



**June 11, 2023 CONGREGATIONAL MEETING, 11:35-12:25**

QUORUM 56 IN PERSON, 5 on Zoom= 61 Members

**1. STATE OF THE FELLOWSHIP, Rev. Ellie Kilpatrick, Minister**

**2. RELIGIOUS EDUCATION REPORT: Susan Hahm, Chairperson:**

- Thanked all RE volunteer; provided classes for toddlers through the grade
- We are continuing our search for a 20 hour weekly RE Coordinator
- Enrollment: 19 families, 12 children come regularly. Most families are visitors;
- Families receive a weekly RE email/news bulletin
- Family oriented activities this year included attending camp at De Benneville Pines, monthly all ages game night.

**3. ELECTIONS:**

**BOARD of DIRECTORS:** New Board Member Nominees; Board President and Vice President Nominees:

Pamela Parker and Julia Darling nominated for the new Board members for three year terms, starting 7/1/2023

Mary Anne Trause and Andi McLeod, nominated for President and Vice President of the Board, respectively. Terms will be 7/1/23 to 6/30/24.

The Congregation Unanimously approved the nominations for the Board of Directors, President and Vice President.

No nominations from the floor; No abstentions or opposition.

**NOMINATING COMMITTEE NOMINATIONS:**

Greg Brown, Alisa Guralnick, Angie Knappenberger

The Congregation Unanimously approved these members to be the Nominating Committee for two year terms, starting 7/1/2023.

No nominations from the floor; No abstentions or opposition.

**4. BUDGET PRESENTATION, Sara Miller, Treasurer: Summary**

- We are in very good shape, in part due to the unspent covid grant, not hiring the DRE position, hiring a 2/3 time Minister and achieving a successful pledge drive.
- First year that we are doing proper full funding/accounting for all our funds this year.
- Auction generosity
- Special event revenue was about twice what we budgeted for

- Improvements in lighting etc. in the Amphitheater to help this be another source of income from more events.
- Met our pledge drive this year.
- CalOES grant process is completed.
- We have good reserves for the general fund.

Question: What is the plan for increasing our fair share to the UUA.

Answer: The Board has decided to wait until we are well into the new fiscal year to make this decision.

**Vote on Approving the Proposed Budget:** Unanimous

## 5. PLANNED GIVING:

- Update on endowment (as of April 1<sup>st</sup>): \$138,000; Unrestricted funds are \$127,000; the new Music fund is \$11,000. These figures do not include estate plan legacies. the UUA screens these accounts for environmental, social and ethical values.
- FY 2021-22 year Planned Giving gave \$3500 to grantees and received gifts of about \$1200
- There was a market change equating to \$369.00
- This year's grants: less than last year and less than our bylaws permit at 3.75 % vs. 5%. Despite the robust activity of the market it hasn't reached back to the pre-covid level so that the balance is less than what it has been historically. The committee had many discussions regarding its fiscal responsibilities to manage this fund for the long-term.

APPROVED GRANTS FOR FY 2022-23 PROPOSED: 5 approved with 2 applications not approved:

**Unanimously approved by Congregational vote**

- Drinking fountain (\$1625)
- Painting Founders Hall (\$2000)
- Yidiz family in Turkey (\$150)
- \$500 to Board from the Music Endowment to be spent on Music activity

## 6. ENDOWMENT BYLAWS PROPOSED MODIFICATIONS:

**Unanimously approved by Congregational vote**

- Name change to ENDOWMENT vs PLANNED GIVING
- Alignment with fiscal year of April 15<sup>TH</sup>
- Need to reference UUCEF
- Added the MUSIC FUND
- Added UU the principles and values as guiding factors for making grants
- Removed outdated information.

Chris Butler: Acknowledged the generosity of Caroline DeMar

## 7. DREAMBUILDERS REPORT:

- The bid for Administration Building improvements submitted by Chris Kolb accepted at \$256,000+ 10% contingencies = \$281,000; to start on June 19<sup>TH</sup> and projected to finish in 7 months
- Clint Stoddard as a member of Dream Builders will supervise the project.
- The Board will approve change orders or increased funding.
  
- WEST END EXPANSION PROJECT, PHASES 2, 3,4
  - 
  - The Board is in the process of finalizing a contract with Doug Patterson, architect with whom we have been working with on the Admin Building, to proceed with developing the design and construction plans required by the city of Solana Beach and the Coastal Commission to obtain our permits to proceed with our amphitheater/parking lot improvements . Jon Luft is the lead on this project.
  - The intent to issue a Development Permit from Coastal expires February2024 , but can be renewed. Once we have the permits in hand, there is no deadline.
  - The first project to be done is the hammerhead, required by the fire dept, but once done, we can do any of the other projects . There is no requirement to complete all of Phase 2 before moving ahead with components of Phases 3 or 4.
  - Once the hammerhead is completed, we will need to begin a new capital campaign.
    - Four members offered pledges in the January Congregational meeting totaling \$40,000. With the approved matching grant from the Spirit Level Foundation, we will need to raise another \$10,000 for the matching fund. The grant expires in December 2024

#### 8. **THE PRESIDENT’S MESSAGE:** (Angie Knappenberger, out-going President)

- Acknowledged all the accomplishments this year.
- we need to have a serious conversation about who we want to be and engage in a visioning process.
  - Angie referenced the book, **Governance and Ministry, Rethinking Board Leadership** by Dan Hotchkiss, that Rev Ellie and the Board have been discussing as a guide for Governance, and the intention of the Board to continue the visioning process.
- Rev. Ellie signed the new full-time contract to begin August 15<sup>th</sup> which included the intention of transitioning from contract to settled minister in 2025.
- Staff salaries were increased this year.
- The Board is in the process of revising our Covid Policy (Infectious Disease Policy) which will address not requiring, but strongly recommending, that all contagious disease vaccinations be up to date for members and visitors.

