 18, 2022
Rev. Jonalu Johnstone
Rev. Erin Walter

We held sixteen listening circles between October 16 and December 11, including virtual and targeted circles (BIPOC people, parents, and youth), as well as a handful of individual conversations. We heard from a total of 116 participants, including thirteen BIPOC participants. People from the LGBTIQ+ community, members whose connections are entirely virtual, and people with disabilities were represented, though perhaps not in the numbers we would desire. New members and even those who are not yet members were included, though older members were more common.

The themes and recommendations in this report draw primarily on those meetings, with additional input based on observation and conversations outside the circles.

Worship and Music

The most commonly mentioned appreciation in all areas of church life was music, with both variety and quality being praised along with Brent Baldwin's leadership of the music program for more than two decades.

Sermons were appreciated a bit less, though still significantly; both Rev. Meg Barnhouse and Rev. Davidson Loehr were specifically mentioned, as was ritual and collaborative services. Some members named a lack of spirituality, and one commented that "entertainment feels more important than spiritual experience."

It should be noted that attendance is up from last year, as described in Rev. Chris's report.

Religious Education and Family Ministry

Religious education staff, especially Kelly Stokes, was universally praised. One participant commented: "We couldn't ask for better RE staff. We could ask for more, but not better." A number of people mentioned the need for more adult religious education opportunities, while also appreciating Wellspring and Chalice Circles. The Our Whole Lives (OWL) sexuality program is deeply appreciated by adults and youth and seen as a potential way to bring more people into the church. Parents desire more opportunities to connect with and support one another, and youth want to have more connection to the church through social justice and other activities. The youth expressed missing friends who have yet to return to church from the pandemic and hope that the church will encourage them to return in person and grow the youth groups again.

Church Organization

Communication came up strongly as a need for improvement. The website is not easy to navigate to find answers for searchers, whether new people or established members. Members are not sure how to get involved and are concerned that guests may have an even harder time.

The building and grounds are not as appealing as desired. Though appreciative of the new expansion, the contrast can make other parts of the building – notably, the RE wing – appear shabbier.

Staffing levels are a concern. Many efforts that members would like to make are challenged because of lack of staff support.

Church Culture

Despite the challenges of the last few years – construction, pandemic, and losing Rev. Meg Barnhouse, much beloved, to retirement – the spirit and commitment of the church are strong, as demonstrated by the successful stewardship drive this fall. There is also a sense that the congregation comes together well to face difficulty and even controversy, as it did in the dismissal of Rev. Loehr some years ago. Since that event, the Covenant of Healthy Relations was identified as a significant factor in improved atmosphere. Some feel that there is a growing culture of generosity.

Many feel strongly connected to the church through friendships and community within specific groups.

Many members hold on to programs and approaches that have been successful in the past. Fewer are thinking about how to better use contemporary opportunities, such virtual options. Much of what people say they want is to resurrect various activities that existed pre-COVID, such as Forum and Paradox Players. That is a natural response to the upheaval of the last few years. However, youth had a slightly different view. They mentioned social media like TikTok, Discord, and Instagram (though they also advocate for a return to rallies and lock-ins). Creating a balance between past and future will require discernment.

Desire for outreach, besides around racial and cultural diversity, centered most strongly around outreach to college students.

Multiculturalism and Anti-Racism

A significant number of people mentioned wanting to have a diverse, multicultural church. At the same time, despite passage of the 8th principle, members seem reluctant to address racist structures and practices, or uncertain how to do so. Often, members embraced the idea of a multi-racial church while not wanting to see much change in the institution. Some BIPOC members report that though they are initially welcomed with enthusiasm, the welcome cools once they have joined. Some report unpleasant and even harmful experiences with White members and leaders. There remains pain for BIPOC members around losing Rev. Marisol Caballero, as well as the departure of other BIPOC church members.

