

FIRST UNIVERSALIST UNITARIAN CHURCH

Wausau, Wisconsin



ANNUAL MEETING 2018

December 2, 2018

SLATE FOR 2018 ELECTIONS

The Nominating Committee is putting forth the following candidates for election:

Board of Trustees

- Heather Busig (First 3-year term)
- Joyce Kurth (Second 3-year term)
- Jody Maier (Second 3-year term)

Endowment Committee

- Jerry Phelan (2 more years of his 3-year term)
- Tom Eberlein (Second 3-year term)
- Dan Schaut (Second 3-year term)

Nominating Committee (for a 1-year term)

- Jeff Leigh
- Heather Busig
- Josh Wright

-2018 Nominating Committee
Jeff Leigh, Heather Busig, Josh Wright

Vision: We are a safe haven, where all are accepted, valued, and connected. We support and encourage each other in exploring our religious, spiritual, and intellectual paths. Through our shared ministry, music, and meditation, we rejoice and mourn together. We are active partners in service to others. We bring light to social justice issues and are conduits for sparking change in ourselves, our community, and the world.

Mission Statement To transform ourselves and the larger community by being a bright and welcoming sanctuary of hope, compassion, service, and understanding—allowing individuals of differing spiritual and religious beliefs to experience acceptance and support, a sense of belonging, and continued personal growth as part of a free-thinking, inclusive church community.

Adopted by congregational vote, October 2016

CONTENTS

Cover, Reverse	Election Slate
3	Agenda
4	Minutes of 2017 Annual Meeting
6	President's Report
7	Minster's Report
8	Treasurer's Report
10	Endowment Report
12	2018 Pledge Report & 2019 Stewardship Drive Report
13	Financial Report 2018 (Profit and Loss - Budget vs. Actual)
16	Endowment Declaration Revisions
21	Social Justice Committee Resolution
22	Ad Hoc Committee Bylaw Revisions
28	Proposed 2019 Budget

Annual Meeting Agenda
Sunday, December 2, 2018

- I. Call to Order
- II. Agenda Changes
- III. Approval of minutes:
 - a. 2017 Annual Meeting
- IV. Reports
 - a. President's Report—Tim Peterson, Board of Trustees President
 - b. Minister's Report—Reverend Brian Mason, Minister
 - c. Treasurer's Report—Randy Jefferson, Co-Treasurer
 - d. Endowment Report – Tom Eberlein, Endowment Committee Chair
 - e. Pledge & Stewardship Reports – Anji Spialek, Congregational Administrator
- V. Endowment Declaration Revisions
- VI. Social Justice Committee Resolution
- VII. Report of the Ad Hoc By-Law Committee
 - a. Vote on by-law amendments as recommended by Ad Hoc Committee
- VIII. Adoption of 2019 Budget—Tim Peterson, Board of Trustees President
- IX. Elections
 - Board of Trustees: Heather Busig, Joyce Kurth, Jody Maier
 - Endowment Committee: Jerry Phelan, Tom Eberlein, Dan Schaut
 - Nominating Committee: Jeff Leigh, Heather Busig, Josh Wright
- X. Closing Words

FIRST UNIVERSALIST UNITARIAN CHURCH
2017 ANNUAL CONGREGATIONAL MEETING MINUTES
Sunday, December 3, 2017

Draft for Approval

Attendance: There were 67 members in attendance.

Call to Order: Board President Tim Peterson called the meeting to order at 11:45 am

Opening remarks by Minister Brian Mason were a blessing of the new church year.

Written Reports Submitted: 2017 Annual Reports from President of the Board, Minister, Treasurer and Endowment were submitted. All are in the Annual Meeting Report at the Church office.

Approval of Agenda: There were no changes to the agenda.

Approval of the 2016 Annual Meeting minutes: A motion to approve the minutes, made by Linda Ware, seconded by Dawn Ashenbrenner, was unanimously approved by a voice vote.