#### 9. **ACKNOWLEDGMENT FOR ANGIE KNAPPENBERGER AND LIORA KIAN-GUTIERREZ FOR THEIR SERVICE ON THE BOARD AND TO THE CONGREGATION**

Meeting Adjourned at 12:25 p.m.

APPENDED to these MINUTES:

- Notice to the Congregation
- Powerpoint
- Proposed Budget for 2023-2024  
Synopsis and Detailed Versions
- Planned Giving Proposed ByLaw Changes
- Planned Giving ByLaw Change Explanations
- Planned Giving Grant recommendations
- President's/Dream Builder Report

## NOTICE of CONGREGATIONAL MEETING

**Dear Fellow Members of UUFSD,**

Our annual Congregational Meeting will be held **Sunday, June 11<sup>th</sup>**, immediately following our service. We will meet in Founders' Hall.

The meeting will be available to those on Zoom via the same link as the service. Voting Members attending virtually will be able to fully participate in the meeting providing their cameras are on so their identify can be confirmed.

Our By-Laws require that we announce any business that will be transacted at least ten days ahead of time. Accordingly, please be advised that we will be voting on the items of business as noted below. The first three items are election slates proposed by our Nominating Committee, and we sincerely thank them for their excellent work in developing these nominations. However, per our By-Laws, nominations for these positions shall be closed only after an opportunity has been given to Voting Members at the Annual Meeting to make further nominations, each with the nominee's prior consent.

### **Items of Business Requiring a Vote**

1. **Candidate Slate for Board of Directors** (3-year Terms begin July 1, 2023)  
Julia Darling  
Pamela Parker
2. **Officers** (Term is July 1, 2023 – June 30, 2024)  
Mary Anne Trause - President  
Andi MacLeod - Vice President
3. **Nominating Committee** (2-year Terms begin July 1, 2023)  
Greg Brown  
Alisa Guralnick  
Angie Knappenberger
4. **Annual 2023-2024 Budget**  
Please see these links to review the budget the Board of Directors will be presenting for your approval for the Fiscal year 2023-2024.

[UUFSD FY 23-24 Budget Synopsis](#)

[UUFSD FY 23-24 Budget Detail and Comparison to FY 22-23](#)

Use these links to view our most recent financial statements:

[2023-05-30 Profit & Loss Statement](#)

[2023-05-30 Balance Sheet](#)

## **5. Grants from the Endowment Fund**

The Board of Directors has approved the following grants based on the recommendations submitted by the Planned Giving Committee and presents them for congregational approval.

- a) \$1,625 for a new drinking fountain/plumbing/concrete pad by the kitchen, requested by Jon Luft
- b) \$2,000 for wood staining/painting of Founders Hall, requested by Betsy Gilpin and Ed Mlakar
- c) \$150 for the Yidiz family who was displaced by the earthquake in Turkey, requested by Guliz Kuruoglu and Irv Himmelblau on behalf of SJA
- d) \$500 to the Board of Directors from the Restricted Music Fund to use as it sees fit on the Music program at UUFSD

## **6. Proposed By-Laws Changes**

The Planned Giving Committee is recommending several changes to Article XI: Endowment Fund of our By-Laws. The Board of Directors has reviewed and approves of these changes and now presents them to the membership for adoption. To view the proposed changes, click [here](#). To read the explanation from the Planned Giving Committee for these changes, click [here](#).

We very much look forward to seeing you at this important meeting. In addition to the above business items, we will have some exciting updates. Your attendance is important as a quorum is required.

As always, we encourage you to reach out to us with any comments and concerns you may have.

In Fellowship,

Your 2022-2023 Board of Directors:

Angie Knappenberger, President  
Mary Anne Trause, Vice President  
Livia Walsh, Secretary  
Louise Lin Garrett  
Liora Kian-Gutierrez  
Cathy Leach-Phillips  
Andi MacLeod

**WELCOME!**

**UUFSD ANNUAL CONGREGATIONAL MEETING  
JUNE 11, 2023**



**TO VOTE:**

**IN PERSON - PLEASE GET AN INDEX CARD AT THE DOOR  
ZOOM - MUST HAVE CAMERA ON TO VOTE**

## **AGENDA:**

1. **WELCOME** - Angie Knappenberger, Board President
2. **CHALICE LIGHTING** – Rev Ellie Kilpatrick
3. **STATE of the FELLOWSHIP** - Rev Ellie Kilpatrick
4. **RE UPDATE** – Susan Hahm, RE Committee Chair
5. **ELECTIONS** – Cheryl Close, Nominating Committee Chair
  - a) Candidate Slate for Board of Directors
  - b) President/Vice-President Slate
  - c) Nominating Committee Slate
6. **APPROVAL of ANNUAL BUDGET/TREASURER REPORT** – Sarah Miller
7. **PLANNED GIVING REPORT**
  - a) UUCEF Issues and ByLaw Amendments – Mark Tuller, Chair
  - b) Approval of Grants – Alisa Guralnick
  - c) Endowment Fund - Chris Butler
8. **PRESIDENT’S/DREAM BUILDERS REPORT** – Angie Knappenberger





- 2. CHALICE LIGHTING ..... Rev Ellie
- 3. STATE of the FELLOWSHIP..... Rev Ellie
- 4. RE UPDATE ..... Susan Hahm, RE  
Committee Chair

## 5. **ELECTIONS** –Nominating Committee

**THANK YOU.....**

Cheryl Close, Wenda Alvarez, Susan Hahm

- a) Candidate Slate for Board of Directors
- b) President/Vice-President Slate
- c) Nominating Committee Slate



