AGENDA OF THE 2013 ANNUAL MEETING

Ken Mundt, Moderator

The following is the proposed agenda for the Annual Congregational Meeting of University Unitarian Church, held Sunday, June 9, 2013.

The proposed agenda includes the following items:
1. Call to order by the Board President.
2. Appointment of Secretary, Parliamentarian, and Tellers by Moderator.
3. Announcement of quorum by Tellers.
4. Motion to approve the final agenda for the Annual Meeting.
5. Motion to approve the minutes of the June 10, 2012 Annual Meeting.
6. Motion to approve the 2013-14 Operating Budget.
7. Recognition of outgoing members of Board of Trustees and Leadership, Development Committee.
8. Election of new Trustees and LDC Members, as printed in the May 1st issue of the Gateway and posted to the church.
9. Motion to approve the 2012-13 Annual Report.
12. Motion to adjourn.

MINUTES OF THE 2012 ANNUAL MEETING

Submitted June 10, 2012, by Jack Lattemann, 2011-12 Secretary

1. The Meeting was called to order by President Rochelle Coffey at 10:55 a.m.

2. Moderator Kiley Dumas appointed Jack Lattemann as secretary for this meeting, and appointed Stacey Carlson and Janet Kimball as tellers. The moderator requested the tellers to determine if we had a quorum. The tellers affirmed that a quorum was present.

3. The moderator introduced the agenda.

4. The Rev. Jon Luopa read the names of the following members who passed away since the last annual meeting: Ross Bunnell, Nellie (Pieterje) Claringbould, Lucinda Clifton, Martha Erickson, Phyllis Haner, Joann (Jodey) Klee, Charles Lutz, Jean Meyerson, Richard Poultridge, Charlotte Sanborn, and Duane Oberg. A moment of silence followed.
5. The moderator called for a motion to approve the final agenda. A motion was made, seconded, and unanimously approved.

6. The moderator called for a motion to approve the minutes of the June 12, 2011 Congregational Meeting. The written minutes were included in the 2012 Annual Report that had been available for two weeks. A motion was made, seconded and unanimously approved.

7. The moderator called for a motion to approve the minutes of the December 11, 2011 Congregational Meeting. The written minutes were included in the 2012 Annual Report that had been available for two weeks. A motion was made, seconded and unanimously approved.

8. The moderator called for a motion to approve the 2011-2012 Annual Report. A motion was made, seconded and approved unanimously.

9. The moderator recognized Treasurer Anne Eskridge and Director of Operations Byron Krystad. Anne Eskridge thanked the Finance Committee for its work on this year's church budget. After summarizing changes from the original draft budget that were described on the reverse side of the agenda, Byron Krystad answered several questions about the proposed budget.

10. The moderator called for a motion to approve the annual budget for 2012-2013 as described on the reverse side of the agenda. A motion was made, seconded and approved unanimously.

11. Rochelle Coffey recognized outgoing members of the Leadership Development Committee (LDC): Laural Miller Klein, Julia Moser, and Paula Nurius. She also recognized the outgoing members of the Board of Trustees: Joan Fuller, Jack Lattemann, and Frank Metheny. Rochelle Coffey then thanked Kiley Dumas for his two years of service as moderator.

12. The moderator called for a motion to approve the following individuals to serve as members of the Board of Trustees, Leadership Development Committee, and Moderator: Rich Brooks, Anne Eskridge, and Jennifer Schubert as three new members of the Board of Trustees for three-year terms; Gayle Childers, Anne Garrett, and Hugh Kimball as new members of the Leadership Development Committee for two-year terms; and Ken Mundt as moderator for a two-year term. A motion was made, seconded and approved unanimously.

No new business was presented.

13. Jon Luopa presented a few closing remarks. He thanked Kristin Guest for her work on the planning team, and looked forward to the coming implementation of the strategic planning recommendations.

14. A motion to adjourn was seconded and passed unanimously at 11:24 a.m.
PREFACE TO THE FINANCIAL REPORTS

The year 2012-13 represented a watershed year for the church in terms of financial management and reporting. After an exhaustive and GAAP-compliant audit of the church’s fiscal year 2011-12 by the firm of Peterson Sullivan from August 2012 through January 2013, the business staff, board, and finance committee are in a new position to manage and discuss the finances of UUC among themselves and with the rest of the congregation.

In contrast to previous years of Annual Reports in the month of May, the Annual Report for May 2013 will include the following: proposed budget for the next fiscal year, approved budget of the previous fiscal year for comparison, third-quarter revenue and expense summary to show progress on previously approved budget, and status of operating, capital, and investment revenue objectives for the next five years.

In July 2013, and in July of future years, the Director of Operations will publish a Fiscal Year End Report, illustrating all actual results of revenues and expenses and the closed statement of financial position for the fiscal year ended June 30, including comparisons to previous fiscal year closings. This report will be published in print and online, and a summary will be included in the August issue of the Gateway publications for review by members of the congregation.

As a result of these changes, the 2013 Annual Report as printed here does not contain balance sheet comparisons, projections for year-end closing, or other types of information included in previous Annual Reports. If you have questions about these changes to reporting beginning in 2013, please contact Byron Krystad, Director of Operations, at the church office to discuss.

2013-14 ANNUAL OPERATING BUDGET

The annual operating budget of University Unitarian Church reflects the ongoing costs of compensation, administration, and programming of the church between July 1, 2013 and June 30, 2014.

Revenues

Revenues are projected based on pledge information on hand at the time of publication of the Annual Report in May, 2013, and anticipated revenues from additional fund raising events and other annual income sources (rent, tuition, fees). Note that some expenses in 2013-14 will be offset by releases of existing funds from donor restrictions, and this support is reflected by the additional $37,884 shown under Revenue and Support in the proposed budget.

Expenses

Salary and benefit expenses for paid staff at $827,319 represent 73% of all annual expenses. In 2013-14, salaries and benefits per person will increase to reflect a 1.5% cost of living adjustment, a projected 7% increase in health insurance benefits, and additional payroll taxes. Total full-time equivalent (FTE) staff on payroll went from 11.7 in 2012-13 to 11.1 in 2013-14.
The position that was not filled in 2012-13 – the Fund Development Coordinator – had been intended to bolster UUC’s fund-raising capabilities for short-, medium-, and long-term funds. After interviews, evaluation, and further discussion with the granting foundation, the executive team concluded that it would be unwise to make a staffing investment without operating funds available for future years to pay that staff member.

The Executive Team altered the plan for the grant that was to fund this position to use it in 2013-14 to pay a one-time consultant instead. This consultant will be engaged early in the fiscal year to help prepare the congregation for new fund-raising goals beginning in the fall of 2013. As a result, the expenses for such a consultant have been added as a one-time business expense for the year, rather than a salary expense.

The following distribution of budgeted salary and benefit expenses for programs shows their amounts and percent of all program salary and expenses for 2013-14:

<table>
<thead>
<tr>
<th>Program</th>
<th>Total Compensation</th>
<th>% of Program Compensation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Worship</td>
<td>229,171</td>
<td>38%</td>
</tr>
<tr>
<td>Religious Education</td>
<td>124,801</td>
<td>20%</td>
</tr>
<tr>
<td>Music</td>
<td>121,113</td>
<td>20%</td>
</tr>
<tr>
<td>Congregational Life</td>
<td>103,310</td>
<td>17%</td>
</tr>
<tr>
<td>Social Justice</td>
<td>32,696</td>
<td>5%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$611,091</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>

Program expenses shown in the budget are for services and materials directly related to the activities of those programs. Administration total compensation for 2013-14 is $216,228, representing six (6) full- or part-time staff members.

Another key change in UUC’s expenses and financial position to be aware of is that the loan held by Umpqua Bank that was to come to term in August 2013 has been paid off in full using a combination of cash in the Capital fund principal and two bequests received in 2012-13 (from the estates of Charles Lutz, Dee Perguson, and Ruby Wiley). As a result of clearing this financial liability of the church, the payoff of the loan means that there are no interest payments to include in the operating budget for 2013-14. This savings allows us to support additional operating expenses outlined below.

Important changes to operating expenses unrelated to compensation for 2013-14 are the following:

- UUA dues are increased by $8,500 to reach 75% of fair share dues.
- Special events costs are increased by $10,000 over 2012-13 for the 100th Anniversary Celebration in October 2013.
- Social justice expenses are balanced by releases of restricted funds totaling 20% of costs in 2013-14, compared to 40% of costs in 2012-13. The rest is balanced by new revenue.

On the following pages, the fiscal year 2012-13 budget and the first three quarters of actual revenues and expenses (July 2012 through March 2013) are presented after the 2013-14 budget for comparison.
# Fiscal Year 2013-14 Budget (Submitted for Approval June 9, 2013)

<table>
<thead>
<tr>
<th>Revenues and Support</th>
<th>Unrestricted</th>
<th>Temporarily Restricted</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pledge Donations</td>
<td>849,000</td>
<td></td>
<td>849,000</td>
</tr>
<tr>
<td>Other Donations</td>
<td>30,000</td>
<td>30,000</td>
<td>30,000</td>
</tr>
<tr>
<td>Special Event Revenue</td>
<td>50,000</td>
<td>50,000</td>
<td>50,000</td>
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<tr>
<td>Tuition Revenue</td>
<td>25,125</td>
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<td>25,125</td>
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<tr>
<td>Rental Revenue</td>
<td>117,739</td>
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<td>117,739</td>
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<tr>
<td><strong>Program Revenue</strong></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>Religious Education</td>
<td>6,625</td>
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<td>6,625</td>
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<tr>
<td>Worship and Care</td>
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<td></td>
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</tr>
<tr>
<td>Music</td>
<td>15,300</td>
<td>15,300</td>
<td>15,300</td>
</tr>
<tr>
<td>Membership</td>
<td>1,000</td>
<td></td>
<td>1,000</td>
</tr>
<tr>
<td>Investment Revenue</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other Revenue</td>
<td>1,700</td>
<td></td>
<td>1,700</td>
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<tr>
<td>Principal Released from Restriction*</td>
<td>37,884</td>
<td>(37,884)</td>
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<tr>
<td><strong>Total Revenues and Support</strong></td>
<td>1,134,373</td>
<td>(37,884)</td>
<td>1,096,489</td>
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<table>
<thead>
<tr>
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</thead>
<tbody>
<tr>
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<td>622,794</td>
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<td>Employee Benefits</td>
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<tr>
<td>Health Insurance</td>
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<td>59,639</td>
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<tr>
<td>Pension</td>
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<td>46,755</td>
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<tr>
<td>Elective Compensation</td>
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<td>18,702</td>
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<tr>
<td>Payroll Tax</td>
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<td>52,679</td>
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<tr>
<td>Staff Expense Accounts</td>
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<td>26,750</td>
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<tr>
<td><strong>General Operating Expenses</strong></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Tax, License, and Insurance</td>
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<td>22,832</td>
</tr>
<tr>
<td>Financing Expenses</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Denominational Dues</td>
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<td>46,150</td>
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<td>Office Expenses</td>
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<td>27,600</td>
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<td>Building Maintenance Expenses</td>
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<td>Business Expenses</td>
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<td>51,500</td>
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<td><strong>Program Expenses</strong></td>
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<td>8,250</td>
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<tr>
<td>Religious Education Program</td>
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<td>31,725</td>
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<td>Music Program</td>
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<td>18,900</td>
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<tr>
<td>Congregational Life</td>
<td>4,250</td>
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<td>4,250</td>
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<tr>
<td>Social Justice Expenses</td>
<td>16,700</td>
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<tr>
<td>Bank Expenses</td>
<td>6,700</td>
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<tr>
<td>Other Expenses</td>
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<tr>
<td><strong>Total Expenses</strong></td>
<td>1,134,373</td>
<td></td>
<td>1,134,373</td>
</tr>
</tbody>
</table>

| Change in Operating Principal                             | 0            | (37,884)               | (37,884) |

