

Unitarian Church of Lincoln Winter Congregational Meeting
December 10, 2023
Meeting Minutes

Kim Ziemann, the Board of Trustees President, called the meeting to order and welcomed everyone to the meeting. She thanked those in person and those online for joining in this important work of the Church. She asked all present Board members to join her at the front of the sanctuary and anyone else who previously served on the Board or served as Treasurer or served on the Program Council to stand or raise their hands to be recognized. She thanked them for serving as leaders of the Church.

The Rev. Dr. Oscar Sinclair provided the opening words written by Layla Ibrahim.

Julie Enersen led the congregation in singing.

Kim reminded the congregation that they would hear reports and have an opportunity to ask questions. She encouraged everyone to keep in mind the Church's Covenant of Right Relations.

Voting Instructions

Allison Starr reviewed what the congregation would be voting on and the voting procedures. After the congregation meeting, congregants voted on the 2023 Spring Congregational meeting minutes, to fill the two vacant Nominations Committee positions, and the adoption of the 2024 budget and the bylaw revision. The bylaw revisions required a 2/3 vote to approve. The other items on the ballot required a majority vote. A quorum is needed. We reported 250 members to the UUA in January. According to the bylaws, 20% of the membership constitutes a quorum. This was counted by the number of votes received. Because of the meeting's multi-platform format, voting was done by virtual ballot. The ballot went live on December 10. Paper ballots were also available. In order to be counted, ballots had to be received by the church office no later than December 12 at 11:30 am. Results went out as part of the December 15's eblast.

Nominations Committee

Elle Straatmann explained the purpose of the Nominations Committee. The elected members of the committee help identify candidates for the Nominations Committee, the Board of Trustees, and the Program Council chair and assist other groups as asked to do so.

Congregants voted for two new members of the Nominations Committee. The candidates were Shelly Fowler, JoAnn Lanning, and Diane Richards.

2023 Spring Congregational Meeting Minutes

Congregants voted on approving the 2023 Spring Congregation Meeting minutes.

Meg Mering asked if there were any additions or corrections to the minutes. None were received.

Lincoln Unitarian Foundation Report

Duncan Case provided the LUF report. He is a former Treasurer of the Church and the current LUF Treasurer.

The purpose of LUF is to acquire and manage financial assets for the Church. These funds are separate from the annual Church budget. As of November 1, the current value of the funds is \$401,181. LUF is responsible for investing these assets, so as to maintain and to optimize their value. Vanguard is the company that LUF works with for investments. The primary purpose of the fund is not to support the Church's budget but rather to support significant repair, improvement, or construction of Church property. For example, this year LUF funded the replacement of the gas HVAC system for the sanctuary and gallery with a new air source heat pump. The cost was \$48,525.

Disbursement of funds is a collaborative responsibility of the Board of Trustees and LUF. Both vote on disbursement requests. If the amount requested exceeds 5% of the value of the current budget, it is voted on by the congregation. The holdings of LUF are divided into restricted (\$64,474) and unrestricted (\$336,707) funds. Restricted funds have a specific purpose on how they are to be spent. Cole Music Fund is an example. Dyer fund is another example. It will be closed out at the end of the year. Sorenson fund provides money for lectures. The Designated Fund Index and the Designated Money Market are unrestricted.

Discussion

Alan Worth asked if there was any consideration of using LUF funds instead of furloughing staff. Jason Slaughter stated that LUF funds were not intended for this use. Pledges and what is currently seen in the budget are what can be used.

BJ Wheeler said, if she is correct, that the Church invests only in what we believe in. Duncan said the Church has avoided investing in funds that do not reflect our beliefs. The Church also tries to keep the value of the funds up.

John Atkeison asked which document covers the restrictions of the use of funds by LUF and how those restrictions be changed if it becomes necessary. Emily Shattil, Chair of LUF, stated that this information is covered in the LUF Resolution and Plan of Operation document. It was last amended in June 2022. It is signed by LUF and the Board of Trustees. It can be amended with the signatures of both entities. LUF has prepared a plain-language version of the document.

