



# Unitarian Universalist Church of South County

A member of the Unitarian Universalist Association of Congregations

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## June 13, 2004 Annual Meeting Minutes

Call to Order, June 13, 2004, 12:18 p.m.

A quorum was declared.

The agenda was approved as amended.

**MOTION.** Lois Huddlestone moved that a committee of three be appointed at each congregational meeting to review the minutes of that meeting. The committee will include the secretary and two members in attendance to make corrections if needed. The committee will perform this task by the next Board Meeting. The secretary will print at least two copies, one to be posted on the UUCSC bulletin board and one placed in Congregational Meeting Minutes file in church office. The minutes will be approved at the next Congregational Meeting. Board action would not be needed. **Approved unanimously.**

**MOTION.** To accept minutes of last annual meeting. **Approved unanimously.**

### Report of the President

Attendees were encouraged to read the President's report in the handouts. Instead of giving an overview, President Dave Kinnear gave out the President's awards.

Alan Hull: in recognition of his work with the annual financial canvass.

Ways and Means Committee: for ever increasing success in raising funds. Judy Tracy and Carol Semelroth, co-chairs, Ruth McCoy, Carole Shannon, Linda Yeargin, and Charlotte Clarke.

Alan Hull: for his achievements in heading the Two Services Task Force.

Pamela Edwards: for organizing CRE as a significant part of our shared ministry.

Mary Ruth Johnson: for dedication to our key, well-received CRE program.

Lois Huddlestone: for long-time service for a long list of contributions, including all facets of office administration and Pacific Southwest District Representative.

Long Range Planning Committee. For their work with the consultant and laying the groundwork for the future of our congregation. Bob Meyer, chair, Blanche Chilcote, Lois Huddlestone, Carol Shannon, Pauline Leonard, Pamela Edwards, Ruth Wrightsman,

### Report of the Treasurer

Dave Keen noted that there was an error on the spreadsheet, and we are under budget instead of over budget, as indicated on the report. This was a difficult year financially. The pledge budget was very aggressive. Pledges were \$27,000 under what we had budgeted. However, expenses were also lower than budgeted. By end of the year, our expenses exceeded our income by about \$25,000, which was withdrawn from reserve funds in the investment account.

There was extensive discussion about the need for more timely, interpreted financial data throughout the year in addition to the Treasurer's Reports. Many suggestions were offered including: presentations, e-mail updates, newsletter summaries, and notifications about the need to withdraw from reserves. It was noted that 90 percent of our budget is fixed

**Minister:** Rev. John Millsbaugh; **Minister Emeritus:** Rev. Robert Jordan Ross  
**President:** Dave Kinnear; **Vice-Pres:** David Salah; **Treasurer:** Dave Keen; **Secretary:** Lynn Cowan

costs for salary and rent, making it difficult to reduce expenses. The Board approved the withdrawal with the intent to return the funds to the investment account, but that was not possible.

MOTION. To accept the Treasurer's Report as corrected. Approved unanimously.

### **Report of the Standing and Ad Hoc Committees**

Attendees were encouraged to read the Committee reports in the handouts since they contain much detailed information.

Jo Franco reported on Children's Religious Exploration activities. The goal is to have a creative fun, meaningful program, and this goal was reached with new programming and opportunities. CRE added a second program, CenterQuest, with a one-classroom format that encourages personal spiritual growth that allows participants to self-reflect. To our 4-6 graders, we offered the Our Whole Lives (OWL) program on human sexuality with UUA values. Ten students and seven parents attended. The next OWL class offered will be for K-1 level. Social action Sundays have the highest attendance. Programs offered included care for ourselves and care for animals, with both a local and international focus.

Dave Kinnear commented that Jo has done a magnificent job of assuming her new responsibilities.

