

*Annual
Congregational
Meeting
and
Annual
Report*

Sunday, June 3rd, 2007



UNIVERSITY
UNITARIAN
CHURCH

2007 Annual Report

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University Unitarian Church

2007 Annual Congregational Meeting Agenda

Sunday June 3, 2007

1. Call to Order (Ken Mundt)
2. President nominates Acting Moderator, confirmed by members
3. Moderator appoints secretary and tellers
4. Announcement of Quorum (teller)
5. Opening Words (Alicia Grace)
6. Reading of minutes of last congregational meeting (Brenna Willott)
7. Minister's message (Alicia Grace)
8. President's message (Ken Mundt)
9. Treasurer's Report (Lu-Ann Branch)
10. Motion to adopt FY 2007/08 budget
11. Recognition of outgoing members of Board of Trustees, Leadership Development Committee, and Moderator
12. Election of leaders (J.W. Harrington, Leadership Development Committee)
J.W. Harrington will introduce each slate and ask the nominees to step forward to be recognized. If there are no nominations by petition, the Moderator may ask for a voice vote to elect the particular slate
 - a) Board of Trustees
 - b) Moderator
 - c) Leadership Development Committee
13. New Business
14. Closing Words
15. Adjournment

The Annual Congregational Meeting Minutes June 4, 2006

The meeting was called to order by Moderator, Debbie Maranville. Anita Brown was appointed as Secretary. Tellers Cheryl Stumbo and Ken Mundt identified quorum. Debbie Maranville also serving as Parliamentarian..

Jon Luopa opened the meeting with a reading of the names of members who passed away in the last year. A moment of silent was held. His ministerial report is available in print in the Annual Report.

It was moved, seconded and passed to accept the minutes from the previous year's annual meeting on June 5, 2005 with request that future minutes have page numbers and that typo be corrected.

Jon Luopa provided Senior Minister's message. He acknowledged this was the end of his sixth year. The primary focus of the church this year has been more inward looking with emphasis on stewardship of our resources and putting structures in place so that UUC can operate more effectively. The pledge drive was not as successful as hoped. The goal was to increase pledges by 7% and actual pledge increase was 3 ½ %. The impacted the three goals set by Leadership Retreat this year in that:

- a) Not as much financial support as hoped for the Music Program
- b) Not as much beginning funding for the Living Justice Fund.
- c) In staff compensation we were not able to meet our goal of getting all staff where they needed to be.

Jon acknowledged the magnificent staff and Board of Trustees.

David Bauman, Treasurer provided the following regarding the budget last year. Overall he describes UUC financial situation as "stable". He noted following specifics:

- a) That a large capital expense of \$300,000 was spent on the building and grounds.
- b) That the auction which is our primary fund-raiser cam up \$23,000 short, but that we were able to balance the budget by the end of the year.
- c) That the Board of Trustees voted to change management of investments to a professional manager. He noted that UUC now has over \$900,000 of invested funds.
- d) Pledge drive resulted in 3 ½ % increase in pledges, not the 7 % that was set up as the goal.
- e) That UUC was not able to provide increase for salaries that was hoped for and that continued effort needs to be made toward this goal.

David Bauman accepted questions from the congregation including:

- a) More clarity in how Children's and Youth Program is shown in budget,
- b) Karen Thomas indicated there are no funds this year in the capital budget for the organ work as the new organist needs to be hired and have input into organ assessment and needed work
- c) Business Development item included funds for an audit, for fund-raising, for Leadership program and for speakers particularly since Jon Luopa will be on sabbatical the first half of 2007.

David reviewed capital budget .

It was moved and seconded that 2006-2007 budget be approved. The congregation then voted to approve the budget.

Lu Ann Branch presented By Law Revisions pointing out the specific recommended changes to the By-Laws including.

- a) By-Laws reflect the roles of the Senior Minister and Parish Minister.
- b) That Personnel Committee is changed to Human Resources Committee.
- c) Clarification of number of BOT members.
- d) Clarification of the role of the Treasurer.

The following friendly amendments were made and thus not needed to be voted on individually by the congregation.

- a) Article III, Section 2. That there be a minimum of three members on the Financial Committee and one of them needs to be the Treasurer.
- b) All references of "councils" in By-Laws need to be deleted as there are no longer councils.
- c) Article VI, Section 4. Part a: Add "Actions taken on emergency issues are subject to reconsideration at the next meeting."

The following amendments were made and seconded and needed to be voted on individually:

- a) Article XI, Section 3: That affiliated organizations of UUC has to have a member of UUC as it's chair person. (Example of this is CUUPS group at UUC). The motion for this amendment was defeated.
- b) Article IX, Section 5. Leadership Development Committee be changed back to Nominating Committee. The motion to make this amendment was defeated.

It was moved and seconded that the By-Law Revisions be adopted with noted friendly amendment listed above. Motion carried and By-Laws adopted with friendly amendments.

Jon Luopa recognized outgoing Board of Trustees including Anita Brown who served as Secretary this past year, David Bauman who served as Treasurer this past year and President year before that and Deborah Person who served as last year's President. Jon expressed his appreciation for the service of these three BOT members, particularly to Deborah who provided amazing leadership for the past year in addition to her position as being manager of the Seattle International Film Festival.

Cindy Fuller, chair of Leadership Development Committee presented the slate of candidates:

1. The Board of Trustees: Byron Krystad, Laura Sager
2. Leadership Development Committee: Barbara Alexander, Jack Latteman
3. Moderator: Debbie Maranville

All were approved by congregational vote.

No new business.

Annual Congregational Meeting was adjourned.

2007 Nominees for UUC Leadership

The Leadership Development Committee has submitted the following slate of candidates for Board of Trustees, Leadership Development Committee, and Moderator, as called for by our Bylaws. The Board has 9 members, elected by the congregation for three-year terms. The LDC has seven members, six of whom are elected by the congregation and serve two-year terms; one member is named by the Board. The Moderator conducts congregational meetings.

The continuing Board members are Byron Krystad, Laura Matson, Carolyn Rasch, Laura Sager, Jonathan Schachter, and Brenna Willott.

The continuing elected LDC members are Barbara Alexander and Jack Lattemann. Cal Van Zee is the Board appointee.

Board of Trustees (3 year terms)

Ed Belcher

Ed Belcher started attending UUC in February 2006, and became a member with his wife, Pam, shortly thereafter. When he was a member of the Northlake UUC, he taught RE, facilitated an adult evening group, co-led a pledge drive, and performed exit interviews. Ed has a Ph.D. in Electrical Engineering and conducted research in underwater acoustics and technology at the University of Washington for 25 years. He is currently co-owner and president of Sound Metrics Corp., a company that designs and manufactures novel, lens-based sonars. A board membership allows Ed to learn about the intricacies of our church and better serve UUC.