Vanguard was sold earlier in December. The question was asked if LUF was comfortable with this change and if the current Vanguard advisor would continue to work with LUF. LUF will investigate this recent change with Vanguard.

Joanna Fink asked if there was an endowment for the Church. Oscar Sinclair said an endowment has a legal definition. There are ways LUF looks like an endowment in that, for example, the funds are primarily for capital expenses. LUF and the Board of Trustees had discussions about establishing an endowment.

Harry Heafer, a former member of LUF, restated that the LUF funds are to be used for to support significant repair, improvement, or construction of Church property. For this reason, LUF was established. It never has had its own non-profit status. It has always been part of the Church. Harry does not disagree that LUF funds cannot act as an emergency gap at the end of the year. He would not feel comfortable using it to make up a deficit for operations.

Tom Winter asked if there were any plans to have LUF be an actual foundation and to have a separate IRS standing. Emily Shattil said currently LUF is a standing committee of the Church. There are no current plans to change that. Most foundations have a lot more money than LUF. In the past, LUF investigated becoming and decided against it because of the fees that would have to be paid.

Kim Ziemann reported that LUF sends out letters on the anniversary of people joining the Church which encourages them to donate money to the Anniversary Fund. The current balance of the Anniversary Fund is \$8,451.

From the live chat, Linda commented, "We reevaluated our investments two years ago for social responsibility. We decided that we could live with our investments with good conscience."

Treasurer's Report

Jason Slaughter provided the Treasurer's report.

Jason described the Church's finances as stable. The Church pays its bills and is debt-free.

At 93% of the way through the year, income is at 84.5% of the budget. Pledges have been steady most of the year. In the past several months, the pledges have slowed down.

In terms of expenses, the Church is 91% of the budget. We have not been overspending. We are fiscally responsible.

The Church is expecting \$466k in income this year, which is down from our 3-year average of \$501k. This required tough decisions. Many expense lines have increased due to inflation. To balance the budget for 2024, cuts were made to 35 line items, including cuts to staff salaries and program areas.

Since Jason became treasurer this past summer, the Finance Team has had two meetings.

Karen Heafer is the Vice Treasurer.

Next year, the Church will have a financial review. The cost of the review will be around \$7,000.

Jason thanked Judy Kelly for her leadership in the annual giving campaign.

Jason prepares a financial report every month which is available to all Church members.

Discussion

Alan Worth asked if it is possible to offer amendments to the budget. Kim Ziemann stated that the congregants would be voting on the budget as it stands. Should income change, the Board of Trustees would meet to decide how to spend that additional income. Alan felt the congregation not being able to offer amendments was inconsistent with describing the Church as being democratically run. Jason said the budget is discussed and worked on during the Board of Trustees' business meetings. Congregants are welcome to attend these meetings. The budget has been available for review. Kim said the Town Halls are a place for suggestions, discussion, and questions.

Evelyn Weymouth said she had attended both Town Halls. The budget is trying to match the money the Church actually has coming in. In the past, the Church has relied on second asks for money at pledge time. It is time to stop doing that. The Church needs to live within the pledges it has. In order to do this, painful decisions had to be made.

Oscar spoke to Alan's question about democracy. We come out of a tradition of democracy during congregational meetings. It is challenging to make amendments when the meetings are hybrid. Democracy does not just happen in this meeting and this vote. It also happens when congregants elect Board of Trustees members. When you

gather in your clusters and select a member to serve as the liaison on the Program Council and when you call a minister are other examples. The first meetings of working on the budget were in July. They involved church leaders whom the congregation has elected. In August, the Program Council made budget requests to the Board. In September, a Stewardship campaign was launched. In October, the Board of Trustees sponsored a forum on the budget where the first draft of the budget was part of the discussion. In November, the Board was looking at how that draft was going to interact with the real income. The Church had two town halls and the congregational meeting. It is a culmination of a demographic process. You cannot separate everything that led up to this vote.

