

The Community Church of Chapel Hill

UNITARIAN UNIVERSALIST

106 Purefoy Road, Chapel Hill, NC 27514 • 919-942-2050 • c3huu.org

CONGREGATIONAL MEETING

June 11, 2017

Chalice Lighting and Opening Words

S. Warshaw, Chair of the Board of Trustees (BoT), called the meeting to order. The official number present, according to registration was 87. There were also 9 registered proxy voters. B. Rote opened the meeting with a reading and the chalice lighting words, while S. Warshaw lit the chalice.

Congregational Covenant

A. Reece led the reading of the Congregational Covenant. S. Warshaw introduced himself as Chair of the BoT and noted the presence of members of the Board of Trustees. He acknowledged P. Johnson as Parliamentarian for the meeting. He also provided an overview of the agenda of the meeting.

Congregational Awards

S. Warshaw announced the Congregational Award recipients, noting their service to the church and the community.

Al & Ann Sawyer Within These Walls Award: G. McKinley

Joe & Lucy Straley Beyond These Walls Award: M. O'Rourke & S. Richardson

Gertrude Willis Lifespan Religious Education Award: D. Klibanow

State of the Church

S. Warshaw provided an annual review of the church participation. Membership is up. Participation in church programming for religious education, youth and college ministries, Covenant Groups, and Spiritual Exploration for Adults is steady or increasing. All music programming is going well and provides a variety of opportunities to be a part of the church community.

Annual Pledge Drive Results

I. Brezina gave an update on the Annual Pledge Drive (APD). Nearly 50% of the pledging households attended cottage meetings. Further research will be done to see if attendance impacted giving. As of 6/7/17, pledges total \$483,644, which is a 4% increase from last year at this time.

Affirmation of FY 2017-2018 Budget (part 1 of 2)

S. Warshaw introduced the process of constructing and affirming the budget. A. Wright, Treasurer, provided a budget summary, noting 3% increase in staff salaries and a \$7,734 increase in maintenance reserves. T. Belote also provided information about the budget

details.

Question regarding Ministerial Transition Fund: Church is pausing on contributing to it this year as the balance is approximately \$14K and no expenses are foreseen in the near future. T. Belote added that target amount is \$21K.

A. Wright returned to the budget review of Reserves and Expenses, and then took questions from the congregation.

Question regarding the preschool plan: Deferred answer to Building plan update portion of the meeting.

Question regarding income-related expenses: They are taxes that church pays on income received from renting the parking lot and the preschool rental.

No vote of affirmation was taken at this point.

Update on the Building Project

S. Warshaw introduced the representatives of the various Building Task Forces. The introductions acknowledged those missing and included the singing of “Happy Birthday” to B. Kosiba. S. Warshaw recognized that there were some issues with the process and information shared regarding the building project in December, which was reflected in concerns at the January meeting. He noted that the BoT is confident in the leadership for this project and encourages the congregation to fully support them as the project moves forward. Each Building Task Force representative provided a brief status report.

Goals and Capital Campaign: I. Brezina -- reiterated the overwhelming support for more space for meetings and religious education and the need for a plan of fiscal responsibility. There is also a need for the congregation to understand the relationship between the annual operating budget, debt, and the capital fund campaign.

Communication and Engagement: G. McKinley -- will be working to plan opportunities for everyone to be engaged, beginning in early fall. An informational flyer is now available and the information is on the church’s website.

Construction Planning and Participation: J. Socolar -- announced that architectural drawings have been commissioned so that the congregation can see some preliminary plans before committing resources to the project. Also, he noted that the project is not really big or complicated in the scheme of construction projects but will meet our established, high-priority requirements for accessible space in a straightforward manner.

Finances and Exciting News: A. Wright noted congregational concern about losing the preschool revenue; however, our decision to slow down is matched by the preschool’s need to stay here longer so their lease has been extended to August 2018. Additional financial news included the announcement that five anonymous households have donated \$250,000 collectively towards our outstanding indebtedness. Although that isn’t the entire \$470,000 currently owed,

it means our debt at the end of 2018, when the balance is due, will be only about \$160,000 instead of \$430,000.