Stacy Waddell Carlson

Stacy has been a member of UUC since the early 1990s. She has enjoyed many adult education classes, a women's affinity group, serving as an usher on Sundays and attending Seabeck with her family. Stacy has taught in the church school for three years and plans to continue to volunteer. "I am proud of UUC's history of being a strong progressive voice in Seattle, and I want to be a part of keeping that voice strong."

Ken Mundt

Ken is currently the Director of Community Engagement for IslandWood, an outdoor learning center on Bainbridge Island. He and his wife, Elizabeth Goldberg, came to UUC in 1998. They have two young sons, Jake and Max. Ken has gratefully served UUC in a variety of roles including Chair of the Children and Youth Programs (CYP) Committee, Coming of Age Mentor, Worship Associate and Chair of the annual pledge drive for two years. Ken has been a member of the Board of Trustees since 2004 and is the current President.

Leadership Development Committee (2 year terms)

Sally Davis

Sally is a long time member of UUC who has served in many ways over the past 25 years. She has served two terms on the Board of Trustees, (once in the '70's and once in the '90's), and was on the Nominating committee, before it was expanded into the Leadership Development Committee. Retired from the UW where she was an administrator in Continuing Education, she

has also served on the ARE committee, the Bookshop committee, the Intern committee and the Long-Range Planning Committee.

Anne Eacker

Anne and her husband Eric came to UUC 2 ½ years ago looking for a spiritual community, and have been showing up “religiously” ever since! Her UUC activities include being a greeter, a covenant group member, and a very enthusiastic participant and co-leader of Team UUC. Her other hats are being mom to twin almost-8-year-old boys and a physician at UW and medical director at the internal medicine clinic at there.

Judith Leconte

Judith became a member of UUC in March 2004. Church activities include: coffee crew, Economic Justice Group, Green Sanctuary Recycle Group and frequenting Wednesday Meditation Group. Judith is semi-retired from a career as a Public Health Social Worker in Maternal Child Health at UW and Washington State Department of Health. She is currently building TBA Consulting Group. Her interests are: social justice, being green, kayaking, hiking, reading, Tai Chi and mediation.

Zoë Myers

Zoë joined University Unitarian in the spring of 2003 and six months later was a part of the Search Committee that called the Rev. Alicia Grace. Zoë coordinated Alicia’s installation and continues to serve on her Committee on Ministry. Zoë co-chaired the Sound of the Future task force which recommended strategies to achieve full funding for the Music Program. She has served as Pulpit Host, Coffee Crew member, Greeter, and Usher and became Usher Coordinator in January 2007. In March she co-hosted the annual Talent Show as one of the three Boa Sisters and is a member of Team UUC training for her second triathlon. Professionally Zoë is Development Director for New Beginnings, a non profit organization that serves domestic violence survivors. She sings with the Seattle Labor Chorus and volunteers with greyhound rescue groups.

Moderator (1 year term)

Virginia Stout

Virginia joined UUC in the mid-70s. She has taught a couple of classes, facilitated & coordinated Covenant Groups, and is on the Care Ministry Team. She went to Romania on the 2006 UUC Pilgrimage. She is a Life Design Consultant. She retired as a Research Chemist at the NOAA Fisheries Lab. in 1992.

2006 – 2007 ANNUAL REPORT
SENIOR MINISTER
REV. JON M. LUOPA

This report covers the seven months of our church year before my sabbatical which began on February 11, 2007.

As has become our custom we open the church year each fall with a leadership retreat. We returned to Bastyr University this year. The retreat was facilitated by former UUC member, the Rev. Bruce Davis. Rather than identifying specific projects for the year, as have done in the past, we focused on leadership development and training at this retreat. One memorable insight Bruce shared was reminding us that every task is embedded in a nest of interpersonal relationships. Our satisfaction in completing a task is directly related to the quality of the relationships among those persons who work on that particular task.

Over the first weekend in October the church helped me celebrate the 25th anniversary of my ordination to ministry. A very capable committee, co-led by the Rev. Alicia Grace and Kristin Guest, planned an extraordinary weekend of activities including a church-wide formal dinner and celebratory Sunday worship. We used the anniversary event as motivation to raise funds for a new Social Justice Program Fund, the monies from which would support our internal costs for social justice work, notably the hiring of a Social Justice Coordinator. Ruth Little's significant challenge gift inspired many to join her in financial support toward a total of just under 300K. Ruth, and all of you, are to be commended for your generosity. And of course, I, my family, and the many out of town guests who joined us for the weekend, thoroughly enjoyed these memorable events.

The late fall and early winter months were spent in search of a social justice coordinator and in preparation for my upcoming sabbatical. A very capable interviewing team including Ruth Little, Sue Danielson, Jack Lattemann, Lora Poepping and myself were happy to find and hire Jennifer Bright as our first Social Justice Coordinator. She started work with us on February 1.

A Sabbatical Committee, chaired by Rich Brooks, spent many months preparing for my sabbatical which began on February 11. My colleague, the Rev. Alicia Grace, was to be the Acting Senior Minister in my absence. My first Sunday back in the pulpit will be September 16, 2007.

Let me thank Ken Mundt and Carolyn Rasch for their extraordinary leadership on our Board of Trustees, as president and vice-president respectively. Significant progress has been made this year in writing many new policies for our (Carver) Governance Model. May I also thank Lu-Ann Branch for her hard work as our Treasurer, and Debbie Maranville for her service as our Moderator. Laurie Radin finished her work as our Parish Administrator this past November. We thank her for seven years of devoted work at UUC. We welcome new staff in Jennifer Bright, as our Social Justice Coordinator, David Lines as our Organist, Abby Ramstad as Director of our Intergenerational Choir, and LeAnne Laux-Bachand as Young Adult Programs Coordinator.

It has been a good year. We have been blessed.

Respectfully,
Rev. Jon M. Luopa

2006-2007 ANNUAL REPORT
MINISTER
Rev. Alicia Grace

At our annual leadership retreat held last September, led by the Rev. Bruce Davis, we were invited to look at how we attended to our shared ministry. I remember Bruce writing on butcher paper the word “TASK” and drawing a circle around it. He then wrote the word “RELATIONSHIP” and drew a larger circle around that, encompassing the smaller circle of task. Held within any task is the primary and precious work of attending to relationship. It has been my experience that this past year we have held true to that vision.