*Principal to be released from restriction (detail)*
- Oak Creek Grant (unspent from FY13)                         (28,000)
- Social Justice Program Fund (20% of costs)                 (9,884)

Total principal to be released from restriction              (37,884)
Fiscal Year 2012-13 Budget (Approved June 10, 2012)

<table>
<thead>
<tr>
<th>Revenues and Support</th>
<th>Unrestricted</th>
<th>Temporarily Restricted</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pledge Donations</td>
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<td></td>
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<tr>
<td>Other Donations</td>
<td>36,000</td>
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<tr>
<td>Special Event Revenue</td>
<td>25,000</td>
<td>25,000</td>
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<tr>
<td>Tuition Revenue</td>
<td>25,855</td>
<td>25,855</td>
<td></td>
</tr>
<tr>
<td>Rental Revenue</td>
<td>117,739</td>
<td>117,739</td>
<td></td>
</tr>
<tr>
<td>Program Revenue</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Religious Education</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>Worship and Care</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>Music</td>
<td>13,000</td>
<td>13,000</td>
<td></td>
</tr>
<tr>
<td>Membership</td>
<td>-</td>
<td>-</td>
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</tr>
<tr>
<td>Investment Revenue</td>
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<td>-</td>
<td></td>
</tr>
<tr>
<td>Other Revenue</td>
<td>2,250</td>
<td>2,250</td>
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<tr>
<td>Principal Released from Restriction*</td>
<td>43,750</td>
<td>(43,750)</td>
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<tr>
<td><strong>Total Revenues and Support</strong></td>
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<td>(43,750)</td>
<td>1,063,844</td>
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<table>
<thead>
<tr>
<th>Expenses</th>
<th></th>
<th></th>
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</thead>
<tbody>
<tr>
<td>Salaries</td>
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<td>623,291</td>
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<tr>
<td>Employee Benefits</td>
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<tr>
<td>Health Insurance</td>
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<tr>
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<tr>
<td>Elective Compensation</td>
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<tr>
<td>Payroll Tax</td>
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<tr>
<td>Staff Expense Accounts</td>
<td>25,850</td>
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<tr>
<td>General Operating Expenses</td>
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<tr>
<td>Tax, License, and Insurance</td>
<td>22,832</td>
<td>22,832</td>
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<tr>
<td>Financing Expenses</td>
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<td>30,000</td>
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</tr>
<tr>
<td>Denominational Dues</td>
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<tr>
<td>Office Expenses</td>
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<td>Building Maintenance Expenses</td>
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<tr>
<td>Business Expenses</td>
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<td>17,350</td>
<td></td>
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<tr>
<td>Program Expenses</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Worship and Pastoral Care</td>
<td>2,700</td>
<td>2,700</td>
<td></td>
</tr>
<tr>
<td>Religious Education Program</td>
<td>25,300</td>
<td>25,300</td>
<td></td>
</tr>
<tr>
<td>Music Program</td>
<td>16,600</td>
<td>16,600</td>
<td></td>
</tr>
<tr>
<td>Membership</td>
<td>7,850</td>
<td>7,850</td>
<td></td>
</tr>
<tr>
<td>Social Justice Expenses</td>
<td>16,700</td>
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</tr>
<tr>
<td>Bank Expenses</td>
<td>4,200</td>
<td>4,200</td>
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</tr>
<tr>
<td>Other Expenses</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td><strong>Total Expenses</strong></td>
<td>1,107,594</td>
<td>1,107,594</td>
<td></td>
</tr>
<tr>
<td><strong>Change in Operating Principal</strong></td>
<td>0</td>
<td>(43,750)</td>
<td>(43,750)</td>
</tr>
</tbody>
</table>

*Principal to be released from restriction (detail)*
- Oak Creek Grant (development staffing) * (24,250)
- Social Justice Program Fund (40% of costs) (19,500)

**Total principal to be released from restriction (43,750)**

*Note that after the approval of the proposed budget in June 2012, the plans to use the Oak Creek Grant for development staffing was reconsidered and not pursued in 2012-13. As a result, when the fiscal year is closed on June 30, 2013, salary expenses for 2012-13 will decrease by the same amount that the removal of Oak Creek Grant support will decrease total revenue and support for the budget.*
# Fiscal Year 2012-13 Actual Revenue and Expense (through March 2013)

<table>
<thead>
<tr>
<th>Revenues</th>
<th>Jul-Sep</th>
<th>Oct-Dec</th>
<th>Jan-Mar</th>
<th>Year To Date</th>
<th>Annual Budget</th>
<th>% of Plan</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pledge Donations</td>
<td>164,838.81</td>
<td>201,074.36</td>
<td>151,134.10</td>
<td>517,047.27</td>
<td>785,674.00</td>
<td>66%</td>
</tr>
<tr>
<td>Other Donations</td>
<td>3,586.82</td>
<td>12,425.86</td>
<td>11,905.15</td>
<td>27,917.83</td>
<td>36,000.00</td>
<td>78%</td>
</tr>
<tr>
<td>Special Event Revenue</td>
<td>-</td>
<td>36,090.75</td>
<td>22,304.00</td>
<td>58,394.75</td>
<td>25,000.00</td>
<td>234%</td>
</tr>
<tr>
<td>Tuition Revenue</td>
<td>15,835.00</td>
<td>(6,269.24)</td>
<td>14,050.00</td>
<td>10,970.76</td>
<td>25,855.00</td>
<td>42%</td>
</tr>
<tr>
<td>Rental Revenue</td>
<td>26,484.68</td>
<td>28,782.55</td>
<td>26,666.99</td>
<td>81,954.22</td>
<td>117,739.00</td>
<td>70%</td>
</tr>
<tr>
<td>Program Revenue</td>
<td>721.00</td>
<td>11,485.25</td>
<td>12,797.40</td>
<td>25,003.65</td>
<td>13,000.00</td>
<td>192%</td>
</tr>
<tr>
<td>Religious Education Program</td>
<td>700.00</td>
<td>7,153.25</td>
<td>3,340.00</td>
<td>11,193.25</td>
<td>-</td>
<td>-</td>
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<td>Care</td>
<td>-</td>
<td>525.75</td>
<td>523.05</td>
<td>1,048.80</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Music Program</td>
<td>-</td>
<td>3,721.25</td>
<td>8,856.35</td>
<td>12,577.60</td>
<td>-</td>
<td>-</td>
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<tr>
<td>Membership</td>
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<td>78.00</td>
<td>184.00</td>
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<tr>
<td>Total Program Revenue</td>
<td>721.00</td>
<td>11,485.25</td>
<td>12,797.40</td>
<td>25,003.65</td>
<td>13,000.00</td>
<td>192%</td>
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<tr>
<td>Investment Revenue</td>
<td>420.91</td>
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<td>323.35</td>
<td>1,082.96</td>
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<td>Other Revenue</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>2,250.00</td>
<td>0%</td>
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<tr>
<td>Total Revenues</td>
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<td>226,555.99</td>
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<td>1,005,518.00</td>
<td>72%</td>
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<thead>
<tr>
<th>Expenses</th>
<th>Jul-Sep</th>
<th>Oct-Dec</th>
<th>Jan-Mar</th>
<th>Year To Date</th>
<th>Annual Budget</th>
<th>% of Plan</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salaries *</td>
<td>118,129.90</td>
<td>111,043.20</td>
<td>128,179.34</td>
<td>357,352.44</td>
<td>529,331.00</td>
<td>68%</td>
</tr>
<tr>
<td>Employee Benefits</td>
<td>64,167.00</td>
<td>63,327.00</td>
<td>56,706.00</td>
<td>194,200.00</td>
<td>296,705.00</td>
<td>65%</td>
</tr>
<tr>
<td>General Operating Expenses</td>
<td>4,458.50</td>
<td>6,665.89</td>
<td>4,439.50</td>
<td>15,563.89</td>
<td>22,832.00</td>
<td>68%</td>
</tr>
<tr>
<td>Tax, License, and Insurance</td>
<td>6,628.28</td>
<td>6,510.87</td>
<td>5,777.66</td>
<td>18,916.81</td>
<td>30,000.00</td>
<td>63%</td>
</tr>
<tr>
<td>Denominational Dues</td>
<td>5,374.73</td>
<td>9,332.83</td>
<td>6,697.27</td>
<td>21,404.83</td>
<td>29,300.00</td>
<td>73%</td>
</tr>
<tr>
<td>Office Expenses</td>
<td>15,595.10</td>
<td>13,186.30</td>
<td>18,759.94</td>
<td>47,541.34</td>
<td>71,149.00</td>
<td>67%</td>
</tr>
<tr>
<td>Building Maintenance Expenses</td>
<td>799.33</td>
<td>23,283.56</td>
<td>15,357.33</td>
<td>39,440.22</td>
<td>17,350.00</td>
<td>227%</td>
</tr>
<tr>
<td>Total General Operating Expenses</td>
<td>32,855.94</td>
<td>58,979.45</td>
<td>51,031.70</td>
<td>142,867.09</td>
<td>208,208.00</td>
<td>69%</td>
</tr>
<tr>
<td>Program Expenses</td>
<td>842.17</td>
<td>267.35</td>
<td>2,169.50</td>
<td>3,279.02</td>
<td>2,700.00</td>
<td>121%</td>
</tr>
<tr>
<td>Worship and Pastoral Care</td>
<td>3,523.27</td>
<td>5,859.08</td>
<td>5,255.29</td>
<td>14,637.64</td>
<td>25,300.00</td>
<td>58%</td>
</tr>
<tr>
<td>Religious Education Program</td>
<td>934.70</td>
<td>9,103.75</td>
<td>3,629.18</td>
<td>13,667.63</td>
<td>16,600.00</td>
<td>82%</td>
</tr>
<tr>
<td>Music Program</td>
<td>300.00</td>
<td>1,138.00</td>
<td>998.00</td>
<td>2,440.00</td>
<td>7,850.00</td>
<td>31%</td>
</tr>
<tr>
<td>Membership</td>
<td>15,604.09</td>
<td>16,367.94</td>
<td>12,052.00</td>
<td>34,024.03</td>
<td>52,450.00</td>
<td>65%</td>
</tr>
<tr>
<td>Total Program Expenses</td>
<td>4,380.04</td>
<td>403.73</td>
<td>3,823.72</td>
<td>8,607.49</td>
<td>16,700.00</td>
<td>52%</td>
</tr>
<tr>
<td>Social Justice Expenses</td>
<td>1,986.18</td>
<td>525.78</td>
<td>1,635.12</td>
<td>5,147.08</td>
<td>4,200.00</td>
<td>123%</td>
</tr>
<tr>
<td>Total Expenses</td>
<td>227,123.56</td>
<td>251,646.94</td>
<td>263,427.90</td>
<td>742,198.40</td>
<td>1,073,450.20</td>
<td>69%</td>
</tr>
</tbody>
</table>

| Net Total | (15,236.34) | 32,281.29 | (36,871.91) | (19,826.96) | (67,932.20) | 69% |

Principal to be released from restriction

| Prepaid Pledges (before July 2012) | 58,326.19 |
| Oak Creek Grant | 24,250.00 |
| Social Justice Program Fund | 19,500.00 |
| Total principal to be released from restriction | 102,076.19 |

* Note that because of a difference in budget categories compared to account structures in the church’s financial software, 2012-13 salaries related to ministers’ housing allowance is not included in actual Salaries but in actual Employee Benefits instead. This will be corrected for future fiscal years.
FIVE-YEAR PRINCIPAL OBJECTIVES

The third of the four elements of the vision of University Unitarian Church is the following:

“We will be responsible stewards of the gifts we hold in trust, endeavoring to leave a generous and sustainable legacy for those who come after us.”