Approval of May 7, 2017 Special Congregational Meeting minutes: A motion to approve the minutes of the meeting to vote on calling Brian Mason as Settled Minister was made by Dawn Ashenbrenner seconded by Marguerite Donnelly and was unanimously approved by voice vote.

REPORTS: Written submitted reports were presented to the congregation and comments were solicited.

President's Report: Peterson's report highlighted the "New Beginnings" of our church year as evidenced by the outstanding work of the Search Committee, the explosive growth of the Religious Education program, stable fiscal health ending the 2017 year, the outstanding professionalism of the church staff and the involvement of many volunteers.

Minister's Report: Mason thanked everyone for the opportunity to serve as minister of this exciting community. He highlighted the increased Religious Education attendance, average attendance at Sunday worship and the desire of the congregation for a strong vibrant music program. He also expressed his confidence that we as a congregation will be able to maintain the necessary fiscal support so needed to support these exciting changes.

Endowment Report: Tom Eberlein presented the fiscal report of the endowment and stated that after receiving the preliminary report of property needs from the Property committee the Endowment committee will be addressing these needs in upcoming meeting.

Treasurer's Report: Randy Jefferson highlighted certain aspects of the 2017 budget. He referenced several points from his report: refinanced the mortgage but continue to repay at a higher rate, made 100% fair share contribution to UUA and Central Midwest District. He then discussed the new proposed 2018 budget pointing out the need to prepare for the Sabbatical year to which we are contractually committed. Money is to be set aside over the next 4-6 years to cover these anticipated expenses. He also explained that although there will be building and grounds expenses that are not covered under normal operational budgets, we need to make

ourselves aware of these probable expenses and begin to plan accordingly. He stressed that we are on a good path to a sound financial future but must stretch ourselves to increase growth both in dollars and people.

Adoption of the 2018 Annual Budget: Motion made by Linda Ware, seconded by Joyce Schneider to approve the 2018 budget. After some clarification of budget category designations the budget was unanimously approved by a voice vote. There were neither objections nor abstentions.

Nominating Committee: The committee, Josh Wright, Heather Busig and Jeff Leigh presented the slate of Board of Trustee members; Heather Busig(finishing the last year of Kathi Hupy's first term), Karen Monarski (finishing the last two years of CJ Heiser's second term), Sheryl Hemp (first three year term), Judy Beier (second 3 year term), Kevin Briquetet-Miller (second 3 year term). Peterson called for any further nominations from the floor, there being none, motion was made by Russ Wilson seconded by Marguerite Donnelly to approve the slate. All approved on a voice vote.

There were no new nominations for the Endowment Committee as all members agreed to stay on for another term.

There were no new nominations for the Nominating Committee as those three members agreed to stay on. A motion was made by Carolyn Bronson, second by Dawn Ashenbrenner to approve the Nominating Committee's member selection.

Minister Brian Mason gave closing remarks.

Meeting adjourned 12:10 pm.

Respectfully submitted,

Judy Beier, Secretary

End of 2017 Minutes

Board President's Report to the Congregation December 2, 2018

As another year draws to a close, the Board would like to thank all of you for your continued support of this church and the work that it does.

Your financial support makes our budgeting process easier. It has enabled us to return money to the Endowment that was factored into the 2018 budget. Money from Endowment had been used to make the budget in prior years as we had budget shortfalls. This is not what the Endowment Fund is for. In 2015 Endowment started weaning us off of their supplement to the budget. That year was \$10K. The idea was to reduce the supplement by \$2.5K each succeeding year. This year we did not have to ask Endowment for the budgeted \$2,500. This is a direct result of your financial generosity.

Your donations to a fund drive set up by the Property Committee allowed us to have Yawkey Hall remodeled over the summer.

Your support allowed us to hire a company to bat proof the church.

The Board would like to thank the members of the Ad-Hoc Committee that did the hard work of making the proposed changes to the By-Laws which you will be voting on at the annual meeting. The Board would also like to thank you for your support of our wonderful staff. They are the ones making things work and their professionalism is to be commended.