Harry Heafer asked about the Church's membership to Justice in Action. He wondered how this amount was established and if the Church was getting its money worth. With that money, the Church could have funded the AV position. Harry recognized being part of Justice in Action does fit the Church's values. Oscar said Justice in Action took three years to get fully off the ground. Twenty-three congregations across Lincoln are currently part of it. It is working toward increasing mental health care, pre-trial diversion, and affordable housing in the city. When Oscar came to this Church seven years ago, the congregation said it wanted to be a partner in the community and wanted the Church to be known in the community as a church that was involved in the community. Oscar was selected as the minister in part because he was a trained community organizer. In setting up Justice in Action, 24 representatives, including Oscar, were selected to establish the financial model. The organization has two professional organizers. The money from what the Church contributes partly pays for these salaries. The amount of the contribution is 1% of the Church's income. The Unitarians are the rock of the organization. Our credibility is on the line if we were to pull that money. Oscar has put his personal and professional credibility into the organization. He has just been elected co-president of the organization.

Jason remarked the Church needed to get to a number for the budget. It has a realistic number. It is not easy to hear. It is reality. He appreciates the hard questions.

Oscar responded to the following comment in chat, "We value our staff more than someone's pride?" He felt the comment was likely directed at him. Yes, Oscar admitted to saying that not supporting Justice in Action would put his professional credibility on the line. He said that it is also the case that partnerships are what this congregation called him to the Church to do. This work is not being done at the expense of the staff. Oscar is one of the staff being furloughed.

Priscilla Handy said when Justice in Action was originally being organized, some thought the Unitarian Church could not necessarily be relied upon. She felt pulling out of the organization now would be confirmation that we are "flaky" and not dependable. The congregation told Oscar that we wanted to be involved in Justice in Action.

Karen Heafer said some members of the congregation completed a volunteer form. This is where we can help the Church. Karen is a Dazzler and she has already been given work that staff will not be able to do.

Christine Davis said before the pandemic, the congregation decided to move to two Sunday services. Not too long ago, we had plans to build a new sanctuary. A number of plans have had to be rethought because of what is going on in the world. Christine believes we exist because of more things outside of the Church building. The real responsibility beyond pledging in this community is to welcome more people into our community. We also need to be innovative and creative. Perhaps, we can create new revenue streams. The Church's financial problems, hopefully, are short-term.

Board President's Report

Kim Ziemann presented her report.

As documented in the Church's bylaws, one of the major responsibilities of the Board is to create a budget and to ensure that the Church's expenditures stay within budget. We have to be realistic about our finances and make sound business decisions for the financial health and the longevity of the Church. As discussed in the Town Hall, the Church has changed greatly in the past few years. COVID-19 has impacted the Church in many ways. The Church's members and attendance at services have decreased. The work of the minister, Church leaders, and staff during the pandemic is greatly appreciated. Emergency funding was used during this time. As the Church emerges from the pandemic, we have experienced loss and change, which is hard and brings grief. Seeing the 2024 budget for the first time brought shock, loss, and grief. The Church is starting anew and stepping forward. The Board had to consider what size of staff the Church can afford. On the other side of grief can be hope, renewed strength, and new direction. It is one of the reasons we are exploring our vision and mission by redefining who we are and where we want to be as a church. The Church community has shown over the past six months and before that, it shows up to do that hard work.

Since Kim became President of the Board of Trustees in June, the Church has accomplished much. New members of the Board were elected. Jason Slaughter was approved as the Treasurer. Karen Heafer was approved as the Vice Treasurer. The finance and personnel handbooks were updated. The Church sent delegates to the General Assembly. The return of the minister and his family was celebrated with a picnic potluck in July. The Bylaws Taskforce led by Judy Hart continued to meet. A team was formed to explore the Church's vision and mission. The Board voted for an overdue financial review. The stewardship ministry met to plan for the annual giving campaign and to explore other stewardship opportunities. The Board began budget discussions in the summer. The Board developed four priorities for the Church year. Aligning staff and ministerial salaries with UUA suggested midpoint guidelines. Implementing a funding plan for building and grounds sustainability. Increasing involvement and engagement across all parts of the congregation and strengthening volunteer leadership. Expanding collaborative effects on human rights advocacy including but not limited to Justice in Action. Oscar was recently elected co-president of Justice in Action. On September 10,