### **Report of the Minister**

Rev. John reported that this year was an opportunity to look back and to celebrate. The challenge it offered was to move from talking toward taking action. We are moving closer to a home of our own. Our membership is the largest ever at 137, which is a growth rate of 20-25 percent. Our move to two services was a comfortable transition, and now more people are coming to services than could have occupied chairs at one service. We have more gifts of musical offerings and innovative worship services. One innovation is the first service's congregational response during and after the sermon. Another milestone was the CRE Search committee which reconvened to find another CRE Coordinator, our own Jo Franco. We also have Adult Religious Exploration, adult forums, Evensong, Dr. Absatz' lectures, a meditation group, and a pilot Covenant Group. Covenant Groups allow participants to deepen their relationships with each other and spiritually within themselves.

We have done significant community outreach, including assistance to wildfire victims, but we can do more, for example, outreach on advocacy on marriage equality and other issues in the larger community.

### **Approval of the Budget**

Alan Hull, the incoming VP of Finance, explained the 2005 Fiscal Year budget. The congregation's response to the request for additional pledges for next year was humbling and overwhelming. Our pledge income plan increased \$17,000 allowing us to put the new budget together. The theme of this budget is optimism: maintaining our growth and sharing our congregational experience with others. The budget is the next step on a deliberate path which has been up to this point as follows: using an outside consultant to help us find our direction, holding our cottage meetings, expanding to two services, and hiring a CRE coordinator.

On the income side, we believe we can achieve an income of \$170,000, which is \$50,000 more than we received this year, and \$25,000 more than was pledged last year. This amount is based on the burden of our expenses and also the expanding number of people who have the pleasure of participating in our spiritual community. The median pledge in the past was \$640 per year. The median pledge is now \$1200, demonstrating that the UUCSC experience is worth having and worth paying for. In the past, we fell short of our pledged budget, and do understand that circumstances can change pledges. Our promise this year is to collect every dollar pledged to the best of our and your ability.

We know that you want to hear more about how we are doing. Last year we assumed 20% growth in membership and a 2% growth in pledge income. We are assuming plate income will be the same at about \$1000 per month—last year we had one significant contribution to the plate. We also assume that we will capture a larger percentage of our budget in scrip. Scrip is a way for your normal spending to provide easy money for UUCSC. It will require commitment on everyone's part. We also assume that the Ways and Means Committee will have another banner year.

Expenses have been held at last year's level, for example, postage, office supplies, music. This is our first year to carry the full cost of a Director of Religious Education. Past years had gaps in expenses that now need to be covered in the budget. There is a modest increase Rev. John's total package. The landlord held rent cost steady for 18 months, but now has asked for a 5% increase.

This year we budgeted a known deficit of \$10,000. Our reserve account is at \$40,000, which will be reduced by \$10,000 if the budget is executed as planned. The Board approved the deficit budget in order to support our growth to expand our community and its programs.

MOTION: To accept the budget. Seconded, with discussion.

Alan responded to questions from the floor. The Minister's discretionary fund is recorded as income that comes from many sources, but becomes an expense when it is disbursed to those in need. The Minister's and Director of Religious Education's (DRE) compensation packages fall within the UUA guidelines as fair compensation. The dues we pay to UUA and to PSWD are in the budget. The DRE includes 25 hours per week for 40 weeks plus professional expenses. Clarifying a question on the reserve fund, Alan responded that the \$43,000 in the fund was for future development. This year we assume that we will receive \$2000-3000 from new pledges. The reserve funds are held in an investment account with Smith Barney. The return recently has been close to \$0, compared to 5 years ago. Members of the congregation requested a better breakdown of the reserve fund and general finances. The issue was raised that some of those who gave funds to the reserve account wanted it earmarked for a building fund. Some research had been done by the Finance Chairs, but no records of earmarked gifts have been located. Anyone with information about specific gifts should contact Alan Hull. There was concern expressed that funds had been withdrawn from the investment account without notice to the congregation. It was asked that the treasurer keep track of designations as had been done in the past, where it was on the financial reports. It was requested that the Board and Treasurer do a better job going forward about recording where financial contributions are made.

VOTE: The 2005 Fiscal Year budget was approved, with one opposed, and two abstentions.

### **Approval of the Bylaws**

The congregation was provided with opportunities to review the extensive changes to the bylaws changes. A summary of the bylaws has been posted in the lobby and on the website.