Send us your Questions: S. Warshaw reported that the preschool building permitting process is on track and answered a question regarding the new location of the preschool. He encouraged members to take one of the “Our Space -- Our Future” flyers and to reach out to the Task Forces with their questions. Today’s agenda did not allow for additional questions at this time. S. Warshaw asked if a separate meeting to answer questions about where we are in the building process would be helpful to people. As only two hands were raised, no meeting was scheduled at this time.

Affirmation of FY 2017-2018 Budget (part 2 of 2)

S. Warshaw introduced a motion on behalf of the BoT for the congregation to affirm the budget presented. Member A. Spalt seconded the motion. A verbal vote was taken. With all present in favor and none opposed and no abstentions, the motion was passed.

Endowment Committee

S. Warshaw introduced P. Johnson as chair of the Endowment Committee. P. Johnson noted that the committee is reporting as directed in their governance.

Annual Report

S. Provan provided an “Annual Report” giving some history of the establishment of the Endowment Committee. The principal has come mainly from two donors, augmented by numerous memorial donations. The current balance is \$174,595 with a goal of \$1M.

P. Johnson explained the current membership changes resulting in two open slots. She thanked those that have left the committee or are leaving for their service.

A. Spalt provided information on mini-grants that will be funded by the Endowment Committee next year. Up to \$7K is available and proposals will be accepted through 9/15/17 for the grant year beginning 1/1/18. Preference will be given to projects to support “Our Space -- Our Future”.

Election of New Members

S. Warshaw called for a congregational vote for the motion put forth by the Endowment Committee to elect G. Thompson to a one-year term to finish out the spot vacated by A. Hencke’s move to the BoT and to elect K. Heineman to a three-year term to replace A. Spalt, whose term has come to an end. J. Leopold seconded the motion. There being no further discussion, the motion was passed by a verbal vote of all “ayes” with none opposing and none abstaining.

Closing and Extinguishing the Chalice

B. Rote led the congregation in the closing words and S. Warshaw extinguished the chalice. S. Warshaw called for a motion to adjourn. B. Poteat offered the motion. The

congregation seconded the motion, and all members present approved the motion, with none opposing or abstaining.

ATTACHMENTS

Slides from the Congregational Meeting

Presentation notes from the Building Project Task Forces

“Our Space -- Our Future” flyer



CONGREGATIONAL MEETING

**The Community Church of Chapel Hill
Unitarian Universalist**

June 11, 2017

AGENDA

- Chalice Lighting and Opening Words
- Covenant
- Congregational Awards
- State of the Church
- Annual Pledge Drive Results
- Affirmation of 2017-2018 Budget
- Report on Building Project
- Endowment Committee Report
- Extinguish the Chalice and Closing Words

CONGREGATIONAL COVENANT

- We will communicate with and about each other openly, kindly and respectfully
- We will seek peaceful and constructive resolutions when conflicts arise
- We will value diversity of thought, belief and culture within our community
- We will work together to build the common good.

CONGREGATIONAL AWARDS

- The Al & Ann Sawyer Within These Walls Award
- The Joe & Lucy Straley Beyond These Walls Award
- The Gertrude Willis Lifespan Religious Education Award

STATE OF THE CHURCH

Membership (change from 2016 in red)

- Members: 416 (+31)
- Associates: 83 (-17)

STATE OF THE CHURCH

Children's Religious Education

- Number: 81
- Activities:
 - Offered at both services
 - Increased strength in preschool program
 - Family dinner programs focused on families with young children
 - Spring family retreat

STATE OF THE CHURCH

Youth Religious Education

- Number: 76
- Activities:
 - Middle School completed 2-yr Neighboring Faiths Program
 - New – Bridging Program for High School Seniors
 - High School – Coming of Age, Service Trip to New Orleans, Sanctuary for Dialogue, General Assembly, HKonJ

STATE OF THE CHURCH

Campus Fellowship

- Number: 18
- Activities:
 - Annual Campus Ministry Service
 - Easter Retreat
 - HKonJ
 - Organizing Against Racism Training
 - Trip to Greensboro Civil Rights Museum
 - Banner Year for numbers and participation

