

This Sunday, February 18, will mark a momentous day in Tapestry history. We will only have a single service this Sunday starting at 10:00 am. After Rev. John Millsbaugh delivers his inspiring message, at 11:15, we will hold a Special Congregational Meeting to make four important decisions that will direct the course of Tapestry's future. We will vote whether to:

- Accept the Financial Feasibility Study Report
- Authorize a Capital Campaign
- Authorize a goal for the Capital Campaign
- Approve hiring a UUA consultant to guide Tapestry through the campaign

Our UUA financial consultant, Larry Wheeler, who conducted the Financial Feasibility Study, will be available by phone during the meeting to say a few words and answer questions. I urge each of you to attend this meeting to vote on these decisions. If it is impossible for you to attend, we are interested in how you would vote had you attended so that we can gauge the views of as many members as possible. Although your vote will not count in the official tally, please respond to this message with your opinion on these four topics. A summary of this feedback will be included in the meeting minutes.

For the past three Sundays, after each service, the Tapestry lay leadership held information meetings to answer questions about the Financial Feasibility Study Report that provided valuable information on our ability to move toward achieving the dream that many of us share--to purchase a permanent home for Tapestry. Based on feedback from these sessions, the Board and others have taken action to prepare us to make these decisions. Here are some frequently asked questions and how they have been addressed.

How can I be sure that the funds I contribute to the Capital Campaign will be used for a building and nothing else?

The use of restricted funds contributed to non-profit organizations is governed by the laws of the State of California and other jurisdictions in which Tapestry is located. Although I am not an attorney, use of restricted funds appears to be governed by the following: CALIFORNIA PROBATE CODE SECTION 18500-18509, The Uniform Management of Institutional Funds Act, <http://www.csuchico.edu/url/PDF/UMIFA.pdf>. Consequently, the funds that members and friends contribute to the Restricted Capital Campaign Account can only be used for the purpose that the donor designates. Funds in this account cannot be used for any other purpose without violating California law. Specific donor permission or legal proceedings are required to repurpose the funds.

This week the Tapestry Board approved a revision to the current policy on Investments and included a document with restrictions on how the funds contributed to the Restricted Capital Campaign Account can be spent. This document provides guidance to current and future Boards about the types of expenses that can be paid from the Restricted Capital Campaign Account. For example, the document states that these funds can be used for a building or land purchase, realtor and consultant fees, moving expenses, and modifications to bring the property up to the criteria established for the property search.

These funds could also be used for temporary structures on land we purchased, but not to modify a rental property like the one we currently have. Before the meeting, please review the policy that is attached to this e-mail since this policy will be used to guide the board in approving withdrawals from the Restricted Capital Campaign Account. The document will likely answer many questions you may have, for example, “Can the Board borrow from the Restricted Capital Campaign Account?”

Tapestry has two investment accounts at UBS. One is the Unrestricted Reserve Account. The other is the Restricted Capital Campaign Account. The policy states that withdrawals from the UNRESTRICTED reserve account must be approved by the VP Finance, Treasurer, and President. It also states that withdrawals from the RESTRICTED Capital Campaign Account must be approved by the Board of Directors in accordance with the Restrictions to the Capital Campaign Fund document.

What is being done to locate a building for Tapestry to buy?

Over the past few years, many lay leaders have volunteered countless hours to prepare for purchasing a permanent home for Tapestry. Funding sources want to see long-range and strategic plans for growth--financial and membership--and solid financial records. We now have a 5-year Comprehensive Plan, including pro forma budget numbers that include financial projections for a building purchase. In 2006, we completed our first, complete face-to-face annual stewardship drive that yielded substantial giving increases over previous years. Only three short years ago, we struggled to make payroll and rent payments on time—that’s no longer a problem. We have a structured path to membership for our newcomers with orientation attendance that is a four to five times increase over previous years. We have strong and growing adult and children’s religious exploration programs and a thriving social action program. Last fall, Mary Pax Lenney presented research to show financial projections for the purchase of a \$2 million home. A few weeks ago at the first information meeting on the Capital Campaign, Irv Himmelblau volunteered to consolidate Mary’s figures, UUA home purchase guidelines, and input from groups at Tapestry to come up with criteria we can present to a realtor to locate suitable properties. His **New Facility Site and Space Proposal** is attached for your review. In addition to these guidelines, we will need a property within the boundaries the congregation already approved at the October 2005 Special Congregational Meeting, which are: “roughly the 133 to the north, Ortega Highway to the South, Aliso Creek Road and Alicia Parkway to the west, and Antonio and the 241 toll road to the east.” We also must consider the UUA Site Acquisition Guidelines (<http://www.uua.org/cde/fundraising/SiteAcquisitionProgram.pdf>) that state, among other requirements, that:

- The site will be located in a visible “anchor” location.
- The size of a site will match the congregation’s five year growth plan. The congregation will provide adequate parking to match the plan.

The next step is to extend the **New Facility Site and Space Proposal** to:

- Add a “current rental facility” column to the New Facility Site and Space Proposal so we can compare the space we rent now to the proposed criteria
- Create worksheets to use to compare prospective properties
- Decide what criteria are deal breakers (for example, would we buy a facility without a kitchen?)
- Determine what process will be used to make a decision about what to buy and when (for example, who is the realtor’s contact? how do we decide between land and a building? who decides whether we proceed with a purchase or if we wait to see if something better comes up?)
- Begin filling out grant applications so that when our Capital Campaign commitments reach three times our annual giving (approximately \$600,000) we can send them in without delay.

Lois Huddlestone has found a realtor who specializes in church properties. We know that there are churches for sale—approximately 5-6 sell in Orange County each year, and we receive mailings of a new listing every month or so. In addition, there are potentially numerous properties (such as theatres or commercial buildings) that could be converted to church use. Just today, our office administrator, Mary Halunka, who has experience in commercial real estate, located the following property:

<http://www.loopnet.com/xNet/Looplink/Profile/Profile.aspx?STID=remaxcahi&LID=14933841> Several others members have brought properties to our attention.

How will we know which property is the one for us? If you feel called to contribute your talents to Tapestry’s search for a new home or any of its many, many other good works, please contact Dave Salahi, the chair of the Nominating Committee, at david@salahi.net to see how you can help.

I’m looking forward to seeing all of you on Sunday at 10:00 am. It promises to be one of the most exciting Tapestry events ever.

Lynn Cowan
President
Tapestry, A Unitarian Universalist Congregation