Lois Huddleston stated that she was opposed to the change to the Article 1 definition that removes "church" and substitutes "organization." She noted several issues: The Pacific Southwest District of the UUA isn't aware of any congregation taking the term "church" out of their bylaws. Two UU churches in Texas are in jeopardy of losing their non-profit status. Additional discussion by the congregation is needed before we eliminate the term "church."

MOTION: To keep the original Article 1 definitions.

It was noted that some members of congregation are not comfortable with the use of the term "church."

On a point of order, a new motion was made.

MOTION: To accept the bylaws as proposed. Seconded, followed by discussion.

Discussion returned to Lois's amendment to leave the term "church" in the bylaws. The Board's goal was to make the bylaws more inclusive. Attendees made a number of points including:

- The most difficult thing in merger of the two churches that formed this one was the name.
- In the dictionary, "church" is defined as a Christian organization.
- The term "corporation" has business-like implications.
- Such a change could be a step toward eliminating our tax-exempt status.
- There are only a handful of people who support this change and want to impose their feelings on others.
- Some people would come to services and become members if UUCSC was not a "church."

- What constitutes a church or a religious organization versus a non-profit organization?
- What legally defines tax-exempt status?
- Someone who is not on the board should be on the bylaws committee.
- Would the term "congregation" be better?
- Don't change the bylaws now, wait until we change the name of the church, if we do.
- "Church" is an exclusionary name; "religious organization" identifies what we are.

It was suggested that an ad hoc committee make recommendations and come back in three months to make a well-thought out decision. We can attempt to separate the name from the bylaws, but they are intertwined. There is the legal name of the congregation, and there is the "Doing Business As" (DBA) designation. We are currently doing business as UUCSC, and this can be changed easily. By California law, we are a not-for-profit corporation.

Jim Semelroth withdrew his motion and made a new one.

MOTION: To accept all bylaw amendments (2, 3, 4, 5, 6, and 7) except for amendment 1 (which changes the term "church" to "organization").

VOTE: The bylaws changes (except for amendment 1) were approved, with two abstentions.

It was noted that the issue of naming cannot be added to New Business today. The Board has discussed the need to look at the congregation's name, and is forming a committee to work on the issue.

## **New Business**

### *UUA General Assembly*

General Assembly (GA) is scheduled in June, and our congregation can send three delegates and two alternates. Delegates attend Plenary sessions where UUA business and votes are taken. They must attend all four days. Because GA is in Long Beach, many members are attending. Anyone interested in serving as a delegate should contact Dave Kinnear.

### *Chalice Lighters*

Lois Huddlestone reported that Chalice Lighters is an organization of the UUA's Pacific Southwest District (PSWD) that started ten years ago. It provides grants to congregations for land, buildings, and development expenses. Our congregation needs 10 % of its members to participate by signing a pledge card and by doing so we become eligible for a grant. Chalice Lighters are called upon for a \$20 donation three times a year.

### *Use of "Uncommon Denomination" Publicity*

Liz Bear reported that the UUA has a new marketing method to get the word out to explain Unitarian Universalism. She showed the attendees the new bumper stickers. She will be evaluating the program to determine its appropriateness for our congregation to use for outreach to our local community. It also includes a way to do a self-assessment about how welcoming we are.

### *Staffing Comprehensive Planning Committee*

Lynn Cowan reported that we will soon be staffing the Comprehensive Planning Committee which is charged with creating a 5-year plan for the congregation. Contact her if interested in participating.

### *Report of the Nominating Committee*

Deanna Hoyle presented the Nominating Committee's nominations for the Board and next year's nominating committee.

Lynn Cowan, from Secretary to Vice-President of Operations  
Alan Hull, from Director to Vice-President of Finance

Scott Craig, Director  
Connie Pursell, Director  
Liz Biewen, Director  
Margaret Pierce, Secretary

Keith Tuominen-Lenny and Mary Ruth Johnson are continuing on the committee. Dick Huddleston and Marcia Meyer are new members.

MOTION: To approve the nominating committee's slate. Seconded and approved unanimously.

MOTION: To adjourn the meeting. Seconded and approved unanimously.

The meeting was adjourned at 2:26 p.m.

Respectfully submitted,

Lynn Cowan  
Secretary