UUC celebrated our Sr. Minister, Jon Luopa’s 25 years of ministry. It was a wondrous event coordinated by a team of marvelous folks. And if that weren’t enough, the congregation honored his ministry by funding our social justice program, led by Ruth Little, that far exceeding many of our wildest dreams. Fulfilling a long held hope and ambition, we recently welcomed Jennifer Bright as our social justice coordinator. In the brief time she has held her new post, she has brought a needed collective anchor. Her wisdom and insight have already proved to be precious gifts. Together with our talented and generous lay leaders, we will be able to lead social justice efforts in effective and far reaching ways.

Our Board has completed an intensive process of developing a governance model that adequately reflects how we attend to both task and relationship within our community. This is a banner year, with the Board having completed the initial framework. In our upcoming year, we will test, tweak and adapt to the new policy governance. Gratitude to our Board members who give tirelessly of themselves. Three members have completed their terms: Lu-Ann Branch, Cheryl Stumbo and Ken Mundt. Lu-Ann has served as Treasurer. She leaves us with a plan for an audit firmly in place and our investments in capable and secure holdings. Cheryl leaves a strong legacy with her work in governance, most especially in the developmental stages. She also leaves a heart print of courage and fortitude. Ken graciously has agreed to serve another term as President. Ken continues to deftly and faithfully lead with skill, good humor and commitment. UUC is truly blessed. Thank you Board members.

Our pledge campaign this year was truly inspiring. The task was completed and the relationships nurtured and tended under the magnificent leadership of Susan Howlett and David Bauman. The vision of our prayer flags illuminating our connections was a window into the heart of our community. Susan and David, you are super stars and a reflection of what makes this church great. Thank you.

The sabbatical of Jon Luopa has been a time of reflection and the broadening of leadership. The sabbatical committee, aptly led by Rich Brooks, has offered a steady hand and a sense of continuity that has allowed us to both renew and rejuvenate in Jon’s absence. The team has been instrumental in supporting the quality of Sunday worship and

attending to the myriad of details that make church. What a wonderful group of lay leaders!

And speaking of wonderful people, the sabbatical would not have been possible without many hands and spirits tending to our community. I especially want to lift up the leadership of UUCare ministries, led by Barbara Alexander and Margaret Madeline. While I have needed to attend to other aspects of our community, they have held the care of our friends and members in gifted and capable hands.

The leadership of Emmy Easton and Barbara Kendziorski and the numerous folks attending to our Sunday morning ministry has made a significant difference. The membership team also includes Kathleen Crompton and Xena Kinkade who have lovingly and intentionally supported our new members and friends. I also want to lift up the leadership of Barbara Geary, Jeanne Carpenter and Roberta Ray who are building and broadening member enrichment. Our covenant groups have flourished in the generous hands of Scott Maxson and Debbie Maranville. Thank you.

The sabbatical has personally reminded and affirmed my desire to minister collaboratively with a trusted colleague. I have dearly missed ministering with Jon. I have had the good fortune to be surrounded and supported by an amazing staff team. UUC has the best and brightest staff team I have ever had the honor of working with.

This has been a rich and full church year. At times richer than I might have anticipated! I want to especially thank UUC's Board president, Ken Mundt. Ken is the kind of leader that inspires an entire community. He has offered me wise counsel and inspired me in profound ways. Our church is truly blessed and in gifted hands.

As we look to the new church year, I stand hopeful, inspired and joyful. With great anticipation, I look forward to welcoming Jon back.

And for this year, I offer my gratitude for the many ways we have lived into our shared ministry as a community of hope. It is a privilege to minister and serve among you. Thank you.

2006 - 2007 Board of Trustees' President's Report to the Congregation

Your Board of Trustees -- President Ken Mundt, Vice President Carolyn Rasch, Treasurer Lu-Ann Branch, Secretary Brenna Willott, Byron Krystad, Laura Matson, Laura Sager, Jonathan Schachter and Cheryl Stumbo -- was honored to serve you in 2006 - 2007. It was an historic year for our congregation, in which we set an all-time record for financial generosity a fundraising event to create a new social justice staff position, and supported our Senior Minister, Jon Luopa, as he embarked on his sabbatical.

This year's annual pledge drive, led by the husband/wife team of David Bauman and Susan Howlett, again demonstrated the commitment and generous spirit of our members. Pledges for next year exceeded our goals so we were able to adjust the compensation of our staff to finally meet UUA guidelines. Other highlights of the year included:

- One-day congregational leadership retreat
- Two-day Board governance policy retreat
- Unanimous endorsement and approval of Linda Kaufman's ordination
- Celebration of Jon Luopa's 25th Anniversary in the ministry

Our primary goal this year has been to build on the work of previous Boards to finalize a system of policies and procedures that increases the opportunity UUC offers. We wanted to maximize the commitment, gifts and dreams of our congregation.

For more than two years, in its monthly study sessions and business meetings, the Board has been considering new ways to govern the church. Our fundamental question was, "How can members, staff and Board work together most effectively?" The approach to governance we have adapted is based on a model developed by John Carver, one that has been put to use in many large UU churches.

Our governance model sets up Board and Staff policies that define practices that are legal, prudent and ethical, as well as a set of "Outcomes" -- a way of stating the purpose of our church by focusing on the results that are realized. What change do we want to make in the world, and what do we believe members experience at University Unitarian Church?

We pored over strategic planning documents, examined the history and accomplishments of the congregation, solicited comments from new and long-time members, analyzed congregational surveys, and listened to the hopes and dreams of our ministers. This year's Board had members with firsthand experience dating back to three congregational leadership retreats and two Board retreats led by UU minister and trained governance policy expert Rev.

Margaret Keip. Most importantly, we joyfully had countless one-on-one conversations with individual members.

Through this inspiring and grueling process we came to the realization that everything that happens at UUC can be seen as a kind of transformation - what's important are the things that happen to people when they are engaged with UUC. The transformation can be tangible, spiritual, or both. While these Outcomes and the processes to achieve them will change as our own dreams and gifts change, we humbly offer them now and look forward to growing with you as we commit to all UUC can be. Our church's reason for being in this world is that:

UUC awakens its members to the personal or spiritual growth they seek, and inspires them to return the gifts of their transformation to UUC and their communities.

What does this transformation look like?

People feel welcomed into a caring Church community.

People feel at peace and hopeful, and share those feelings with their families and the world.

People feel inspired to see, hear, and think in ways that deepen our understanding and expand our vision.

People feel strong enough in heart and mind to face the challenges they may encounter in life, and look to others for strength when they need it most.

People feel helpful to others in our community and beyond, sharing their energies and resources freely and in love, in living witness to our shared values.

People feel grateful for the deep liberal religious legacy of Unitarian Universalism and the promise of its principles.

We are profoundly grateful for allowing us to represent you as your Board of Trustees. Thank you for your trust. We are inspired and transformed by the commitment we share with you for our beloved University Unitarian Church.

