

ANNUAL REPORT

June 1, 2008



FIRST UNITARIAN CHURCH
101 East North Shore Drive
South Bend, Indiana 46617

June 1, 2008
Annual Congregational Meeting
Agenda

- I. Call to order
- II. Determination of Quorum
- III. Invocation
- IV. Approval of Minutes
 - May 20, 2007 annual meeting
 - December 9, 2007 special congregational meeting
- V. Minister's Report
- VI. President's Report
- VII. Treasurer's Report
- VIII. Approval of 2008-09 church budget
- IX. Election of officers and Trustees for 2008-09
- X. Approval of 2008 Nominating Committee
- XI. Endowment Committee Report and proposal
- XII. Board recognition
- XIII. Lifetime Achievement Award/Volunteer of the Year
- XIV. Other business
- XV. Adjournment

First Unitarian Church South Bend
Annual Meeting
May 20, 2007
Draft

The annual Meeting of the First Unitarian Church was called to order by our interim president Gary Metzler. The secretary determined from the sign-in sheet that a quorum of over 15% of the members was present. Rev. Lisa gave an invocation. Elizabeth Scarborough made a motion that the minutes of last year's annual meeting be approved as printed in the Annual Report with a correction to the last sentence of the Treasurer's Report to read, "Jim Curlee seconded and the motion carried with two opposed." Betty Asplund seconded and the motion was approved.

Minister's Report

Lisa read her report to the congregation and followed with a moment to remember the three members who have passed away this church year: Bev Tudor, Gene Bethe and Gerri Decker.

President's Report

Gary Metzler announced that as vice-president of the Board of Trustees he was now presiding person due to the resignation of Bob Cope. Gary requested an update from the interim minister search committee, composed of Tom Platt, Bill Skidmore and Kathy Curtis. Tom Platt reported that the committee received the names of several candidates earlier this week and will be meeting soon to review the applications. Gary reported that the Board of Trustees has selected the Search Committee, charged with the task of finding a permanent minister, who have had their first meeting.

Amendment to By-laws

Elizabeth Scarborough, a representative of the Endowment Committee Task Force, presented a brief history of the establishment of the Endowment Fund. Peggy Stevens made a motion to accept the amendment to the By-laws as printed in the Annual Report. The motion was seconded by Tom Platt. Following a discussion, Tom Platt called the question so the motion was called to vote by Gary and was passed unanimously.

Resolution to Implement the Endowment

Elizabeth Scarborough made a motion to accept the Resolution to Implement the Endowment Fund which was seconded by Barb Carmichael. In the discussion that followed, Don Wheeler made an amendment that the the requirement for a "2/3 majority vote" (in the last paragraph under section 2 in part B.) be changed to "majority." This was seconded by Jim Curlee and following discussion, called to a vote. The amendment failed by 20 to 10 votes. Cindy Benedict pointed out a typo where the parenthesis in the first paragraph of section 1, part B needed to be closed. The vote was called and the motion to accept the Resolution passed unanimously.

Treasurer's Report

In the absence of the treasurer Kathy Vetter, the report was presented by finance committee member Elizabeth Scarborough. Elizabeth expressed concern in reporting that we experienced a budget deficit last year and may possibly have one this year also. Dale Gibson suggested that Anita Morse be added to the list of Endowment Committee members mentioned in the report. Betty Asplund made a motion that we accept the treasurer's report as presented with this correction and this was seconded by Dave Wistreich. Following the discussion, Gary Metzler pointed out a typing error in which the headings "April and Y.T.D." were switched in position. A vote to accept the report was called and passed.

Bill Stevens made a motion that the congregation direct the Board of Trustees to transfer \$68,000 from the Tudor Estate holding account and any additional money bequeathed to the church from this estate, to the Endowment Fund. Darlene seconded this motion. Following discussion, Mary Beth made an amendment that 75% of the total estate money be transferred to the Endowment Fund and the remaining 25% could be used at the board's discretion. Due to the apparent need for further discussion of this issue, Bob Asplund moved to table the motion and amendment to allow for more study before a decision is made. The motion to table passed with 25 supporting and 6 dissenting votes.

Church Budget for 2007-2008

Elizabeth Scarborough presented the budget for next church year. Kay Azar made a motion to accept the budget which was seconded by Dave Wistreich. A discussion followed in which several congregants expressed concern that this was once again a deficit budget and the need for fiscal responsibility. The vote was called and passed with majority support, two opposed and two abstained.

Darlene Catello then moved that the board send out a letter to the entire congregation informing them of the adoption of a deficit budget, the need for an estimated \$7000 to fund our ministerial search process, and a request for increased contributions. This was seconded by ___ and a discussion followed. Dale Gibson called for closure of discussion, which was seconded by Jim Curlee and passed unanimously.

Election of 2007-2008 Officers and Trustees

Gary Metzler presented the slate of board nominees as selected by the nominating committee. Don Wheeler moved to accept the slate of nominees and this was seconded by Mary Hagen. This motion passed unanimously.

2008 Nominating Committee and Endowment Committee Nominees

Gary presented the slate for next year's nominating committee. Bob Asplund made a motion to accept the slate; this was seconded by Elizabeth Scarborough and passed. The slate for the endowment committee was then presented. Peggy Stevens made a motion to accept this slate; which was seconded by Betty Asplund and passed unanimously.

Recognition

Gary presented Cindy Benedict as the 2006-2007 Volunteer of the Year for all her work related to the care and ministerial committees, including her work in cooperation with two other Michiana churches to create a joint website and market the UU message.

The current board members were then recognized.