To make this vision a reality, the congregation of UUC will develop a plan of fund development that will directly and deliberately result in building a generous and sustainable legacy for future generations. To do so will require “leaving the safety of known ways,” as the second part of the vision statement declares. Specifically, the church will establish the means to develop and retain income for the three segments of its principal: operating (short term), capital (medium term) and investment (long term).

- **Operating principal goal is to build reserves to three months of expenses by 2017.** (In profit and non-profit industries, three months is regarded as the minimum acceptable reserve for sound finances. Six is preferred.) UUC’s monthly expenses are roughly $90,000; this suggests having a reserve of approximately $270,000. That means retaining new revenue of $30,000 per year in 2014-15, 2015-16, and 2016-17. This would mean planning unrestricted operating revenue for those years in excess of budgeted expenses.

- **Beginning in 2014-15, capital principal should begin increasing $30,000 a year from new revenue sources** unrelated to operating revenue. For example, this may be done through additional rental income on church properties. Annual depreciation is an estimate.

- **The goal for investment principal goal is to reach a total value of $1.2 million,** which typically represents the optimum balance between invested balance and management fees. At $1.2 million, a percentage of subsequent annual investment income (defined by finance policies) could be reassigned to capital or operating principal. Revenue can be a combination of investment earnings and new unrestricted gifts.

With these three goals, the funds of the church would change over the five years of the strategic plan as follows:

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Operating</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net Revenue</td>
<td>-</td>
<td>-</td>
<td>30,000</td>
<td>30,000</td>
<td>30,000</td>
</tr>
<tr>
<td>Liabilities</td>
<td>30,000</td>
<td>30,000</td>
<td>30,000</td>
<td>30,000</td>
<td>30,000</td>
</tr>
<tr>
<td>TR Principal</td>
<td>396,500</td>
<td>198,700</td>
<td>175,000</td>
<td>150,000</td>
<td>125,000</td>
</tr>
<tr>
<td>UR Principal</td>
<td>184,500</td>
<td>184,500</td>
<td>214,500</td>
<td>244,500</td>
<td>274,500</td>
</tr>
<tr>
<td><strong>Capital</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Revenue</td>
<td>-</td>
<td>-</td>
<td>30,000</td>
<td>30,000</td>
<td>30,000</td>
</tr>
<tr>
<td>Depreciation</td>
<td>(50,000)</td>
<td>(50,000)</td>
<td>(50,000)</td>
<td>(50,000)</td>
<td>(50,000)</td>
</tr>
<tr>
<td>Liabilities</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>TR Principal</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>UR Principal</td>
<td>1,230,000</td>
<td>1,180,000</td>
<td>1,160,000</td>
<td>1,140,000</td>
<td>1,120,000</td>
</tr>
<tr>
<td><strong>Investment</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net Revenue</td>
<td>80,000</td>
<td>125,000</td>
<td>125,000</td>
<td>125,000</td>
<td>125,000</td>
</tr>
<tr>
<td>Liabilities</td>
<td>58,330</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>TR Principal</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>UR Principal</td>
<td>700,000</td>
<td>825,000</td>
<td>950,000</td>
<td>1,075,000</td>
<td>1,200,000</td>
</tr>
</tbody>
</table>

TR = Temporarily Restricted, UR = Unrestricted
2013-14 SLATE OF NOMINEES FOR ELECTION

Listed below is the slate of candidates that the Leadership Development Committee has nominated for the Board of Trustees and the Leadership Development Committee, for terms beginning in July 2013. These candidates have indicated their willingness to serve our church community, for which we are deeply grateful.

BOARD OF TRUSTEES
3-YEAR TERM BEGINNING JULY 2013

(Three open seats, two candidates)

Cal Van Zee – Cal joined UUC in 1994 and with his wife Judith Wood raised their three children through the help of the church school, OWL and Coming of Age programs. He was most recently the Chair of the Audit Committee, has previously served as Chairs of the Leadership Development Committee and Finance Committees and has been a member of the Investment and Pledge Committees. Cal has also taught Church School for 3rd, 6th and 7th grades and is a repeat Coming of Age mentor. He currently sings with Judith in the Intergenerational Choir. I’m honored to be asked to serve on the Board.

Steve Ellzey - Raised on a ranch in the northern panhandle of Texas I was the fourth of four boys with a sister to follow, many times after the sun went down I would spend time on my back looking at the Milky Way streak across the biggest sky I have ever seen, just me and the universe. After high school I was off to Austin and the University of Texas where I studied Classical Archaeology and Electrical Engineering. The wander lust took hold and I was off to Wyoming where I spent a year working in the oil fields. From there It was on to Salt Lake City and the University of Utah to study Applied Physics, climb mountains, and ski. My next move brought me to Seattle where I found Susan, the love of my life and we raised our two sons. In December 2008 Barbara Dahl suggested to Susan that we come to Music Sunday at UUC and we have been coming ever since. I currently serve on the UUC Housing Committee and the UUC Human Resource committee. It is a real honor for me to be asked to serve on the UUC Board of Trustees.
LEADERSHIP DEVELOPMENT COMMITTEE
2-YEAR TERM BEGINNING JULY 2013

(Four open seats, four candidates)

Rochelle Coffey - Rochelle is just finishing up her year as President of the church Board of Trustees and her three-year term as a member of the Board. She has taught Sunday School, participated in a covenant group, and supports the church’s work for social justice. She has a background in crisis and suicide intervention and non profit management, most recently serving as president of an agency addressing issues of youth and homelessness. Rochelle holds a doctorate in clinical psychology; she is employed as Psychologist at Ryther Child Center, and also maintains a private practice. She brings skills in analysis, synthesis and group process, experience in long-range planning, a commitment to diversity, and a love for the music and fellowship of the church.

Dan Lathrop - Dan's first experience with Unitarian Universalists was as a child at UUC’s Saltwater Church in Des Moines until a move took the family out of that community. In 2000 he was guided back to UUC at the encouragement of his partner, Douglass Remy. Over the years he has become increasingly involved in the church community. Deep connections started with covenant groups and cluster dinners. He has facilitated covenant groups and covenant facilitators, coordinated Sunday morning greeters. He is a member of the finance committee and you’ll usually find him answering the call to groom the church grounds on the occasional Saturday. Dan works in financial operations. He is excited to be a part of UUC’s second century!

Barbara Sanderlin Peterman - Barbara, from Houston, Texas, is a retired educator whose Ph.D. in educational psychology came late in her career. She is a widow and mother of one son, whom she followed to Seattle after her husband died. Having spent her growing-up years a Southern Baptist and her adult years an agnostic, her courtship with UUC was heart-felt, intellectual and short. The first visit was 10/17/2010; the membership ceremony was 12/05/2010. Since then she has been a devotee of Sunday service, Nathan Johnson coffee, and the congregation's social justice work, especially in support of the rights and welfare of immigrants.

Kathy Slattengren - Kathy and her husband Brent joined UUC in 1987 after hearing one of Rev. Peter Raible’s dynamic sermons. UUC has been a spiritual bedrock for them and their children – Kristie (20) and Blake (17). After working over 20 years in the software industry, she followed her passion in working with parents and founded Priceless Parenting five years ago. Kathy has taught in the church school almost every year since joining UUC and is now looking forward to working with the leadership development committee.
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from Staff and Committees

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Five Strategic Outcomes by 2020

1. In response to high expectations for active involvement, UUC participants experience the church as a deeply-connected multigenerational community. (Community)

2. Individuals of all ages feel awakened and deepened spiritually as a result of their UUC experiences. (Spirit)

3. All people and groups at UUC are called on and empowered to engage in justice work as a responsibility of their UU faith. (Justice)

4. People embrace the growth that has come to us and feel committed to further growth and to serving well a congregation of up to 800 Sunday worshippers. (Growth)

5. UUC will have a physical plant with the increased capacity and design function to serve up to 800 Sunday worshippers and live our mission and values. (Creative space)

(from Strategic Plan for 2012–2020, June 2012)

REV. JON M. LUOPA, SENIOR MINISTER

At our Annual Meeting last year we acknowledged receipt of our strategic plan, Not For Ourselves Alone. The Board of Trustees had accepted the report on our behalf two months earlier. At that Board meeting the trustees charged the executive staff team (myself, the Rev. Alicia Grace, Byron Krystad and Beth Herrild) with creating a plan for implementing the strategic plan over the next five years. We added Jennifer Bright to this team both because the plan would significantly impact her program area and also because of her background in consulting with not-for-profit organizations doing this same work. We were to report to the Board on a monthly basis.

The first task was to clarify the strategic outcomes. After much discussion we decided on five outcomes: connected community, joyful growth, awakened spirit, faithful action and visionary leadership. A diagram is appended to this report that shows you what is involved in each of these outcome areas. We also decided that we would employ two strategies: to evolve and add to some of the work existing committees were already doing, and to create new teams which would explore how to achieve these outcomes in new ways.

We identified nine possible implementation teams, each one either led or co-led by a staff member on the executive team. We worked from lists of names of UUC members the Board had brainstormed earlier in the discernment process, and supplemented it with names of folks we knew had skills in certain areas, in order to recruit folks to join these teams. We then invited these prospects to an orientation workshop in January 2013 from which we built the nine teams.

The implementation teams have started their meeting schedules. We realize that in many instances there will be lots of work that existing teams will need to do together, as well as separately, and also with lots of other UUC members over the next several years. We have already begun to see some of the results of the work from these teams. With some of them though, they will take a longer time of discernment to clarify just what their specific charge will be.

To date the work of the implementation teams has been somewhat under the radar. That is unfortunate, and we pledge to have more regular open communication as we move along.

The strategic plan has also given us clearer encouragement to begin changing the design of our staff team. We have created a new position, the Director of Congregational Life, to respond to the need for more connected, intergenerational community, and to respond to all of the multiple tasks attached to membership integration and support. We were very fortunate to have an existing staff member, Beth Herrild, who was well qualified for this new role. And to fill her previous role as Director of Religious Education, Fred Capestany stepped up into this full-time position from his part-time role as Youth Programs Coordinator. The strategic plan also helped us re-design some of the administrative support positions so that we now have a part-time receptionist, part-time accountant, and part-time communications specialist.

In April my colleague, Alicia Grace, announced that she wished to resign her position as Parish Minister in order to leave the parish ministry and begin a private psychotherapy practice. Alicia and I have worked exceptionally well
together as ministerial partners for nine years. She will be very greatly missed! We had hoped when we were in search for her ten years ago that we would find a minister who would steward our most precious resource, our members. She has more than accomplished that goal in her time with us. We are grateful to her and wish her every best wish in her future endeavors.