**Thank You!!**

**Angie Knappenberger:**  
three-year term ends 6/30/2023

**Liora Kian-Gutierrez:**  
three-year term ends 6/30/2023



## Continuing Board Members:

Louise Garrett: three-year term ends 6/30/24

Cathy Leach Phillips: two year term ends 6/30/24

Andi MacLeod: three-year term ends 6/30/25

Mary Anne Trause: three-year term ends 6/30/25

Livia Walsh: three-year term ends 6/30/25





## **New Board Members**

**Pamela Parker**

**Term 7/01/2023 to 6/30/2026**

**Julia Darling**

**Term 7/01/2023 to 6/30/2026**





## Board Officers

**Board President Candidate:**

**Mary Anne Trause**

Term 7/1/2023 to 6/30/2024

**Board Vice President Candidate:**

**Andi MacLeod**

Term 7/1/2023 to 6/30/2024





## **Nominating Committee**

**All for two-year terms  
7/1/2023 to 6/30/2025**

**Greg Brown**

**Alisa Guralnick**

**Angie Knappenberger**



# 6. TREASURER REPORT, Sarah Miller

&

# APPROVAL of ANNUAL BUDGET 2023-2024 FISCAL YEAR





**FY23-24  
Board  
Approved  
Budget**

**Notes on Board Approved Budget for FY2023-24**

**INCOME**

Pledges	\$326,800	\$326,800 is \$344,000 pledged * 95%
Sandy Hill	\$50,400	\$4,200/m
Other Site Revenue	\$6,000	Based on FY22-23 revenues
Fundraising	\$15,400	Based on FY22-23 revenues
Sunday Collections	\$12,000	Based on FY22-23 revenues
Other Contributions	\$5,200	Based on FY22-23 revenues
<b>Total Income:</b>	<b>\$415,800</b>	

**EXPENSES**

**OPERATIONS**

Office	\$15,250	Based on FY22-23 + inflation
Finance	\$12,260	Based on FY22-23 + inflation
Facilities	\$28,140	Based on FY22-23 + inflation, includes new AV Maintenance Budget
<b>Total Operations:</b>	<b>\$55,650</b>	

**COMMITTEES**

\$9,300 Board, Communications, Membership, Pastoral Care, Planned Giving, Stewardship, Worship

**PROGRAMS**

\$12,550 Programs: \$2.5k Fun&Fellowship; \$2k Music, \$5.9k RE; 2.15k SAC

**PERSONNEL**

Salaries are midpoint of what UUA recommends for our area.

Minister	\$125,479	Current Salary + 5% COLA and increased to full time + benefits
Administrator	\$76,034	Current Salary + 6% COLA + PRTax (covers 35hr/wk * 52wks/yr + benefits)
Religious Education	\$40,260	New Hire at \$28/hr * 20 hrs/wk * 52 wks + benefits + PRTax
Music Director	\$18,828	Current Salary + 6% COLA + PRTax
Accompanist	\$12,358	Current Salary + 6% COLA + PRTax
AV technicians	\$20,319	(7.5hrs*42wks*\$50/hr)+(7.5hrs*10wks*\$25/hr) +extra +PRTax
Setup Crew	\$5,619	1 person*5hrs*52wks*\$18/hr +extra +PRTax
Childcare	\$7,518	2 persons *3hrs *52wks *\$18/hr +extra +PRTax
Custodian	\$8,710	Contractor \$335/payperiod *26 payperiods
Other Expenses	\$4,545	Liability insurance, background checks, job postings, direct deposit fees
<b>Total Personnel:</b>	<b>\$319,671</b>	

**OTHER**

Liabilities	\$4,405	Solar loan payments (until 2028)
UUA Dues	\$8,000	Full amount due is \$23k
Reserves	\$0	Facilities and Operations Reserves are currently fully funded

**Total:** \$12,405

**Total Expenses:** \$409,576

**NET INCOME:** \$6,224

## 7. PLANNED GIVING REPORT



a) UUCEF Issues &  
ByLaw Changes to Article XI



Mark Tuller, Chair

b) Approval of GRANTS



Alisa Guralnick

c) Endowment Fund

Chris Butler

# Proposed ByLaw Changes to Article XI: Endowment Fund



- Change name to Endowment Committee
- Change grant-making calendar to April 15 and Clarify fiscal year calendar
- Clarify UU Common Endowment Fund (UUCEF)
- Add Music Program Fund
- Add supporting UU Principles & Values as grant-making criterion
- Update standards for grant-making to current law



**The Board of Directors has approved the following grants:**



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c) Endowment Fund

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## 8. PRESIDENT'S/DREAM BUILDER REPORT

- **Administration Building Remodel Update (Phase 1)**
- ❖ Plans: convert back area to private DRE office, enclose patio area for a conference/work room, adding restroom and HVAC system, reinforcing the exterior walls and applying stucco
- ❖ Contract just signed with Chris Kolb, contractor to begin June 19<sup>th</sup> for \$256K plus 10% contingency = \$281K
- ❖ Timeline – approximately 7 months
- ❖ Library is now the temporary office

# PHASES 2, 3, and 4 “West End” Amphitheater Improvements

- PHASE 2 – Fire Truck Turn-Around and Parking Lot Expansion
- PHASE 3 - Shade Structure and Amphitheater Accessibility
- PHASE 4 – AV Kiosk and Accessible Restroom(s)

To obtain the Coastal Development Permit (CDP) and the permits from the city of Solana Beach, we must submit a detailed package for Phases 2, 3, and 4 that contain design development and construction plans

Finalizing contract with Doug Paterson, Architect, for this work  
(\$140K-150K)