Other Business

Dave Wistreich announced that due to other commitments, he will be unable to manage the Christmas Tree sales next year. He also expressed some concern in continuing this annual event as we made little profit last year.

There being no further business, a motion to adjourn was made by Peggy Stevens, seconded by Dale Gibson and passed.

Respectfully submitted

Kathleen Curtis
Secretary pro tem

**Special Congregational Meeting
December 9, 2007**

Members Present (32):

Betty Asplund	Mary Alice Hardy	Glen Saha
Bob Asplund	Florence Klecka	Marilyn Shaul
Neal Austin	Chuck Leone	Melanie Smith-Guillaume
Kay Azar	Don Marti	Bill Stradley
Cindy Benedict	Gary Metzler	Marge Stradley
Glenda Bixby	Eric Morgan	Patricia Taplick
Barb Carmichael	Virginia Morrow	Walt Tomasch
Jim Curlee	Zae Munn	Richard Wallace
Kathleen Curtis	Kathy Platt	Don Wheeler
Mary Hagen	Tom Platt	Maureen Wijnen
Fern Hamlin	Elizabeth Scarborough	

Others Present:

Roger Birdsell	Tanya Lambert	Marijke Wijnen
Dan Groteke	Lynn McDonald	Bethy Williams
Jason Lambert		

Bob Asplund started the meeting by stating that this has been a good year for the church. The Search Committee has been working hard to find a new minister and the Board of Trustees has put thought in to this proposal.

The purpose of the meeting is to discuss how to spend the gift from Bev Tudor. The Board proposal is outlined in the memo that has been distributed. Members of the congregation can either: accept the memo, amend it or send it back to the Board of trustees for rewriting.

Kay Azar made a motion to accept the Board proposal. Zae Munn made a second to the motion.

Eric Morgan stated that we need \$150,000 in the endowment fund to be able to make disbursements from the Endowment Fund. This proposal will result in about \$160,000 in the Endowment Fund so we will be able to make disbursements from the Endowment if this proposal is accepted.

Bill Stevens said that he initially was in favor of putting the entire amount in to the Endowment Fund. Spending money for operations is a poor use of a gift, inheritance or bequest. The Board proposal avoids the use of the funds for operations by putting the major portion of the funds in the endowment fund and using the balance for church growth and improvements to the physical plant of the church. The church members should support the operating expenses of the church. The Board proposal avoids the bias of using funds for operations, therefore he is in favor of the proposal.

Walt Tomasch asked where the money is being held and in what form? Elizabeth Scarborough answered that the funds are currently in a holding account drawing interest. The Endowment funds are held in the Unitarian Universalist General Investment Fund. Unitarian churches around the country invest their funds through this entity and the Fund currently manages investments of about \$138 million dollars. Currently our church has \$6,700 in this fund. The Fund operates like a mutual fund and the money is invested in a diversified manner. Elizabeth said that she recently participated in a conference call that the fund has on a quarterly basis to provide information for those who have investments. The objective of the fund is preservation of the principal of the investments, while allowing for a 5% withdrawal every year plus enough earnings to cover inflation. The fund investments also go through a screening process – they screen out investments in weapons and tobacco. Occasionally the fund uses their investments to become stockholder advocates for various

policies such as stopping discrimination or ending global warming.

Walt Tomasch asked about the performance of the fund. Elizabeth Scarborough said the fund investments are diversified and have earned 13.5% return over the last year.

Don Wheeler said that he wanted to amplify the comments of the Chairman that the purpose of this meeting is not to revisit the investment vehicle for our funds but to address the specific uses for the Bev Tudor funds.

Jim Curlee asked who makes the investment decisions. Bob Asplund answered that there is an elected Endowment Committee consisting of Elizabeth Scarborough, Chuck Leone and Melanie Smith-Guillaume. Their job is to oversee the Endowment Fund.

Barb Carmichael said that it is time for our church to grow and if the funds are invested in the Endowment Fund, they won't be accessible if we need to purchase a new building. The answer given was that we can use the endowment funds anytime with a two-third vote of the congregation.

Melanie Smith Guillaume asked why we are spending the endowment funds on cleaning. Bob Asplund said that in the past Carlton had been paid for three hours a week to clean the church. This was not enough time to do an adequate job. Carlton resigned from his cleaning duties and there are not enough funds in the budget to hire a cleaning person for the hours needed to do the job. The endowment funds will cover additional cleaning costs for this year and then the cleaning costs can be worked into the regular budget next year.

Bob stated that a special committee will be formed to set priorities for the building improvements. The committee will make a list of proposed building improvements to be approved by the Board of Trustees. Don Wheeler suggested that we pay an electrician to evaluate the wiring in the building.

There being no further discussion, Bob Asplund called for a vote on the proposal. All present voted in favor. There were no votes against the proposal and no abstentions.

There being no further business, the meeting adjourned at 12:30.

Submitted By:

Anne Mannix
Board Secretary

Interim Minister's Report

Annual Meeting

June 1, 2008

Dear Friends,

At the Interim Minister's meeting in Texas a few weeks ago the leader of a session said, "The primary job of the Interim Minister is two-fold. The first task is to give the congregation a new sense of possibility. The second is to help them become more facile with institutional change." I thought about this and reflected about our experience as Interim Minister and congregation.

When I arrived in the late summer, I was told that attendance had fallen off, a deficit budget had been adopted and the congregation was dispirited. I began by noticing everything and anything that seemed to be positive about our church. I took the time to tell you about the positives I saw. I felt that there were many strengths that had been taken for granted. I also put much energy into creating joyful worship, where the children were welcome. It is my feeling that the energy of the congregation flows outward from the worship experience. Having the children in our midst helped us receive the enthusiasm of our younger generations.