Lastly, I would like to thank everyone who has volunteered their time to this church whether it is serving on the BOT, helping at the community suppers, teaching our children, weeding the lawn, serving on the various committees (which are always looking for more people), or any of the other activities at our church. Please consider volunteering.

As we move toward 2019 let us use our talents to better our church community and hopefully, by doing so, better ourselves.

Respectfully submitted,
Tim Peterson, President, Board of Trustees

Minister's Report to the Congregation December 2, 2018

Dear Friends and Members:

I am delighted to report that our congregation grew by fifteen members in 2018. Accompanying these new members are several young children. The Religious Education program, directed by Julie Trombley, boasts an enrollment of more than 100 children and youth; and lay leaders continue the congregation's rich tradition of teaching in small covenant groups. Our Music Program, under the direction of Margaret Jerz, has added an adult choir, a children's choir, and showcases local musicians and artisans every Sunday.

Worship remains the glowing center of our church. Building on that, the staff works diligently to coordinate topics, sacred texts, and worship motifs to bring the congregation into thematic continuity. Not only does the staff benefit from the collaboration, our congregation gets to engage in community-wide discussions that span all ages and locations. Throughout 2018 we heard from a diverse list of guest speakers, ranging from community activists, to philosophy professors, to renowned congregationalist ministers.

The capital campaign to remodel Cyrus Yawkey Hall, one of the church's most beloved spaces, was a spirited success. The building continues to be a sought-after meeting space for numerous organizations, and for couples to wed.

The church engaged in justice work and broadened its interfaith partnerships, working closely with NAOMI, the Wisconsin Institute for Public Policy and Service (WIPPS), and other non-profits to assist in efforts to address the needs of Wausau's most vulnerable residents. To that end, the church raised thousands of dollars for local charities, and continues to be a sought-after fundraising partner. As a result, People for the Power of Love, a regional peace and justice organization led by African Americans, honored the church with the Love in Action Award.

Many years ago, our church published *The Wausau Universalist*, a weekly newsletter filled with poems and prayers, and sermons and testimonials. On the cover, just above a photograph of the building, it says: "A church is a sermon in stone, a constant and eloquent witness of the eternal." Then as now, we stand for eternal things, for Faith and Freedom, for Fellowship and Friendship.

Everything we do is a direct result of the generous support of people like you, our friends and members. At a time when mainline protestant churches are shrinking, the First Universalist Unitarian Church of Wausau is growing. We should be proud. This growth proves our community needs us. Our growth proves that by drawing the circle wide, appealing to people from all walks of life, regardless of age, creed, sexual orientation, political party, or income bracket, you can truly make a beloved community. This is done by engaging the head and the heart. By praying with our hearts as well as our feet; by serving the community within and beyond our walls; and by dreaming big just like our founders did when they organized this treasured religious society, in 1870.

I am so grateful for the spirit of generosity that lives in this church. We have a rich heritage to be proud of; and a bright future to look forward to.

Thank you,
The Reverend Brian J. Mason

Treasurer's Report to the Congregation December 2, 2018

Financial Results 1/1/2018 – 10/31/2018

1. Key Annual Budget Numbers:	2018 Pledges (Based on Pledge Drive Results):		
Total Income	\$281,781	Pledges Budget	\$255,000
Total Expense	\$270,599	Pledges Actual	\$265,273
Net Income	\$ 11,182	Pledges Exceeding Budget	\$ 10,273
Pledges Received (10 Months) Including 2018 Prepaid in 2017			\$232,469
Pledges Needed (2 Months) to Reach Pledges Budget			\$ 22,531
Pledges Needed (2 Months) to Reach Pledges Actual			\$ 32,804
Average Last 5 Years Pledges Received Last Two Months			\$ 42,629

Outstanding Mortgage: \$161,079

2. Our 2018 Budget anticipated 81.5% of our income would come from pledges. If our pledge commitments for 2018 are fulfilled and no significant unforeseen expenses are incurred, we should close 2018 in a surplus position. Again this year our income was helped by the generous non-pledged contributions made by several members.

