

Unitarian Universalist Church of Berkeley
Board of Trustees Meeting Agenda
Wednesday, July 10, 2024

[Via Zoom: https://zoom.us/j/91070175965?pwd=d2FUcWZCQjYzVEF2MFZabWJQQRrUT09](https://zoom.us/j/91070175965?pwd=d2FUcWZCQjYzVEF2MFZabWJQQRrUT09)

7:15 1. CALL TO ORDER & OPENING RITUALS

- a. Chalice reading & lighting – Beth Jerde
- b. Board Covenant reading – Pier Sun Ho
- c. Land Acknowledgement Statement – David Rosales
- d. Widening the Circle Statement - Kay Fairwell

7:25 2. CONSENT AGENDA – Items may be approved in one motion unless a Board member requests an item be removed for question or placement under discussion/action

- a. Approve agenda
- b. Approve June 2024 Board Meeting minutes
- c. Accept monthly Treasurer’s report
- d. Accept Freestone Oversight Committee report
- e. Appoint Freestone Committee nominee Bob Moore to replace former Freestone Committee member Alan Davis on the Freestone Oversight Committee, with appreciation to Alan for his service

7:30 3. MINISTER'S REPORT

7:35 4. ANNOUNCEMENTS/LISTENING

- a. Announcements – Board Members, Executive Director
 - August Board Meeting canceled
 - Board Listening Presence
- b. Congregants who wish to speak to the Board on agenda items or other matters

7:45 5. DISCUSSION/ACTION ITEMS – BREAK @ 8:00 PM, if needed

- a. Vote on Endowment Payout: 4% vs 5% – Anita Mermel
- b. Stewardship Report – Lisa Maynard
- c. Summary of General Assembly 2024 – Melissa Rosales
- d. Bylaws Task Force Update
- e. Finance Committee Update – Pier Sun Ho
- f. Educational Outreach and Potential Congregational Vote for Ministerial Housing Fund – Pier Sun Ho
- g. Beacon on the Hill article focus for August

8:25 6. BOARD COMMITTEE/LIAISON REPORTS

8:35 7. CLOSING COMMENTS

8:40 8. ADJOURNMENT

Aspirational Covenant of the UUCB Board of Trustees

Approved September 2019, updated May 2020

We as the UUCB Board of Trustees agree:

- To stay committed to connection even when we disagree;
- To recognize the fullness of our power, and the many responsibilities that power entails;
- To listen actively to each other and the congregation, and to seek out opportunities to do so;
- To be caring, respectful, present and open-minded;
- To work together to make the changes the congregation needs, as we keep the best interests of the congregation above our own and to live into our mission;
- To support and trust each other in our work;
- To remember the goal of our work is to build a thriving, loving congregation;
- To be unafraid in the face of hard decisions, to be unafraid of making mistakes, knowing that we will learn from them if we do, and to be unafraid of challenging sacred cows; and
- To come to decisions we all feel we can support while recognizing diverse views.

Land Acknowledgement Statement

As we begin, we want to acknowledge that this church occupies land in Huchiun, the unceded territory of the Chochoenyospeaking Ohlone people. We understand that we continue to benefit from the seizure and occupation of this land. We acknowledge and embrace our responsibility to take restorative action. We affirm that this is deeply felt and commit our congregation to be in right relationship with Indigenous communities, aligning in solidarity, supporting Indigenous projects, and caring properly for the land.

Widening the Circle Vision Statement

We, the trustees of UUCB, commit ourselves to championing racial justice embodying anti-racist practices, and confronting and dismantling white supremacy culture and all forms of oppression (including but not limited to racism, sexism, ableism, homophobia, transphobia, classism, ageism, xenophobia and religious oppression (including anti-Semitism and Islamophobia) in everything we do.

Mission Statement of the Unitarian Universalist Church of Berkeley

The mission of the Unitarian Universalist Church of Berkeley is to create loving community, inspire spiritual growth, and encourage lives of integrity, joy and service.

Vision Statement of the Unitarian Universalist Church of Berkeley

The Unitarian Universalist Church of Berkeley is a welcoming and vibrant congregation. We joyously support spiritual development guided by individual faith, reason, and conscience. We are committed to serving one another, the church community, the community at large, and the global community. We foster a spirit of generosity and trust that encourages care for our church home and affirms diversity and relationships consistent with Unitarian Universalist principles.