Over the months some very wonderful things happened.

- worship attendance increased by 30 per cent
- the Sunday school doubled in size
- we accepted some 30 members (an increase of 30 %)
- by March 1st the budget was balanced
- our pledge drive has topped \$100,000 (\$12,000 more than ever before)
- the YES! group inspired us all

These exterior signs are the very visible changes of the rebuilding of the spirit of the congregation. I worked to connect the different groups in the congregation to the congregation and to invite them to worship. The SPIRAL group, the Parents Morning Out, the YES! group . . . the collecting pop tops – a church wide co-operative project. I also worked to give you a sense of pride in our Unitarian Universalist history by sharing stories that would build a positive self esteem for both young and old.

I think I have worked to give you a new sense of possibility that you so richly deserve. It is my belief that our church is only limited by the narrow dreams placed on it by anyone who thinks we can only be small. I believe that First Unitarian Church of South Bend could easily be a 200-300 member size church. To do this means that people would have to be included in decision making and invited into the life of the church. I have been told over and over this year that "no one really wants to be involved in the church". This has not been my experience. When invited, 16 people came to work on a new membership committee. 9 people arrived to work on the art of worship. We trained 25 visiting stewards who then went out into the congregation to listen to your concerns and bring them back to our leaders. It has been my experience that if personally invited, people will attend. If tasks are defined and support given, there are plenty of people to help.

First Unitarian Church of South Bend is at a cross roads. We have grown and accepted new members. If we wish to keep them, we must work to include them. This means becoming more facile with change, the second priority of the Interim Ministry. The increase in attendance and

membership means we are now a Program size church. This means adjustments in how and why we do things. I have worked to adjust the order of worship to our expanded size and worked to make adjustments in how we organize what needs to be done. We have been successful but there has been grumbling and criticism. This is what my ministry among you is supposed to be, to help prepare you for change as well as for a new minister who will bring you differing gifts.

I have been fortunate to work with many positive folks. Mary Beth Dickey, Carlton Higginbotham, Cindy Benedict, Kay Azar, Mary Hagen, Gary Metzler, Rich Wallace, Kathy Platt, Virginia Morrow, Beth Williams, Maureen Wijnen and all the YES! folks. As I leave you, I wish you every positive blessing and every wish for a bright future.

You have my love and support, I have enjoyed my year with you.

As Always,

The Rev Ms Denise Tracy
Interim Minister

President's Report
Annual Meeting
June 1, 2008

I started this year thinking I had a lot to learn about the congregation before becoming president in a year. That was not to be. Like a premature delivery, that task came to me too soon – before I was emotionally ready for this job. I truly wish Bob Asplund had been here to complete the year. I need to thank him for laying the ground work for me to be successful and for all the hard work he did during his tenure.

We have grown. Boy, have we grown. With the growth came the most successful stewardship campaign the congregation has ever had. Growth is a wonderful thing but it is never easy. Every time you think you have a nice cohesive group and some one new joins, you start all over to regroup. But isn't it fun to learn about all the new folks coming each week and to reacquaint ourselves with the long term members. We all have a vested interest in the success of this congregation and we all have a lot of work to do to continue with our success.

Events seemed to move so quickly this year. We have a funded Endowment. We have a Building Fund. We have many new members and many more members of tenure who continue to support liberal religion in Michiana. We have a sense that this building is too small for our growing needs as we are parking up the hill and down the block.

At the start of this church year, the Board of Trustees had a board retreat. The result was that we really wanted to see the culture of the Church shift to one of generosity of spirit, time, talent and money. I am so proud of how far we have come this year. We have more people than ever helping on a variety of committees. We have such talented members. We are willing to put those talents on the line for the sake of the community whether that talent is musical, spiritual, teaching, food inspired, washing dishes, gardening, etc..

I would like to thank the Search Committee for all the hard work they have done and still have to do to complete the search for a settled minister. Thanks also to the Religious Education Committee for an awesome job creating a place of learning and wonder for our children. All the committees have worked very hard this year. A special thanks to Cindy Benedict for stepping in to the Stewardship committee and helping out as I was trying to do two jobs at once. Thanks to all the committees for all the hard work they have done over the past year to make this congregation the best it could be.

Next year we will have a new interim minister while we continue the search for a settled minister. This will mean more changes, and for some, more discomfort. Let your voices and hearts be heard. We are a single congregation of many different paths and voices. All are valued and all have equal value. We need to have your help to continue the work we started this year. I know we will continue to be a generous, giving congregation in every sense of the words, but it will take time and effort. Please walk this path with us and share in the beauty that surrounds each one of us.

In UUnity,

Kay Azar
President

Treasurer's Report
Annual Meeting
June 1, 2008

See the following pages for year-to-date financial status (as of April 30) and the proposed budget for 2008-09.

FY 2006-07 was budgeted to have a deficit of \$8620, but the actual ending balance was \$2590 in the black. Income for that year was approximately \$225 higher than budgeted, but expenditures were about \$11000 under budget (almost all expense items were under budget). Previous years also sometimes have had budgets in the red but actual cash flow in the black. That reflects the difficulty of predicting the upcoming year's financial activities.

FY 2007-08 has a budgeted deficit of \$15,150. As of April 30 the YTD actual deficit is \$38. Income will likely be a little over the budgeted amount, but this year some expenses will be over budget as well. The predicted end of year cash deficit is expected to be real this time, although surely less than \$15,150.

