

Minutes of the Annual Meeting – Draft Anchorage Unitarian Universalist Fellowship

May 1, 2022 – Hybrid In-Person and Via Zoom Electronic Meeting

B2 AUUF Annual Mtg Minutes 2022-05-01 Final.docx Last Saved/Modified 11/29/22 10:41 AM page 1/5

9:00am Check-in Opens. Conducting the meeting via Zoom and In Person.

Zoom participants held in waiting room until the meeting begins.

Full meeting packet information was sent to all members with the Call to Meeting and is posted on our website. www.anchorageuuf.org

10:06am Meeting Called to Order – Peggy Robinson, President of AUUF & Chair

Zoom Hosting and Audio/Visual (A/V): Alix McKee, Andrea Van Ravenswaay, and Jocelyn Reilly
Registrar: Don Antrobus

Land Acknowledgment – Peggy Robinson, AUUF Board President

Opening Words & Chalice Lighting: “Prayer for this Gathering” – Becca Bernard

Reflection: Honoring Members Who Have Died In the Past Year – Rev. Lise Adams Sherry

With these moments of reflection, we honor our members and friends who have died since our last annual meeting. We honor and remember: *Marie Rozak, Macon Roberts, Judy Whittaker, and John Havelock*

“A Call for Peace” – AUUF choir recorded on our new sanctuary dais steps

Recitation of AUUF Covenant led by Kathy Lucich

Confirmation of Quorum – Don Antrobus

Don confirms that we have a quorum with 22 members in attendance via Zoom and 41 members present in person for a total of 63 attendees. We need a quorum of 43 to conduct business (25% of 174 members). There are also 4 members voting by proxy.

Agenda is approved without objection.

Appointment of Heather Flynn as Parliamentarian by the Chair approved without objection

Approve Minutes from May 2, 2021 Annual Meeting

Move by Wray Kinard, second by Marty Freeman, to approve the minutes of the May 2, 2021 AUUF Annual Meeting. David O’Brien asked that page numbers be added. *[later found to already be in the document]*. Declared Passed with the addition of page numbers and without objection.

President’s Report – Peggy Robinson - Review of the Year (more details in meeting packet)

Introductions of and thanks to the AUUF Board of Directors: Peggy Robinson (President), Robin Hill (Vice President), James Dryden (Secretary), Sid McCausland (Treasurer), Don Antrobus, Kalen Saxton, and Kathy Lucich.

It has been another unusual year during which our fellowship has continued to function admirably during the second year of the pandemic. We’ve seen –

- In March 2022, we called our first settled minister in four years. Thank you, Rev. Lise and all those involved.
- The board distributed significant one-time contributions from Wake Now Our Vision, Bill Stillings’ bequest, and others to fund completion of the sanctuary remodel, future building improvements,

future playground improvements, a deposit to our endowment, and an early payment on our long term debt.

- We have completed the Phase 3 remodeling of the sanctuary and major upgrades of our A/V equipment. This has involved a lot of volunteer time to master the new A/V systems.
- The Healthy Congregations Team has been working to formalize our Covenant of Healthy Relations. The Green Sanctuary Team held electronics recycling last weekend and installed LED lighting throughout the building in conjunction with the Building and Grounds Committee.
- Our DLRE, Rosene Beachy is retiring in July after 22 years and our administrator Gina Molletti is moving out of state. We will need to find replacements. We thank them, and we will miss them.

Bill Stillings left a sizable bequest to AUUF upon his death in Jan 2019. He had been an Alaskan since about 1965 working as an accountant. He was a long time AUUF member serving on the board and other capacities. He was active in the community in Rotary, Boy Scouts, Habitat for Humanity, and our UU community services. His bequest of stamps, collectibles, and \$100,000 in cash helped AUUF complete our Phase 3 remodel project and more this year. Thank you, Bill.

Offering The board has designated that 100% of the collections during this annual meeting will be devoted to PILOT (Payment in Lieu of Taxes) expressing our belief that non-profits should share in the property tax burden. These collections and the designated collections in May will be added to the \$1000 from the operating budget and delivered to the Municipality of Anchorage Assembly June 7.

Healthy Congregation Team – Kelly Hartlieb, Committee Chair (Covenant in meeting packet)

The committee has met over the last year working to draft a Covenant of Healthy Relations and encouraged discussions and use of this covenant to navigate our conflicts. The draft has been presented at the forum and to various committees and groups and modified based on feedback. The final version was included in the meeting packet. The committee recommends it be adopted.