Respectfully submitted,

Ken Mundt, President

2006/07 Operations Annual Report

Tom Sutberry, Business Manger

We in the UUC operations support team thank the members and friends of the congregation for another exceptional year of stewardship in our financial, physical facilities and volunteer support. The following outline our significant activities for the last year.

- A. The establishment of a new volunteer team for sound support during Sunday services and other church-wide activities. Thanks to Alan Healy and Phil See for their leadership.
- B. The establishment of a volunteer team to plan for and rollout a new church web site for this coming fall. Thanks to David Doris, Byron Krystad, Laura Sager and Kathleen Cromp for their leadership.
- C. The ongoing efforts of the many volunteers that assist in the assembling and mailing of both the Gateway newsletter and monthly pledge statements. The team operates without volunteer leadership and consistently offers superior support. Thanks to you all!
- D. The ongoing volunteer efforts of the landscape maintenance team with the leadership of Nancy Bowen-Pope.
- E. The refinishing of the Nathan Johnson Hall floor.
- F. The replacement of our computer system server and several workstations.
- G. The resealing and painting of our parking lot.
- H. The replacement of our folding tables and chairs in Nathan Johnson Hall.
- I. Thanks to Bernard Jalbert for his volunteer leadership in our facilities maintenance and improvements.
- J. Successful pledge drive for next fiscal year led by volunteers David Bauman and Susan Howlett.

The church office staff appreciates all the help each volunteer provides to keep the church functioning smoothly. We look forward to another successful year supporting this community of memory and hope.

Annual Report: 2006/2007

Sue Williams

Director of Religious Education

University Unitarian Church

Greetings!

June is always a bittersweet time of the year here in the church school. Saying good-bye for the summer but knowing we will all be back together in a few short months. Summer is always good for rest, relaxation and reflection. You never know what new ideas might sprout up!

What's New?

I always look forward to a new year and new ideas. Each year we try to have at least one new experience/experiment. This year we had a puppet pageant put on by our preschool through grade six children and organized by Claudia McNeil. It all revolved around the universe and how our wonderful planet, in particular, came to be. It was our first all church school happening and it was amazing.

Our second graders did a wonderfully delectable social service project especially if you are a bird. They invented "Birdie Balls." These were sold and all proceeds went to the Audubon society. All our fifth graders worked together and learned about cat adoption and the MEOW Cat Shelter. Both groups held bake sales and our 11:15 group made cat cushions and cat toys to sell. I hope you got one. All proceeds went the cat shelter.

Youth Programs

Once again our Coming of Age and Our Whole Lives Programs (OWL) were quite large necessitating two groups. Both met this year at either 9:39 or 11:15. Something new that worked well.

We also started the OWL program with a weekend retreat. This was so successful that we will do it again next year.

We are also very pleased that the "UUknitarians" made lovely knit bowls for our Coming of Age Youth. Thank you so much!

The high school social action conference sponsored by our SPAG group (Social Political Action Group) was a great success this year with over 40 youth attending from local UU congregations. The theme was art as political action. Did you notice all the yarn creations here and there around the church? We can thank SPAG for all that abundant creativity.

I want to thank Amanda Ayling for her excellent coordination of these programs and the high school program as a whole. Her professionalism and enthusiasm is an inspiration.

Young Adult Programs

LeAnne Laux-Bachand is our new Young Adult Program Coordinator. Welcome LeAnne! We are glad you are with us. Part of our Young Adult Program is worship. This year's theme was "Faiths UUs Draw From." LeAnne coordinates one service a month that is geared toward young adults and also welcomes all ages to participate.

She taught a BYOT class and coordinated visits to a variety of faith traditions in the area. Social activities are an important part of this group and they meet weekly after Sunday services. The young adults at UUC are also looking forward to putting on a service for the congregation next year and there will also be greater outreach to the University of Washington student community with a Building Your Own Theology class.

It takes a Village!

As always I am so grateful for all our church school volunteers. Our fifty-five teachers, eight office volunteers, worship leaders and all the countless numbers who step forward when asked to cook a dish, hold a baby, read a story or greet a visitor. Thank you so much! We couldn't do it without you. I would also like to thank Deborah Phare for her artistic displays on our bulletin board. They really add to the ambiance of the church school.

Children and Youth Program Committee

I want to thank all the members of the Children and Youth Program Committee for their tireless and fruitful efforts on behalf of our children, youth and families. They are the cornerstones of the church school. Thank you all so much.

I want to end my report with a thank you to Eileen Michel who took over as RE Assistant in October. Eileen has moved on and is now working full time. At the same time I want to welcome Patricia D'Alessandro as our new RE Assistant. She is already on the job. Patricia has been with the church as parent, church school teacher, CYP member and chair. Patricia has also coordinated making meals for homeless teens with our high school and Coming of Age youth. She knows a lot about the church school! We are so glad to have her on board.

Thank you for this great year and the many more that are on the way!

Take care and see you soon.

Sue

Annual Report

Karen P. Thomas, Director of Music

May 25, 2007

The 2006-07 program year has seen change and growth for the Music Program at UUC. Our choir members in all three of our choirs work very hard to provide superb music for services and special events, contributing many hours of their time and talent every week. This year has also been a year of transition in some of our music staff positions. Last year we were blessed to have two highly skilled interim staff members – John Burkhardt as interim Organist/Pianist, and Kathy Barlow as interim Director of the Intergenerational Choir. Our extensive search process for a permanent Organist/Pianist and permanent Intergenerational Choir Director yielded happy results, with the hiring of two new staff members. In September 2006 David Lines was hired as Organist/Pianist and Abby Ramstad was hired as Director of the Intergenerational Choir. We are excited to have them both with us as members of the Music Staff team, bringing their skills and experience to our services and other components of our Music Program. The last few months of the program year have also brought with them the added richness and diversity of working with the Sabbatical Committee and pulpit guests during Jon Luopa's sabbatical.

Among the highlights of the program year are the following:

A. SPECIAL SERVICES

- Music Sunday, November 12, 2006 – Loft Choir, soloists and orchestra – selections from Bach's B minor Mass
- Music Sunday, May 6, 2007 – Loft Choir, soloists and orchestra – further selections from Bach's B minor Mass
- Christmas Eve services, December 24, 2006 – Loft Choir, soloists and Baroque ensemble – Latin American Baroque villancicos
- Easter services, April 8, 2007 – Loft Choir, soloists, trumpet, organ
- Celebration of Jon Luopa's 25th Anniversary of Ordination, October 1, 2006 – Loft Choir, Bell Choir, trumpet
- Chicago Children's Choir, April 29, 2007 – special appearance by this nationally renowned choir at our Sunday services
- Linda Kaufman Ordination, January 28, 2007 – Loft Choir
- Other special services: Family Candlelight, Maundy Thursday, Homecoming, Flower Communion.