Stewardship Committee Annual Report June 1, 2008

Because we understand that deep happiness is achieved by giving to something larger than oneself, we joyfully encourage all to contribute their time, talents and financial gifts to support this intentional Church community. We were blessed by those who have made their financial commitments for the upcoming fiscal year which begins July 1st. This year we received 82 pledges totaling \$102,149, an increase of more than 33%. This is the first time in our Church's history we have exceeded \$100,000! Thirty two (32) pledging units increased their financial commitment from last year (38% of the total)! The largest percentage increase was 50% and the largest dollar increase was \$1000. Clear evidence that members increase their financial contributions to the Church as they are able. This is the best news and we are grateful and excited. Please keep in mind that while this seems like a very significant amount it represents a "pledge" and not "cash on hand." Also this figure is 78% of our annual operating budget being proposed for next year. There is plenty of room for us to grow!

This year we attempted two alternative approaches to the 'traditional pledge drive'. First we incorporated new language. We are all learning the concept of Stewardship. It is the intentional use of our gifts for the good of the church community. Those gifts – time, talent, spirit and financial – are what keep our congregation alive and well. It is in caring for each other that we form community.

However, none of this would have been possible without the visiting Stewards and for the stimulating "Listening Workshop" presented by Bill Decker on March 31st.

Special thanks to the following individuals who were visiting Stewards, either in person, or by phone during the busy spring month of April: Neal Austin, Kay Azar, Cindy Benedict, Alice Bentley, Mary Beth, Roger Birdsell, Jim Curlee, Kathy Curtis, Joe Gress, Mary Hagen, Mary Alice Hardy, Florence Klecka, Chuck Leone, Anne Mannix, Lynn McDonald, Gary Metzler, Zae Munn, Stacey Nugent, Kathy Platt, Tom Platt, Ron Robinson, Bob Shuman, Marcia Shuman, Melanie Smith-Guillaume, and Rich Wallace.

While it is not possible to summarize all of the important areas discussed during those Stewardship conversations, generally the Stewardship Feedback highlighted the following areas:

Many feel that our primary strengths are: the Church is a place which "provides a forum for people of diverse backgrounds and view points to come together and to explore ways to improve their lives," children's RE, and the fellowship nature. The responses reflect a high level of satisfaction with the current programs as well as encouraging words about establishing some of the new small groups. Many individuals suggested a desire for a more formal music program and others requested a variety of lay-led and 'other' religious/ point of view speakers" for Sunday Services. A significant number of respondents indicated their desire for the Church to become more service oriented, for all age groups, and as well as working towards a "green" focus and activities.

Overwhelmingly there is a desire for the need "to work on our space", inside and outside. Also, it is a pretty unambiguous fact that 76 % of the Stewardship participants supported the idea of a new "space" for our Church. As you might imagine, many contained a reluctance due to the

uncertainty of incurring debt and/or financial support in the long run. Please note that we need volunteers for the Special Building Task Force to set priorities for these areas. We also need volunteers for the building and grounds committees!

Overall, after reviewing all of the responses, which provided some very helpful and specific suggestions for various committees/groups, it was enlightening to see the same issues addressed in last years' Congregational Record" which was compiled for the Ministerial Search.

We have learned this year that The First Unitarian Church of South Bend is a direct reflection of how each individual member and friend contributes their time, talents and financial gifts towards the future and success of our intentional community. It is in this spirit that we encourage you to join our efforts by engaging in the work of the ministry as a whole.

In Peace – Kay Azar, Cindy Benedict, Jim Curlee, Gary Metzler and Rev. Denise Tracy.

Proposed Budget 2008-09

Item	
INFLOWS	
109 - Next Year Pledges	1,000
110 - Pledges	102,500
111 - New Pledges	1,000
115 - Prior Year Pledges	2,000
120 - Loose Offering	5,000
125 - Coffee Collection	100
130 - Building Use Fees	200
143 - Service Auction	10,000
145 - Other Fund Raisers	4,000
170 - Newsletter	400
196 - Special Collections	0
199 - Miscellaneous	0
TOTAL INFLOWS	126,200
OUTFLOWS	
201 - Special Collections	0
210 - Insurance	2,200
220 - Cleaning Services	2,300
230 - Bldg Supplies	400
240 - Bldg Maint. Committee	1,000
241 - Pest Control	660
245 - Grounds Committee	450
310 - Gas	4,400
320 - Electric	1,500
330 - Telephone	800
340 - Water & Trash	950
410 - Admin & Office	2,400
415 - Copier Lease	4,800
420 - Postage	1,200
430 - Payroll Taxes	1,284
510 - Sunday Service	500

511 - Sunday Service Supplies	200
710 - Membership Committee	600
720 - Social Committee	100
725 - Coffee & Tea	100
740 - Care Committee	350
745 - Peace & Justice	750
750 - Denom. Dues	9,559
760 - Finance Committee	350
761 - Canvass	200
766 - Fundraiser - Svc Auction	500
769 - Fundraiser - Other	2,000
809 - DRE honorarium	1,800
810 - RE	2,200
811 - Adult RE	100
812 - Background Checks	200
815 - Child Care	1,200
910 - Minister's S & H	49,000
915 - in lieu of FICA	3,748
930 - Minister's Expense	4,900
940 - Minister's Pension	4,900
945 - Minister's Insurance	6,052
950 - Discretionary Fund	200
960 - Secretary	12,200
965 - Secretary's Pension	1,220
976 - Marketing	50
980 - Music	150
990 - Search Committee	7,000
999 - Miscellaneous	0
TOTAL OUTFLOWS	134,473
BALANCE (deficit)	(8,273)