**Unitarian Universalist Church of Berkeley Board of Trustees Meeting
Wednesday June 5, 2024**

Meeting Conducted via Zoom Video Conference

Minutes – Draft

ATTENDEES

Voting members: Michael Armstrong, Michael DeWitt, Kay Fairwell, Beth Jerde, Beth Pollard, David Rosales, Pier Sun Ho, Helen Tinsley-Jones, Helen Toy,

Absent: None

Ex officio members: Rev. Marcus Liefert, Tess O’Riva (Executive Director), Selene Fabiano (Secretary), Lisa Maynard (Treasurer)

Visitors: Anne Greenwood, Paul Hudson, Sheldon Jones, Albert Kueffner, Larry Nagel, Melissa Rosales

A quorum being present, the meeting was called to order by Helen Tinsley-Jones, co-president, at 7:17 p.m. Selene did the chalice lighting and reading, David Rosales read the Board covenant, Kay read the land acknowledgement, and Beth Pollard read the Widening the Circle Vision Statement.

Motion (M-Pier; S-Michael A): Pier moved that the agenda for today’s meeting be adjusted with the following changes; 1.Move the DFM update to the Discussion section of the agenda; and 2. Add an item titled “Ministerial Housing Fund Replenishment” to the Discussion/Action section of the agenda. The motion passed unanimously

CONSENT AGENDA

A motion for the following (M Pier _/S_ Beth J) passed unanimously:

- Approve agenda
- Approve May 2024 Board Meeting minutes
- Recommend May 2024 Congregational Meeting minutes for approval
- Accept monthly Treasurer’s report
- Accept Freestone Oversight Committee report

MINISTER’S REPORT

There will be a Worship Retreat on June 7th. Sheila Tarbet is working to get UUCB ready for the UU Climate Justice Revival Weekend in September. This revival will take an intersectional approach of looking at how we do justice in UU. Charlie Classen began her internship, focusing on how justice work is sustained over time, looking specifically at how UU and UUCB approach DEI issues. Rev. Marcus will be out of the pulpit from 6/23 – 8/11 for vacation and study leave. He will join the UUCB staff for their “unplugged work week” the 2nd week of July and attend the July Board meeting. He will be at Chalice Camp in Tilden the 1st week of August. He can be contacted for pastoral care and other church emergencies even when he is off.

ANNOUNCEMENTS/LISTENING

Board or Staff Announcements:

- Update on the Bylaws Task Force - Two more congregation members are needed to join this task force which currently consist of Cynthia Asprodites and Board Members David Rosales and Michael DeWitt. Please contact Selene if you are interested.

- Update on Right Relations

Helen Tinsley Jones read the following statement. *“At UUCB’s April and May Board meetings, the Board informed the congregation that the Board was engaged in a process of Right Relations with a former employee, who requested repair around harm they had experienced several years ago. In a series of discussions which involved the former employee, Board members and Rev. Marcus, the Board had to face difficult historical issues and sought to provide healing for the former employee. A structural change in the form of revisions to the grievance process in the Governance Manual was put in place. While the Board’s reading of a statement at a Board meeting was under consideration, the former employee ultimately requested that we not do so. We appreciate that the former employee brought this difficult situation to our attention. In our Beloved Community, guided by love and compassion, we are committed to caring for one another.”*

Marcus noted that Unitarian Universalists, including UUCB, don’t yet have a process for repairing harm that occurs within the church community. He believes the Board is probably not the best group for addressing these kinds of harms. His intention is put together a team that can explore this issue and create processes that will support the congregation when these issues arise.

Executive Director’s Report

Tess reported that the staff is working hard on streamlining processes and has introduced a new calendaring system that will help with streamlining. If you need access to this calendar, please contact Janae. The congregation is expected to adhere to the calendar and include set-up/clean-up time when scheduling events, as it is problematic when events run late. The annual calendaring summit is scheduled for this Sunday (June 9th) after the Sunday service. Recurring meetings need to be added each new fiscal year.

Congregants who wish to speak to the Board:

Paul Hudson shared his thoughts and feelings about the statement on right relations that was read tonight. He stated he was initially disheartened by the statement but was more heartened when Rev. Marcus spoke about the need to develop processes for repair when harm is experienced within the church. Paul shared his belief that the personnel issue that led to this recent statement was a violation of covenant and hurt the entire congregation, not just the person directly involved, noting that some of the harm may not be apparent because some of the harmed people have left UUCB. He expressed a wish for greater transparency and shared his expectation that the church have a process for healing so that he can feel safe at UUCB.

Helen Tinsley-Jones responded by thanking Paul for his heartfelt statement. She noted that her statement is not intended as an ending to the issue of harm and repair within UUCB, and shared that the Board has committed to additional discussion about how we care for individual and the congregation when harm has been done. She noted that our church doesn't currently have a template for how to do this and further exploration is needed to determine what entities in the church can help with this and how much responsibility the Board holds.