## **By Fall 2023 – hopefully:**

- Design development will be done
- Doug will present forum to Congregation before proceeding with Construction Development plans

## **Once we have detailed design/construction drawings and obtain the permits:**

- Go out for competitive bids
- Mandate from Fire Marshal  
Emergency Vehicle turnaround must be completed FIRST

## **SPIRIT LEVEL FOUNDATION**

- Officially notified that we have been approved for a matching grant of \$50,000 – specifically for the hammerhead construction!
- Probably need to raise about \$10,000 above the pledges we have now
- Grant expires December 2024

**FY23-24  
Board  
Approved  
Budget**

**Notes on Board Approved Budget for FY2023-24**

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**Total:** \$12,405

**Total Expenses:** \$409,576

**NET INCOME:** \$6,224

ACCOUNT	FY 22-23 Budget	FY 22-23 Projected	FY 23-24 Board Approved Budget	FY 23-24 BUDGET NOTES
<b>REVENUES</b>				
<b>Pledges</b>				
REV.PLG.01 - Pledge Income	304,000	325,000	326,800	\$344k currently pledged for FY23-24 * 95%
<b>Total Pledges</b>	<u>304,000</u>	<u>325,000</u>	<u>326,800</u>	
<b>Site Rental</b>				
REV.SIT.01 - Sandy Hill	49,200	49,200	50,400	\$4,200/m per contract
REV.SIT.02 - Special Events	3,000	6,000	6,000	Based on current revenue
<b>Total Site Rental</b>	<u>52,200</u>	<u>55,200</u>	<u>56,400</u>	
<b>Miscellaneous Revenue</b>				
<b>Fundraising</b>				
REV.AUC.01 - Auction Income	13,000	13,000	13,000	
REV.FDR.02 - Other	2,000	1,500	2,400	
<b>Total Fundraising</b>	<u>15,000</u>	<u>14,500</u>	<u>15,400</u>	
<b>Other Contributions</b>				
REV.SUN.01 - Sunday Collection	9,000	12,000	12,000	Based on current revenue
REV.MIS.01 - Scrip Sale	300	400	200	Amazon Smile discontinued, so this will be less next year
REV.MIS.02 - Other	5,000	6,000	5,000	
<b>Total Other Contributions</b>	<u>14,300</u>	<u>18,400</u>	<u>17,200</u>	
<b>Total Miscellaneous Revenue</b>	<u>29,300</u>	<u>32,900</u>	<u>32,600</u>	
<b>Total Revenues</b>	<u>385,500</u>	<u>413,100</u>	<u>415,800</u>	
<b>EXPENSES</b>				
<b>Committee Expenses</b>				
COM.BRD.03 - Board Expenses	200	400	600	For support of Board activities
COM.CMN.03 - Communications Exp	500	250	1,900	For printing, signage, and promoting UUFSO to greater community
COM.FND.03 - Stewardship/Fundraising Exp	500	500	450	For support of auction and other fundraisers
COM.MEM.03 - Membership Exp	200	0	100	For supplies
COM.PCC.03 - Pastoral Care Exp	200	0	600	For supplies and training materials
COM.PGC.03 - Planned Giving Exp	200	0	200	To be renamed "Endowment Committee"
COM.RRL.03 - Right Relations Exp	1,000	0	0	This committee has been disbanded
COM.SUN.03 - Worship Exp	3,200	4,400	5,450	For honoraria, supplies, and training materials
<b>Total Committee Expenses</b>	<u>6,000</u>	<u>5,550</u>	<u>9,300</u>	
<b>Program Expenses</b>				
COM.FNF.03 - Fun&Fellowship Expenses	1,000	2,500	2,500	For coffee, food, supplies, etc
COM.MUS.03 - Music Program Expenses	2,000	750	2,000	For print music, streaming permissions, substitutes, etc
COM.REL.03 - RE Program Expenses	1,000	300	5,900	For supplies and trainings
COM.SAC.03 - SA Program Expenses	1,000	2,500	2,150	For Helping Our Neighbors
<b>Total Program Expenses</b>	<u>5,000</u>	<u>6,050</u>	<u>12,550</u>	
<b>Operations</b>				
<b>Administration Expenses</b>				
OPS.OFF.01 - Postage	400	300	300	Based on FY22-23 spending
OPS.OFF.02 - Office Supplies	1,500	1,500	1,500	Based on FY22-23 spending
OPS.OFF.03 - Copier	7,400	7,400	7,400	Per contract that ends October 2024
OPS.OFF.04 - Online Subscriptions	2,500	2,500	2,500	Per bills
OPS.OFF.05 - Phone and Internet	3,000	3,000	3,250	Per bills
OPS.OFF.06 - Office Mileage	100	100	0	This account is being deactivated
OPS.OFF.07 - Other	300	300	300	Based on FY22-23 spending w/ \$100 for AUUA membership.
<b>Total Administration Expenses</b>	<u>15,200</u>	<u>15,100</u>	<u>15,250</u>	