The question occurs, “Why do we want diversity?” If it’s to be more relevant or representative of the local demographics, then it’s largely to make ourselves feel good. If it’s to share Unitarian Universalism as broadly as we can and to serve the people in our community, we have a better grounding to start with. Being of service to others’ needs rather than our own comfort will support the goals of diversity, inclusion and equity.

Social Justice

Similarly, people prize having a church involved with Social Justice. More than a dozen people mentioned giving sanctuary to immigrants and/or work with Austin Sanctuary Network as high points. One said the church “followed our values and showed what we stand for” in making the decision to offer sanctuary. Many were moved by the moment the congregation made the decision to begin offering sanctuary. However, the number of people actually involved in that work does not reflect the strong sense of support. One participant appreciated, “angry people who are passionate about important issues,” adding, “I can rely on them to volunteer for social action related things.”

The Social Justice Committee has a substantial targeted email list within the church. Many people have been involved in the past with Habitat for Humanity, freeze nights, and making sandwiches for ARCH, and have valued those experiences. Often, the work included an opportunity for social connection, so people felt a connection to their church and other members through the work.

The youth requested more opportunities for kids and teens to volunteer and be involved in social justice and community service, from making care packets for unhoused people to connecting with the initiatives the adults pursue via Social Action Council.

What we are already doing:

1. Revitalize committees for lay pastoral care (First UU Cares), Right Relations and membership. Discussions are underway about revivals of Forum and return to a second service.
2. Working towards better communications, with Chris’ visual blogs and with pending reallocation of staff.
3. Plans for adult RE in the winter and spring are coming together, including the Trans Inclusion curriculum grounded in broad anti-oppression values.
4. Grounds committee is getting that aspect of the church in better shape.
5. Developing a realistic plan for full staffing to be phased in over time.
6. Bringing explicit multicultural framework to worship, i.e. encouraging more lay leadership, inviting BIPOC guest ministers, diverse sources for music and readings, Beloved Community as a lens through which we interpret all themes. Also, volunteer-led BIPOC group and BIPOC families group are returning.

Recommendations:

1. Build on strengths rather than problems. What you pay attention to grows. Bring all other programs (building, religious education, administration) up to the same level of support as music. That will produce that same level of excellence.
2. Work with the UUA Commission on Institutional Change's report "Widening the Circle of Concern" https://www.uua.org/files/pdf/w/widening_the_circle-text_with_covers.pdf to find next steps on anti-racism work. As we develop those plans, we strongly recommend church leadership, volunteers, and listening circle participants take the Trans Inclusion course in 2023, as a next step in deepening church culture of 8th principle.
3. Be pro-active and intentional about connecting with people who attend primarily virtually. Keep in mind their needs, keeping some activities virtual and/or hybrid, so they can stay involved. Growing social media presence could also be helpful in cementing these connections.
4. Develop a comprehensive communications strategy that addresses internal, external and targeted communication, and includes website redesign, social media strategies, newsletter, and creative forms of outreach.
5. The question that remains in social justice work is how to seriously tackle issues of justice once a position has been defined. The church needs to develop a deeper understanding of the roles of direct service, advocacy, and creating change in making the world a better place. In his book *The Souls of Black Folks*, W.E.B. Du Bois asks, "How does it feel to be a problem?" It's a question to contemplate as FUUCA strives for deeper understanding of issues being engaged and the people being affected by those issues.

Finally, we hope that many of you will attend the January 14 workshop, "First UU History." The goal is to understand and process the ways the past has shaped the present, and may influence the future of the church. We need to have voices from those who remember the past as well as those grounded in the present. Childcare will be available.