**BALANCE SHEET
as of April 30, 2008**

May 5, 2008

BANKING AND INVESTMENT ACCOUNT BALANCES

Cash Accounts	\$ 87,664
Money Market	80,163
Checking	7,501
 Investment & Savings Accounts	 \$ 170,049
A.G. Edwards	7
Endowment (UUA GIF)	158,090
CD Building Fund ***359	11,352
CD Sabbatical Fund ***312 (renewal 8/12/08)	600

TOTAL CASH AND INVESTMENTS **\$ 257,713**

Operating Budget Totals		
	April	Y.T.D.
Income	\$ 7,067	\$ 94,068
Expenses	\$ 10,837	\$ 94,106
Net	\$ (3,770)	\$ (38)

Item	4/1/08 - 4/30/08			Actual	Budget	Difference	Annual Budget
	Actual	Budget	Difference				
INFLOWS							
109 - Next Year Pledges		83	-83	0	747	-747	1,000
110 - Pledges	5,661	6,417	-756	71,170	57,753	13,417	77,000
111 - New Pledges	304	83	221	1,403	747	656	1,000
115 - Prior Year Pledges	4	167	-163	1,354	1,503	-149	2,000
120 - Loose Offering	584	417	167	4,355	3,753	602	5,000
125 - Coffee Collection	0	8	-8	15	72	-57	100
130 - Building Use Fees	0	17	-17	125	153	-28	200
143 - Service Auction	456	833	-377	10,008	7,497	2,511	10,000
145 - Other Fund Raisers	23	250	-227	2,640	2,250	390	3,000
170 - Newsletter	5	33	-28	15	297	-282	400
196 - Special Collections		0	0	525	0	525	0
199 - Miscellaneous	30	0	30	2,208	0	2,208	0
TOTAL INFLOWS	7,067	8,308		94,068	74,772	19,296	99,700
OUTFLOWS							
201 - Special Collections	0	0	0	460	0	-460	0
210 - Insurance	0	183	-183	1,959	1,647	-312	2,200
220 - Cleaning Services	240	147	93	1,865	1,323	-542	1,767
225 - Cleaning Pension	0	18	-18	62	162	100	212
230 - Bldg Supplies	35	33	2	369	297	-72	400
240 - Bldg Maint. Committee	100	42	58	1,314	378	-936	500
241 - Pest Control	53	55	-2	537	495	-42	660
245 - Grounds Committee	0	33	-33	0	297	297	400
310 - Gas	622	333	289	3,526	2,997	-529	4,000
320 - Electric	136	117	19	1,151	1,053	-98	1,400
330 - Telephone	62	65	-3	684	585	-99	775
340 - Water & Trash	82	75	7	830	675	-155	900
410 - Admin & Office	47	133	-86	2,025	1,197	-828	1,600
415 - Copier Lease	695	400	295	3,569	3,600	31	4,800
420 - Postage	66	83	-17	763	747	-16	1,000
430 - Payroll Taxes	105	98	7	1,113	882	-231	1,177
510 - Sunday Service Committee	100	42	58	100	378	278	500
511 - Sunday Service Supplies	0	25	-25	18	225	207	300
710 - Membership Committee	0	21	-21	290	189	-101	250
720 - Social Committee	0	8	-8	52	72	20	100
725 - Coffee & Tea	0	8	-8	64	72	8	100
740 - Care Committee	0	8	-8	172	72	-100	100

Item	4/1/08 - 4/30/08						Annual
	Actual	Budget	Difference	Actual	Budget	Difference	Budget
745 - Peace & Justice Committee	350	42	308	350	378	28	500
750 - Denom. Dues & URC	0	660	-660	5,889	5,940	51	7,918
760 - Finance Committee	0	25	-25	0	225	225	300
761 - Canvass	218	17	201	351	153	-198	200
766 - Fundraiser - Svc Auction	0	42	-42	750	378	-372	500
769 - Fundraiser - Other	0	8	-8	1,295	72	-1,223	100
809 - DRE honorarium	0	133	-133	1,196	1,197	1	1,590
810 - RE	350	175	175	1,157	1,575	418	2,100
811 - Adult RE	0	8	-8	40	72	32	100
812 - Background Checks	0	17	-17	0	153	153	200
815 - Child Care	56	58	-2	603	522	-81	700
910 - Minister's Salary & Housing	3,165	3,483	-318	25,584	31,347	5,763	41,800
915 - in lieu of FICA	242	267	-25	1,937	2,403	466	3,298
930 - Minister's Expense	248	250	-2	3,146	2,250	-896	3,000
940 - Minister's Pension	380	418	-38	3,039	3,762	723	5,016
945 - Minister's Insurance	2,241	367	1,874	13,505	3,303	-10,202	4,400
950 - Discretionary Fund	50	17	33	235	153	-82	200
960 - Secretary	1,071	944	127	10,920	8,496	-2,424	11,350
965 - Secretary's Pension	123	113	10	1,300	1,017	-283	1,360
976 - Marketing	0	4	-4	39	36	-3	50
980 - Music	0	13	-13	0	117	117	150
990 - Search Committee	0	583	-583	967	5,247	4,280	7,000
999 - Miscellaneous	0	0	0	869	0	-869	0
TOTAL OUTFLOWS	10,837	9,571	1,266	94,106	86,139	-7,967	114,853
BALANCE	-3,770			-38			