Three Board members will complete their terms this year. Michael McDaniel did double duty as board member and member of the Planning Team. Bert Kirby served the board as liaison to the Human Resources Committee. Both of them brought unique talent and devotion to their board service. Rochelle Coffey has served the board as its president for the last two years. This is a role of very great importance in a congregation and Rochelle brought to it her personal faith and commitment to UUC and the many professional skills of her vocation: openness to varied points of view, careful listening, objectivity, and decisiveness. We are greatly in her debt for her service among us.

The year ended in a bit of a bumpy way as we received unexpected news and we were curious about the future. And while it may have been unforeseen, it is met with resourcefulness and courage. We will continue to move into the vision we have set for ourselves. I am grateful to be on this journey with you.

**UUC Mission Statement**

UUC is a community that covenants
to awaken spirit,
nurture hope,
and inspire action.

**UUC Vision Statement**

We will create a more connected multigenerational community where all individuals welcome, value, and support one another and contribute to the common good.

We will risk leaving the safety of known ways in order to open ourselves to experiences of awe and mystery and deepen our sense of gratitude and awareness that we are connected to creation.

We will be responsible stewards of the gifts we hold in trust, endeavoring to leave a generous and sustainable legacy for those who come after us.

We will vocally and actively oppose injustice and stand in prophetic judgment of all that would diminish the equality and dignity of human beings or harm the web of life. We seek partnership with those who share our goals and creative dialogue with those who challenge us in our search for larger truths.

(Mission and Vision adopted by the congregation, 12/22/11)

The illustrations on the following pages describe the strategic plan in a way that captures the essence of the discernment and vision work of previous years, as well as the methodology that staff and lay leaders will use to approach implementing the plans for reaching the congregation’s vision.
UUC’s Strategic Plan: What We’re Building
UUC is a community that covenants to awaken spirit, nurture hope, and inspire action.

**Connected Community**
In response to high expectations for active involvement, UUC participants experience the church as a deeply-connected multigenerational community.

**Faithful Action**
All people and groups at UUC are called on and empowered to engage in justice work as a responsibility of their UU faith.

**Visionary Growth**
We embrace the growth that has come to us, and are committed to serve well a growing congregation of up to 800 Sunday worshippers.

**Our Strategic Goals and Outcomes**
- Integrated worship, learning and service
- Enriching, safe, multigenerational environment
- Significant individual relationships and small-group connections
- Individual gifts and needs are recognized, invited, integrated
- Deepened covenants of mutual responsibility
- Leadership and service opportunities are available, valued and supported
- Appropriate governance, planning, staffing and accountability systems
- A culture of abundance and stewardship
- Deepened self-awareness and sense of life purpose
- A balance of contemplative and activist dimensions of life
- Deepened multicultural awareness and competence as spiritual practice
- Justice work as an expression of gratitude
- Service and justice work woven throughout congregational life
- Empowered, immediate witness and action
- Our space is welcoming, inspiring, functional – and we take pride in it
  - Commitment to assess our space needs and options, and undertake a capital campaign

**Awakened Spirit**
Individuals of all ages feel awakened and deepened spiritually as a result of their UUC experiences.

**Liberating Stewardship**
UUC will have physical and financial assets that empower us to joyfully live our mission and vision.
UUC’s Strategic Plan: How We’ll Get There

Evolve & Add
Creating alignment in what we do

These are our “technical challenges”—we have the expertise and solutions, we just need to deploy them.

- Shift what we do now to better align with the strategic vision and goals
- Let some things go that are not in alignment, and thoughtfully start doing some new things
- Evaluate and learn from this experience

Implementation Teams:
Program/Leadership Committees & Task Groups

For example:
- LRE Committee looks at ways to offer children’s activities/child care for more church activities to improve accessibility for families
- Social Justice Committee modifies Dedicated Plates to invite broader congregational participation
- Building Committee continues assessment process

Explore
Charting new terrain

These are our “adaptive challenges” – we need new ways of thinking and acting.

- Explore the long-term arc of what it means to fully achieve each outcome statement, and what success will look like
- Identify what it will take to get there

Implementation Team:

Exploration Team - A group of 20-25 people who:

- Like to attend meetings and discuss stuff, without necessarily doing a lot of stuff • Can think long-term, hold the good of the whole, and dwell comfortably in ambiguity
- Are deeply invested in UUC as an institution, while still willing to seek out new ways of doing things • Can make a commitment of up to three years • Have specific gifts in areas of importance to our goals

The group would work primarily in small “thought partnership” sub-teams with staff leads, coming together periodically to integrate and refine the collective thinking

All staff and committees will be invited to....

- Work collaboratively with other staff/committees on common or overlapping outcomes
- Weave cross-cutting themes into their work: multigenerational participation, deepened spirituality, mutual accountability and right relations, small group opportunities, justice and service work, embracing growth and abundance, reflective/evaluative culture
- Actively invite the congregation to give input and feedback, and to new forms of participation

Important roles for the Board of Trustees include...

- Establish and monitor expectations for progress
- Communicate with and listen to the congregation, and reflect that back to the executive team
- Provide a listening and grievance processes for members who are anxious or concerned by changes
- Serve as a thought partner with the staff leads
- Take lead responsibility for goals or changes related to governance
- Work with the Executive Team to ensure adequate resources for implementation, or adjust expectations accordingly
REV. DR. ALICIA GRACE, MINISTER

As my final report to the congregation I must begin and end with thanks. Thanks to the many ways we have created community and thanks for the way you have supported and honored my ministry among you.

I am honored to have worked with such gifted colleagues. I will miss Byron’s steady and unflappable presence. Beth in her new leadership role is a great fit as she is a gifted connector, knows systems, and is artfully leading that important ministry to grow into the vision of a connected community.

I will miss working with Jennifer as we had plans of getting into good “spiritual mischief” as the spiritual life of UUC deepens into the social justice ministry. I leave knowing she is up to the task and brings endless skills and wise, spiritual centeredness.

It has been a joy to watch Fred build upon Beth’s strong foundation of a comprehensive children’s program as he bring new gifts to the role and visions of even greater integrated programs that speak of UUC’s vision. Melody is a gentle and powerful force of good as I have witnessed her unfolding.

I will miss Karen and am thankful to have had her expertise guiding me through her craft and skill. She is a true force of nature with a wicked sense of humor. And for Lori’s support and Amanda’s vision, I offer gratitude for their gifts every Sunday. For Ryan-our quiet hero, Chris and Susan-thank you for your steady and kind support.

And for Jon, one of the great teachers of my life, I have few words to capture the depth and breadth of our nine years. Thank you dear ones.

To our Covenant group facilitators-you support a path with heart. Thank you Babs Selig and Anne Howells who have led the way with courage and spirit. To Wellspring, a path of depth and exploration, John and Barbara Kendzierski, Judy Bedell and Scott Maxson, facilitators who lead with such clarity of vision and palpable spiritual connection, I am in awe of your gifts.

To the Care Team- you are the heart of this community. Thank you for sitting in the fire, and embodying the ideal of being a compassionate presence. Alice Arrington, your gentle strength and depth of spirit has guided this team in powerful ways. Thank you.

I am grateful for Deborah Raible and Linda Kaufman who will be leading, supporting and sharing their gifts of ministry. I leave knowing to my core, that all is in capable and loving hands.

To the Board of Trustees, your commitment to this community, not often known by the greater whole, is leadership that holds both the work of today and the vision of the future. It has been an honor to witness your strength and hope.

Thank you UUC. For nine years of an adventure that has made who I am. From the center of my heart, I overflow with gratitude.

May your vision and mission be made real. And know, your biggest fan will be cheering you on to greatness.
JENNIFER BRIGHT, DIRECTOR OF SOCIAL JUSTICE

Social Justice Steering Committee

The Social Justice Steering Committee provides support and guidance to our social justice coordinator. This year’s committee was: Nick Barnard, Sophia Brandon, Valerie Kreutzer, Barbara Peterman, and Roberta Ray. This committee plays a very important role in helping to create “fertile ground” for social justice work to happen here at UUC, and we will be looking for three or four new members for next year. Programmatically, the Social Justice Committee is responsible for the Seeds of Justice partnership program and the Dedicated Plate Collection program.

Seeds of Justice Program

In 2010, we launched the Seeds of Justice Program, designed to award a $10,000 grant to a social justice nonprofit, working in meaningful partnership. We’ve continued our relationship with our first two partners were Powerful Voices and Casa Latina. After two years of working with these wonderful organizations, we transitioned that partnership last summer to one of ongoing relationship. We are working to build a “garden” of Seeds of Justice partners.

The process of selecting Seeds of Justice partners is an intensive one, and occupied much of the Steering Committee’s time this year. The committee developed a set of focus areas and partnership criteria based on feedback solicited from the congregation, and UUC’s new vision statement and strategic plan. The outreach to solicit proposals from potential partner organizations is done entirely through UUC’s congregation.

In April we kicked off our new partnership with the Yesler Terrace Youth Media Project. This collaborative effort is engaging high school youth at the Yesler Terrace public housing project to capture and tell the story of this largely immigrant community - and in so doing, to be a voice for the community's interests during a 15-year-long redevelopment process. They do this by teaching documentary, multi-media and public advocacy skills at a summer program, and then supporting youth with academic and college prep tutoring during the school year. We hope many members of the UUC community will volunteer at the summer program!

Social Justice Groups

All of our social justice ministries have done amazing work this year. Here are a few highlights - see individual group reports for more.

- **Friends of Brettler Place**, continues to support the 51 formerly homeless families living in permanent housing in Magnuson Park, just minutes away from UUC. UUC members tutor and volunteer there, and our members provided gift cards for all the families through UUC’s annual holiday Giving Tree program. Our dedicated plate collection for Brettler Place ended up being a lead gift that leveraged donations from other sources for their Rock the Park summer camp program.

- **Friends of El Porvenir** is organizing our congregation’s fifth work team to Nicaragua in June to help with water sanitation projects for a small rural village. They once again organized an educational Sunday in the church school about water sanitation and water rights, as well as adult education forum.
• Our Friends of the UU Service Committee sold holiday cards and organized our annual “Justice Sunday” in support of the UUSC’s work, and also continued their successful “Building Bridges” interfaith work with local Muslim communities. This included holding two teach-ins on the racial profiling aspects of the “Secure Communities” immigration mandate.

• REACH for Immigrant Justice continued to organize witness trips to the Immigration Detention Center in Tacoma, and has been actively part of a local coalition working to develop the first visitation program for detainees inside the center.

• The Soul Work Antiracism Group continues to engage dozens of people at UUC in the exploration of racial identity and institutional racism – see their report for details.

• The Teen Feed group cooks for homeless youth in the U District every other month. This intergenerational ministry includes a number of parent-teen teams, and has been part of UUC’s work for many years.

• Through our housing program, UUC continues to house mentally ill adults in the three houses next to the church, in partnership with Community Psychiatric Clinic; and also owns DeWolfe House on Capitol Hill, housing people with HIV/AIDS in partnership with Rosehedge MultifaithWorks. This year marks the 25th anniversary of DeWolfe House and of Rosehedge MultifaithWorks.