DISCUSSION/ACTION ITEMS:

- a. Director of Family Ministry. This item was moved from an update to an action item for today's meeting. Pier reported that the DFM search committee has finished its discernment. They received 7 applications, interviewed 5 applicants by Zoom, and then met in person with their top 3 candidates in person and watched them work with children. At the end of this process there was a unanimous decision to recommend Kathryn Jay for UUCB's next DFM. Kathryn has a MA of divinity from Starr King, served at Unity in Minnesota, and comes to the position with a lot of excitement and enthusiasm.

Motion for Rev Marcus to extend an offer of employment for the Director of Family Ministry position to Kathryn Jay (M- Michael D; S – Helen TJ) passed unanimously.

Rev Marcus will make the offer tomorrow. Kathryn will be ready to start 7/1.

- b. Vote regarding Ministerial Housing Allowance for IRS: Pier reviewed this item which was explained in the Board packet for this meeting. The Board votes every year on the amount of the minister's salary that is allocated as the ministerial housing allowance. It is common practice that the Board's allocation be fairly liberal in this allocation so that the amount proposed by UUCB is not the limiting factor in the final determination. This year, Rev. Marcus has informed the Board of his intention to purchase a new home closer to the church. Since the entire down payment of a home purchase can be included as a housing expense, Rev. Marcus's CPA has recommended that he ask the Board to designate the 100% of his salary as housing allowance. The finance committee has recommended that the board allocate 100% of Reverend Marcus' salary as housing allowance. In order to get on track with the IRS' preference for the housing allowance period to follow the calendar year, the Finance Committee is also recommending that approval up for a vote go through 12/31/25 and then make a new motion in December for the period of the 2026 calendar year.

Motion (M-Michael Armstrong; S- Beth Pollard): After considering the provisions of Internal Revenue Code §107 that provides for a minister's housing expenses to be free from Federal income tax with his intention to purchase a new home in the near future, the UUCB Board of Trustees designates 100% of Rev. Marcus Liefert's cash salary as housing allowance for the period of 6/5/2024 - 12/31/2025. This motion passed unanimously.

c. Ministerial Housing Fund Replenishment. Pier provided the following background information to provide context for this discussion item: The Cope Fund is used to assist UUCB ministers with their housing costs. However, in order to pay for renovations to the Lexington Lodge, the Board voted to borrow money from the Cope fund to do those renovations. As a result the Cope Fund is currently underfunded by \$205,000. Since Reverend Marcus is wanting to purchase a home closer to UUCB and would like to use the Cope fund towards his down payment, the Board needs to find a way to replenish the Cope fund. The Finance Committee thinks the best approach is for the Cope Fund to borrow money from the Quasi Endowment Fund, and repay the loan over time through the revenue from the rental of the Lexington Lodge. A 2/3 vote from the congregation approving this proposal is needed to move forward with this plan, and an additional congregational meeting would need to be scheduled. Pier invited the board to consider the best time for such a congregational meeting, noting the desire to move quickly to make the funds available to Reverend Marcus with the need for some time for the Negotiation Team to provide education about this proposed plan.

Comments/Discussion

How long the repayment period will be? It is expected that it would take 6 years to repay if no interest were paid. However, there is a feeling by the Negotiation Team that borrowing from the corpus of the Cope Fund should be repaid with interest.

d. Financial Roles and Responsibilities work

Pier shared that there have been discussions among those involved with UUCB's finances that there is a lack of clarity about roles and responsibilities. The Finance Committee and Treasurer are starting work on getting a clearer picture of all of UUCB's finance-related tasks and responsibilities and how they interact so that all tasks are assigned to a role, not an individual. Treasurer Lisa Maynard noted that that some past treasurers have ended up with lingering responsibilities and it is hard to know how much volunteer time is going into taking care of church finances.

Comments/ Discussions

- Due to its fiduciary responsibilities, the Board should be included as one of the parties responsible for UUCB's finances.
- It is sometimes hard to know who reports to whom. The actual job of the Finance Committee isn't always clear.
- Reverend Marcus is glad the Finance Committee is looking into this. He shared his view that there is a logic to UUCB's governance structure (which based on Dan Hotchkiss' model) and this structure should be considered during these discussions.

e. Board meeting scheduling changes for the summer. There will be no board meeting in August. Prior to the pandemic, UUCB's board did not meet in August. The Board's July meeting will be changed to the 2nd Wednesday (July 10th), since the 1st Wednesday falls close to the July 4th holiday. The Board is planning a retreat in September to engage in visioning and community building. The Board will return to its regular meeting schedule in September.

f. Beacon Article focus for July - It was suggested that there should be two parts to the July Beacon Article: 1) Pier will write about the proposed plan for replenishing the Ministerial Housing Fund; and 2. Helen Toy will focus on the new Director of Family Ministry and mention the schedule changes for the board meeting in July and August.

BOARD COMMITTEE MEMBER/LIAISON REPORTS

Music Committee – They have tentative dates for four concerts. There is a request for more volunteers to help with staffing at the entry desk for music events/concerts.