the annual giving campaign had its kick-off with a potluck. Board members encouraged congregants to have conversations about special memories of the Church and why the Church was important to them. The Church hosted the Otoe-Missouria delegation in September. The Bylaws Taskforce prepared to present the revised bylaws to the Congregation. The October 22, Sunday Service was hosted by Board members. 501(c)(3) status went into effect for the Church. Board members met with leaders of the Omaha Unitarian churches and hope to continue that partnership. The Executive Board comprised of the Board President, Vice President, Treasurer, Vice Treasurer, Program Council Chair, and Minister met multiple times to work on the budget. The Second Chance Auction was a huge success thanks to Karen Heafer, Barbara Pearson, and all the people who donated and bid on items. The auction made \$6,700. The Board planned and had two Town Meetings and this meeting.

Minister's Report

The Rev. Dr. Oscar Sinclair presented his minister's report.

Traditionally, the minister of the Unitarian Church of Lincoln delivers two reports in the year. Because Oscar was on sabbatical the first half of the year, this report was his first one in twelve months.

When Oscar last reported in December 2022, he was finishing up his doctor of ministry degree including writing a thesis based on an oral history project. In May 2023, Oscar graduated from Wesley Theological Seminary. His thesis is completed. It is available to anyone who would like to read it. During the spring, he spent five months on sabbatical in the United Kingdom living at Unitarian Congregational Church in Bessels Green. He preached twice a month. It was interesting seeing a Unitarian Church in a post-religious society. Sevenoaks Unitarian is one of the largest and most thriving congregations in southern England. They have fifteen members. The UK demographic trends are approximately thirty years ahead of the United States. How will the United States transition into a post-religious society? What are the adjustments we can make now? In the UK, they had large endowments.

Returning to Lincoln, Oscar found the Church doing some great things including Justice in Action. It was also facing some real challenges. Church attendance is down from where it was in 2019 ... from twelve months ago. Where are we now? The Unitarian Church of Lincoln is getting caught up in trends larger than us as a congregation. UUA released numbers showing religious education attendance is down 40% in the last six years. The question is how we do things differently in a world that has fundamentally different needs. That has required some hard steps. Difficult budget discussions. It allows us to stabilize now so that we are ahead of the cultural change. We are doing it on purpose so that we are reacting to it. It is painful.

This church remains extraordinary. It is vibrant and happy. It is involved and launching stuff. Seven years ago, the church said it wanted to be a beacon of liberal religion in the city. We want to be people who show up. Beloved Conversations which the UUA

launched. We sent more people than the UUA knew how to handle. We kept people involved until there was no more curriculum. The Church has gotten involved in the indigenous community here. We host the Otoe-Missouria delegation. It looks like they will be coming up once a year. It was amazing to watch the fight for access for health care for trans teens in Lincoln which members of this congregation were involved in. We figured out how to do worship in different ways. We have a live stream. We figured it out fast and well. We weathered the pandemic. We wrote a covenant. We married and buried people. We host groups ... Bluestem Montessori ... the Lincoln Music Teachers Association ... Lincoln Chamber Players. Oscar is now the longest-tenured Unitarian minister in Nebraska and Iowa. There is one minister in Kansas who has been there one year longer than Oscar.

Closing Words

Mary K Stillwell provided closing words.

Extinguish Chalice

Kim Ziemann extinguished the chalice.

Adjourn

Addendum

Election results were announced on December 15.

106 members voted with three voting by paper ballot. Voting was open for 48 hours from Sunday, December 10 at 11:30AM to Tuesday, December 12 at 11:30AM.

JoAnn Lanning and Shelly Fowler were elected to the Nominations Committee.

Church members also:

Approved the 2023 Spring Congregational Meeting Minutes YES VOTES 98%,

Amended our Bylaws YES VOTES 97%, and

Adopted the Proposed 2024 Operation Budget YES VOTES 94%.