ACCOUNT	FY 22-23 Budget	FY 22-23 Projected	FY 23-24 Board Approved Budget	FY 23-24 BUDGET NOTES
<b>Finance Expenses</b>				
OPS.FIN.01 - Accounting Fees	10,560	10,560	10,560	For bookkeeper per contract
OPS.FIN.02 - Credit Card Fees	1,500	1,300	1,300	Breeze credit card fees, based on FY22-23 usage
OPS.FIN.03 - Banking Fees	240	18	0	Direct deposit fees booked to PER.MIS.02
OPS.FIN.04 - Other Finance Expenses	1,000	200	400	CPA consulting fees, etc, based on FY22-23 spending
<b>Total Finance Expenses</b>	<b>13,300</b>	<b>12,078</b>	<b>12,260</b>	
<b>Site Operations</b>				
OPS.SIT.01 - Property Insurance	6,000	6,000	6,000	Per bills + extra
OPS.SIT.02 - Real Estate Taxes	4,100	4,100	4,100	Per bills + extra
OPS.SIT.03 - Gas & Electric	100	100	240	Per bills (\$20/m)
OPS.SIT.04 - Water	3,500	2,800	2,800	Based on FY22-23 spending
OPS.SIT.0x - AV Maintenance	0	0	3,000	New budget item based on last two year's expenditures
OPS.SIT.07 - B&G Maintenance	10,000	11,000	12,000	Based on FY22-23 spending + extra
<b>Total Site Operations</b>	<b>23,700</b>	<b>24,000</b>	<b>28,140</b>	
<b>Denominational Expenses</b>				
OPS.DEN.01 - UUA Dues	1,000	1,000	8,000	\$23K is requested Fair Share to UUA Annual Program Fund
<b>Total Denominational Expenses</b>	<b>1,000</b>	<b>1,000</b>	<b>8,000</b>	
<b>Total Operations</b>	<b>53,200</b>	<b>52,178</b>	<b>63,650</b>	
<b>Personnel</b>				
<b>Minister Expenses</b>				
PER.MIN.00 - Minister Housing	0	67,266	98,070	Current Salary increased to full time + 5% COLA
PER.MIN.01 - Minister Wages	93,400	0	0	No wages. Entire Salary is allocated to housing
PER.MIN.02 - Minister UUA Pension	9,340	6,727	9,807	10% of Salary
PER.MIN.03 - Minister In Lieu of FICA	7,145	5,146	7,502	7.65% of Salary
PER.MIN.04 - Minister Medical	18,680	0	0	Rev Ellie is on her partner's health insurance
PER.MIN.07 - Minister LTD & Life Ins	0	1,000	2,100	\$106.24/month for LTD; \$68.65/month for Life/AD&D
PER.MIN.08 - Minister Prof Exp	0	8,000	8,000	UUA guidelines is 10% of salary
<b>Total Minister</b>	<b>128,565</b>	<b>88,138</b>	<b>125,479</b>	
<b>Administrator Expenses</b>				
PER.ADM.01 - Admin Wages	56,420	56,420	54,018	\$28/hr * 35hrs/wk * 52wks * 6% COLA = \$29.68/hr for FY23-24
PER.ADM.02 - Admin UUA Pension	5,642	5,642	5,402	10% of Salary
PER.ADM.03 - Admin P/R Taxes	4,316	4,316	4,132	7.65% of Salary
PER.ADM.04 - Admin Medical	11,284	11,284	11,326	\$883.81/month for Medical; \$60/month Dental/vision
PER.ADM.07 - Admin LTD & Life Insurance	0	0	1,156	\$58.52/month for LTD; \$37.81/month Life/AD&D
<b>Total Administrator</b>	<b>77,662</b>	<b>77,662</b>	<b>76,034</b>	
<b>Music Director and Accompanist Expenses</b>				
PER.MUS.01 - Music Director Wages	16,500	16,500	17,473	\$29.70/hr * 15hrs/wk * 37wks * 6% COLA = \$31.48/hr for FY23-34
PER.MUS.03 - Music Director P/R Tax	1,262	1,262	1,337	7.65% of Salary
PER.MUS.11 - Accompanist Wages	10,830	10,830	11,480	Current salary * 6.0% COLA
PER.MUS.12 - Accompanist P/R Tax	828	828	878	7.65% of Salary
<b>Total Music</b>	<b>29,421</b>	<b>29,421</b>	<b>31,167</b>	
<b>Director of Religious Education Expenses</b>				
PER.DRE.01 - DRE Wages	16,500	0	29,120	\$28/hour * 20 hrs/wk * 52 wks
PER.DRE.03 - DRE P/R Tax	1,262	0	2,228	7.65% of Salary
PER.DRE.xx - DRE Benefits	0	0	6,000	estimate
PER.DRE.xx - UUA Pension	0	0	2,912	10% of salary
PER.DRE.xx Professional Expenses	0	0	1,000	
<b>Total Religious Education</b>	<b>17,762</b>	<b>0</b>	<b>40,260</b>	
<b>Support Staff</b>				
PER.SIT.01 - Childcare	2,020	0	6,984	2 persons @\$18/hr *3hrs/wk *52wks +extra
PER.SIT.02 - Custodian	8,710	8,710	8,710	Contractor \$335/payperiod *26 payperiods
PER.SIT.03 - Set Up Crew	4,200	4,200	5,220	1 person @\$18/hr *5hrs/wk *52wks + 30 additional hrs
PER.SIT.09 - AV Specialist	16,250	16,250	16,750	Joe @\$50/hr *7.5hrs/wk *42wks + 20 additional hrs
PER.SIT.10 - AV Assistant	2,125	2,125	2,125	Byrht @\$25/hr *7.5hrs/wk *10wks + 10 additional hrs
PER.SIT.12 - Support Staff P/R Taxes	1,882	1,727	2,378	7.65% of Support Staff Salary
<b>Total Support Staff</b>	<b>35,187</b>	<b>33,012</b>	<b>42,167</b>	