B. CONCERTS AND SPECIAL EVENTS

- 37th Annual Messiah Sing-and-Play-Along on December 26
- Talent Show

C. MUSIC PROGRAM COMPONENTS AND STAFF

- Our Music Program consists of three choirs (Loft, Intergenerational, Handbell), an excellent Music Committee, and an annual concert series.

· Our full Music Program staff consists of eight persons: Karen P. Thomas, Director of Music; David Lines, Organist/Pianist; Abby Ramstad, Director of Intergenerational Choir; Section Leader/Soloists Kathy Barlow, Anne Wood, Sam Rodarte and Rick Scheyer; and IGC accompanist Stevie Kallos.

D. MUSIC COMMITTEE

- Publicized and assisted with production of the concerts and special events listed above.
- Raised funds to support the Music Program budget through raffle, Messiah Sing-Along, Music Sunday offering, etc.
- Hosted the Chicago Children's Choir during their visit and performances at UUC

E. PROFESSIONAL STAFF DEVELOPMENT

· I have engaged in professional development activities both nationally and locally. I attended workshops and seminars at the national convention of Chorus America in Los Angeles. Locally, I've attended workshops and presentations at the American Choral Director's Association (ACDA) Summer Institute in Tacoma. For the ACDA I also served on the planning committee. I have continued my board service this year on the Washington state board of the American Choral Director's Association.

Annual Report – Social Justice
Jennifer Bright, Social Justice Coordinator

The 2006-2007 year was a milestone in UUC's long and illustrious history of social justice action. As part of Rev. Jon Luopa's anniversary celebration, the congregation made a significant, multi-year financial commitment to expand the church's social justice ministry. A new social justice staff position was established, along with two dedicated funds: the Social Justice Program Fund, which support UUC's social justice work, and the Living Justice Grants Fund, which will provide financial support to external organizations and causes. UUC is guided in these efforts by a Social Justice Steering Committee: Ruth Bales-McCleerey, Sue Danielson, Nancy Goodyear and Ruth Little.

Even as all this has been going on, our congregation has continued its social justice work in a wide variety of ways. A few highlights from the year:

- Participation in the interfaith Habitat for Humanity build at High Point in West Seattle.
- Fundraising by the Economic Justice Group for a microlending bank in Haiti.
- The launching of a formal Green Sanctuary team, which is guiding us we look deeply at how we live our seventh principle, respect for the interdependent web of all existence of which we are a part.
- The start of a discernment process on immigrant rights and immigration policy, as congregations around the country launch a New Sanctuary Movement in support of comprehensive and humane immigration reform.
- Our weekly Impact Forum sessions, which offered education and discussin on a wide range of important issues – everything from sustainable living to media independence to Middle East peace.
- Service projects by Covenant Groups which are providing books to local low-income families and school supplies to Iraqi children.
- Numerous projects by our children and youth, which have supported the Audubon Society, New Beginnings shelter, UNICEF, the U District Teen Feed, The Giving Tree, Operation Sack Lunch, Project Heifer, and more!
- Financial support for the University Churches Emergency Fund and the U District Teen Feed.
- Strong participation and leadership by our members in affiliated social justice organizations such as the Unitarian Housing Group, the UU Central American Network, and the newly formed Washington UU Voice for Justice, a statewide legislative network of UUs.
- Co-sponsoring of community events such as a human rights lecture by former UUA president and Amnesty International director William Schultz; the mock war crimes Trial of Donald Rumsfeld, which shed light on the human rights and due process abuses of the US government; and Equality Day in Olympia in support of equal civil rights for all without regard to sexual orientation.

University Unitarian Church

Financial Reports

2007

TREASURER'S REPORT 2007

Our fiscal year will not end until June 30th. However, we are already able to see we are doing well financially and continue to head in the right direction. Here are some of the financial highlights of our year.

One of our most remarkable achievements has been the success of our pledge drive. First, the Board of Trustees, based on congregation feedback, created funding priorities for the pledge drive. The Board-initiated priorities were: 1) ensuring all UUC staff members and ministers were on the newly adopted UUA salary matrix, 2) begin prefunding ministers' sabbaticals, 3) Ensure an audit is conducted in FY 2007 for the previous fiscal year, and 4) provide funding for the Living Justice Fund and Social Justice Fund, with planning for continued funding.

Then, the pledge drive was organized and carried out by the husband and wife team of David Bauman and Susan Howlett. WOW! What a great team. They brought with them a genuine love for the church, rich personal experiences, and a commitment to giving based on those experiences. They gave us a wonderful example of thoughtful and respectful stewardship. Through their leadership, we, as a congregation, were able to increase our overall 2008 pledges by over 7%. This is truly remarkable. And I thank the entire Board of Trustees for starting off this effort with a 10% overall increase in their own pledges.

As part of reducing expenses this past year, we were not able to do the planned external financial and operational audit. However, our pledges have now increased, and because this was a Board funding priority, I am happy to report an audit will be conducted during this next fiscal year. The yet to be chosen firm will be auditing the July 1, 2006 – June 30, 2007 fiscal period.

The role of the Treasurer and the Board of Trustees continue to evolve. This year, the Board established the priorities for the budget. And, for the first time, the Senior Minister, Minister and the Business Manager, with the help of the rest of the staff, fully created the proposed annual budget. They will also be charged with implementing the adopted budget. In tandem with this new role, the Board created new financial limitations policies, within which the staff must operate.

This new structure will allow the Treasurer and the rest of the Board to focus on monitoring invested assets, monitor cash flow activity, oversee the audit, and be more in touch with congregational priorities. This new structure will ultimately help protect our assets by giving greater visibility to the bigger picture of overall financial performance, while allowing the staff to manage the day to day details of operations.

I have learned much this year as Treasurer. Thank you all for supporting me in this role, especially the Investment Committee and the Audit Committee. I look forward to using the knowledge I have gained to continue to support the work of UUC.