Social Justice Council –Voting Justice is very happy with the number of people writing postcards. In their last meeting, the SJC supported 4 sponsored project, including a new project to support the Berkeley public schools. The Blessing Bags project has been very successful and will be continued again this year; UUCB's youth have become engaged in the Blessing Bag project. At the next SJC meeting, Sheldon Jones will talk about the Civil Rights monuments he and Helen saw on their trip to the South. Some excellent speakers are scheduled for the Summer Forum.

Widening the Circle of Concern – There is a request for the congregation to continue to notice, nudge, and acknowledge ways in which UUCB has widened the circle and ways in which more opening is needed. Congregants are encouraged to speak up if they see a situation that isn't good for someone physically or psychologically.

Board Listening Presence - Michael Armstrong provided an expanded view of how the Board can have a "listening presence" by staying connected to online comments and electronic communications. He commended Melissa Rosales for her religious exploration work with the youth and her inspiring summaries of this work. Helen Tinsley-Jones noted the cross-fertilization that happens at UUCB, pointing out that HIP used information from one of Melissa's summaries to learn more about indigenous people. Michael also praised Camille Parker's posting on the UU Discussion list about the history of the Statue of Liberty.

Program Council. Updates being made to the website to help with volunteering. UUCB is transitioning from Breeze to a new church management system.

Family Ministry - The RE teacher committee will reconvene in July with the new DFM. There is a push to connect youth with different areas of the church. Ideas of how to work with youth on different church programs are welcome.

ADJOURNMENT

The meeting adjourned at 8:33PM

Respectfully submitted,

Selene Fabiano, Secretary

UPCOMING EVENTS AND BOARD RESPONSIBILITIES

Next Board Meeting: July 10th

July 7, 2024

To: UUCB Board of Trustees
From: Lisa Maynard, Treasurer

RE: Report for Board Meeting - July 10, 2024

Financial Reports

Attached is the Budget Comparison Report for 7/1/2023 through 5/31/2024, showing our actual 2023-24 revenue and expenses to date, as well as the budgeted revenue and expenses. As usual, this report excludes both restricted revenue and expenses covered by restricted funds. (Note that there is no subtitle indicating the exclusions on the report itself this time.)

The Year-to-Date Variance in this report shows a surplus of \$2,297 on its last line, unlike last month's report, which showed a deficit of \$10,039. Please approach this seeming good news with caution. The variance is the difference between the budgeted amount for the year to date, and the actual amount, and is intended as a tool for evaluating our financial situation. Our year-end surplus or deficit will be determined by the actual revenue and expenses through June 30, and those figures are not available yet. I can tell you that during June we received a lot of pledge payments, and also there was a bit of a flurry in purchases as we approached the end of the fiscal year. I'm looking forward to seeing the actual figures when they are available. Closing out the year can take quite a while, but we should have preliminary figures later this month.

I hope to provide a Balance Sheet for the next Board meeting. I still need to learn how to review the Balance Sheet to make sure it is fully updated, since the updating is not on a monthly schedule.

Projects

I am interested in creating a simplified version of the budget comparison report, one where some of the line items are grouped into larger categories. I think such a report will make it easier for Board members who want to focus on the bigger picture. I still have some work to do, to make sure I understand what is included in some of the line items, before I group them into categories. Fortunately my access to our accounting system allows me to look at the details.

I also hope to address an issue that has come up in my work on the Deposit Team: pledge payments are mis-categorized with rather alarming frequency. People are conscientiously paying their pledges, but sometimes are confused about the fiscal year. For example, recently I was checking over online pledge payments, and found that several people had chosen "2022-23 pledge" as the category for payments they made only a week ago. I hope we can simplify the choices available in Breeze, and perhaps improve the descriptions. Choosing the incorrect category for a pledge payment is most likely to make a significant difference near the end or beginning of a fiscal year, when we are working on our year-end figures.

The current work of the Finance Committee will be presented at the Board meeting by our Committee's Board Liaison, Co-President Pier Sun Ho.

Unitarian Universalist Church of Berkeley
 Budget Comparison Report
 Current Period: 5/1/2024 - 5/31/2024
 Budget Period: 7/1/2023 - 6/30/2024