ACCOUNT	FY 22-23 Budget	FY 22-23 Projected	FY 23-24 Board Approved Budget	FY 23-24 BUDGET NOTES
<b>Other Personnel Expenses</b>				
PER.MIS.01 - Worker's Compensation	2,250	2,250	1,725	
PER.MIS.02 - Other Personnel	500	750	2,840	Payroll direct deposit fees, job postings, LiveScan Background checks
<b>Total Other Personnel</b>	<u>2,750</u>	<u>3,000</u>	<u>4,565</u>	
<b>Total Personnel</b>	<u>291,347</u>	<u>231,233</u>	<u>319,672</u>	
<b>Total Ordinary Expenses</b>	<u>355,547</u>	<u>295,011</u>	<u>405,172</u>	
<b>LIABILITIES</b>				
LIA.OPS.01 - Solar Loans	4,405	4,405	4,405	Loan will be paid of in 2028
<b>Total Liabilities</b>	<u>4,405</u>	<u>4,405</u>	<u>4,405</u>	
<b>BOARD DESIGNATED RESERVES</b>				
RES.SIT.01 - Facilities Reserve	15,000	15,000	0	This reserve will be fully funded as of 7/1/2023
RES.OPS.01 - Operations Reserve	10,000	10,000	0	This reserve will be fully funded as of 7/1/2023
RES.MIN.01 - Minister Reserve	0	0	0	
<b>Total Reserves</b>	<u>25,000</u>	<u>25,000</u>	<u>0</u>	
<b>Total Expenses</b>	<u>384,952</u>	<u>324,416</u>	<u>409,577</u>	
<b>Net Income</b>	<u>548</u>	<u>88,684</u>	<u>6,223</u>	

## **ARTICLE XI: ENDOWMENT FUNDS**

### **SECTION 1: PURPOSE AND ESTABLISHMENT**

The work of this Fellowship can be strengthened through gifts (cash, stocks, bonds, and real estate): charitable bequests in wills, charitable remainder and other trusts; pooled income funds; charitable gift annuities, and assignment of life insurance and retirement plans. It is the desire of the Fellowship to encourage, receive and administer such gifts in a manner consistent with the wishes of the donors and grantors, and in accord with the policies of the Fellowship. Therefore, the Fellowship hereby establishes a separate Endowment Fund (hereafter the "FUND") to be administered and managed and its monies expended independent of the annual operating budget. The Planned Giving Committee (hereafter the "COMMITTEE") shall be the custodian of the Endowment Fund and shall act in accordance with all terms of the Planned Giving Policies and Procedures .

### **SECTION 2: FUNDING**

(1) All gifts that designate the Endowment Fund are deposited fully into the FUND. Any undesignated gift or bequest to the Fellowship will be deposited into the operating account up to an amount equal to three percent (3%) of the current annual operating budget. Any amount remaining from the undesignated gift or bequest in excess of that three percent (3%) will be deposited into the unrestricted portion of the Endowment Fund.

(2) All assets of the Endowment Fund shall be kept separate from the operating funds of the Fellowship. Security of the funds is a primary requirement.

(3) There shall be three subdivisions in the FUND.

- a. The Unrestricted Fund, which is to receive all unrestricted gifts.
- b. The Outreach/Service Fund, which is to receive gifts for which the donor designated social justice and community outreach uses, including, but not limited to, grants to UU camps and conferences, theological schools, local social service agencies or institutions to which this congregation relates and to special programs designed for those persons in our community who are in spiritual and/or economic need.
- c. The Buildings/Grounds Fund for the physical plant of UUFSD, which is to receive gifts designated for, but not limited to, major capital expenditures or significant renovation, improvement or maintenance projects related to the buildings and grounds, not covered by the regular maintenance budget.
- d. Should restricted gifts be received which do not fall into one of the above categories, the Board, after considering the recommendation of the COMMITTEE, may create another subdivision in which to place such gifts.

(4) The subdivided funds may be co-mingled for ease of investment management. The COMMITTEE shall separately account for each of these funds, attributing to each its proportionate share of changes in investment values.

(5) The Board may refuse gifts with restrictions which it deems unmanageable by the Fellowship, which are inconsistent with the primary mission and purpose of the Fellowship, which exposes the Fellowship to liabilities that pose a hardship on the Fellowship resources, or which threaten the ability of the Fellowship to maintain its tax-exempt status.

(6) The Board shall be responsible for all decisions regarding the disposition of donations of real estate or other non-liquid assets.

### SECTION 3: MANAGEMENT OF THE FUND

#### (1) THE PLANNED GIVING COMMITTEE

- a. The COMMITTEE is charged with the further responsibilities of educating the congregation about planned giving options, encouraging and acknowledging donations, providing recognition of donors to the FUND, and recommending programs for funding to the Board.
- b. The Planned Giving Committee shall be appointed by the Board and shall consist of at least three (3) members, all of whom shall be voting members of UUFSD. Except as herein limited, the term of each member shall be three (3) years. Terms shall be staggered to provide continuity from year to year. The Minister, the Fellowship Treasurer and a liaison member from the Board shall be advisory (non-voting) members of the COMMITTEE. No more than one-half ( $\frac{1}{2}$ ) of the voting members of the COMMITTEE may be members of the Board
- c. No member shall serve more than two consecutive three-year terms on the Committee. After a lapse of one (1) year, former COMMITTEE members may be reappointed.
- d. The COMMITTEE may request other members of the congregation to serve as advisory members. The committee may provide for professional counseling on investments or legal matters as it deems to be in the best interest of the FUND. Such Management expenses shall be taken from the annual distribution amount or undistributed capital appreciation of the FUND.
- e. The Board may terminate a member's appointment if it finds that the member has not acted in accordance with the Policies and Procedures of the Planned Giving Committee.
- f. Members of the COMMITTEE shall not be liable for any losses which may be incurred upon the investments of the assets of the FUND except to the extent that such losses arise out of acts or omissions of willful misconduct or gross negligence. No member shall be personally liable as long as she or he acts in good faith and with ordinary prudence. Each member shall be liable only for his/her own willful misconduct or omissions and shall not be liable for the acts or

omissions of any other member. No member shall engage in any self-dealing or transactions with the FUND in which the member has direct or indirect financial interest. Each member shall at all times refrain from any conduct in which her or his personal interests would conflict with the interests of the Endowment Fund.