• Our youth’s Social & Political Action Group (SPAG) once again designed and hosted a regional youth conference on social action, entitled CONstitution this year and focusing on the democratic political process. (See the youth program report.)

• We have continued our leadership in the Sound Alliance, a community organizing partnership of faith, labor and community organizations. The Alliance has three areas of action going on currently. They are working to address issues affecting immigrants detailed at the for-profit Immigration Detention Center in Tacoma, a campaign in which several UUC members have been in leadership. They are kicking off a multi-year campaign, Restoring Washington’s Future, which will seek to engage 6,000 people to define what we want from our state government, and create revenue systems that are adequate and equitable. The backbone of this campaign will be Neighbors for Good, a series of structured conversations among people from across the Alliance’s diverse institutions about our shared values and interests.

• Our congregation continues to be a source of financial support, volunteer leadership, and engaged members for UU social justice organizations, including the UU Service Committee (our denomination’s international human rights organization), Washington UU Voices for Justice (our state legislative advocacy network), and the newer NW UU Justice Network (connecting UUs in Puget Sound working on areas of common interest).
External Social Justice Contributions

In addition to the Seeds of Justice Grant Program, our Social Justice Sunday Plate Dedications are an important way for our social justice ministries to educate and engage people from the congregation. In the five years since the Dedicated Plate Collection program began, this congregation has raised over $140,000, in 34 separate plate collections, benefitting 18 different organizations. In addition, through our regular operating budget we pay dues to key social justice partner organizations at the local, state and international level.

In addition to the financial disbursements summarized below from UUC, this year the Friends of UUSC also sold over $1,500 in holiday gift cards in support of the Service Committee, and the congregation donated gifts through our holiday Giving Tree program valued at over $4,500.

Social Justice External Disbursements, July 2012-May 2013

<table>
<thead>
<tr>
<th>Grants &amp; Gifts (Living Justice Fund)</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Income &amp; Fundraising</td>
<td></td>
</tr>
<tr>
<td>Sunday Dedicated Plate Collections</td>
<td>24,772</td>
</tr>
<tr>
<td>Unrestricted Gifts</td>
<td>6,527</td>
</tr>
<tr>
<td>Other restricted gifts</td>
<td>150</td>
</tr>
<tr>
<td><strong>Total income, July 2012 - May 2013</strong></td>
<td><strong>$31,449</strong></td>
</tr>
<tr>
<td>Grants &amp; Gifts Distributed</td>
<td></td>
</tr>
<tr>
<td>Sunday Dedicated Plate Program</td>
<td></td>
</tr>
<tr>
<td>Brettler Family Place</td>
<td>4,677</td>
</tr>
<tr>
<td>Casa Latina</td>
<td>1,175</td>
</tr>
<tr>
<td>El Porvenir</td>
<td>4,671</td>
</tr>
<tr>
<td>NW Immigrant Rights Project</td>
<td>2,936</td>
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<tr>
<td>Potlatch Fund</td>
<td>3,754</td>
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<tr>
<td>Powerful Voices</td>
<td>1,862</td>
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<tr>
<td>University Churches Emergency Fund</td>
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</tr>
<tr>
<td>Seeds of Justice Grant: Yesler Terrace Youth Media Project</td>
<td>10,000</td>
</tr>
<tr>
<td>Giving Tree gift cards</td>
<td>910</td>
</tr>
<tr>
<td>Food: Teen Feed, Saturday English School</td>
<td>1,207</td>
</tr>
<tr>
<td><strong>Total grants and gifts distributed July 2012 - May 2013</strong></td>
<td><strong>$36,889</strong></td>
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<table>
<thead>
<tr>
<th>Dues to Social Justice Organizations (operating budget)</th>
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</thead>
<tbody>
<tr>
<td>Washington UU Voices for Justice</td>
<td>1,500</td>
</tr>
<tr>
<td>UU Service Committee</td>
<td>1,500</td>
</tr>
<tr>
<td>NW Equity Consortium</td>
<td>1,000</td>
</tr>
<tr>
<td>Sound Alliance</td>
<td>4,000</td>
</tr>
<tr>
<td><strong>Total (from operating budget)</strong></td>
<td><strong>$8,000</strong></td>
</tr>
<tr>
<td><strong>Total social justice disbursements</strong></td>
<td><strong>$44,889</strong></td>
</tr>
</tbody>
</table>

* Note that grant disbursements include funds raised in prior fiscal years.
BETH HERRILD, DIRECTOR OF CONGREGATIONAL LIFE

Looking back over this past church year I am reminded what a year of transitions it has and continues to be for UUC. As part of it, I have been transitioning from religious education to the new challenge of congregational life. I will miss working directly with all of our wonderful UUC children, youth and families as well as the LRE committee and the teachers; however, I leave you in the capable and caring hands of Fred Capestany.

I have been enjoying the ability to interact more broadly with UUC members and friends of all ages upstairs. We have been conducting UUC information sessions once per month and have had two Membership Exploration Class series. Talking with our newer friends and those who are ready to explore membership has been very informative and also quite enjoyable. The Sunday Welcoming teams have been a joy to work with. Many thanks to Nancy Maranville and Julia Moser, the co-chairs over the umbrella of Sunday Welcoming, and the co-chairs of each area; Cindy Fuller, Judy Kaplan, Dan Lathrop, Lance Johnson, Geri Branch, Rebecca Ary, Glen Govin, and Pat Crevensten!

The two membership related strategic implementation teams have each met several times and are off and running. It has been an exciting first few meetings for both of them and I feel honored to be working with these wonderful people! The members of the creating small churches within the large church team are Carol Cooper, Rhonda Peterson, and Judy Bedell. The members of the membership and service team are Dave Golden, Sharon Loveland, Katie Vos and Kara LaVerde. They are working on recommendations which can be implemented rather quickly, such as new wording for the information cards in the pews, to longer, more involved things such as looking at how we welcome people into the community and how we can better configure our systems to track each persons information with the goal of creating a more connected multi-generational community.

We will be conducting the annual Ingathering Ceremony and All-Church Breakfast, both on Sunday, June 9th, with the help of Jean Myers, Deborah DeRaadt, and Susan Howlett. We expect to welcome 25 or 30 new members into the UUC community.

KAREN THOMAS, DIRECTOR OF MUSIC

This has been an exciting year for the Music Program at UUC. Our congregational members in all of our choirs and instrumental ensembles work very hard to provide superb music for services and special events such as Music Sunday, contributing many hours of their time and talent every week. We are happy to have staff member Amanda Huntleigh continuing with us this year, as Director of the Intergenerational Choir. We have been able to involve more children and youth in the music program this past year, due to Amanda’s excellent work. Our Loft Choir, Intergenerational Choir, and Bell Choir continue to be mainstays of the Music Program, providing music for Sunday services on a regular basis.
Music Program Components and Staff

Our Music Program consists of four choirs: **Loft**, **Intergenerational**, **Handbell** and **Flute** choirs.

Our full Music Program staff consists of seven persons:

- Karen P. Thomas, *Director of Music*
- Lori Blythe, *Organist/Pianist*
- Amanda Huntleigh, *Director of Intergenerational Choir*
- Kathy Barlow, Anne Wood, Wesley Rogers and Rick Scheyer, *Section Leader/Soloists*

In addition to our music staff and choirs, we have continued to offer opportunities for talented members of the congregation to perform for services, both as soloists and performing with the IGC or Loft Choir.

Among the highlights of the program year are the following:

A. SPECIAL SERVICES

- Music Sunday, November 4, 2012 – Loft Choir, soloists, and orchestra – Bach’s *Magnificat*
- Christmas Eve services, December 24, 2012 – Loft Choir and soloists
- Family Candlelight Service, December 23, 2012 – Intergenerational Choir and Bell Choir
- Easter services, March 31, 2013 – Loft Choir, soloists, trumpets, organ
- Other special services: Maundy Thursday, Homecoming, Flower Communion

B. CONCERTS AND SPECIAL EVENTS

- 43nd Annual Messiah Sing-and-Play-Along - December 26, 2012
- Amanda Huntleigh doctoral recital – February 8, 2013
- University of Utah Chamber Choir concert – May 13, 2013
- Saxophone Ensemble concert – June 7, 2013

C. MUSIC COMMITTEE

- Publicized and assisted with production of the special events listed above.
- Raised funds to support the Music Program budget through Messiah Sing-Along and Music Sunday offerings.

D. PROFESSIONAL STAFF DEVELOPMENT

I have engaged in professional development activities both nationally and locally – continuing my board service this year on the Board of Governors for the Pacific NW National Academy of Recording Arts and Sciences (Grammy), the board Greater Seattle Choral Consortium (founding member), Northwest Division board of the American Choral Director’s Association (ACDA), as well as on the Advisory Board for the Seattle Girls Choir. I presented a reading session and a concert program for the American Choral Director’s Association National Conference in Dallas in March 2013, where one of my compositions was featured. I attended the Chorus America National Conference last summer in Minneapolis, and am serving as co-host for the national conference this June in Seattle.

E. INSTRUMENT, EQUIPMENT AND LIBRARY MAINTENANCE

Our music library has out-grown the storage space it occupies under the choir loft, so some boxes of music are now stored in the Adams room. Storage continues to be a challenge, as all the choirs have growing libraries.
Religious Education Staff
The RE program began the church year with 3 staff—Beth Herrild as the Director of Religious Education (full-time), Fred Capestany as the Youth Programs Coordinator (25 hours per week) and Melody Moberg, Children Programs Coordinator (25 hours per week). In January, the RE program was significantly reorganized.

Due to Beth’s move to a new position at UUC as the Director of Congregational Life, Fred Capestany was asked to become the Director of Religious Education in January. Melody Moberg’s position was then changed to Education Program Coordinator to reflect that she will work on both children’s and youth programs. She was moved to 30 hours per week in January and then on June 1 became a full-time employee.

FRED CAPESTANY, DIRECTOR OF RELIGIOUS EDUCATION

UUC offers a comprehensive religious education program for children and youth. Each Sunday morning during the regular church year (September – June) we provide infant/toddler/preschool care, classes for children 4 years old up to middle school ages, and a vibrant youth program. We also plan and implement various social and educational activities for specific age levels and for church school families in general.

During the 2012-13 church school year 138 families participated in our programs, with a total of 231 children and youth registered in the church school. A church school of this size naturally requires a large group of volunteers to coordinate activities and facilitate classes. This year a total of 100 teenagers and adults stepped up to volunteer to support our programs as classroom teachers, Coming of Age mentors and Sunday church school assistants.

Philosophy/Goals
We strive to provide a holistic, comprehensive program that meets the needs of children and youth at different ages and stages. Our goals are to help our children and youth express their spirituality and understand who they are as spiritual beings, to cultivate a strong understanding of what it means to be a Unitarian Universalist and to develop an enduring connection with other children, youth and adults in our congregation.

Children’s Programs

Infants-Toddlers-Preschool: We provide quality and loving care for our very young children. UUC offers an infant-toddler room plus a room for our preschoolers (generally 2-4 years old).

Spirit Play (PK-1st Grade): Spirit Play is a religious education curriculum based on the methods and philosophy of the Montessori educational model. Spirit Play, which was created by UU ministers and educators, helps children to explore and understand spiritual and religious questions through storytelling.