Sincerely,
Lu-Ann Branch, Treasurer

University Unitarian Church

July 2007 through June 2008

UUC Proposed FY07/08 Operating Budget

Ordinary Income/Expense

Income

4000 · Pledges	762,800.00
4010 · Gain/Loss Market valuation	
4050 · Other Income	34,000.00
4090 · Grants	5,000.00
4100 · Room use fees	53,000.00
4110 · Rental Income	60,000.00
4120 · Interest	6,000.00
4220 · Music Income	8,500.00
4242 · Art Sales	1,865.00
4310 · CYP Income	19,350.00
4340 · Bookstore	8,000.00
4350 · ARE	2,000.00
4430 · Membership & Care Income	1,000.00
4500 · Social Action	1,940.00
4600 · Special events	36,000.00
4700 · Residual Equity Transfer	53,000.00
4900 · Release from Restrictions	89,832.00
Total Income	1,142,287.00

Expense

5045 · Salaries	570,683.00
5060 · Benefit Expenses	173,902.00
5070 · Expense Accounts	30,950.00
5150 · Debts & taxes	32,000.00
5155 · Insurance	17,500.00
5160 · Office	39,000.00
5180 · Building Maintenance	52,000.00
5190 · General Business	31,700.00
5220 · Music expenses	21,000.00
5240 · Worship & Arts	3,000.00
5310 · CYP expense	26,450.00
5320*Youth Abroad	10,900.00
5330 · Educ. & Adult Programs	2,000.00
5400 · Dues	55,000.00
5420 · Membership & Care Programs	8,000.00
5500 · Social Justice Program	25,210.00
5510* Living Justice Grants	32,000.00
5550*Partner Church	7,000.00
5600 · Special events expense	
6560 · Payroll Expenses	4,000.00
Total Expense	1,142,295.00
Net Ordinary Income	-8.00

2007/08 UUC BUDGET NARRATIVE

OVERVIEW:

The executive team proposed FY2007/08 budget accommodates and includes all four Board of Trustees priorities: (1) partial implementation of UUA salary recommendations for ministers and staff by adopting a salary matrix for all employees working half time and greater and the provision of at least a 3% increase for them; (2) provision for a “Living Justice Fund” contribution through a transfer from the social justice fund and additional fundraising (the \$32,000 amount for “Living Justice Fund” grants includes a \$20,000 transfer from the Social Justice Fund for grants to be determined, including \$1,800 for teen feed, \$7,000 for the University Churches Emergency Fund and \$5,000 in new microlending fundraising) ; (3) beginning to fund Alicia Grace’s sabbatical; and (4) provision for a financial audit.

REVENUE ASSUMPTIONS:

4000 Pledges – As of May 10th, 2007, a total of 523 pledges for FY07/08 have been made totaling \$709,337. The FY07/08 projection for pledges assumes 597 pledge units with \$762,800 in total pledges. 104 pledgers in FY06/07 with pledges totaling \$75,169 have not yet committed for next year. The projection of \$762,800 assumes 74 additional pledges averaging \$723 for a total additional pledge amount of \$51,710.

4050 Other Income – This line item consists mainly of contributions from non-members and friends primarily in plate collections on Sundays. Later in the year, we will give consideration to donating all or part of the plate collections to the “Living Justice Fund” for social action grants. Also included are Gateway subscriptions and Sunday flowers donations.

4090 Grants – This is the last increment of the Youth Ministry Grant to be released for operating expenses. In future years, the church will have to pick this expense up.

4100 Room Use Fees – This is the collection from renting out the church facility to outside groups. The projection is in line with current year collections.

4110 Rental Income – This is the amount collected for renting out the three houses on 35th Ave NE to Community Psychiatric Clinic. It assumes a 5% increase in rents.

4120 Interest Income – This amount is based on interest collected on bank and money market accounts.

4220 Music Income – This amount is based on projected collections from the Messiah and Music Sundays.

4242 Art Sales – This is the net amount projected from art sales.

4310 CYP Income – This includes \$12,000 for church school tuition, \$4,050 in coming of age fees, \$900 for middle school conference fees, and \$2,400 for SPAG.

4343 Bookstore – This amount is derived from bookstore sales and used book sale.

4600 Special Events – This includes \$35,000 from the auction and \$1,000 from leadership retreat fees.

4700 Residual Equity Transfers – includes \$32,000 from the Living Justice Fund for social justice grants and \$10,000 from the Knatvold Fund for the new website development and \$11,000 from the program fund for the financial audit.

4900 Release from Restrictions – includes \$2,000 from the music reserve, \$69,154 from the Social Justice Fund, \$10,900 from the Youth Abroad reserve, and \$7,778 from the Partner Church reserve.

APPROPRIATIONS:

5045 Salaries – This amount represents moving existing staff working more than half time to the new salary matrix with a minimum of 3% increase. This meets the BOT goals for implementing salary matrix and ministerial compensation.

5060 Benefit Expense – This amount includes an assumed 10% increase in Health Insurance Premium costs on January 1st, 2008.

5150 Debts and Taxes – This amount is necessary to pay local taxes/fees and service existing debt owed to Evergreen bank for previous church fixed asset improvements. The interest rate will change in August of 2008.

5155 Insurance – This amount pays our comprehensive liability coverage including Director's and Officers liability coverage.

5160 Office – This amount includes office expenses including paper and other supplies, copier lease, telephone expenses, bank fees, and mailing/stamps expenses.

5180 Building Maintenance – This amount includes utilities, supplies and maintenance costs.

5190 General Business – This amount includes \$11,000 for the audit, \$7,000 for remaining website development contract, \$2,900 for leadership development, \$1,300 for volunteer recognition, \$5,000 for fundraising expenses including the pledge drive, \$5,000 for professional accounting/computer support, and \$1,000 for human resources advertising expenses.

5220 Music Expenses – This brings the music program back to previous appropriation levels as requested by the Music Committee.

5240 Worship and Arts – This amount is used to reimburse pulpit guests and to support the worship committee.

5310 CYP Expense – This includes \$15,600 for church school, \$4,050 for Coming of Age, \$900 for middle school conference, \$2,400 for SPAG, \$2,000 for YAM and \$1,500 for OWL.

5320 Youth Abroad – This is the remaining amount to complete the summer of 2007 trip to Guatemala, the costs of which span two fiscal years.

5330 Education and Adult Programs – This is the assumption for an expanded ARE program.

5400 Dues – This amount is paid to UUA, PNWD and PSUUC. This increases according to our membership and budget amounts.

5500 Social Action Council – This is miscellaneous program expenses for social action including dues to UUSC and other partner organizations, LCD projector, training funds for social justice leadership, financial support for two existing social justice groups and five new groups yet to form.

5510 Living Justice Grants – This amount represents the total for social action grants for external purposes and assumes \$7,000 for University Churches Emergency Fund, \$1,800 for UU District Teen Feed, \$5,000 for micro-lending project, and \$18,200 unspecified for the determination of the Social Justice Grants Committee to allocate.

5550 Partner Church – This is the amount to be transferred to the partner church in Alsarakos for scholarship funds for 12 students and general operating expenses.