Financial Reports – October 2022

Revenue slightly exceeded budget for October, and expenses were below budget. Thus, our overall financial position, as well as our projections for year-end improved somewhat. Our cash reserve calculation remains at about 3 months (slightly above that

FIRST UNITARIAN UNIVERSALIST CHURCH OF AUSTIN - Budget vs. Actuals: 2022 Budget: Jan - Oct 2022

	Oct 2022			Total			
	Actual	Budget	over/ under	Actual	Budget	over/under	Notes
Income							
4100 Earned Revenue			0	0	0	0	
4110 Event Revenue		0	0	0	10,000	-10,000	
4130 Rentals Revenue	11,482	11,500	-18	92,323	102,000	-9,677	
4199 Refunds			0	-1,675	0	-1,675	
Total 4100 Earned Revenue	\$ 11,482	\$ 11,500	-\$ 18	\$ 90,648	\$ 112,000	-\$ 21,352	
4200 Contributed Revenue			0	0	0	0	
4210 Unrestr Contrib			0	0	0	0	
4211 Pledge	54,485	54,000	485	499,866	537,000	-37,134	1
4212 Sunday Plate	3,365	2,500	865	18,559	25,000	-6,441	2
4213 Other Gifts	12,294	3,333	8,961	98,178	33,330	64,848	3
Total 4210 Unrestr Contrib	\$ 70,144	\$ 59,833	\$ 10,311	\$ 616,602	\$ 595,330	\$ 21,272	
4220 Restr Contrib	1,000		1,000	14,323	0	14,323	4
4221 Special Plate	1,424	833	591	12,398	8,330	4,068	
Total 4220 Restr Contrib	\$ 2,424	\$ 833	\$ 1,591	\$ 26,721	\$ 8,330	\$ 18,391	
4230 Grants		0	0	142,079	247,141	-105,062	
4290 Other Contr Rev	-434	4,000	-4,434	10,610	25,000	-14,390	5
Total 4200 Contr Rev	\$ 72,134	\$ 64,666	\$ 7,468	\$ 796,008	\$ 875,801	-\$ 79,793	
Total Income	\$ 83,616	\$ 76,166	\$ 7,450	\$ 886,659	\$ 987,801	-\$101,142	6
Expenses							
Total 6100 Payroll	\$ 45,721	\$ 58,675	-\$12,954	\$ 522,862	\$ 614,928	-\$ 92,066	
Total 6210 Char Giving	\$ 0	\$ 3,465	-\$ 3,465	\$ 42,775	\$ 34,650	\$ 8,125	*
Total 6220 Program Exp	\$ 14,220	\$ 10,287	\$ 3,933	\$ 81,247	\$ 103,918	-\$ 22,671	7
Total 6300 Outreach Costs	\$ 250	\$ 1,302	-\$ 1,052	\$ 32,230	\$ 13,165	\$ 19,065	*
Total 6400 Occ Costs	\$ 7,666	\$ 6,608	\$ 1,058	\$ 65,265	\$ 66,187	-\$ 922	
Total 6700 Business Exp	\$ 8,883	\$ 3,928	\$ 4,955	\$ 61,524	\$ 56,328	\$ 5,196	8
6820 Depreciation Expense	10,993	10,671	322	108,644	106,713	1,931	
6830 Interest Expense	4,527	5,746	-1,219	46,862	57,469	-10,607	
Total Expenses	\$ 93,279	\$101,706	-\$ 8,427	\$ 976,012	\$1,063,614	-\$ 87,602	
Total Other Income	\$ 53	\$ 0	\$ 53	\$ 8,768	\$ 0	\$ 8,768	
Net Income	-\$ 9,610	-\$ 25,540	\$ 15,930	-\$ 80,585	-\$ 75,813	-\$ 4,772	
Non-Operational Expenses	\$15,520	\$16,417	-\$897	\$155,506	\$164,182	-\$8,676	
Non-Operational Revenue				\$13,692			
Net Operational Income	\$5,910	-\$9,123	\$15,033	\$61,229	\$88,369	-\$27,140	

1. Pledge exceeded budget slightly.
 2. Plate also exceeded budget slightly.
 3. One large gift, plus gifts for tree trimming and KUT.
 4. Capital campaign contribution.
 5. Account reconciliation.
 6. Income exceed budget.
 7. Hotel expense because of electrical rewiring of room, OWL guest speakers.
 8. Liability insurance payment.
- * See notes from prior months.