STATE OF THE CHURCH

- **Covenant Groups**
- Number: 94
- 11 groups including Daytime, Parent, Young Adult, Newcomer

Spiritual Explorations for Adults:

- 23 classes
- Numbered registered: 237

STATE OF THE CHURCH

Music Program

- Community Church Choir and Chamber Choir (32 members)
- Community Church Singers (12 members)
- Children's Choir (10 members)
- UUkes (15 members)
- Luminescence (3 members)
- Regular Guest and Other Solo Musicians (Many)

STATE OF THE CHURCH

MUSIC PROGRAM

- Children's Holiday Pageant: "The Gospel Truth: A Judean Musical"
- Winter Choir Sunday: "A Ceremony of Carols" by Benjamin Britten
- Christmas Eve Service: "Navidad Nuestra" with choir and 5 piece band
- Annual MLK, Jr. Day Service at First Baptist Church: Community Church Choir
- Annual Music Gala: "Con fUUoco: Playing with Fire"
- Spring Choir Sunday: "Mass" by Leonard Bernstein, with a 15 piece orchestra
- Community Church Music CD, with various choirs and other church musicians

ANNUAL PLEDGE DRIVE

- 135 pledging households attended a cottage meeting (50%)
- Encouraged newcomers and provided child-friendly cottage meeting
- More emphasis on being as generous as you can
- Attendees enjoyed themed cottage meetings and fellowship
- Pledged as of June 7, 2017 - \$483,644
- 4% increase in pledges from last year at this time

FY 2017-18 BUDGET

- Same staffing structure as previous year
- Maintained quantity and quality of program offerings
- 3% increase in staff salaries moves staff along UUA fair compensation pay scale and matches congregational growth
- \$7,734 increase in maintenance reserves

RESOURCES

Pledges & Collections	\$496,500
Rental Income	\$128,500
Other Income	\$17,500
Total Income	\$642,500
Excess Operating Reserves	\$15,000
Total Resources	\$657,500

EXPENSES

Personnel (salaries and benefits)	\$401,000	61%
Facilities (mortgage, utilities, maintenance)	\$158,000	24%
Denominational Affairs	\$31,000	5%
Committees & Programs	\$25,000	4%
Income-Related Expenses	\$19,000	3%
Other	\$23,500	4%
Total Expenses	\$657,500	100%



BUILDING PROJECT

Introduction

Goals and Capital Campaign

Communication and Engagement

Construction Planning and Participation

Finances and Exciting News

Send us your Questions



**COMMUNITY CHURCH OF
CHAPEL HILL
ENDOWMENT COMMITTEE**

**Report to
The Congregation
June 11, 2017**

ESTABLISHMENT OF THE FUND

- Resolution to establish the Endowment Fund adopted by the Congregation in 2008.
- In 2010 the initial principle of \$100,000 was invested in the UU Common Endowment Fund.
- The UUCEF has become an innovator in developing a strongly performing portfolio that emphasizes Socially Responsible Investments.

STATUS OF THE FUND



- The principle has come mainly from two generous single donors, augmented by numerous memorial donations.
- The current balance of the fund is \$174,595.

COMMITTEE MEMBERSHIP

- Plan of Operation calls for 5 members
- Current members
 - Mike Gilliom
 - Polly Johnson
 - Scott Provan
 - Allen Spalt (completes service June 2017)
 - Vacated Position (A. Hencke moved to Board of Trustees)
- Proposed candidates for membership on Committee
 - 1 Year Term: George Thompson
 - 3 Year Term: Katie Heineman

Mini-Grant Status

- Update on 2015 – 2016 Mini-Grant recipients
- There was not an RFP for the 2016 – 2017 year.
- The Committee will consider RFP for 2017 – 2018.