Notes

199 – purchase of hymnal

415 – includes quarterly per-copy charges

Non-Operating Funds – KeyBank Money Market Account

Account	Prev Bal 04/01/08	Inflow Month	Outflow Month	Bal Fwd 07/01/07	Inflow YTD	Outflow YTD	End Bal 04/30/08
Building Fund	5,699	1	0	5,382	318	0	5,700
Capital Campaign	3,726	0	0	3,726	0	0	3,726
Endowment Set-aside	0	0	0	0	318	318	0
Major Expenditure Fundraisers	-58	0	0	-103	1,419	1,374	-58
Memorials	0	0	0	1,292	50	1,342	0
Minister’s Discretionary Fund	995	0	0	0	2,795	1,800	995
Minister’s Expense (rollover)	0	0	0	0	0	0	0
RE Reserved Fund	1,904	0	0	3,027	0	1,123	1,904
Targeted Projects	-905	945	0	5	3,690	3,655	40
Teen Service Project	1,837	4,636	840	0	13,304	7,671	5,633
Women’s Group Fund	572	81	0	732	511	590	653
Total Special Funds	13,770	5,663	840	14,061	22,405	17,873	18,593
Unrestricted Savings	8,137	127	101	7,362	902	101	8,163
“Tudor” Account	53,407	0	0	70,762	141,060	158,415	53,407
Total Money Market Funds	75,314	5,790	941	92,185	164,367	176,389	80,163

Endowment	Prev. Net Value	Addition	Net Change	Disburse	End Net Value
	166,149	0	-8,059	0	158,090
	(Net Change = earned income + market gain/loss)				

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Building Fund Total

Money Market	5,700
CD	<u>11,352</u>
Total	17,052

Notes on non-operating items

Theater Tickets (under Targeted Projects) have been paid in full with a small profit (\$40 – which might be used to defray administrative costs).

Unrestricted savings income is from interest; outflow is for package of checks.

Proposed Slate of Officers 2008-09

Vice-President: Rich Wallace (2-year term; second year will become President)

Secretary: Marcia Shuman (2-year term)

Trustees: Ellen Triebold (1 year, to fill unexpired term)

Roger Birdsell (2-year term)

Eric Morgan (2-year term)

Endowment Committee: Chuck Leone (3-year term)

Nominating Committee:

2008-09 Officers continuing terms:

President: Kay Azar

Treasurer: Gary Metzler

Trustees: Cindy Benedict

Don Marti

**Endowment Committee
Annual Report
June 1, 2008**

The First Unitarian Church Endowment Committee came into existence through congregational action at the 2007 annual Church Congregational meeting in May, 2007. At that time the congregation elected three people to serve on the committee: Elizabeth Scaborough for three years, Melanie Smith-Guillaume for two years, and Chuck Leone for one year. The Church by-laws were also amended at that time to establish purposes and procedures for the committee and a resolution was passed implementing the fund. Following the plan of operation in the resolution, the committee determined that Melanie would serve as chairperson, Chuck as recording secretary, and Elizabeth as financial secretary.

At the beginning of the Church year, the Church had a balance of \$6,749 invested in the Endowment Fund through the UUA's General Investment Fund. During the course of the year, funds received from the Beverly Tudor estate and from other sources increased the balance to \$155,729 as of March 31, 2008.

During the year, the Committee received three proposals for funding from the Endowment Fund and recommended one of those proposals (insurance for the youth group trip to Mexico in the amount of \$560) to the Board of Trustees. This will be presented at the 2008 congregational meeting for approval by the congregation.

The Committee's tasks for the next church year include the following:

- Promotion of the fund through education of the congregation to the fund's purposes and operations.
- Development of criteria for grants and expenditures from the fund.
- Determination of conditions for acceptance of donations to the fund where there are donor restrictions proposed or where donated property may be difficult to manage.
- Development of methods to acknowledge and thank those who have donated to the fund.

Chuck Leone
Committee Recording Secretary

Care Committee Annual Report June 1, 2008

Purpose of the Care Committee

The Care Committee provides support for members and friends of the church who are going through transitions. The members of the Care Committee are not necessarily the individuals who meet those needs, but rather, the job of the committee is to facilitate a link between the needs of members and friends in the congregation and those individuals able to provide for those needs.

Accomplishments of the Care Committee and our caring congregation

- **Birthday Parties**
The Care Committee has assisted the Membership Committee to celebrate birthdays of members and friends at the monthly potluck.
- **Delivery of poinsettias to “shut-ins”**
We continued this holiday tradition and delivered poinsettias to three members.
- **Welcome new babies**
Our church family welcomed one new baby this church year. The committee was able to coordinate a meal for the family.
- **Host Holiday Dinner**
A gracious couple opened their home for a Thanksgiving dinner for church members.
- **Support during difficult times**
Numerous individuals in our congregation have provided these (and more) services for at least eight of our church members: delivering meals, visiting, telephone check-ins, providing transportation, running errands, house and pet sitting.

In Appreciation

The accomplishments of the Care Committee are a reflection of and a direct result of the generosity of many individuals in this congregation. This generosity included contribution of time as well as tangible contributions of money or supplies. The kindness and generosity this year has been truly amazing!

Heartfelt thanks go to

- *Committee Members:* Mary Hagen, Dale Gibson, Alice Bentley
- *Committee Helpers:* Cathy Duncan, Kathy Platt, Mary Alice Hardy, Sue Schumacher, Cindy Benedict
- *The Generous:* Lynn McDonald, Diana Mendelsohn, Catherine Pittman, Barb Carmichael, Melanie Smith-Guillaume, Jim Curlee, Raul Chanana, Mary Beth Dickey, Ellen Triebold, Gail DeSomer, Don Wheeler, Paddy Blanchette
- *The Anonymous :* Those exceptionally kind individuals who saw a need and quietly contributed time or money to help someone in this congregation.