Free to Believe (2nd & 3rd Grades): Free to Believe is an experiential program designed to nurture the emotional, social and spiritual life of children. Free to Believe uses the different UU principles as a starting point for exploring values, beliefs and what it means to be a Unitarian Universalist. The children also examine “big questions” through the perspective of our faith.

Windows & Mirrors (4th & 5th Grades): Windows & Mirrors is a curriculum developed by the Unitarian Universalist Association and is part of the UUA’s Tapestry of Faith program. The children explore who they are as Unitarian Universalists and what our faith calls us to do in the world.

Compass Points/Neighboring Faiths (6th & 7th Grades): Our middle school curriculum uses two different programs. Compass Points leads the students on a year-long spiritual journey during which they explore many of life’s big questions. Neighboring Faiths gives our middle schoolers the opportunity to learn about other religions and to visit other places of worship. For example, this year the middle school group went on field trips to a Hindu temple, a Catholic church and a mosque.
Youth Programs

Our Whole Lives (8th Grade): Our Whole Lives, also known as OWL, is a comprehensive sexuality education program developed by the UUA. The OWL curriculum is designed to help our 8th graders gain the knowledge, values and skills to lead sexually healthy, responsible lives. In addition to the Sunday morning classes, the OWL program also provides social opportunities for the students, including two overnight retreats and an ice cream social.

Coming of Age (9th Grade): Coming of Age (COA) is a year-long rite of passage experience that provides UUC teenagers with the opportunity to explore their personal and spiritual beliefs within a Unitarian Universalist context. This year, COA students participated in a variety of activities including a ropes course, a community service project, and a retreat that featured a six-hour solo vigil in the woods. Each COA student also was assigned an adult mentor from our church. The program has been very successful this year. In a mid-year survey, students were asked to rate how much they agreed with various statements about the program. Here are some examples:

- “By participating in COA I have learned more about Unitarian Universalism” – 88% said strongly agree or agree to this statement
- “As a result of my participation in COA I have a stronger understanding of my spiritual and religious beliefs” – 100% said strongly agree or agree
- “My decision to be part of COA was a good one” – 100% said strongly agree or agree.

High School Youth Group (10th-12th Grades): High school students meet weekly on Sunday mornings for fun and fellowship. There is no formal curriculum; sessions are mostly discussions on spiritual and religious topics. This year we created a part-time student coordinator position. We hired one of our youth to work 10 hours per month helping to plan social events for youth group and also to plan and implement the youth group meetings. Social activities this year included a fall picnic, a sleepover at the church, a bowling party and an end-of-the-year celebration.

Social and Political Action Group (10th-12th Grades): UUC youth met weekly to plan this year’s SPAG Con. SPAG Con (shorthand for “conference”) takes place every year and brings together UU youth from the Northwest region to explore a particular social justice issue. SPAG Con 2013 focused on constitutional and political issues. 51 youth and 13 adults attended the conference, which featured workshops presented by UU members and professionals from the Seattle area.

Chalice Camp

Chalice Camp is our annual summer day camp that we offer to children entering 1st through 6th grades. Based on the success of our first Chalice Camp in 2011, we decided to expand the number of hours and days that we offered. Last summer’s camp took place from 9 am to 3 pm, Monday-Friday. The camp was offered for one week in June. 17 children registered in the camp and had a great time. This year’s camp featured games and activities and a field trip to Theo’s Chocolates!
BYRON KRYSTAD, DIRECTOR OF OPERATIONS

It has been another busy year at UUC. I want to extend my deepest thanks to everyone who has been a part of making the work of the church possible and making everyone’s experience here rewarding.

After some administrative staff departures in the summer of 2012, the weekday work of the office has been supported by several volunteers and later by contract and temporary staff. I especially want to thank the weekday office volunteers Meryl Thulean, Jane Blackwell, Stacy Carlson, and Joan Fuller. Their willingness to be in the office last summer and during the church year to pinch hit before temporary staff arrived was invaluable. Add to their efforts the diligent Monday-morning Counters, including John Kendziorski, Tina Moss, Emmy Easton, Nan Bentley, Jan Corriston, and Liesel Vancleeff; Ron Sherman-Peterson cataloging the Raible Library; and the ever-ready Gateway mailing volunteers, and you have a remarkable crew of members rolling up their sleeves to keep the church rolling through to Sunday.

In 2012, Chris Budd came on as a contract audit consultant, and in the winter of 2013 rotated into the role of contract accountant for regular financial work. UUC would not have a GAAP audit under its belt without her. Also in 2012, member Susan St. John came to the aid of the Gateway in all its forms and has been handily managing that important role ever since. As Susan’s work has moved into the scope of Congregational Life, Beth Herrild has also had a chance to recognize what an important resource she is to everyone. And finally, when Dena Cohen arrived on assignment from the temporary agency used by UUC, the crucial needs of the office front desk were filled with her smiles, welcoming, and eagerness to help. I tip my hat to Chris, Susan, and Dena for helping us through a crucial juncture of church administration here at UUC.

I also offer my thanks to Ryan Claxton (Lead Custodian), Jorge Del Valle and Alberto Sandoval-Ascencio (weekend custodians) for their support of the church members and renters who make the church the location of their worship and work.

The Human Resources and Finance committees continue to be stalwart help in the professional administration of the church. The talented and thoughtful members of these teams are invaluable to UUC, and I wish to offer them my gratitude: Dave Mentz, Jennifer Schubert, Carolyn Rasch, Steve Carlson, Pamela Smith-Mentz, and Steve Ellzey on the Human Resources Committee; and Daniel Lathrop, Andrew von Nordenflycht, Nick Barnard, and Bruce Farwell on the Finance Committee.

The church grounds continue to be thoughtfully tended by Nancy Bowen-Pope and the commitment of many volunteers caring for our beds and trees. And the timely help of David Bauman and Frank Metheny brought us a re-striped parking lot, as well as Frank’s repairs to the “slightly aged” east fence there. My thanks to all of you for making life at UUC such a treat.
2012-13 Board of Trustees
Rochelle Coffey, President
Barbara Alexander, Vice President
Mike Kasprzak, Secretary
Andrew von Nordenflycht, Treasurer
Rich Brooks
Anne Eskridge
Bert Kirby
Michael McDaniel
Jennifer Schubert

2012-13 Leadership Development Committee
Doug Lidz, Chair
Gayle Childeres
Anne Garrett
Scott Guettinger
Lisa Hofferber
Hugh Kimball
Iraj Mohebalian

ROCHELLE COFFEY, BOARD PRESIDENT

In 2013 Rich Brooks, Jennifer Schubert, and Anne Eskridge were elected by our congregation to join the Board of Trustees. These three joined seated members Barbara Alexander, Rochelle Coffey, Mike Kasprzak, Bert Kirby, Michael McDaniel, and Andrew von Nordenflycht.

At our retreat in the summer, we met with the Executive Team and Jennifer Bright. They presented the Implementation Plan they had been charged with creating, to carry out the strategic plan adopted in the previous year. As the Executive Team refined the scope of the project, they reported their progress in establishing a three track approach (Evolve, Add and Explore) to a five-year timeline, with staff leads for each area. The House of Hope four-part series offered by Jon, Alicia, Beth and Jennifer to the congregation oriented a common language in which to think about the vision statements. We received progress reports about the creation of Implementation Teams who would serve as thought partners for executive team members who were charged with particular areas of responsibilities. All implementation teams have met and the board members receive updates on the progress at each meeting. The BOT identified the need for an appealing visual representation to track our progress toward meeting our goals. This will be an on-going process.

In lieu of a fundraising event this year, Jon and Byron proposed an appeal letter be sent to larger donors to establish a match fund. That proved quite successful and the congregation answered the appeal by exceeding even the matched amount.

2011-2012 has been the strategic planning process.

In February we received the findings of the financial audit, reviewed the recommendations and voted to amend our current policies to require an audit “no less frequently than every three years.” The board voted to request monthly reports on the progress toward compliance with recommendations made in the audit. We are very appreciative of members of the Finance Committee and Byron, for their work on this lengthy process.

It has been exciting to see the progress made toward the goals identified in our strategic plan. Being always mindful of both our mission and vision statements has provided a touchstone for many of our conversations. It has been an honor to serve on the Board of Trustees.

ANDREW VON NORDENFLYCHT, TREASURER

The Treasurer serves as the Board of Trustees’ liaison to the Finance Committee and the Executive Team on matters of Church finances. This includes reporting the financial status of the Church to the Board of Trustees on a monthly basis, assisting the staff and the Board in preparing and reviewing the annual budget, and assisting the Board and staff in other activities and decisions regarding Church finances.

As we shift to discussing year-end financial results for the current fiscal year after the June 30th closing of the books and as the highlights of the 2013-2014 proposed budget are noted earlier in this annual report, I will highlight in this note some of the noteworthy fiscal accomplishments of 2012-13.
External Audit

The initiation and completion of a formal external audit of the Church was the chief accomplishment. The audit resulted in several important outcomes. For one, we confirmed that there were no unpleasant surprises in terms of our financial condition—no streams of money gone missing through inadvertance or malice. Two, the audit induced the Church—namely, Byron and our audit consultant, Chris Budd—to make big investments of time to upgrade our records and accounting processes to be GAAP-compliant. Overall, the completion of the audit has provided us with much greater confidence that we understand and are in control of both our current financial resources and our processes for maintaining and growing those resources going forward. This is an invaluable step in supporting our strategic priorities with the financial resources they require.

UUC had not been audited for more than ten years and some of the recommendations from the previous audit regarding changes needed to make UUC’s accounting GAAP-compliant were never implemented. Therefore, the successful completion of this year’s audit—to the point where the CPA firm could issue an unqualified opinion attesting that “the financial statements … present fairly, in all material respects, the financial position of UUC as of June 30, 2012, and the results of its activities and its cash flows for the year then ended, in conformity with accounting principles generally accepted in the United States”—required substantial work from both UUC’s staff and from our audit firm, Peterson Sullivan. Thus, I want to express my deep appreciation to our Director of Operations, Byron Krystad, our audit consultant, Chris Budd, and the team from Peterson Sullivan, including Nathan Hartman, Matt Smith, and Megan Hurley.

In addition, I would also like to express my and the Board’s sincere appreciation to the members of the UUC Audit Committee—Cal Van Zee, Scott Poepping and Rosemary Daszkiewicz—who volunteered their time to interview and solicit bids from a number of audit firms, to select the firm that best fit UUC’s needs, to monitor the progress of the audit throughout the year, and to review the audit results at the end of the process.

Commercial Loan Payoff

Since 2003, UUC has had a commercial loan of more than $300,000 outstanding with Umpqua Bank, originally taken out to finance capital improvements. The loan was due in full in August 2013. The Finance Committee, with additional help from Scott Poepping, investigated several options for meeting this obligation and ultimately recommended paying off the loan with the Church’s cash assets rather than refinancing. The benefits of this option included eliminating approximately $30,000 per year in interest payments and leaving all of the Church’s real estate assets unencumbered by any liens. The loan was paid off in April.

Finance Policy Revisions

In July 2012, the members of the Finance Committee, along with UUC’s previous Treasurer, Anne Eskridge, met for several hours on a Saturday to update the Church’s Finance Policies to reflect changes in how we maintain our financial records and how we handle our financial assets. Special thanks to Anne for committing this extra time to ensure a smooth hand-off of the Treasurer function.
To close, I would just like to thank again the volunteer members of the Finance Committee—Dan Lathrop, Nick Barnard, and Bruce Farwell—for their invaluable service in monitoring financial reports monthly and investment reports annually, reviewing and updating financial procedures, and advising the staff and Board concerning financial matters. And I cannot thank enough Byron Krystad for his tireless efforts to improve and maintain the health, efficiency and transparency of UUC’s financial life.