3. With the exception of Building and Grounds (B&G) expenses, all expense categories are in line or under budget. Some of the items that drove higher B&G expenses were unusual removals (bats and heavy snows). While we try to anticipate future operations expenses, the old part of our new/old building mix makes for challenging prognostication. The Property Committee has identified and prioritized projects, working in close coordination with the Board. When possible, operations or reserve funds are used to address B&G needs. Reality is there will be future B&G expenses that necessitate other sources of funding.

4. If an operating budget surplus is realized, it is put into the Reserve Fund managed by the Board. Again in 2018 the Reserve Funds were used to pay down our mortgage principle. \$12,500 from the Reserve Fund was matched by \$12,500 from the Endowment Fund. Our outstanding mortgage of \$161,079 is \$33,253 less than it was when the Treasurer's Report was presented to the congregation a year ago. That 17% principle reduction is a major noteworthy investment in the long term health of the church. We continue to make mortgage payments at a rate higher than required by our 2016 refinancing as part of our overall strategy to accelerate the reduction of our debt.

5. Our ability to again make 100% fair share contributions in 2018 to both the Unitarian Universalist Association and the Central Midwest District are further indications of our solid financial position.

Treasurer's Report to the Congregation - Continued

December 2, 2018

6. The Board took up the challenge in 2018 to begin putting \$8,000 per year into a sabbatical fund in anticipation of Brian taking his contracted sabbatical leave between four and seven years of service. This fund will allow us to hire a short term professional interim minister during the sabbatical period

7. As was noted in my last quarterly report to the congregation, the Board has contracted with a local accounting firm for an examination of our financial processes. It is being conducted to ensure that our accounting practices meet the appropriate industry standards and to identify any opportunities for improvement. The plan is to pay for this expense using Reserves Funds.

8. In an effort to increase our financial stability, my annual report would be not complete without my annual reference to the importance of our working to modify our congregation's pledge profile over time to more closely align with the UUA guidelines. In 2018, three pledgers (3% of our pledge units) are giving 25% of our pledge income. The UUA guideline for this top quartile is 10% of the pledge units. For the lowest quartile, UUA guidelines recommend it come from 40% of the pledge units. For us, 69% of our pledge units in 2018 fund that lowest quartile. Our giving profile puts us at risk that the loss of a pledge unit in our top or even second quartile would cause us significant congregational financial hardship. I continue to report this information in the hope that it will assist us as we make decisions about what our church means to us and how much financial support we able to give to ensure its long term health.

9. The 2019 Budget proposed by our Board is sound and reasonable. Unlike last year, it is also a stretch. We are increasing our pledge goal to match our aspirations. We have positioned ourselves on sound financial footing. Now is the time to build on that foundation. So many have done so much contributing time, talents, and financial resources. Staff, Board, and each of you have shown time and again that, "Your heart is in a holy place."

10. Mary Pierce and I appreciate having the opportunity to serve you as Co-Treasurers. The excellent work of our dedicated Congregational Administrator, Anji Spialek, gives us great confidence in the numbers we analyze to assess the financial health of our church. Thank you, Anji.

Respectfully submitted,
Randy Jefferson
Co-Treasurer

Endowment Report to the Congregation December 2, 2018

Committee Trustees:

Tim Peterson – Board President; Tom Eberlein – Committee Chair; Carolyn Bronston – Treasurer; Dan Schaut – Secretary; Jerry Phelan – Committee Member; Brian Mason – Minister, Ex-Officio Committee Member.

Committee Purpose and Membership:

1. The “Trust Fund” was established to encourage and receive gifts and bequests. The Endowment Committee is responsible for the management of the resulting assets, to ensure the mission and ministry of the First Universalist Unitarian Church of Wausau. The Endowment Fund was established to assist in funding programs and projects that are beyond the scope of the annual church operating budget.
2. Committee Membership - Three members from the congregation serve staggered terms of three years each for no more than three consecutive terms, plus a church treasurer and president of the Board of Trustees. Members are put forth by the nominating committee and voted upon during the annual meeting. If vacancies occur during a term, the new member is selected by the Endowment Committee to fulfill that term.