Kathleen Curtis
Care Committee Chair

Committee for Peace and Justice
Annual Report
June 1, 2008

The Committee for Peace and Justice continued to hold monthly programs during the past year about issues related to peace and social justice. Several of these programs involved viewing videos that are part of the series, "A Force More Powerful". These videos showed the effectiveness of non-violent resistance, and depicted such events as the civil rights movement in this country, the non-violent resistance to Pinochet in Chile, and Gandhi's effectiveness with non-violent resistance in India. Another evening was spent discussing the book, *The End of America*, while another program featured South Bend Equality's efforts in this community to gain equal rights for gay, lesbian, bisexual, and transgendered residents. These programs were open to everyone in the church, as well as to members of the community.

Over the course of the year several of our members have also continued to support the efforts of Ibrahim Parlak to remain in this country, attended peace vigils, helped to provide a meal at our church for peace marchers, and promoted the consumption of locally grown food. Our church continues to support the Center for Peace and Non-Violence, which sponsors several peace related activities throughout the year. The committee co-chairs wish to thank all of those who have attended our programs during the past year, as well as those from our church who have worked to bring about a more peaceful and just world.

Darlene Catello
Bob Cope
Committee Co-Chairs

**Membership Committee
Annual Report
June 1, 2008**

The description of this committee covers a variety of aspects and responsibilities. Generally, the purpose is to assist prospective and current members in creating a community in which they feel welcome, and supported in their spiritual journey.

Our church has grown significantly since our last annual meeting, with 30 new members. Ann & Bob Cope, and Mary & Eric Morgan graciously hosted the two Coffees & Desserts for newcomers. We had three Ingathering ceremonies. Thanks to Rev. Denise Tracy, for the first time we have a mentor assigned to each new member to assist in the integration and welcoming process. Many attended Denise's *Building Your Own Theology* class in May.

To promote our church and help us to grow, for the third year in a row, we have been spreading the "UU message" on the local NPR affiliate, 88.1 FM WVPE. For the last 2 years this has been in conjunction with the Elkhart and St. Joseph, MI congregations. The increased volunteer contributions to the campaign last year from all 3 congregations enabled the messages to be aired for a 13 month period, ending in November 2008. The messages run one day per week, three times during the day, constantly rotating time of day and days of the week. Check out our mutual website at michianauu.org, which is maintained (for free) by Elkhart.

Small interest groups can attract new people and help meet the needs of our members. The Parents' Morning Out has been a rousing success. 20 people went out for lunch the third Sunday in April for the first Brunch Bunch. Denise led book discussions during the winter months. Thanks to Lynn McDonald for initiating and organizing the Intergenerational Round Robins. We appreciate all those who lead and participated in the Sunday morning Adult Forums. Currently there are numerous other groups in the formative stages for which people can sign up.

The Sunday morning Greeters welcome all as they enter. We'd like to encourage everyone to talk with new people and visitors during "coffee & conversation". Thanks to Cathy Duncan, Gary Looney, Joe Gress, Ron Robinson, Lynn McDonald, Michael Coppedge, Mary Hagen, Cindy Benedict, and Tom & Kathy Platt for greeting this year. We will start a formal Greeters schedule for this Summer's Services.

Thanks to Kevin Barry for the colorful and creative "name badges".

Please contact Cindy Benedict, 2008-2009 Membership Chair, at 299-0826 (or cindy.benedict@btlaw.com) to volunteer to greet or serve on the committee. One of her goals is to encourage every member to participate on one committee and in one other activity!

Respectively submitted,
Kathy Platt, Chair

Ministerial Search Committee Report June 1, 2008

The Ministerial Search Committee held its inaugural meeting on May 19, 2007 with members Barb Carmichael, Florence Klecka, Elizabeth Scarborough, Sue Schumacher, Elena Wake and Dave Wistreich, identifying specific roles for the task ahead and a username/password for the online UUA Settlement System – our primary link to prospective candidates. Dale Gibson filled the vacancy created by the departure of Dave Wistreich just in time for our June 19 retreat with a District facilitator.

By the beginning of July, the committee had finalized the content of the Congregational Survey and John Hagen (spouse of Board member, Mary Hagen) had agreed to format and tabulate it. By month's end, we had distributed the survey to 115 members and contributing friends, facilitated 2 of 5 small group discussions on the needs of our congregation, and filled all three slots on the Negotiating Team (i.e., Anne Mannix, Elizabeth Scarborough and Don Wheeler). In August, the District Compensation Consultant met with our team and the Board to discuss salary guidelines. Also, sections of the Congregational Record (CR) were assigned to committee members, and regional openings were explored for hearing candidates preach in nearby churches.

September found the committee hard at work preparing the CR for Ministerial Search Representative Rev. Alan Taylor's review on October 1. After incorporating his feedback, we were ready to "go live" on November 1, which meant that our church's history, finances, challenges and goals were available to all ministers in search for settled ministry. From mid-November until mid-January the CR, Congregational Survey and small group discussion summary were made available online for congregational review. On Sunday, November 4 we organized a Sunday Service and afternoon workshop on the theme of ministerial diversity – *Beyond Categorical Thinking* – with two facilitators trained by the UUA.

By mid-January two ministers had expressed an interest in our congregation, making their Ministerial Records available to us in the Settlement System. We promptly exchanged packets of information with them, conducted group phone interviews, checked references and confirmed several neutral pulpit possibilities. One prospect withdrew her application after reaching her personal quota of pre-candidating week-ends. We went on to hold a pre-candidating weekend with the other prospect – showing her our church and community, engaging in further dialogue about mutual needs and expectations, and hearing her preach – only to learn the following week that she had accepted an offer in Ft. Myers, Florida.