FINANCE COMMITTEE, DAN LATHROP

The principle responsibilities of the Finance Committee are to assist in the development and review of the church’s financial and investment policies, review the annual budget prepared by the Executive Team, review the monthly financial reports, review the investment portfolio and consult with the Director of Operations regarding financial concerns, budgets and contacts. The Finance Committee meets annually with the church’s portfolio manager and meets with the church’s bankers. Membership consists of the Board Treasurer, the Director of Operations and four to six UUC members in good standing.

The first major project the Finance Committee tackled this year was reviewing and revising the Financial Policies of University Unitarian Church. The policies were last revised in 2004 and changes in the church and the business office necessitated an update. Our objective was to ensure that the policies were in line with current practices. Upon completion, the policies were submitted to the Board of Trustees for review and adoption.

The church underwent its first audit in a number of years. A committee of church members selected the firm of Peterson Sullivan LLP. The audit was conducted on site last fall and the Finance Committee met with the auditors in January to review the results. Migrating to GAAP (Generally Accepted Accounting Principles), was the major result of the audit. Being GAAP compliant follows an accounting standard that lays a foundation for future audits and places the church on solid footing for strategic planning. The auditors recommended changes to the church’s accounting practices, capitalization and depreciation policies and submitted suggestions for improvements for internal controls. Policies and procedures have been implemented in all these areas.

Finally, the church closed the Bank of America account and completed the transition to Pacific Continental Bank.

HUMAN RESOURCES COMMITTEE, DAVID MENTZ

Recognizing the critical importance of the employees at UUC in shaping the church’s ability to serve its mission and vision, the Human Resources Committee serves to provide guidance and policy recommendations relating to the UUC employment framework. In carrying out its work, the HR Committee pursues projects and reviews issues relating to recruitment and retention, compensation and benefits, policies and procedures, and other related functions.
The HR Committee added another strong member this past year and now includes Carolyn Rasch, Steve Ellzey, Steve Carlson, Pam Smith Mentz, Jennifer Schubert (BOT representative), Byron Krystad and Dave Mentz.

During 2012-13, the committee continued to work on new and revised policies within the UUC HR Manual, which serves as a cornerstone for UUC employment. A major focus of attention this past year was a survey of other large UU churches to determine the best and most common practices relating to compensation administration and governance. The committee is currently working through the results of this survey and identifying appropriate actions.

Additionally, the committee helped consult with the Director of Operations on a number of other human resources needs/opportunities, including those relating to benefits, compensation, new regulations (such as the Seattle Sick/Safe Leave ordinance), and UUC staff changes.

ART COMMITTEE, BETH DE LA FUENTE/PAM BELCHER

The Art Committee's primary mission is to provide art shows year-round in the Chapel and in the Gilmartin Gallery. When choosing artwork to hang, members consider the important role that art plays in the worship experience, and strive to hang shows that are aesthetically pleasing. We also look for a variety of philosophical viewpoints and a wide-range of media, and we try to exhibit the work of emerging artists as well as those who are well-established.

Mindful of our fund-raising role, we look for artists whose work appears to be saleable to members of UUC.

Another role of the Art Committee is maintenance and conservation of artworks that are owned by the church. During this fiscal year, we finally completed the re-framing of the Ben Shahn prints, and arranged for them to be hung permanently in Knatvold, along with a plaque that explains the significance of the prints, and their history with UUC. This work was completed with the assistance of Emmy Easton.

Art shows this year included several painters with a variety of styles, a fabric artist, printmakers, a collage artist, a colored pencil artist, sumi-e artists, and the Zimbabwe Artist Project (ZAP).

The screening that the Art Committee held in September was a disappointment. Very few artists showed up – a big change from past years. Because of that, the Committee reviewed all our publicity procedures and brainstormed other ways to find and choose artists for exhibits in coming years. We hit upon a procedure that seems to be working very well for us. Since most serious artists now have an online presence of some sort, we are able to do all our screening online. This has been so successful that both the Chapel and Gilmartin are almost completely scheduled through 2014. It is unlikely that we will ever hold a screening event again.

Another change that went into effect at the beginning of this calendar year is an adjustment in the way that the Church handles accounting procedures. In previous years, the Art Committee made a contribution to UUC at the end of each fiscal year and carried a balance forward. In order to be in compliance with good accounting practices, all of our proceeds will now go directly into the UUC operating fund throughout the year. The Art Committee will be actively involved in the budgeting process each Spring along with UUC
administration, to predict committee operating expenses, and ensure that funds are available for any special projects. Major projects will need advance budgeting and approval by the church. The UUC Art Committee is pleased to be able to make a significant contribution to the UUC operating fund as a result of this year's sales. Our members all share in the work of hangings and receptions each month. We are proud of the work we do, and happy to contribute to the life of our church in this way.

BOOKSTORE, CINDY FULLER

The mission of the UUC Bookstore is to support the "free and responsible search for truth and meaning" (Purposes & Principles). To that end we stock books on Unitarian Universalist and other religious histories and traditions, humanism, and contemporary issues. Many of these books are hard to find in mass-market bookstores. We also carry poetry books by Mary Oliver, David Whyte, and John O'Donohue. You can even find some novels on our shelves. The Bookstore is part of the Sunday Welcoming Program, and maintains an oasis of calm for newcomers who may be a little overwhelmed by Coffee Hour.

The Bookstore is run by a volunteer team that includes (in alphabetical order): Bill Alexander, Cindy Fuller (Manager), Fran Jacobs, Mike Kasprzak, Marilyn McGill, Tom Reynolds, Jennifer Schubert, Syrenka Slettebak, Beth Wieman, Levon Wilcox (our youngest volunteer), and Judith Wood.

Highlights of the last year include:

- Mark Morrison-Reed's Visit. We sold numerous copies of his books at the Saturday workshop and after the Sunday services in October.
- Pulpit Power Rides Again! Buddha's Brain and its companion volume (Just One Thing) continue to sell well. This year's best sellers from the pulpit include John O'Donohue's To Bless the Space Between Us and Ann Lamont's Help, Thanks, Wow. In addition, many participants in the Wellspring course picked up their required readings in the Bookstore.
- The New Jim Crow. The UUA Common Read program spurred organization of several Adult RE/Social Justice presentations. The Bookstore sold many of these books in advance of the presentations.
- Return of Raible Library. Ron Sherman Peterson finished cataloguing the Library. You can now check out books from the Library through the Bookstore. Stop by for helpful instructions.
- Used Book Cart Bonanza. Generous bibliophiles continue to stock the Cart and purchase other titles.

Thanks for your continued support of our "Ministry of the Written Word"!
FRIENDS OF EL PORVENIR, JUDY OERKVITZ/ RICHARD GAMMON

This was the fourth year of operation for UUC Friends of El Porvenir as a social justice program within University Unitarian Church. Our purpose is to improve the lives of rural Nicaraguan people by increasing their access to clean water and sanitation facilities built with the assistance of the non-profit, self-help organization El Porvenir.

Our accomplishments during the 2012-2013 program year were focused on three main goals:

1. Educating UUC members, including children and youth, about clean water and sanitation needs in rural Nicaragua and efforts to address them, including the work of El Porvenir. To this end, we:
   a. Hosted El Porvenir Forester Dick Whitmore (Bellingham), who spoke at UUC on Sunday, February 24th about the reforestation programs of El Porvenir in Nicaragua. About 25 people attended the lecture.
   b. Staffed information tables during coffee hour several Sundays during the year. Demonstrated an El Porvenir style model well several Sundays in both fall 2012 and spring 2013.
   c. Developed the curriculum and conducted a session on clean water issues for church school children grades K – 5 on March 17, 2013.

2. Raising funds to support El Porvenir’s work. The Second Sunday plate in March 2013
   a. Raised $4,671 for El Porvenir. The funds will be used to build about 1/3 of the durable double latrines needed for 52 families (200 people) in the community of Las Lagunetas, which currently has no safe working latrines. The funds will provide materials, construction support, and community education. Latrines protect the village from waste-contaminated water.

3. Sending a volunteer work group to Nicaragua to work on a clean water or sanitation project. We have recruited, and are preparing to send a group of eleven adults and one youth to work with rural Nicaraguans and El Porvenir staff on the Las Lagunetas latrine project (above) in late June-early July 2013. Orientation is under way. Previous work group members have found the in-country experience challenging and rewarding.

UUC Friends of El Porvenir is very pleased with the high level of interest and the positive, supportive response we received from the Church community during the past year. We plan to continue our educational, fund-raising, and outreach activities during the year ahead. Interested people are invited to join our committee.
GETTING MONEY OUT OF POLITICS GROUP, PATRICIA CHAPMAN/ DEEJAH SHERMAN-PETERSON

The Getting Money Out of Politics Group was an outcome of UUC’s February 2012 Action Lab regarding economic injustice in the United States. The group regularly met on the third Thursday of the month from February 2012 – April 2013. We first researched issues related to the Supreme Court decision Citizens United and also researched other campaign finance reform issues. The early emphasis was on education and the group sponsored presentations by Congressman Jim McDermott and Washington Public Campaigns Executive Director Craig Salins. The group was approved as an official UUC Social Justice committee in July 2012.

For several months, we met with GMOP groups in four other UU churches in the Seattle area to discuss money and politics issues and how to work cooperatively together. As a result of this church coordination group, we attended and tabled at the September Northwest UU Justice Summit. Under the auspices of the Northwest UU Justice Network (NWUUJN), we also began building a statewide database of UUs willing to contact legislators about social justice issues. We currently have 145 UUs on this list including 76 from UUC. We attended the fall UU Voices conference in Olympia in an effort to adopt getting money out of politics as one of UU Voices legislative priorities (UU Voices is our denomination’s lobbying organization). In October 2012, we worked with the Wedgwood Justice and Peace Coalition to organize a well attended forum for the 46th legislative district candidates. Also in the fall, we joined WAMEND, a coalition of non-profit groups seeking to overturn Citizens United.

We supported the Senate and House Memorial Resolutions which expressed the desire of the Washington legislature to overturn Citizens United. Our group testified in support of the Memorial Resolution at a House hearing. This memorial resolution passed in the House but did not make it out of committee in the Senate. The Getting Money Out of Politics Group had a table after each church service during most of the legislative session, including January, February and March. The tabling effort provided information about the memorial resolution, and about Citizens United. With action dead in this legislative session, the group decided to break over the summer. In the fall we will see if there are significant new activities that we can support. Two likely activities are a City of Seattle referendum on public financing of city council elections to be voted on in November 2013 and a statewide initiative campaign to express the will of Washington citizens about overturning Citizens United.