	Year-to-Date Actual	Year-to-Date Budget	Year-to-Date Variance	Yearly Budget	Remaining Budget
Revenue					
Pledge Income	391,561	422,000	(30,439)	435,000	43,439
Plate collections	23,898	18,333	5,565	20,000	(3,898)
Special Offering Collectio	5,818	8,000	(2,382)	8,000	2,382
Good Neighbor collection	9,924	11,000	(1,076)	12,000	2,076
Other unpledged contribu	19,905	13,750	6,155	15,000	(4,905)
Member Weddings/Mem	2,396	4,583	(2,187)	5,000	2,604
Prior Year Pledge Payme	36,062	8,708	27,353	9,500	(26,562)
Other Program Income	10,127	2,667	7,460	2,900	(7,227)
Craft Cottage Rental	32,238	35,200	(2,963)	38,400	6,163
Fundraising GrUUp Proje	8,033	10,100	(2,067)	10,500	2,467
Music Events	15,604	12,000	3,604	15,000	(604)
Community Use-Space R	133,558	135,000	(1,443)	150,000	16,443
Campus Rental-All Scho	312,610	302,677	9,933	330,193	17,583
Sales - Book Table	488	0	488	0	(488)
Other Revenue	945	13,750	(12,805)	15,000	14,055
Interest Income-general	5,703	9,167	(3,463)	10,000	4,297
Income from Trusts	4,660	7,095	(2,445)	7,740	3,090
Total Revenue	1,013,319	1,014,030	(711)	1,084,233	70,914
Expenses					
Salary and Wages	487,547	489,487	1,940	533,986	46,439
Housing	61,241	77,000	15,759	84,000	22,759
SECA	7,857	12,451	4,594	13,583	5,726
Payroll Taxes	37,176	29,975	(7,201)	32,700	(4,476)
Employee Benefits-Healt	32,042	30,525	(1,517)	33,300	1,258
Employee Benefits-Life/D	2,229	1,650	(579)	1,800	(429)
Employee Benefits-Retire	38,974	46,428	7,455	50,649	11,675
Insurance	31,874	28,875	(2,999)	31,500	(374)
Worker's Comp Insuranc	5,765	6,875	1,110	7,500	1,735
Accounting Services	25,138	18,334	(6,804)	20,000	(5,138)
Board Contingencies	39	1,833	1,794	2,000	1,961
CT/ED Contingencies	0	1,833	1,833	2,000	2,000
Consultants/Contractors	11,151	4,583	(6,568)	5,000	(6,151)
Safe congregation/Reop	209	458	249	500	291
Honoraria/Classes	2,127	1,400	(727)	1,400	(727)
Guest Musicians/Minister	6,000	2,292	(3,708)	2,500	(3,500)
Supplies	7,547	10,625	3,078	11,500	3,953
Equipment leases	4,286	6,692	2,405	7,300	3,014
Equipment repair & maint	1,106	2,108	1,002	2,300	1,194
Postage	382	642	260	700	318
Phones & Computers	15,459	5,042	(10,417)	5,500	(9,959)
Advertising and PR	3,518	4,583	1,065	5,000	1,482
Communications & Web	853	642	(212)	700	(153)
Online Resources	1,013	275	(738)	300	(713)
Canvass Expenses/Stew	95	458	364	500	405
Property Taxes	23,545	19,428	(4,117)	21,194	(2,351)
Professional developmen	16,633	15,125	(1,508)	16,500	(133)
GA Delegate & Leadershi	0	3,000	3,000	3,000	3,000
Staff & volunteer appreci	1,067	1,375	308	1,500	433
Bank Fees	3,679	2,521	(1,158)	2,750	(929)
Other Expense	661	1,375	714	1,500	839
Payroll Processing Fees	3,063	3,850	787	4,200	1,137
UUA Annual Program Du	36,208	36,208	0	39,500	3,292
Loan Interest	169	400	231	400	231

Unitarian Universalist Church of Berkeley
 Budget Comparison Report
 Current Period: 5/1/2024 - 5/31/2024
 Budget Period: 7/1/2023 - 6/30/2024

	Year-to-Date Actual	Year-to-Date Budget	Year-to-Date Variance	Yearly Budget	Remaining Budget
Building & grounds suppli	8,877	9,625	748	10,500	1,624
Building & grounds maint	7,408	20,167	12,758	22,000	14,592
Kitchen Supplies/Hospital	3,341	5,500	2,159	6,000	2,859
Electricity	6,401	458	(5,942)	500	(5,901)
Gas	13,757	18,333	4,576	20,000	6,243
Garbage	5,408	7,792	2,384	8,500	3,092
Water	10,144	8,250	(1,894)	9,000	(1,144)
Fire Monitoring System	10,524	9,625	(899)	10,500	(24)
Other Program Committe	24,246	13,042	(11,205)	15,450	(8,796)
Donations to Non-Profit	25,642	24,521	(1,121)	26,750	1,108
Fundraising event expen	1,003	2,750	1,747	3,000	1,997
Total Expenses	985,403	988,412	3,008	1,078,962	93,559
Excess or (Deficiency) of Revenue Over Expenses	27,916	25,619	2,297	5,271	(22,645)

Report from the Freestone Oversight Committee

Larry Nagel
UUCB Board of Trustees Meeting
July 10, 2024

The Freestone Oversight Committee (FOC)