## (2) INVESTMENT OF THE FUND

Investment of the FUND shall be managed by the Unitarian Universalist Association (UUA) consistent with its policies of socially responsible investment. The expense of this management shall be paid from the Endowment Fund.

## SECTION 4: DISTRIBUTIONS FROM THE ENDOWMENT FUND

### (1) DISTRIBUTIONS OF INCOME

- a. The COMMITTEE will record distributions from each of the sub-funds.
- b. Unrestricted gifts to the FUND shall accumulate and income shall be reinvested until a fair market value of \$100,000 is achieved, after which annual distributions may commence. However, should the fair market value of the FUND subsequently decline to less than \$100,000, distributions shall be made only upon a two-thirds ( $\frac{2}{3}$ ) majority vote of approval from the congregation. Restricted gifts shall also be included in the accumulation to \$100,000 unless contradicted by the restriction of the gift.
- c. Except where specifically authorized otherwise in the terms of a gift, distributions from the FUND will be made annually, in amounts not to exceed five percent (5%) of the average fair market value of the FUND over the previous thirteen quarters. If less than five percent (5%) is distributed in one year, the COMMITTEE may distribute more than five percent (5%) in a subsequent year, as long as the distributions do not exceed five percent on a cumulative basis.

No more than twenty percent (20%) of the annual distribution from the FUND may be spent on the annual operating budget of the congregation. No more than twenty percent (20%) of the annual operating budget of the congregation may be funded by distributions from the FUND. In particular, temporary, difficult circumstances, where the integrity of gift restrictions permit, the congregation may approve a distribution greater than twenty percent (20%) in a vote of seventy-five percent (75%) of the Voting Members in attendance at a congregational meeting for which a quorum has been established.

- d. Annual distributions may be made from all three funds, or from just one or two of the sub-funds.
- e. Suggestions or requests for funding from members and committees of the congregation are to be submitted to the COMMITTEE by January 30th of each year. An Application shall be no longer than one typewritten page and provide the

project's name, purpose, cost, and how it is proposed to be carried out and evaluated.

- f. Programs to receive allocations from the FUND shall be recommended by the COMMITTEE to the BOARD. Distributions from the funds that have been approved by the Board will be brought to the June congregational meeting for approval by the congregation, in accordance with the rules of voting established in Article V, Section 5.

(2) DISTRIBUTIONS OF PRINCIPAL

- a. Principal is defined as the “historic dollar value,” the combination of the original gifts’ value, additional gifts and reinvestment of earnings.
- b. Distributions of principal require approval by 75% of the Voting Members in attendance at a congregational meeting for which a quorum has been established, as defined by Article V, Section 4. In addition, whenever the cumulative distribution of principal approved in any twelve-month period amounts to more than twenty percent (20%) of current principal, confirmation by a seventy-five percent (75%) majority of voting members in attendance at a subsequent congregational meeting held at least twenty-eight (28) days later is required. For this second action all Voting Members shall be notified as required in Article V, Section 3, and a quorum is thirty percent (30%) of eligible voters.
- c. Specific expenditures of principal monies for projects that have already been approved by the Voting Membership require authorization by a two-thirds vote of the Board.

SECTION 5: DISPOSITION OR TRANSFER OF FUND

In the event that a merger or dissolution of UUFSD is being implemented, the Fellowship Board will decide upon the disposition or transfer of the FUND in conformity with the approved congregational by-laws. Consultation with the Association may be desirable for continuation of the UUFSD Endowment Fund obligations to grantors of gifts. If the congregation shall cease to function as an active Congregation with property still held by the UUA, thereafter such remaining property shall forever become the property of the Unitarian Universalist Association to be held by the Association for its general purposes.

## Explanation of proposed By-Laws changes to Article XI: Endowment Fund

- **Change name to Endowment Committee**, which is easier to understand and more convenient than “Planned Giving Committee,” and more accurately describes the Committee’s activities, including while-living giving, education, publicity, grant-making and follow-up, investment monitoring, and recognition.
- **Change grant-making calendar to April 15, etc., and clarify fiscal year calendar.** Grant applications are to be received until April 15, which is more workable than the current January 30, and the annual cycle is clarified to coincide with the Fellowship’s fiscal year ending June 30.
- **Clarify UU Common Endowment Fund (UUCEF)** as the investment vehicle, which aligns with the current UUA investment structure.
- **Add Music Program Fund**, which was adopted by the Board as an Endowment sub-fund and is now funded and on deposit at the UUCEF.
- **Add supporting UU principles and values** as a grant-making criterion.
- **Update standards for grant-making to current law.** “Historic dollar value” was repealed by California in 2009 as a legal concept, replaced by a more flexible set of standards, as indicated in the markup.

Respectfully submitted by the Planned Giving Committee,  
Mark Tuller  
Chris Butler  
Alisa Guralnick

## President's Report

Our chair of Dream Builders, Chris Faller, could not be here today so the first part of my report is an update on our Dream Builder projects. Lots going on!

First – the Administration Building ..... The original plans we submitted to the city of Solana Beach included converting the back area of the building into a nice private office space for our new DRE , enclosing the patio and converting that space into a conference/work room, adding a bathroom, and an HVAC system, reinforcing the exterior walls and stuccoing them to match the rest of the campus. At the time of the January Congregational meeting, we had just received three bids for the remodel . They were very high – all more than \$600k and the Board decided that this magnitude of expenditure on the Admin Building was inconsistent with the intent of the original capital campaign vision.