Move by Kelly, second by George Donart, to adopt the Covenant of Healthy Relations.

Passed without objection followed by waving of voting tickets and online thumbs up reactions.

Endowment Committee Report – Wray Kinard, Committee Chair (Report in Meeting Packet)

Our Endowment Fund has been almost completely funded by bequests. Remember that our building was purchased with bequest funds. We ask all of you to consider making a legacy gift to the Endowment Fund. The endowment Fund is a very important financial asset of AUUF which is controlled by the congregation and not the AUUF Board of Directors.

Harry Crawford delivered Committee's year-to-date summary of the Endowment Fund (prepared by Judy Eng. committee treasurer). The endowment is invested in the national UUA Common Endowment Fund, Boston, MA. UUCEF invests the funds seeking a balance between social goals and investment returns. The board chose to follow our finance policy and deposit 20% of bequest funds received into the Endowment Fund. The current May 2022 balance is \$213,313. Over the last year with a beginning balance of \$194K, roughly, we contributed \$32K, lost \$11K in investments, and paid \$1,400 in fees.

There was concern expressed about the recent loss of \$11,000 given the surging stock market in recent years. Heather Flynn requested the identity of the investment manager, and James Dryden asked for the average rate of return over the last 5-10 years. Wray said he would follow up on those requests. Earl Becker stated that the fee was a good value, given the industry standard of 1%.

The Endowment Committee (see meeting packet) recommends two policy changes to the AUUF *Endowment Plan of Operation*: 1) adjust the minimum threshold for withdrawal from \$250,000 to \$500,000; and 2) change *shall* to *may* in reference to annual withdrawals once the threshold is

reached. (Another *shall* was changed to *may* last year.) This would mean that annual withdrawals of 4% would be more meaningful (\$20k vs \$10K). Per the *Endowment Plan of Operation*, such withdrawals are to be used for special projects and not regular AUUF operating expenses. The UUA recommends endowments up to 3 times a congregation's annual operating budget. AUUF's operating budget is about \$400,000. A sampling of other UU congregations around the country found that endowment balance minimum thresholds ranged from \$100,000 to \$800,000

Move by Wray, second by Cindy Kinard to adopt the committee's two proposed policy changes.
Passed with overwhelming support online and in-house.

11:07am Chair calls for a five minute break

Nominating Committee – Don Crandall, Committee Acting Chair (Report in Meeting Packet)

The nominating committee **moved** to nominate Jim Kerr and Yolanda Meza to the AUUF Board of Directors, and Doug Eby and Mary Kulawik to the Endowment Committee. Second by Wray Kinard from the floor.

Nominees gave brief introductions from the floor and the chair called for further nominations. Hearing no nominations from the floor, voting online and paper ballots proceeded. The results will be announced before the end of the meeting.

Treasurer's Report – Sid McCausland, Treasurer (Report in Meeting Packet)

AUUF's finances are much like that of a family with a farm with significant fixed assets but with the cash available to meet operating expenses stretched thin.

The balance sheet graph in the Treasurer's Report shows we have net assets of \$2.6M which grew by \$120K last year. Of that figure, \$2.2M is in our land, building, and furnishings. We have \$350K in cash, outside the endowment fund, and only \$175K in long term debt. The cash picture is a not as rosy as it would seem though: we only have enough unrestricted cash to cover 2.3 months of operations, which makes cash management an issue. The bulk of our cash is tied up in reserve accounts.

Bequests are to be used for one time needs instead of regular operations. AUUF has one long term note of about \$175K which we borrowed to complete the 2017-2018 remodel effort. This note has a monthly payment of only \$988 designed for 30 years but a full payoff balloon required at 15 years. The board prepaid \$12,500 of the principal from bequests this year and several members have contributed to retiring some of this debt. If we made extra payments of \$600 per month, the loan could be fully paid off at 15 years (about 2032) avoiding the need to seek further financing then.

The board also placed \$40,000 in the Building Reserve this year. AUUF's Building and Grounds Committee has advocated for years to add funds to the Building Reserve annually in order to provide for major repairs and the replacement of aging components. This will help preserve our largest asset – the building. AUUF has a financial policy that calls for dedicating 2% of the building's value each year to such a reserve fund. However, given our shortage of Working Capital, the Finance Committee has not been able to honor this policy while preparing our annual budgets. Our board would appreciate everyone's assistance in finding a funding solution for our Building Reserve.