- Beth Pollard (Co-chair and Board Rep)
- David Wemmer (Freestone Committee Rep)
- Alan Davis (Freestone Committee Rep)
- Tom Tripp (Co-chair)
- Susan Lankford (At Large rep)
- Larry Nagel (At Large rep)

The Board may choose to add more members as necessary

Personnel Changes

- Alan Davis is stepping down from the FOC so that he can devote more time to the Kitchen Committee. The FOC thanks Alan for all of the time, energy, and hard work that he has put into the Freestone rehabilitation project.
- The Freestone Committee has nominated Bob Moore to replace Alan on the FOC. The FOC welcomes Bob's institutional knowledge of Freestone as well as his expertise and his sense of humor.
- The FOC recommends to the Board that they appoint Bob Moore to replace Alan Davis as one of the Freestone Committee representatives on the Freestone Oversight Committee.

Status of Well Drilling on Lot 1

- The Freestone Committee has decided to drill one or two wells on Lot 1 in hopes of finding water. The cost of drilling the well (or wells) will be funded by a donation from an "angel."
- The Freestone Committee has hired a well driller, Fisch Brothers Drilling. They have submitted a well drilling permit application to Sonoma County and they hope to get a permit within 4 weeks. The well drilling would then occur a week or two later.
- Lots 1 & 2 are still listed for sale, although currently inactive in status pending new information from drilling the wells.

Freestone Resolution Milestones

Date	Milestone	Comments/Status
12/1/24	\$250,000 or more raised	Funds raised can be a written government funding obligation, per BoT 9/6/23
6/1/25	Building permits for Phase 1	
6/1/26	Phase 1 repairs completed & approved with secured funds	
6/1/27	Phase 2 repairs completed & approved with secured funds	
FY 25-26	Ongoing net costs to congregation's operating funds incl. operations & mngt, insurance, tax assessments, legal fees, permits, maintenance, repairs, and improvement do not exceed \$10k/yr for 2 yrs in a row, starting in FY 25-26, w/out express BoT approval in consultation w/ FOC	

FY 2023-24 Freestone Contingency Loan Fund - 1

Expenditure	Amount	Approve Date	Notes
Vacation rental property manager certification County fee	\$116.00	FOC August 30, 2023	Reimburse Michael DeWitt
County recorders fee related to VRP	\$19.50	FOC August 30, 2023	Reimburse David Wemmer
Lescure Engineers	\$1,810.00	FOC August 30, 2023	Completion of mapping; driveway analysis and mapping; including road permitting and septic system

FY 2023-24 Freestone Contingency Loan Fund -2

Expenditure	Amount	Approve Date	Notes
Lescure Engineers	\$392.50	FOC January 10, 2024	Surveying consultations to evaluate extent of encroachment issues by neighbors at the Villa
Western Groundwater Surveyors	\$5,162.00	FOC April 17, 2024	Balance of \$7,300 cost from Freestone donations
Total	\$7,500.00		
FY 2023-24 Limit	\$7,500.00		
FY 2023-24 Remaining	\$0		

Discussion/Questions

Date: July 5, 2024

To: UUCB Board of Trustees

From: Anita Mermel for the Endowment Committee

Re: FY2024-25 Endowment Payout Recommendations

Attached are two scenarios for the distribution of funds from the four endowments that produce income for the Ladd Griffith Fund for FY 24-45. As I am currently the sole member of the Endowment Committee, I feel uncomfortable making a recommendation between the 4% and 5% payouts based on my opinion alone. I look forward to briefly discussing the options to guide the Board in their decision on this.

The attached spreadsheet provides background as to how the alternative payouts are calculated, applying 4% and 5% payout options to a 13-quarter rolling average fair market value for each involved fund. All of our endowed funds suffered from market-wide declines in calendar year 2022, but along with the market, recovered quite nicely throughout 2023 as well as the first half of this year (2024). In recent years, the Endowment Committee had recommended 4% payouts but with the strength of the market in the past year and a half, the Board might consider a 5% payout assuming there are urgent deferred maintenance needs warranting the higher payout.