6560 Payroll Expenses – This amount represents the first contribution towards a reserve for Alicia Grace's sabbatical.

UUC Five Year Capital Plan

Project	FY 07/08	FY 08/09	FY 09/10	FY 10/11	FY 11/12
Chapel Windows		20,000	20,000		
Chapel Leaks Project	7,500			5,000	
New Front Doors (auto open)			20,000		
Replace Ceiling Tiles		5,000		5,000	
NJ Hall Roof Rebuild				20,000	
NJ Hall Floor Refinish		3,500			1,500
New Wing Roof Project	40,000				
Office area remodel	25,000				
Landscaping Improvements	5,000	25,000		5,000	
Misc. Carpet/Rug Replacements	2,000	2,000	2,000	2,000	2,000
HVAC Repairs/Replacements	5,000	5,000	5,000	5,000	5,000
Computer System Replacements	7,000	2,500	2,500	2,500	2,500
Telephone System Replacement		10,000			
Chapel Interior Paint		20,000			
Remodel Frazee			15,000		
Remodel Emerson/add storage		20,000			
Exterior Paint		45,000			
Beam Inspection/caulking	1,500		1,500		1,500
Chapel Heating/Cooling Plant		7,500		7,500	
Chapel Carpet Replacement		35,000			
Kitchen Repairs/Upgrades	5,000		10,000		
Old wing Basement Repainting	5,000			5,000	
Rental Houses Repairs/Maint.	5,000	5,000	10,000	5,000	2,500
Office clerestory windows/frames	2,500				
Sealcoating/Striping Parking Lot					5,000
Basic Tools Inventory		3,000		3,000	
Replacement Folding Tables/Chairs	5,000			7,500	
Replacement Pews			70,000		
TOTALS	115,500	208,500	156,000	72,500	20,000

University Unitarian Church Balance Sheet Prev Year Comparison

As of March 31, 2007

	<u>Mar 31, 07</u>	<u>Mar 31, 06</u>	<u>\$ Change</u>
ASSETS			
Current Assets			
Checking/Savings			
1001INV · BofA MoneyMarket	212,558.01	121,913.90	90,644.11
1001 · Operating-Bank of America	123,785.54	101,700.63	22,084.91
1004 · BofA Savings	32,111.59	31,577.97	533.62
1005 · Petty Cash	132.45	96.97	35.48
1001CAP · Checking CAP MT FUND	4,648.92	11,396.09	-6,747.17
1003CAP · Harris - Fleagle Trust	84,485.93	83,881.79	604.14
1004CAP · BOA Savings	60,162.47	85,310.39	-25,147.92
1001KNV · Harris - Knatvold Trust	389,507.38	358,133.92	31,373.46
1007PRO · Harris Program Capital	276,848.53	256,564.96	20,283.57
1008END · Harris Endowment	258,301.45	228,743.21	29,558.24
Total Checking/Savings	1,442,542.27	1,279,319.83	163,222.44
Other Current Assets			
1060 · Bookstore inventory	17,698.20	13,661.03	4,037.17
Total Other Current Assets	17,698.20	13,661.03	4,037.17
Total Current Assets	1,460,240.47	1,292,980.86	167,259.61
Fixed Assets			
1200 · Church Land and Buildings			
1201 · Church Land	48,665.88	48,665.88	0.00
1202 · Church Building	589,020.07	577,354.25	11,665.82
1203 · Church Addition	694,436.10	694,436.10	0.00
1204 · 3 Brick Houses and Land	68,524.46	68,088.00	436.46
1205 · Organ/Instruments	29,675.42	26,775.90	2,899.52
1206 · Furniture & Fixtures	128,465.16	118,668.30	9,796.86
1207 · Office Equipment	67,867.56	58,945.65	8,921.91
1208 · DeWolfe House	156,790.12	156,790.12	0.00
1209 · Other Improvements	196,839.07	191,387.38	5,451.69
1215 · Roof Improvements	236,828.06	236,828.06	0.00
1230 · Image/Logo	3,500.00	3,500.00	0.00
1200 · Church Land and Buildings - Other	988.30	988.30	0.00
Total 1200 · Church Land and Buildings	2,221,600.20	2,182,427.94	39,172.26
Total Fixed Assets	2,221,600.20	2,182,427.94	39,172.26
TOTAL ASSETS	<u>3,681,840.67</u>	<u>3,475,408.80</u>	<u>206,431.87</u>
LIABILITIES & EQUITY			
Liabilities			
Current Liabilities			
Accounts Payable			
2000 · Accounts Payable	9,506.51	12,893.89	-3,387.38
Total Accounts Payable	9,506.51	12,893.89	-3,387.38

Credit Cards			
2005 · Bank of America VISA			
2005SW · Sue	655.60	-42.71	698.31
2005TS - Tom	0.00	411.32	-411.32
2005SM · Sameera	18.49	0.00	18.49
2005MS · Marvin	418.94	80.98	337.96
2005LR - Laurie	0.00	421.37	-421.37
2005KT · Karen	157.78	223.32	-65.54
2005JL · Jon	171.62	468.45	-296.83
2005AG · Alicia	-98.93	53.39	-152.32
2005ACA - Acacia	0.00	98.76	-98.76
2005AA · Amanda	0.00	164.05	-164.05
Total 2005 · Bank of America VISA	1,323.50	1,878.93	-555.43
Total Credit Cards	1,323.50	1,878.93	-555.43
Other Current Liabilities			
2010 · Sales tax payable	364.91	942.89	-577.98
2100 · Payroll Liabilities			
2101 · Social Security	2,060.66	0.02	2,060.64
2102 · Medicare Payable	481.93	0.01	481.92
2103 · Federal Withholding	1,594.50	-0.50	1,595.00
2110 · Section 125			
2110KT - Karen Thomas Section 125	0.00	30.00	-30.00
2110-JL · Jon Luopa Section 125	-197.00	-836.70	639.70
2110TS · Tom Sutberry Section 125	-152.00	-89.00	-63.00
2110LR - Raurie Radin Section 125	0.00	240.00	-240.00
2110KB · Keri Barker Section 125	149.99	-228.65	378.64
2110KBP · Section 125 Prem Only KB	106.34	143.64	-37.30
Total 2110 · Section 125	-92.67	-740.71	648.04
2100 · Payroll Liabilities - Other	750.00	0.00	750.00
Total 2100 · Payroll Liabilities	4,794.42	-741.18	5,535.60
2200 · Temporary Funds Held for Others			
2211 · Damage Deposit	1,180.00	1,069.74	110.26
2212 · Key Deposit	150.00	135.00	15.00
Total 2200 · Temporary Funds Held for Others	1,330.00	1,204.74	125.26
2400CAP · Fleagle Trust Payable	62,693.11	68,129.68	-5,436.57
2800 · Evergreen Loan tracking account	371,977.87	380,262.09	-8,284.22
Total Other Current Liabilities	441,160.31	449,798.22	-8,637.91
Total Current Liabilities	451,990.32	464,571.04	-12,580.72
Total Liabilities	451,990.32	464,571.04	-12,580.72
Equity			
3900 · Retained Earnings	3,006,207.36	2,892,857.59	113,349.77
Net Income	223,642.99	117,980.17	105,662.82
Total Equity	3,229,850.35	3,010,837.76	219,012.59
TOTAL LIABILITIES & EQUITY	3,681,840.67	3,475,408.80	206,431.87