Summary 2018:

1. The Unitarian Universalist Core Endowment Fund (UUCEF) fiscal year begins July 1st. July 1, 2017 to June 30, 2018. June 30, 2017 beginning value \$491,814. June 30, 2018 ending value \$552,234. The **ending “Fund” balance as of October 31, 2018, \$517,678.**
2. The Endowment Fund Declaration establishes a goal of maintaining a market value of the “Fund” of **2X the church annual operating budget before distributions of 5% can be made on an ongoing basis.** Currently that represents around \$681,000.
3. In 2018 the Board of Trustees authorized a one-time payment from the operating budget of \$12,500 to reduce mortgage principal. They requested a matching contribution from the Endowment Fund. Based upon ending “Fund” balances for the past three consecutive years allowed a 5% distribution of \$22,656. The requested “match” was granted, which represented an actual 2.76% distribution.
4. The Endowment Fund needs to continue to grow through memorials and bequests to continue the contributions towards - “beyond the scope of the annual church operating budget”, while at the same time reaching the established “Goal”.
5. The Endowment Fund continues to develop an ongoing effort to solicit memorials and bequests from members, friends of the church and legacy families to the Endowment Fund. A marketing plan has been established and is ongoing.

Endowment Report to the Congregation - Continued December 2, 2018

6. All members currently serving on the Endowment Committee have expressed an interest in continuing serving on the committee for their terms.
7. The Endowment Committee meets at least quarterly and church members are invited to attend.
8. A member of the Endowment Committee will present an update and report to the Board of Trustees on quarterly basis.

Endowment Fund Declaration Revision:

1. "Revision 3".
2. Adding two sentences to "paragraph ten" of the Endowment Fund Declaration regarding term limits for the Board President and Treasurer. "The term for the President shall be the year(s) of service in that position. The term of the Treasurer shall not be limited, but as a Board appointee, service is subject to Board approval".

Respectfully Submitted,
Tom Eberlein, Endowment Committee Chair

2018 Pledge Report to the Congregation December 2, 2018

The following table gives a long-range look at UU Wausau's pledging history. There was a 5.89% increase in the amount pledged in 2018 vs. 2017. As of November 20, 2018, 92% of those pledges have been received. I am optimistic that by the end of December, we will have collected the majority of monies pledged, as we have historically.

	2018	2017	2016	2015	2014	2013
Goal	\$255,000	\$255,000	\$245,500	\$252,650	\$244,000	\$255,000
Amount Pledged	\$265,675	\$250,904	\$249,403	\$227,415	\$254,840	\$245,245
% Increase	5.89%	0.61%	9.59%	-10.76%	3.8%	-1.04%
Collected	\$243,552(1)	\$244,319	\$245,775	\$217,491	\$246,623	\$246,564
% of Pledges Collected	92%(1)	97%	99%	98%	97%	100%
No. of Pledges	120	139	130	147	166	164
Median Pledge	\$1,200	\$1,000	\$1,020	\$1,000	\$1,010	\$1,000
Average Pledge	\$2,214	\$1,854	\$1,920	\$1,577	\$1,508	\$1,495
<i>(1) As of 11/20/2018</i>						

2019 Stewardship Drive Report to the Congregation

The Stewardship Drive for budget year 2019 was planned and executed largely by the Stewardship Committee, with help from the Congregational Administrator. The drive kicked off on October 14 with a potluck. This year's drive included a small recognition party for top pledgers, held in a private home.

The 2019 pledge projection is \$285,000. As of November 20, we have received 89 pledges (6 of which are new!) totaling \$217,696.64. Included are two grants: one in the amount of \$5,000 to match new pledges and another in the amount of \$5,000 to match pledges that are 15% or more above what was pledged for 2018. Both grants have been met.

Respectfully Submitted,
Anji Spialek, Congregational Administrator