In April, we were somewhat surprised to have two additional candidates, which again initiated the full battery of hiring tasks. Unsure of the outcome, however, we also submitted an Application for Interim Ministry by the April 15 deadline. After the first settled ministry candidate decided against leaving his current position, the UUA withdrew their recommendation of the second. This rather unusual turn of events meant that our newly assembled Interim Task Force, comprised of Barb Carmichael, Elizabeth Scarborough, Elena Wake and Don Wheeler, ramped up for the frenetic pace of interim search. As of this writing, we are in round #2 of this process.

This summer, we'll reconvene the entire search committee to turn our attention to settled search – updating our Congregational Record and packet and re-visiting our financial package. Our work thus far has been intensive and time-consuming, juggling multiple tasks on tight deadlines. We've worked very well both individually and collectively, acquiring ample knowledge and wisdom about the search process that we will use to our advantage next year. Most importantly, our congregation shows the signs of reinvigoration needed to attract a settled minister for 2009.

Respectfully submitted,

Barb Carmichael, Chair

**Religious Education Committee
Annual Report
June 1, 2008**

The Religious Education Committee Members are: Mary Beth Dickey (D.R.E.); Tama Crisovan (Chair); Lynn McDonald; Sarah Boulac; Liberty Mroczek and Denise Tracey.

2007-2008 R.E. Program

Class	Curriculum	Teachers	Average Attendance
Preschool & Kindergarten	We Are Many, We Are One	Allyson & Mark Kricheff, Diana Mendelsohn	10
Primary 1st-3rd Grade	In Our Hands and Adventures with Dr. Seuss	Maureen Wijnen, Tama Crisovan	6
Intermediate 4th - 6th Grade	Little Big Minds	Bob Shuman, Don Wheeler	5
Teens 7th - 12th Grade	(topics of choice)	Mary Alice Hardy, Michelle Beatty, Duncan Krostue	8
Nursery Caregiver		Jennifer Krostue	6

Accomplishments and Events

- Classrooms cleaned, organized and restocked
- Recruited R.E. teachers and organized curriculum
- Updated R.E. brochure
- Monthly newsletter articles
- Supervised nursery caregiver
- Four Kid's Connection chapel services (Oct., Dec., Feb. & April)
- Blessing of the Animals project (made cat toys and collected donations and \$60 for Pet Refuge)
- Halloween Party (raised \$360 for teen YES group)
- Trick or Treat for UNICEF (raised \$60)
- Sponsored free clothing exchange
- Thanksgiving family service
- Christmas Charity Project
 - " Filled 24 Christmas stockings for CASIE (Child Abuse Services Investigation and Education) Center
- Make-Your-Own Valentine packets for pediatric unit of Memorial Hospital
- UU Pen Pals program
- Teacher Appreciation Dinner (given by YES group)
- Easter Egg hunt
- Earth Day celebration with Jim Curlee
- Rummage Sale raised over \$1600 for YES
 - " (Leftovers split between Habitat ReStore, Challenger group for handicapped children, and Goodwill)

- Purchased pager system for the nursery – moms love it
" Use accumulated rummage sale funds for purchase
- R.E. Service and teacher appreciation gifts
- “Brunch with the BEES” bake sale for Heifer International
- R.E. Olympics party
- Sent two adults (Lynn McDonald and Rich Wallace) to three day O.W.L. (Our Whole Lives) training in Bowling Green, Ohio.
" We plan to offer this self-esteem and sexuality class this fall.
- Middle-schoolers monthly movie night
- Many teen fundraisers for service project trip to Mexico this summer
- Parents Morning Out (twice a month with Denise Tracy)

It has been a busy and growing year in our Religious Education program. We’ve tried some new projects and repeated others that were successful. We are excited and grateful to welcome many new families into the church. We are also very proud of the teen YES group and their service trip to Mexico this summer. They have worked hard all year raising money and shown us all to dream big.

The R.E. Committee would like to say a special THANK YOU to Denise Tracy for her constant energy, knowledge and support of our program. We have all grown and learned a great deal from her.

Special thanks also to all members of the R.E. Committee; our dedicated R.E. teachers; my secretary and adviser Rob Easley; Carlton Higginbotham; Michelle Richards; and all the members of the congregation who have helped us believe in, teach and love the children in this community.

Please consider teaching an R.E. class or being a member of the committee next year.

Mary Beth Dickey
Director of Religious Education

FIRST UNITARIAN CHURCH

Vision Statement

We are a caring religious community of seekers after truth, supporting each other in the quest for meaning in our lives. Honoring values from many traditions, we are committed to the continuing spiritual and ethical growth of our children and adults. Together we labor for the creation of a just, peaceful, and sustainable world.

Mission Statement

To further the vision of this church, we strive to:

- Provide a variety of religious education opportunities for all ages.
- Gather regularly for reflection and celebration on Sundays and at other times.
- Create and sustain a loving, caring community.
- Affirm our Unitarian Universalist heritage and identity.
- Provide avenues for working towards the good of the greater community.
- Provide the physical, personnel, and fiscal resources to realize our Vision.

Board of Trustees 2007-2008

Bob Asplund, President (through April)

Kay Azar, Vice President

Gary Metzler, Treasurer

Anne Mannix, Secretary

Cindy Benedict, Trustee

Mary Hagen, Trustee

Don Marti, Trustee

Rich Wallace, Trustee

Interim Minister: Reverend Denise D. Tracy

Administrator: Carlton Higginbotham

Director of Religious Education: Mary Beth Dickey