Based on these calculations, the following payouts might be considered for FY 2024-25:

	<u>At 4%:</u>	<u>At 5%:</u>
Board Designated Endowment (General Endowment Fund):	\$33,713.43	\$42,141.79
Kay Davis Permanent Endowment:	\$ 5,665.78	\$ 7,082.22
Pooled Donors Permanent Endowment (UU Church of Berkeley):	\$ 4,357.01	\$ 5,446.27
Building Maintenance Permanent Endowment:	<u>\$ 2,590.96</u>	<u>\$ 3,238.70</u>

100% of the total of these distributions, per current UUCB policy, go to Ladd Griffith Fund:	\$46,327.18	\$57,908.98
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FY2024-25 UUCB Endowment Funds Payout Options

	13 Quarters for 2024-25 Distribution	610888-Board Designated Endowment	610945- Kay Davis Memorial Permanent Endowment	610028-Pooled Donors Permanent Endowment	Sum of Total Qtrly Investments Subject to Payout: 610888, 610945, 610028		611146-Bldg Maintenance	Total Endowment Distribution to Ladd Griffith Fund for FY24-25
1	4thQtr-20	\$930,181.76	\$154,087.75	\$92,318.70	\$1,176,588.21		\$57,481.07	
2	1stQtr-21	\$946,990.68	\$158,872.21	\$93,986.96	\$1,199,849.85		\$58,519.78	
3	2ndQtr-21	\$992,772.56	\$164,456.13	\$98,530.72	\$1,255,759.41		\$61,348.90	
4	3rdQtr-21	\$900,793.37	\$152,657.46	\$94,221.23	\$1,147,672.06		\$57,118.99	
5	4thQtr-21	\$917,114.85	\$155,423.00	\$95,928.00	\$1,168,465.85		\$58,153.93	
6	1stQtr-22	\$858,098.31	\$145,421.93	\$89,755.41	\$1,093,275.65		\$54,411.71	
7	2ndQtr-22	\$758,127.38	\$128,479.85	\$79,298.65	\$965,905.88		\$48,072.59	
8	3rdQtr-22	\$721,664.02	\$122,300.41	\$75,484.65	\$919,449.08		\$45,760.46	
9	4thQtr-22	\$767,177.28	\$130,013.54	\$80,245.25	\$977,436.07		\$48,646.44	
10	1stQtr-23	\$704,303.99	\$136,094.66	\$83,998.56	\$924,397.21		\$70,921.78	
11	2ndQtr-23	\$843,373.26	\$134,866.26	\$83,488.62	\$1,061,728.14		\$95,287.15	
12	3rdQtr-23	\$776,922.02	\$124,356.55	\$77,592.87	\$978,871.44		\$89,571.39	
13	4thQtr-23	\$839,345.79	\$134,348.29	\$371,179.35	\$1,344,873.43		\$96,768.23	
	13 QTR Totals	\$10,956,865.27	\$1,841,378.04	\$1,416,028.97	\$14,214,272.28		\$842,062.42	
	13 QTR AVG	\$842,835.79	\$141,644.46	\$108,925.31	\$1,093,405.56		\$64,774.03	
	OPTION ONE: 4% payout by account	\$33,713.43	\$5,665.78	\$4,357.01			\$2,590.96	\$46,327.18
	VS.							VS.
	OPTION TWO: 5% payout by account	\$42,141.79	\$7,082.22	\$5,446.27			\$3,238.70	\$57,908.98
<p>Note: The annual endowment funds payout is calculated using a 13-quarter rolling average of the values of each fund at the end of each quarter of the consecutive 13 quarters prior to the fiscal year for which the distribution will be made. Thus, the 13th quarter ends Dec 31 of the year preceding the fiscal year receiving the distribution. Ex: 4th qtr of 2023 is the 13th quarter for the FY2024-25 payout distribution. December values for each year should be available online from the UUCEF by the following February.</p>								
	*Corpus Value:	\$705,770.33	\$101,000.00	\$315,425.15			\$83,632.23	
*Note: "Corpus" or "historical gift" value of each fund as of 01/08/24. "Corpus values" can increase over time if more gifts are added.								

2024 Stewardship Team Final Report

The Stewardship Team consisted of the following members: Cynthia Asprodites, Selene Fabiano, Kay Fairwell (Board liaison), Anne Greenwood, Lisa Maynard (Chair), Judy Sam, Helen Toy, Karen Tripp, Anne Wardell, and Reverend Marcus Liefert. Although not part of the committee, Patrick Cullinane and Bob Adams kindly helped with pledge reminder phone calls and emails.

After an initial meeting in December 2023, we began meeting weekly in mid-January 2024 and continued through April. During May we worked on wrap-up of the Stewardship campaign, without meetings of the full team.

Pledge goal: \$450,000 was the initial goal; a stretch goal of \$500,000 was added. \$498,750 is the amount of pledge revenue included in the FY24-25 budget. The pledge revenue amount included in the budget was based on projected pledge income of \$525,000 minus 5% for non-payment.

Pledge total as of 7/2/24 is \$528,928 (149 pledges). The median pledge is \$1,440.