FIRST UNITARIAN UNIVERSALIST CHURCH OF AUSTIN
Projected Year End
January - December 2022

	Total		
	Actual through Oct	Projected	Budget
Income			
4100 Earned Revenue	0		
4110 Event Revenue	0		10,000
4130 Rentals Revenue	92,323	116,788	125,000
4199 Discounts/Refunds Given	-1,675	-1,675	
Total 4100 Earned Revenue	\$ 90,648	\$ 115,113	\$ 135,000
4200 Contributed Revenue	0		
4210 Unrestricted Contributions	0		
4211 Pledge	499,866	611,839	650,929
4212 Sunday Plate	16,414	20,697	30,000
4213 Other Gifts	98,178	102,778	40,000
Total 4210 Unrestricted Contributions	\$ 547,678	\$ 735,314	\$ 720,929
4220 Restricted Contributions	14,323	15,123	
4221 Special Plate	12,398	14,878	10,000
Total 4220 Restricted Contributions	\$ 23,077	\$ 30,001	\$ 10,000
4230 Grants	142,079	142,079	247,141
4290 Other Contributed Revenue	10,610	12,732	29,000
Total 4200 Contributed Revenue	\$ 723,878	\$ 920,126	\$ 1,007,070
Total Income	\$ 886,659	\$ 1,035,238	\$ 1,142,070
Total Expenses	\$ 975,012	\$ 1,249,665	\$ 1,289,665
Total Other Income	\$ 8,768	\$ 10,522	\$ -
Net Income	\$ (79,585)	\$ (203,905)	\$ (147,595)
Non-Operational Expenses	\$ 155,506	\$ 186,607	\$ 197,008
Non-Operational Income	\$ 13,692	\$ 14,323	
Net Operational Income	\$ 62,229	\$ (31,621)	\$ 49,413

I will explain some of the assumptions in this report during the meeting.

FIRST UNITARIAN UNIVERSALIST CHURCH OF AUSTIN

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Balance Sheet As of October 31, 2022

	AUG 2022	SEP 2022	OCT 2022
ASSETS			
Current Assets			
Bank Accounts			
1072 Bill.com Money Out Clearing	575.35	1,169.65	835.53
1110 8009-THCU Checking	487,558.72	527,634.73	531,124.89
1120 RBank Debt Service 676	59,168.82	59,166.25	59,168.76
1130 RBank Construction 668	144,684.51	135,782.90	126,881.13
1140 THCU Money Market	0.00	0.00	0.00
1150 THCU Savings	37.67	37.67	37.67
1160 UFCU Savings	0.00	0.00	0.00
1170 THCU CDs	0.00	0.00	0.00
1189 Petty Cash	200.00	200.00	200.00
1710 UUCEF Permanent Endowment Acct.	261,878.47	245,368.71	245,368.71
1720 UUCEF Mixed Investment Account	325,093.79	304,598.71	304,598.71
1730 UUCEF Murr Music Account	73,847.30	69,191.70	69,191.70
1740 UUCEF Education	699,623.41	621,455.47	621,455.47
Total Bank Accounts	\$2,052,668.04	\$1,964,605.79	\$1,958,862.57
Accounts Receivable			
1210 Accounts Receivable	0.00	0.00	0.00
Total Accounts Receivable	\$0.00	\$0.00	\$0.00
Other Current Assets			
1199 Undeposited Funds	0.00	0.00	0.00
1220 VANCO - Payment Reconciliation	0.00	0.00	0.00
1230 Cash/Checks	1,011.28	-1,092.72	-40.72
1240 VANCO - ACH/MS	0.00	0.00	0.00
1250 VANCO - ACH	0.00	0.00	0.00
1260 Stripe	1,974.25	433.31	1,188.92
1310 Prepaid Expenses	7,021.01	10,380.61	5,170.43
1490 Other Current Assets	0.00	0.00	0.00
Total Other Current Assets	\$10,006.54	\$9,721.20	\$6,318.63
Total Current Assets	\$2,062,674.58	\$1,974,326.99	\$1,965,181.20