PARTNER CHURCH COMMITTEE, RHONDA PETERSON

The Partner Church Committee revised its purpose statement and added how we connect with the new UUC mission statement: The purpose of the UUC Partner Church Committee is to encourage connections with and the growth of Unitarian Universalist movements throughout the world. At the present, our focus is to promote ties with our partner Unitarian church in Alsorakos, in the Transylvania region of Romania. Unitarians in Transylvania have steadfastly
maintained their faith since 1568. The Partner Church Committee: promotes friendship and learning about our shared heritage; offers support for projects the Alsorakos congregation wants to pursue; organizes pilgrimages to Transylvania; and encourages cultural exchange and travel between Alsorakos and University Unitarian Church members. The committee helps work toward UUC’s mission to:

- “Awaken spirit” – by increasing awareness of the heritage we share with Unitarians in Transylvania, and of the interdependency of all peoples.
- “Nurture hope” – for a better world by offering opportunities for cross-cultural learning and building understanding.
- “Inspire action” – by joining with our partner church in our common struggle for peace, liberty and justice for all.

The committee has been planning the next UUC pilgrimage to Transylvania and our partner church. The pilgrimage is scheduled for mid-July 2014.

**REACH FOR IMMIGRANT JUSTICE, PAT GUNN/ROBERTA RAY**

This social justice ministry, begun in December 2007, seeks to bring understanding and justice for individuals and families that are impacted by current US immigration policies. Our mission is to Respond through Education, Advocacy, Compassion, and Hospitality (REACH). This church year, committee members have been active in a number of education, advocacy, and witness efforts.

In the fall, we were invited and made presentations at the Northwest UU Justice Network (NWuuJN) 2nd annual summit and at the WA UU Voices Legislative Conference. At UUC, we showed the acclaimed film The Visitor to generate interest in a newly-formed visitation program at the Northwest Detention Center in Tacoma. Pat Gunn and Barbara Peterman, both of UUC, contributed strong leadership and numerous hours to the development of this effort. The program, operating under the umbrella of the Northwest Detention Center Roundtable, links volunteers with people who are detained who wish to have visitors.

We collaborated with the wider UU Building Bridges initiative to bring two teach-in workshops on racial profiling to the Puget Sound area, one held in January at UUC and the other held in March at Muslim Association of Puget Sound (MAPS) in Redmond. In-depth training on the flaws in the immigration enforcement program known as “Secure Communities” was highlighted at both of these events, which were attended by UUs and Muslims, as well as many people from the wider community and several elected officials. Our committee members have been steadily engaged in efforts at both the King County and State levels to pass legislation that would confine the negative impacts of this particular program of immigration enforcement.
In February, we sponsored a 2nd Sunday offering collection for the Northwest Immigrant Rights Project. We focused on their work on behalf of undocumented youth and were honored that Mari Barrera, a NWIRP client, was present during the worship services and shared her experiences and dreams as an undocumented youth, and the ways in which NWIRP had helped her and her sister apply for and receive an immigration benefit recently announced by the Obama administration.

For the 5th year in a row, we co-sponsored and helped shape a Mother's Day vigil at the Northwest Detention Center. This year, we have before us a historic moment with the potential for the passage of Comprehensive Immigration Reform. One bill has been put forth, S. 744, which is comprehensive in nature and would provide for a pathway – though very long – to permanent residency and citizenship for qualifying individuals. Faith groups, including the UUA, are calling for compassion to be a part of the legislative process. When immigration reform is passed, we look forward to discerning how UUC will participate in community efforts to make sure that everyone who can benefit from the new policies will be able to do so.

RAIBLE LIBRARY REPORT, RON SHERMAN-PETERTSON
The Raible Library collection is a bequest of long-time UUC minister Peter Raible, who donated his personal library to UUC after he retired. The collection includes rich resources on Unitarian Universalism in the United States and its New England antecedents, as well as works of more general interest on religion, theology, and related areas.

In the initial years following the bequest, library committee members, staff, and volunteers organized the library and cataloged 2,100 of the approximately 6000 books, and then there was a period of inactivity. Ron Sherman-Peterson, a retired librarian, began volunteering in February, 2011, and has since cataloged 1,300 additional volumes and has put the shelves in order so books can be found.

Members of the congregation can go to the following link for instructions on how to search for and request a book through our online system:
http://www.uuchurch.org/raible-library.

SOUL WORK ANTI-RACISM GROUP, BETTY WILLIAMS/NANCY NORMAN
The Soul Work Anti-Racism Group has continued to focus on our purpose is to “transform ourselves and our church community by developing an anti-racist identity, expressed through education, outreach and action.”

The group has worked with the staff on two projects this year, which have involved many members of the congregation. In October, 2012, we coordinated a workshop with UU Minister Mark Morrison-Reed entitled “Torn Between Fuzzy Aspirations and Hard Realities: The Perversity of Embracing Diversity,” which was well attended by UUC members and others from area UU churches. Dr. Morrison-Reed also was in the pulpit that Sunday and shared from some of his books in a Sunday afternoon session. We worked
with the bookstore to make sure his books were available and many group members read his books. Our Winter/Spring educational ARE offering has been a series focusing on the UUA Common Read The New Jim Crow: Mass Incarceration in the Age of Colorblindness by Michelle Alexander. We have worked with Social Justice Coordinator Jennifer Bright to facilitate the showing of Ms. Alexander’s UUA General Assembly Speech from 2012, and discussions of the book. The final event is the showing of The House We Live In, on June 2, 2013.

SoAR has established a practice of reading relevant literature, and the first hour of our monthly meeting is dedicated to reflection and discussion. This past year we have been primarily focusing on reading and discussing The New Jim Crow. We also had a field trip to the African American Museum to view the James Baldwin in Turkey exhibit. We worked with the church Social Justice Steering Committee to get the church involved as a member of the NW Equity Consortium, a grassroots organization made up of community groups committed to anti-racist work, which organized the national White Privilege Conference in Seattle this year. Three of our members attended as part of our involvement in the NW Equity Consortium, and 5 other members attended the conference. We plan to use the conference experience as an educational tool for upcoming meetings.

SoAR members have been involved in the strategic planning efforts, and two members are serving on the small group participating in reflection and planning regarding the social justice goals. We look forward to continuing our work as part of the new mission and vision statement for UUC.

We continued to develop as a committee this year, holding a retreat in September in order to reflect on our goals and plan for the year’s activities. We plan to continue holding an annual retreat for that purpose. We have seen new participants coming to our meetings after each of our sponsored events. We have also had some members leave, including a big loss when our founders, James and Ellen Shillaber, moved back to the East Coast. We are fortunate to have a core group of committed members who are keeping the work and goals alive. Nancy Norman stepped up to fill the opening for co-chair when James left. We look forward to continuing our work as the congregation moves forward with the new strategic plan. Meetings are the first Sunday of the month, from 1:00 – 3:00.

SUNDAY WELCOMING, NANCY MARANVILLE/JULIA MOSER

Sunday Welcoming supports, coordinates, and offers leadership to all the support ministries of Sunday morning: greeters, ushers, coffee crew, office volunteers, bookstore, audio crew, and Sunday “Center Table” coordination. This team includes more than 120 volunteers. The team leaders provided volunteer training in September and a "Round-up" in October to further support the volunteers in exploring welcoming and the roles of each team in the Sunday morning experience. In May the team leaders and the Leadership Development team hosted a volunteer recognition as part of a Sunday service and coffee hour. The team leaders provide support and volunteer recruitment to all the teams throughout the church year.
UU HUMANISTS, JEANETTE MERKI

The UU Humanists have been meeting regularly since 1992 when the group was started by Carol Blakey, a member of the congregation. Our programs include speakers or discussions on topics ranging from the principles of humanism to the evaluation of historical or current social problems. Generally, we are interested in the intersections of science and religion, as in the on-going controversies over teaching Creationism in science classes. Other issues of interest include separation of church and state; the preservation of democracy; new findings in evolutionary biology and the origins of morality.

We meet on the fourth Thursday of each month from 7:00 to 9:00 P.M., September through June (except in Nov. & Dec. when dates are moved). The group is open to the congregation and to the public. We welcome anyone, especially those who value rational thinking and the scientific approach. Our group supports and participates in activities of the Northwest Freethought Coalition. We send out a newsletter three times a year. We appreciate the support of the congregation and hope that our activities contribute to the vibrant life of our church community.

WEDNESDAY FORUM, NAN BENTLEY

The Wednesday Forum meets each week for a speaker or video clips of current events, followed by discussion, in Knatvold from 11 am to 1 pm over a bag lunch and snacks. Among the annual topics are selections from the Foreign Policy Association on Great Decisions. For the past ten years, Tim Gerth has led the group, but other activities have now cut back his time with us. Through these ten years the group has been exposed to many topics from near and far, known and unknown, all the while expanding our horizons. Many thanks to Tim for his years of dedicated tutelage. Since December 2012 Wednesday Forum has been under the new leadership of Dick Saunders and the group is having guest speakers and sessions voted upon and led by members. All are welcome to join our stimulating weekly gatherings.

WOMEN’S GROUP, YVONNE NAUM

The UUC Women’s Group meets regularly the third Wednesday of the month from 6:30-8:30 p.m. The meeting format includes a potluck dinner followed by an opportunity for topical discussion. Last year we took some time to consider and adopt our Mission Statement: “The UUC Women’s Group provides a welcoming environment for women to develop friendships and explore topics which encourage spiritual growth”. Often our discussion topic is guided by the all-church worship theme. Recently, we were joined by Shelby Tarutis of GambiaHELP. Her long-time dedication to this cause gave each of us opportunity to consider our personal missions. We believe in fun – garden party, summer bar-b-que, blueberry picking nourish us. While winter participation may dwindle to 3, other seasons bring together 6 to 15 attendees. No long-term commitment is required and we welcome occasional drop-ins.
YOUNG ADULT MINISTRY, PENNY STICKNEY

The Young Adult Group had a busy year. After holding a discernment process of our own in 2011, we elected Chris Slocum as our Young Adult Coordinator and determined a job description. Chris took an active role in becoming the official liaison between the Young Adult Group and the church community. I took over this role in December and began an earnest attempt to engage the group and attract more Young Adults to grow our group of 20+ (active) Young Adults.

As a group, we began more actively reaching out to welcome new Young Adults to the group and began planning more activities. Our Sunday social hours following the second service at Grateful Bread continue. Our traditional YAAG meetings, which occur every other Wednesday, continue with Bernardo Malfitano taking the reins by arranging planning meetings, and members of the group facilitating discussions of pre-planned topics. On alternating weeks, myself and Liz Aderhold own the task of planning social nights such as board game, puzzle and movie nights, putt putt golf, as well as trivia at various local establishments.

In addition to our regular activities, myself and Chris Slocum worked with Young Adults from other area Unitarians churches to arrange a Puget Sound Young Adult Potluck in June. Although we were only fortunate enough to meet Young Adults from the Tahoma Unitarian Church in Tacoma and Shoreline Unitarian Church, we had a great time discussing the churches and Young Adult groups. In November, myself, Chris Slocum, and Liz Aderhold also planned the group’s third Young Adult weekend retreat, which this time was held at Girl Scout Camp St. Albans. The group had fun with worship and discussion sessions, team building activities, and time to relax in the woods and enjoy nature. Allen Ball, Bernardo Malfitano and Al Dimond organized a Pecha-Kucha night for the group, in which several people volunteered to give short presentations on topics of interest to them. We also began volunteering more frequently, spending time with Seattle food banks, Habitat for Humanity, urban reforestation and Earth Day. Several active members of the group began to reach out with invitations to hikes and theater events.

As the year continues, the group hopes to increase our social justice efforts, take a more active role within the larger church, and welcome more Young Adults to join us.