We reached out to **Chris Kolb** who has done a significant amount of work for UUFSD throughout the years – he was the contractor that upgraded our 4 classrooms, worked on the kitchen remodel, and installed the sliding doors in Founders Hall. Chris's parents were Founding members of this Fellowship, and we are so very fortunate to have someone with both his heartfelt connection to this place and his talent interested in our projects.

Chris studied the plans and said he could do it **all** for \$256K plus a 10% contingency, bringing the total to \$281K. WOW! With Chris's unique, sustainable approach, the project will take a little longer than if we had signed with a big contractor company, but he has indicated it can be done within 7 months.

I am pleased to share that I signed the contract with Chris last Friday and the start date is next Monday. The contract is \$30k above the \$250K the congregation approved to be taken from the capital campaign fund for Admin Building remodel, so the Board will need to either come back and ask for approval for additional money from that fund, do some fundraising, or take money out of our Facilities reserves.

In the meantime, the "Office" has been relocated to the Library so that space, the Library, will be unavailable for meetings until the Admin Building is completed – hopefully by next January. We are very thankful to Clint Stoddard on the Dream Builders, who will be supervising this project.

Phases 2, 3, and 4 of the capital campaign projects are on the west end of our campus: Phase 2 is the expansion of the current parking lot to accommodate a fire truck turnaround, additional on-site parking, new retaining walls, a trash enclosure, and required landscaping. Phase 3 is the addition of a permanent shade structure over the amphitheater and improvements to the

walkways and ramps for amphitheater accessibility as needed, and Phase 4 is the replacement of the existing AV kiosk, adding a restroom, and accessible ramps to the stage area, and some upgrades to the amphitheater floor.

As Jon Luft, Dream Builder extraordinaire, so well explained at the February forum, the next step to move forward with any of this work is to hire a professional design team to develop a detailed design and construction plan package to present to the Coastal Commission and to the City of SB.

We have been working with Doug Paterson, the same architect that we have been working with for the Admin Building. We are in the process of finalizing a contract with Doug and expect to be able to make it official within the next few weeks. The lead for this effort is Jon Luft, and we thank him for lending his professional expertise and guidance.

Hopefully, by the Fall, the design development portion will be completed and Doug will be in a position to present a forum to the congregation for input.

Once we all agree on the design, Doug will proceed with development of the construction documents. All of this is required by the Coastal Commission and the city of Solana Beach to get our permits. We have until Feb 2024 to get our Development Permit from the Coastal Commission but hopefully we can obtain it way before then.

Once we have the permits in hand, the very first project we must complete is the turnaround for an emergency vehicle (the hammerhead).

This is a mandate from the Fire Marshal. Once we have the hammerhead completed, we can go on to any of the other projects in these phases. We do not have to complete all of Phase 2 before we go onto Phase 3. But once the hammerhead is completed, we will be most likely be out of funds and need a renewed Capital Campaign

At the Feb forum, we had some excitement when a few large, spontaneous pledges were offered, specifically to help with the construction of the hammerhead. These new pledges put us in an excellent position to apply for yet another grant from the Spirit Level Foundation and with the help of Lisa Shaffer, in April, we submitted an application for a matching grant of \$50,000 .

We have just been officially notified that our application was approved and once we have the \$50,000 in hand, we will receive the matching \$50,000.

In addition to the generous pledges made at the forum, it looks like we will need to raise about \$10,000 so if anyone feels called to do this, please let us know. The grant doesn't expire until

December 2024, but hopefully we will be in a position to actually be constructing the hammerhead by early 2024.

I feel so very excited about where we are as a Fellowship and spiritual community. ... so much change during my three years this time on the Board and I am glad to have been a part of it all.

The Board and Rev Ellie have worked very well together this past year. What evolved as we started discussing some changes about fiduciary authority and having appropriate guardrails is that we really needed to have a larger conversation about our philosophy of Governance and what **is** the model of governance that best fits UUFS. This was an outgrowth of the forum we had in January where we had proposed some changes to the ByLaws that really needed to be more thought out. The Board has since read a book recommended by Rev Ellie called Governance and Ministry about rethinking Board leadership. It was actually quite interesting. This Board has just started this conversation, but I am confident the new Board will be continuing it and am sure you will be hearing more in this next year.

In the interest of good communication and transparency we have continued our Open Letters and organized a few congregational forums – in addition to the one in January, we had one in February centered on updating all on the Dream Builder/Capitol Campaign projects, and one in May to discuss and encourage suggestions about the proposed 23-24 fiscal year budget.

We have been blessed with finding incredible staff to fill our openings!

Last year at this meeting we announced that Rev Ellie would be joining us as a part time contract minister. This year we can announce that we just signed Rev Ellie's new two year contract for her to go full time, starting August 15<sup>th</sup>. The terms state that in the second year of the contract.. or by August 2024, we intend to begin the process of Contract – to- Call which means we would start the process of having Rev Ellie become our settled minister.

Steve Milloy, our gifted Music Director, is signed up to be with us again next year, starting in September. Denise Clark, our new Congregational Administrator, is just the perfect fit for us!

One last update I want to share is the decision the Board made last week about our Covid vaccination policy. The national emergency is over and so much has changed as we have learned to live with this virus and as very effective vaccines have become available. So while we strongly encourage everyone to keep all vaccinations and boosters up to date, we no longer will require this in terms of covid.

To end I say A HUGE and HEART FELT THANK YOU to the awesome Board members with whom I have had the privilege to serve. We are off to a celebration luncheon and each will be gifted with one of my heart filled wildflower seed cards.

Thanks to all of you for allowing me to serve as your Board President for the past year.