Additionally, the Board transferred \$27,100 (20% of bequests received) to the Endowment Fund and \$25,000 to the Wendy Romberg Memorial Playground Fund.

Sid asked us all to think about stewardship. Approving the operating budget is one of the big reasons for an annual meeting. This budget reflects the continuing operations that allow AUUF to fulfill our

mission. Our pledges are the major source of these funds. AUUF income has held its own against COVID although our Sunday plate collections are down significantly without our Sunday gatherings. Seventy five percent (75%) of our operating expenses are staff and benefits.

Our board believes AUUF will continue and grow during the coming year and has taken the position that, during our next fiscal year, we should fully fund our programs even in the face of an expected operating deficit. We hope AUUF operations return to a pre-pandemic situation. We have recommended a budget that expects the in-person activities we used to have on Sundays, upstairs and downstairs. The board is always cautious of increased staff but has recommended a new part time A/V technician and included funding for the long vacant RE -coordinator position. Support beyond the available A/V volunteer labor is required to do the extra work involved with services now.

Move by Sid, second by Wray and Harry Crawford to Adopt the Anchorage Unitarian Universalist Fellowship’s Fiscal Year 2023 Operating Fund Budget commencing July 1, 2022, as follows:

Fellowship Ministry	138,093	32%
Lifespan Religious Exploration	133,402	31%
Greater Community Ministry	86,713	20%
Building & Grounds	73,493	17%
Total	\$ 431,700	100%

And to hereby authorize the Board to expend up to \$46,000 from the unencumbered Operating Fund Balance in the event Fiscal Year 2023 Expenses exceed Fiscal Year 2023 Revenue.

[Memo: Projected Revenue of \$385,400 was not included in the motion.]

Questions clarified that the RE youth position (funded at \$10,000) is intended to give more dedicated support to our older youth, but the new DLRE has flexibility in how that position is structured. This is the position that was previously funded but fell vacant before COVID. Doug Eby spoke to the conservative wisdom of the budget and the completeness of Sid’s presentation.

Passed overwhelmingly with several No votes.

Sid offered a deserved thank you to Peggy Robinson who has been on the board for six years now and has served as treasurer and president. Peggy will be leaving the board at the end of June. She has contributed huge numbers of hours through these years and took over the administrator position temporarily when Amy relocated to Ketchikan, and subsequently trained the hired administrators.

Election Results

Both the nominees for the board and the nominees for the Endowment Committee received over 97% affirmative votes.

Logo Discussion

Rev. Lise said the current logo is a lovely logo, but the use of the design might be inappropriate considering the fact that our congregation is 95% white. Dennis Arashiro spoke of his concern that this current logo represents a cultural appropriation. This seal oil lamp has decoration that derives from cultures of southeast Alaska and further south. Several members expressed their affinity for the existing logo but recognized that it is probably a case of cultural appropriation. When asked in the forum which focused on this subject, one source at that forum indicated that it is probably not offensive. This particular design is not representative of any given culture or story which is not how the native cultures use such symbols.

It was suggested that an alternative chalice design might be used while we develop a new logo.

AUUF ANNUAL MEETING - May 2, 2021

FINAL

B2 AUUF Annual Mtg Minutes 2022-05-01 Final.docx Last Saved/Modified 11/29/22 10:41 AM page 5/5

Move by Dennis Arashiro, second by Cindy Kinard, for AUUF to use an intermediary logo and form a committee to develop a new logo to propose to the congregation.
Passed with one No vote. Volunteers should contact Rev. Lise.

Acknowledgment

Peggy offered a thank you to all the volunteers, especially our A/V volunteers, that made this hybrid meeting possible. Everyone is reminded that we could still use more A/V volunteers.

Closing Words by Reverend Lisa and Becca Bernard

12:35pm Meeting adjourned

John McKay announced that the next forum will be our first in-person forum this year and our speaker will be gubernatorial candidate Bill Walker.

Respectfully submitted by James Dryden, Secretary, and Kathleen Lucich 8/7/22

Supporting documents are available in digital (www.anchorageuuf.org) and hardcopy forms.