MINI GRANT OPPORTUNITIES

- We have \$7,000 available to be awarded in grants for the coming year .
- Proposals related to the Our Space Our Future project will be given priority.
- Application forms are available on the church's website (Making a Financial Commitment -> The Endowment Fund -> Proposing a Project).
- The congregation will vote in the fall to approve final award(s).
- If you have questions, please contact a member of the committee.

ENDOWMENT FUND

- On behalf of the Congregation, thanks to all who have already considered the Church in their estate planning!
- If you are interested in joining them, please see the Church's website or speak with a member of the Endowment Committee.

Let's keep it growing!



“The true meaning of life is to plant trees under whose shade you do not expect to sit.”

Nelson Handerson



EXTINGUISHING THE CHALICE

We extinguish this flame but not
the light of truth,
the warmth of community,
or the fire of commitment.

These we carry in our hearts until we
are together again

Script for Presentation by the Building Project Task Forces, June 11, 2017

[Steve Warshaw]

The next item in the agenda is an update on the Building Project.

I want to begin by introducing the people who are serving in leadership positions on the Building Project. They are sitting down near the front and as I call their names I'd like for them to stand and turn around. Two of our key players, Paige Smith and Cathy Cole, are taking well-deserved vacations with their families this week, and Laurence Kirsch is out with a back problem, but the others here today are Ivy Brezina, Brad Kosiba, Josh Socolar, Sindy Barker, Gail McKinley, and Andrew Wright. We have a strong group of leaders working together.

I want to take a moment, heart to heart, to set the context for this update. There has been a lengthy process over the past few years, to define the requirements for changes to our space. We, the Board and the Building Project Team, realize we didn't clearly communicate our goal in the meeting last December, and we heard the frustration reflected in the feedback we received. Subsequently, the results of the Financial Feasibility Study in January indicated that we as a church probably were not ready to proceed with a Capital Campaign. We acknowledge that greater clarity and fuller engagement are essential, and we ask your generous willingness - as a congregation and individually - to give our leadership team a fresh chance, with your support, as we move ahead together.

[Ivy]

We thank everyone who gave us inputs in the course of last year's work. Two very important learnings emerged, on which we will build going forward. First, everything we've heard so far confirms that there is overwhelming congregational support for renovations and additions to the Jones Building in order to provide necessary space for our Children and Youth Religious Education Program which will simultaneously provide additional meeting space for adult programs. Second, we've heard loud and clear that this project needs to be undertaken with a plan of fiscal responsibility in which our operating budget and programs

are not threatened by unmanageable debt. These two priorities were the focus of the Board's Resolution of February sixth. They are the basis for our work going forward.

We have also learned that we have a way to go to get ready for the Capital Fund-Raising Campaign. To have a successful project, it's important for our entire congregation to understand the relationship between our annual operating budget, debt, and the capital fund campaign. It's important that each and every one of us sees - and feels - the connection between the project's goals and our church mission and our individual principles.

[Gail]

Let me start by saying that I got involved with this team because I believe – and I think we all believe – that this building project is important to the mission of our church. During the next couple of months, the project team will be working together to plan opportunities for everyone to be ENGAGED, *one way or another*, beginning in early fall. You can certainly expect to receive some invitations, and we hope you'll enjoy participating. In the meantime, anyone who'd like to work with us on the project, please, contact us. Our names and email addresses, along with a timeline and some other information, are in a flyer you can pick up today at the doors on your way out. You can also check the latest posting on the Our Space – Our Future page of the church website.

[Josh]

A central feature of our planning is, of course, the design of the renovations and new buildings. The feedback we have received does not completely determine the design parameters, but it gives us a pretty good idea of what to aim for and what will be financially feasible, and we know people will want to see some preliminary plans before committing resources to the project. So we have commissioned an architect to draft a floor plan and some conceptual sketches for the Jones Building renovation.

An important thing to keep in mind is that this is not really a big or complicated engineering project. It will meet our established, high-priority requirements for accessible space in a straightforward manner. There will surely be some significant choices to make, however,

and the building plans will be shared with the congregation and discussed in an open forum before they are finalized.

And, finally, we've got two pieces of good news to share with regard to the financial aspects.