FIRST UNITARIAN UNIVERSALIST CHURCH OF AUSTIN

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Balance Sheet As of October 31, 2022

	AUG 2022	SEP 2022	OCT 2022
Fixed Assets			
1500 Fixed Assets			
1510 Building	3,810,161.57	3,810,161.57	3,810,161.57
1520 Land	3,772,325.00	3,772,325.00	3,772,325.00
1530 Furniture & Equipment	132,994.25	132,994.25	132,994.25
1540 Exterior Structures & Improvements	19,350.00	19,350.00	19,350.00
1590 Accumulated Depreciation	-693,993.79	-704,987.19	-715,980.59
Total 1500 Fixed Assets	7,040,837.03	7,029,843.63	7,018,850.23
Total Fixed Assets	\$7,040,837.03	\$7,029,843.63	\$7,018,850.23
TOTAL ASSETS	\$9,103,511.61	\$9,004,170.62	\$8,984,031.43
LIABILITIES AND EQUITY			
Liabilities			
Current Liabilities			
Accounts Payable			
2110 Accounts Payable	4,128.29	1,808.57	1,094.39
Total Accounts Payable	\$4,128.29	\$1,808.57	\$1,094.39
Credit Cards			
2150 Chase Credit Card 3081	107.14	215.35	215.35
Credit card (1319)			455.82
Credit card (2900)	426.41	562.51	686.61
Credit card (3030)			60.96
Credit card (3081)	-21,742.88	-19,006.26	-33,337.43
Credit card (3115)	72.16	72.16	72.16
Credit card (3123)	1,108.79	1,108.79	1,108.79
Credit card (4576)	11,316.69	16,108.96	21,048.47
Credit card (8572)	9,580.39	12,543.42	15,385.36
Credit card (9450)	3,317.50	3,673.80	4,150.05
Total 2150 Chase Credit Card 3081	4,186.20	15,278.73	9,846.14
Total Credit Cards	\$4,186.20	\$15,278.73	\$9,846.14
Other Current Liabilities			
2320 Security Deposits	0.00	0.00	0.00
2410 Payroll Liabilities	0.00	0.00	0.00
2450 Sales Tax Payable	0.00	0.00	0.00
2500 Accrued Interest	0.00	0.00	0.00
2610 PPP Loan	0.00	0.00	0.00
Sales Tax Agency Payable	0.00	0.00	0.00
Total Other Current Liabilities	\$0.00	\$0.00	\$0.00
Total Current Liabilities	\$8,314.49	\$17,087.30	\$10,940.53

FIRST UNITARIAN UNIVERSALIST CHURCH OF AUSTIN

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Balance Sheet As of October 31, 2022

	AUG 2022	SEP 2022	OCT 2022
Long-Term Liabilities			
2620 Construction Loan	1,212,468.00	1,208,251.68	1,203,869.53
Total Long-Term Liabilities	\$1,212,468.00	\$1,208,251.68	\$1,203,869.53
Total Liabilities	\$1,220,782.49	\$1,225,338.98	\$1,214,810.06
Equity			
3110 Unrestricted Net Assets	784,139.80	784,139.80	784,139.80
3120 Restricted Funds	7,429,514.13	7,429,514.13	7,429,514.13
3130 Unrealized Gain/Loss on Investments	-235,473.55	-318,948.93	-318,948.93
Opening Balance Equity	0.00	0.00	0.00
Net Income	-95,451.26	-115,873.36	-125,483.63
Total Equity	\$7,882,729.12	\$7,778,831.64	\$7,769,221.37
TOTAL LIABILITIES AND EQUITY	\$9,103,511.61	\$9,004,170.62	\$8,984,031.43