University Unitarian Church
Unrestricted Profit & Loss Budget vs. Actual
 July 2006 through March 2007

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4/4/2007

Accrual Basis

	<u>Jul '06 - Mar 07</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>Yr-end Proj.</u>
Ordinary Income/Expense				
Income				
4000 · Pledges	512,799	702,600	(189,801)	690,000
4010 · Gain/Loss Market valuation	79			
4050 · Other Income	27,075	28,240	(1,165)	34,000
4090 · Grants	-	2,500	(2,500)	2,500
4100 · Room use fees	39,677	60,000	(20,323)	53,000
4110 · Rental Income	38,200	60,000	(21,800)	57,300
4120 · Interest	5,582	4,688	894	7,000
4220 · Music Income	11,077	10,500	577	13,500
4242 · Art Sales	12,657	2,000	10,657	15,000
4310 · CYP Income	18,156	19,170	(1,015)	18,200
4340 · Bookstore	6,115	8,500	(2,385)	8,500
4350 · ARE	1,953	2,500	(547)	2,000
4430 · Membership & Care Income	944	1,500	(556)	1,000
4500 · Social Action	760			900
4600 · Special events	1,040	44,625	(43,585)	8,665
4700 · Residual Equity Transfer	-	37,391	(37,391)	22,391
4900 · Release from Restrictions	1,245			6,250
Total Income	677,358	984,214	(306,856)	940,206
Expense				
5045 · Salaries	325,235	519,077	(193,842)	440,000
5060 · Benefit Expenses	175,753	156,172	19,581	235,000
5070 · Expense Accounts	13,316	28,950	(15,634)	25,000
5150 · Debts & taxes	21,496	34,000	(12,504)	32,000
5155 · Insurance	12,080	16,000	(3,920)	16,677
5160 · Office	26,350	36,000	(9,650)	35,000
5180 · Building Maintenance	39,411	48,000	(8,589)	49,000
5190 · Business Council	7,385	20,500	(13,115)	11,000
5220 · Music expenses	14,019	16,400	(2,381)	21,400
5240 · Worship & Arts	14,382	5,967	8,415	18,000
5310 · CYP expense	13,746	22,100	(8,354)	19,000
5320*Youth Abroad		8,975		8,975
5330 · Educ. & Adult Programs	317	2,000	(1,683)	600
5400 · Dues	39,593	52,000	(12,407)	51,600
5420 · Membership & Care Programs	5,240	7,000	(1,760)	7,000
5500 · Social Action Council	1,683	6,500	(4,817)	3,500
5600 · Special events expense	35			
6560 · Payroll Expenses	-			
Total Expense	710,040	979,641	(269,601)	973,752
Net Ordinary Income	(32,682)	4,573	(37,255)	(33,546)

Net Income**(32,682) 4,573 (37,255)**

University Unitarian Church
Capital Budget vs. Actual
 July 2006 through March 2007

Other Income/Expense	Jul '06 – Mar '07	Budget	\$ Over Budget
Other Expense			
8000 – Capital Plan			
8010 – Kitchen Leak Repairs	0	5,000	-5,000
8020 – Ceiling Tile Replacement	0	5,000	-5,000
8030 – NJ Hall Floor Refinish	6,047	9,000	-2,953
8040 – Landscaping Improvements	0	5,000	-5,000
8050 – Carpet/Rug Replacement	0	4,000	-4,000
8060 – Computer Replacement	7,722	7,000	722
8070 – Emerson Remodel	0	20,000	-20,000
8080 – CYP Room Upgrades	814	2,000	-1,186
8090 – Kitchen Repairs/Upgrades	0	5,000	-5,000
8100 – Basement Repainting	0	5,000	-5,000
8110 – Rental House Repairs/Maint	801	5,000	-4,199
8120 – Office Clerestory Windows/Frame	0	15,000	-15,000
8130 – Parking Lot S/S	5,573	15,000	-9,427
8140 – Basic Tools Inventory	0	3,000	-3,000
8150 – Tables/Chairs Replace	8,558	8,000	558
8160 – Lighting	1,239		
8999 – Capitalize Purchases	-29,453		
Total 8000 – Capital Plan	1,300	113,000	-111,700
9000 – Transfers between Funds	21,622		
Total Other expense	22,922	113,000	-90,078
Net Other Income	-22,922	-113,000	90,078
Net Income	-22,922	-113,000	90,078

2007 INVESTMENT HIGHLIGHTS

All of our long-term invested assets have now been with our investment firm, Harris Private Bank, for over one year. We are pleased with Harris and their investment expertise. Our overall return this year was 9.8%. While the Investment Committee no longer actively manages the funds, the committee meets semi-annually to review fund performance.

Our Board strategy has continued to be that we will not draw upon on the Knatvold Account or the Endowment Fund for church operations. We use the Raible Capital Fund to fund our long term (with a useful life of greater than three years) building and infrastructure improvements. We also use the Program Fund for restricted and unrestricted program expenses. We continue to honor the Funds for the Future investment approach and distribution policies established in 2005.

We look forward to growing the three Funds for the Future through strategic donations. Those Funds include the Raible Capital Fund (building and infrastructure improvements), the Program Fund (for restricted and unrestricted donations to church programs), and the UUC Endowment (for future financial stability).

The Board would like to thank those who participate on the Investment and Audit Committees: Marlese Korber, Frank Methany, Jennifer O'Connor, Scott Poepping and Cal Van Zee. They have continued to participate through the many changes over the years and have provided keen and valued insight.

INVESTMENT RESULTS FOR THE PERIOD APRIL 1, 2006 – MARCH 31, 2007

	March 31, 2006 Balance	Investment Gain/(Loss)	March 31, 2007 Balance	Average Annual Rate of Return
Program Fund	\$122,638	\$10,292	\$132,930	9.00%
Capital Fund	\$133,927	\$10,081	\$144,008	9.00%
Endowment	\$228,743	\$29,685	\$258,428	9.39%
Total Fund for the Future Investments	\$485,308	\$50,058	\$535,366	9.13%
Knatvold Trust	\$358,134	\$31,712	\$389,846	9.9%
Fleagle Charitable Remainder Trust	\$83,981	\$505*	\$84,486	10.92%
Total Investments	\$927,423	\$82,275	\$1,009,698	9.8%

*Net amount after payouts to donor.