Stewardship Team Activities

1. **Theme and Theme song.** Acting on a suggestion from Reverend Marcus, the team chose “Wake Now Our Vision” as the Stewardship theme, with “Wake Now My Senses” as the theme song. Imagery related to awakening to new visions and hopes was incorporated into Beacon articles, art for the chancel, our “pledge thermometer,” and our Kickoff Event. The creatively inclined members of the team, led by Karen Tripp, fabricated a large, movable sun, suspended at the back of the chancel, which “rose” as the pledge campaign progressed. They also created a “pledge thermometer” with a movable sun that was lifted as the pledge totals increased.

2. **Kickoff Event.** The goals of the March 3 event were:

- a) Generate enthusiasm by demonstrating the vibrancy of the church’s many programs.
- b) Provide an opportunity for UUCB groups to connect with new participants.
- c) Encourage UUCB congregants to engage with each other, learn about UUCB group participation opportunities, and learn more about Stewardship.
- d) Provide incentives to encourage early pledging by creating a festive atmosphere, offering dessert at the Stewardship Table and announcing a raffle for those who pledge by Celebration Sunday.

3. **Outreach to Congregation.** Stewardship articles appeared in the Beacon, January through May. The beginning of the pledge campaign was announced in Sunday Service, in the Beacon, and in the Week Ahead. Connections Coordinator Charis Domador highlighted the campaign by including gold banner announcements in The Week Ahead during March, and later, at the top of each UUCB webpage.

Stewardship Team members staffed a pledge table with pledge forms, chocolate and the “pledge thermometer” in the atrium on the first four Sundays in March (the fifth Sunday was Easter).

At the beginning of March a pledge email was sent to all members, providing information about the stewardship theme, the purpose of pledging, and details regarding how to pledge. In mid-March, a pledge letter and pledge form were mailed to all member households that had not yet submitted a pledge.

4. **Youth Participation and RE Involvement.** Stewardship coordinated with RE to create a stewardship-related project combining reflection and artwork; both children and youth participated. Under the guidance of RE Volunteer Melissa Rosales, children and youth explored ideas of stewardship as “taking care of our place” and “taking care of our people.” The latter idea combined beautifully with the assembly of Blessings

Bags, the Social Justice Sponsored project, which was rescheduled to coordinate with the stewardship campaign.

Stewardship worked with Youth and Children's Choir Director Katie Lipka, who in turn led the children in songs designed to "awaken" and energize the congregation during two Sunday services. In addition, a youth voice was included in one of the March Stewardship Reflections when a teen congregant and his mother both spoke during the worship service.

5. Congregant Stewardship Reflections during Sunday Services in March. On each of the first four Sundays in March, a different member of the UUCB community spoke during the service about what UUCB means to them.

6. Celebration Sunday. On Sunday April March 24, the total dollar amount of pledges received was shared with the congregation during the announcements at the end of the Sunday service. Following the service, cake was served in the atrium and raffle winners were announced in the Social Hall.

7. Thank You Notes. Stewardship Team members sent handwritten notes to thank people that pledged.

Recommendations for 2025 Stewardship Campaign

1. Find a new Stewardship Chair (or two Co-Chairs) as soon as possible, preferably by early fall. No one has yet agreed to take on this vital role. We suggest that if a schedule and process for selecting a new chair are not already clear and documented, this would be a good time for the Board to address the issue. Unless there is a person willing to move from Stewardship Team member to chair (which does not appear to be the case this year), relying on the outgoing chair to search for a replacement does not seem the best way to widen our leadership circle. A new chair will also need assistance in finding team members. We would of course be happy to provide information to anyone considering the role. Although the full Stewardship Team typically does not begin meeting until December, it would be useful for the Chair(s) and the minister to meet in advance to discuss possible stewardship themes. Setting up the rest of the team may also be easier earlier in the fall, when potential team members are less distracted by late fall/early winter holiday plans.

2. Use caution in setting the next year's pledge goal. This year's pledges include an unprecedented and very large pledge from an extremely generous church member whose pledge accounts for over 10% of the total amount pledged. Relying on one church member for so much of the church's budget is problematic, since individual circumstances change year to year.

3. Continue to print the pledge letter and pledge form and use "snail mail" to send them. Despite its expense, snail mail is an important way to encourage pledging. Emails are not reliable because they often end up in junk mail folders. Also because people get a lot of emails and much less actual mail, the snail mail material may get more attention. Handing out pledge letters/forms to members who are at church the first Sunday can cut down on the number of forms that need to be mailed.

4. Mail the pledge letter and form during the first week of March, after the first Sunday in March.

5. Make it fun! Using small incentives (e.g. chocolate and/or desserts at the pledge table to encourage pledging) adds some excitement, as did offering raffle prizes for people who pledge before a certain date.

6. More phone calls to folks who pledged the prior year but haven't pledged by the end of the campaign may be worth doing. We were lighter on phone calls this year.

7. Send handwritten thank you notes. We heard a lot of appreciative comments from pledgers, after they received their thank you notes.