	2022 Budget	2022 Projected	2023 Budget
Earned Revenue:Event Revenue	\$ 10,000	\$ -	\$ 7,000
Earned Revenue:Rentals Revenue	\$ 125,000	\$ 112,113	\$ 125,000
Contributed Revenue:Unrestricted Contributions:Pledge, existing members	\$ 638,268	\$ 611,841	\$ 763,973
Attrition	\$ (22,339)	n/a	\$ (26,075)
Pledge Challenges			\$ 52,500
New Member Pledge Giving	\$ 35,000	n/a	\$ 40,000
Contributed Revenue:Unrestricted Contributions:Sunday Plate	\$ 30,000	\$ 22,885	\$ 24,000
Contributed Revenue:Unrestricted Contributions:Other Gifts	\$ 40,000	\$ 94,284	\$ 71,000
Annual transfer from savings			\$ 27,000
Contributed Revenue:Restricted Contributions:Special Plate	\$ 10,000	\$ 13,006	\$ 13,560
Revenue: Restricted Revenue	\$ 2,500	\$ 14,123	\$ 2,500
Contributed Revenue:Other Contributed Revenue	\$ 26,500	\$ 14,725	\$ 21,000
Total Revenue	\$ 894,929	\$ 1,025,055	\$ 1,121,458
Payroll Expenses			
Payroll Expenses:Salaries & Wages	\$ 747,700		\$ 781,516
Labor Related Expense	\$ 8,000		\$ 8,000

Assumes event possible in 2023

Actual pledges to date plus factoring in a few more

We may see giving from new members go up in 2023

Assumes membership growth

Assumes growth and that text giving builds additional revenue

Takes out Meg gift and staff bonuses from this year
annual transfer from savings

-26075

adjustment to 2023 based on no more capital contributions

Draft 2023 Budget - Interim for Full Year

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	2022 Budget	2022 Projected	2023 Budget
Total Payroll Expenses	\$ 755,700		\$ 789,516
Total Charitable Giving	\$ 41,574		\$ 44,731
Total Program Expenses	\$ 121,007		\$ 95,000
Total Outreach	\$ 15,750		\$ 38,901
Total Occupancy	\$ 79,387		\$ 91,035
Software and Dues	\$ 15,050		\$ 20,000
Insurance and Fees	\$ 64,181		\$ 75,265
Depreciation Expense	\$ 128,051		\$ 128,825
Interest Expense	\$ 68,957		\$ 56,338
Non-Cash Expenses Adjustment (Interest and depreciation)	\$ (197,007)		\$ (185,162)
Total Non-Payroll Expenses	\$ 336,949		\$ 364,932
Total Payroll Expenses	\$ 755,700		\$ 789,516
Search Team			\$ 20,000
Total Expenses	\$ 1,092,649	\$ 1,068,017	\$ 1,174,748
Total Revenue	\$ 1,142,069	\$ 1,025,055	\$ 1,121,458

Adjusted down based upon current year
Added KUT sponsorship twice in year

Adjusted up based on current year

Five Year pledge released
from reserve

One Time Federal Support	\$ 222,036	\$ 142,079	
Net Income/Loss	\$ 49,420	\$ (39,342)	\$ (53,290)

2022 projected does not currently include line item expense projections; however, these are taken into account in 2023 budget projections

Board Transition Committee December report

We continue to refine the timeline for the next year. I've included the most recent version of the "Objectives and Key Results" (OKR) monitoring schedule with timeline as an attachment at the end of this document. Our key activity for January is to develop a plan for getting input from every member of the church about who they'd like to see on the search committee. Please be thinking about people you think would be good, people who can think about the needs of the whole church, who are fair minded and diligent, and who are trusted. Board members are not eligible.