[Andrew]

A lot of people have been concerned that losing the preschool rent will adversely affect our operating budget. Fortunately, our decision to slow down is matched by the preschool's need to stay here longer before they are able to complete their new building. The preschool lease has been extended through August 2018 and this allows the timing of their departure to perfectly sync with the timing of our project.

AND WE HAVE A BIG ANNOUNCEMENT TO SHARE! One of the things that has been an issue of concern is the debt that we've carried since the last building campaign. Well, recently, several of our church households have stepped forward anonymously and are giving \$250,000 collectively towards our outstanding indebtedness. So, by the end of this month, we will have made a \$250,000 payment against our debt! Even though that isn't the entire \$470,000 currently owed, it is a huge chunk, and that means our debt at the end of 2018, when the balance is due, will be only about \$160,000 instead of \$430,000 - which is pretty great.

[Steve]

At the doors as you go out, please pick up your copy of the flyer that Gail mentioned. We want to hear from you. Write a note or send an email. Reach out to any of the leaders of the Building Project with your questions – and we will post answers to questions we receive on the website so that information can be freely shared. Time does not permit Q&A's at today's meeting. May we see a show of hands from people who'd want us to schedule a separate meeting just for Q&A's? [Note: one person (Lynn Harmon) raised a hand. Another person (Joan Garnett) said to a team member that she just didn't know yet.]

THANK YOU!!!

Our Space—Our Future

Update on Building Project Status, June 11, 2017

From the inputs you provided during many months of listening sessions, surveys and interviews, a lot has been learned about the congregation's priorities and the financial feasibility of raising capital funds for an anticipated building project.

Very positively, there was a clear pattern of strong support for FOCUSING ON PARTICULAR PRIORITIES:

- ◆ ADEQUATE AND ACCESSIBLE SPACE in the Jones Building for religious education and other meetings, for all ages; and
- ◆ PAYING OFF THE DEBT from the 2006 building project.

Responding to these inputs from the congregation, the Board passed a resolution on February 6, authorizing the development of a capital campaign, addressing these priorities, to conclude Spring of 2018.



Because of the importance of having the entire congregation knowledgeable about and supportive of the process and its goals, the project will begin with a comprehensive, interactive educational and planning program through January 2018. Please engage with us, and contribute your questions and ideas as we move forward together.

Building Project Q & A's

June 11, 2017



Q. What is authorized by the February 6 Board Resolution?

A. the Board's resolution addresses the congregation's top priorities. It authorizes a campaign that will:

- ◆ Deliver on our promise since 2006 to improve the space for religious education programs in the Jones Building, while also addressing issues of availability, adequacy and accessibility of those spaces for all ages.
- ◆ Provide for meeting the financial obligations associated with our 2006 loan balance.

Q. When will things happen?

A. Here are the projected timeframes as of now (subject to modification):

- ◆ ENGAGEMENT AND DEVELOPMENT PHASE: Sept. 2017—Feb. 2018
- ◆ CAPITAL CAMPAIGN: February—April 2018 (concurrent with annual pledge drive)
- ◆ CONGREGATIONAL VOTE ON FINAL PROJECT SCOPE: April—June 2018
- ◆ ENGINEERING/PERMITTING: June 2018—February 2019
- ◆ CONSTRUCTION and MOVE-IN: February—September 2019

Q. Can I make a donation in 2017, to suit my tax or other planning purposes?

A. Yes, our Capital Fund would be pleased to accept donations of cash, appreciated securities, etc., etc., etc. Contact Treasurer Andrew Wright (below).

Q. How can I find out more, or get involved?

A. Please look on the church website, or contact any of our Task Force leaders:

Sindy Barker - sindydevoebarker@gmail.com
Ivy Brezina - ivy.brezina@yahoo.com
Cathy Cole - kocole@hotmail.com
Laurence Kirsch - laurence.kirsch@hotmail.com
Brad Kosiba - bradkosiba@gmail.com
Gail McKinley - gailmck@att.net
Paige Smith - paige.smith50@gmail.com
Josh Socolar - josh.soc@gmail.com
Andrew Wright - awright76@gmail.com