Part of our OKR monitoring work involves measuring member engagement (see OKR 4). We met with Shannon and Kelly (Stokes) early last week (12/12) to discuss what metrics we might get out of church center as well as other ways to measure engagement.

Membership levels now relative to just prior to pandemic.

Supporting document

Timeline (OKR monitoring cadence is main heading, details follow)

November 2022 – (OKR.2) pledged income meets at least 90% of budgeted expenses.

Board receives report of amount pledged and preliminary budget for following year.

December 2022 – (OKR.3) at least 20% of members have participated in at least one interim activity of reflection. BIPOC, disabled, LGBTQ+ participation is documented and robust.

December 18 – Congregational meeting. Interim Ministry team presents early findings from the listening circles.

December 20 – at December board meeting, interim ministry provides information on levels and types of engagement in interim activities.

January 2023 – (OKR.3) Transition team has developed a plan to contact everyone in the congregation to get input about who should be on the search committee. Implementing this plan will involve everyone on the board. The interim ministry team might give the board a preliminary version of the report that they will share with the congregation in February.

Early January – Board Transition Committee works out procedures for nominating and electing search committee.

January 14 2023, 10-12. FUUCA history remembrance

January 17 – interim ministry shares report^[KR1] with the board.

Late January – interim ministry releases a written report on findings.

February 2023 – (OKR.3) interim ministry team has provided congregation a report of their findings and is giving the congregation a chance to provide feedback.

Early February – interim ministry evaluation. The board transition committee announces the details of the process for selecting a search committee.

February – discussion session and other forums (e.g. invitation for written comments) to give church members a chance to respond to report.

March 2023 – (OKR.2) Ministry team provides board a draft of a revised staffing plan sufficient to support the mission of the church with budget implications.

Board Transition Committee needs to have dates for election special congregational meeting set and nomination process needs to end in a slate of candidates no more than 20 days ahead of that meeting.

Board Transition Committee contacts top ~20 nominees to search committee to see who is willing to serve

April -- (OKR.3 and OKR.4). Board forms search committee for next settled minister. Ministry team provides a plan for organizing volunteer support to achieve OKR.4 goals.

Special congregational meeting to elect search committee. Need to coordinate with pre-congregational meeting.

May 2023 – (OKR.2) – staffing plan shared with congregation at congregational meeting.

Early May – we have elected our search committee and the search committee starts its work, beginning by reviewing the settlement handbook.

Search Committee is in high gear... not the work of the board or ministry team, but part of the timeline.

May – July – search committee has a retreat and is trained by UUA (Purcell). Beyond Categorical Thinking workshop.

August – Congregational Survey, cottage meetings

September 2023 – (OKR.1 and OKR.4) Ministry team provides board with metrics of member engagement and leadership.[KR2]

early September – Complete search packet including congregational record.

September – search committee meets with inside candidate

October (early) – option 1: announce a special congregational meeting to vote on whether Chris will be our next settled minister or option 2: announce that Chris will not be our next settled minister and we will be conducting an outside search. The committee has time to revise the search packet to prepare to post it on the UUA website by December 1.

**First UU Austin Board of Trustees
Meeting Process Review**

Date: _____

Name of Evaluator: _____

Ratings: S indicates Satisfactory; NI indicates Needs Improvement; UNS indicates Unsatisfactory

1. Preparation

The board was prepared for this meeting.	S	NI	UNS
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2. Action Items - Previous

Last month's action items were completed.	S	NI	UNS
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3. Timing

Appropriate time was allocated and spent on agenda items.	S	NI	UNA
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4. Policy Governance

Policy governance was observed.	S	NI	UNS
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5. Covenant

The board covenant was observed.	S	NI	UNS
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6. Participation

All board members had the opportunity to participate in discussions and decision-making.	S	NI	UNS
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7. Action Items - Current

Clear action items were identified from this meeting.	S	NI	UNS
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8. Overall

	S	NI	UNS
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Comments: