

**Unitarian Universalist Church  
of Medford**

**Annual Report  
2016-2017**

# Annual Report 2016-2017

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*Latest updates to this report may be found online at this URL:*  
[http://uumedford.org/docs/UUCM\\_2017\\_Annual\\_Report.pdf](http://uumedford.org/docs/UUCM_2017_Annual_Report.pdf)

## **Annual Meeting Agenda – June 4, 2017**

1. Call to Order.
2. Chalice lighting and invocation.
3. Choose a moderator.
4. Act upon the minutes of the congregational meeting of June 5, 2016.
5. Receive and act upon the written or oral annual reports of the Minister, the Director of Religious Education, the Board of Trustees, and various committees.
6. To receive a report from the Board of Trustees regarding expenditures beyond the previously approved 2016-2017 operating budget.
7. Accept and approve the proposed financial operating budget for 2017-2018.
8. To accept nominations and vote on candidates for the offices of Trustee, Treasurer, Assistant Treasurer, Clerk, Collector, and Nominating Committee.
9. To elect delegates to the General Assembly of the Unitarian Universalist Association.
10. New business from the floor.
11. Adjourn

# WARRANT

For an Annual Meeting of the Congregation of the Unitarian Universalist Church of Medford to be held June 4, 2017 at 12:00 noon, or immediately following church services.

## GREETINGS

You are hereby to notify and warn the members of the Unitarian Universalist Church of Medford, Massachusetts to meet in the Sanctuary on Sunday, the 4th of June, 2017, at 12:00 noon, or immediately following Church services, at which time and place the following articles are to be acted upon and determined exclusively by Voting Members, in accordance with and subject to the bylaws of the Unitarian Universalist Church of Medford.

1. To choose a moderator;
2. To act upon the minutes of the congregational meeting of June 5, 2016;
3. To receive and act upon the written or oral annual reports of the Minister, the Director of Religious Education, the Board of Trustees, and various committees;
4. To receive a report from the Board of Trustees regarding expenditures beyond the previously approved 2016-2017 operating budget;
5. To accept and approve the proposed financial operating budget for 2017-2018;
6. To accept nominations and vote on candidates for the offices of Trustee, Treasurer, Assistant Treasurer, Clerk, Collector, and Nominating Committee;
7. To elect delegates to the General Assembly of the Unitarian Universalist Association;  
and
8. To act on such other business as may legally come before the meeting.

Faithfully submitted,

The Board of Trustees of the Unitarian Universalist Church of Medford

Brendan Shea, Chair

Robert Heintz, Vice Chair

Susan Driscoll

Nancy Kurtz

Joan Trudell

Betty Walters

Geoff Ward

# Minutes from June 5, 2016 Annual Congregational Meeting

The meeting was called to order by Nancy Kurtz, clerk, at 12:30 pm. Rev. Tess led an opening reading and the chalice was lit.

1. Nancy Kurtz was selected to be moderator without objection. Karen Johnston served as clerk pro tem for the meeting. A quorum was present.
2. Without objection, the minutes of the June 7, 2015 Annual Meeting, and its continuation on September 20, 2015 were accepted.
3. The annual reports of the Minister, the Director of Religious Education, the Board of Trustees, and various committees were submitted in written form in the Annual Report available at the meeting, a link to which had been sent by email. Dana McNamee summarized the Board report. As of three days ago, we have bonding for our financial officers and Board Chair in place. By unanimous vote, the reports were accepted.
4. There were no expenditures to report beyond the previously approved budget.
5. Michael Glenn presented the proposed operating budget for 2016-2017 and outlined the additional information on finances contained in the Annual Report. Geoff responded to a question on the extent to which we are drawing down our capital funds. Currently, the funds are earning little if any interest due to current interest rates. The covenant on the ministerial fund permits the drawdown of principal in exigent circumstances. The NPO (Non-Profit Organization) fund is the unrestricted portion of the church's funds and can be drawn down. Last year the budgeted drawdown from the ministerial fund was \$12,000, and the proposal for the coming year is \$6,000. Next year we will discuss a zero budgeted drawdown.

There was a discussion of how to reflect the drawdown in the budget. An attempt has been made to make it clear which income portions come from drawdown of church funds.

There was discussion of holding a special collection in the fall as we did last year to augment our support of the UUA/Mass Bay District (budgeted at \$200).

Upon motion and second, it was voted 33 in favor and none opposed to approve the budget for 2016-2017 as submitted.

6. Geoff Ward presented the Nominating Committee's slate for Trustees and Officers as follows:

Trustees: 4 slots

Susan Driscoll – one year term

Geoff Ward – one year term

Nancy Kurtz – three year term

Robert Heintz – three year term

## Officers

Russell Tripp – Collector

Nancy Kurtz – Clerk

Michael Glenn – Treasurer

Emily Hanna – Assistant Treasurer

## Nominating Committee

Geoff Ward

Tammy McKanan

Carol Schachet

Upon motion and second, it was voted unanimously to approve the election of Trustees, Officers, and Nomination Committee as submitted to the meeting.

7) There were no one present who planned to attend the General Assembly in Ohio this year. We will circulate information to see if anyone would like to go and represent us. Funding may be available from UUA.

8) Lisa Bouley explained a current movement, called First Principle Project, to change the first principle to support the worth and dignity of all “beings” rather than all “persons.” She has information on this topic. Enough congregations have supported the proposal to require it to be brought to the General Assembly in 2017. At that point the GA will vote whether to conduct a formal study of the change. A vote of this congregation to support it would add our congregation to the list of supporting congregations.

It was moved and seconded to form a study group to consider the First Principle Project and to make a recommendation to the congregation on whether we should support the petition, which recommendation would be presented for a congregation vote at the next annual or at a special meeting.

During discussion, it was clarified that the purpose of the motion was to enable the congregation to make an informed decision at a later meeting, and not to take a position on the proposal at this time.

After discussion, it was voted to approve the motion with 21 in favor, 2 opposed, and 4 abstaining. The motion passed.

With no further business to come before the meeting, upon motion and second, it was unanimously voted to adjourn at 1:15 pm.

Note: A quorum of the congregation was present. The sign-in sheet shows 30 members and 5 non-members were in attendance.

Respectfully submitted,

Karen Johnston

Clerk *Pro Tem*

# Annual Report from the Board of Trustees – June 4, 2017

The powers and responsibilities delegated to the Board of Trustees by the UUCM congregation, as specified in our church Bylaws, include:

- Appoint annually the chairs and other members of the Religious Education, Finance, Property, Membership, and Worship committees, and define their responsibilities and powers.
  - Appoint, from time to time, the chairs and other members of such special committees as it deems advisable, define the responsibilities and powers, and receive the reports of such committees.
  - Administer, directly or by delegation, all the affairs of the church except as expressly provided otherwise in the Constitution and Bylaws and report its actions at the Annual Meeting, including a report of the proposed annual financial budget.
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This year has been one of change and transition for our congregation, starting with Rev. Tess informing us that she would be leaving in December 2016 for a full-time position as a hospice chaplain. This prompted us to start a ministerial search, with Liz Ammons, Melissa Radzyski and Robert Heintz on the search committee. I want to thank them for their outstanding work collecting feedback and input from the congregation, coordinating with candidates, performing interviews and visits, and ultimately recommending the hiring of Rev. Marta Valentin. I am extremely excited as we start the next chapter of our church and our ministry with Rev. Marta – she brings fresh ideas and perspectives, as well as experience that we can all learn from.

It has also seen change in our religious education program as well, with the departure of former Director of Religious Education, Sara Bossen. We were extremely lucky, however, to have found her replacement from within our own congregation, with Mimi Olivier ably stepping into the role and helping to both keep continuity in our RE program, and to foster its growth with activities such as the potluck lunch for new families, and the wonderfully fun Family Game Night. Thanks to Mimi and the RE committee for their dedication to the youth of our congregation.

Finally, we saw the departure of our longtime office administrator, Lynn Battinelli, due to the sudden loss of her husband. We thank Lynn for her longtime service to our church, ensuring that our phones are answered, mail handled, employees paid, and Orders of Service made ready each week. During our search for a new administrator, handled expertly by Joan Trudell and Sue Driscoll from our Board, our own Geoff Ward, Michael Glenn, Emily Hanna, and David Parker filled in to ensure those responsibilities were handled. We are excited now to welcome Brenda Bonetti to the position, and I look forward to working with her in the years to come.

As much as it has been a year of change and transition, though, it has been a year of growth as well. Some of that growth was fueled by the necessity of change, as it often does. But much of the growth has come from the members of our congregation and their contributions to our church. Thanks to Michael Glenn's efforts, we received the Woburn Grant to help fund our part-time membership coordinator position, which is being adeptly handled by our own Steve Schmidt, and also fund our child care during Sunday Services, to help attract new families to our church. We also had a fantastic stewardship campaign, which was led by Dana MacNamee, Carolyn Cronin, and Liz Ammons, but saw so many of you participate as well. We ultimately saw a 9% increase over our pledges from last year, which is a wonderful outcome and gets us closer to our goal of avoiding drawdowns on our reserve funds to balance our budget.

We have had wonderful fundraisers as well, from the fall Pumpkin Fest, to the winter Speakeasy, to our Valentine's Day Chocolate Auction, and of course our annual spring Rummage Sale. Thanks to everyone who helped put these on and make them successful; there are too many of you to name here individually, but I especially want to thank Lourie August for her tireless annual work to make the Rummage Sale a highlight of our year.

I am very proud of the outreach that our congregation has done this year, largely led by our growing Social Justice committee and friends. The Welcoming Muslims event that we collaborated with the First Parish in Malden Unitarian Universalist Church on was both enlightening and inspiring, and helped to grow our awareness of the world outside of the walls of our church. I am also inspired by our co-sponsorship of the Black Lives Matter forum that happened in the fall, and saw our own Dave Conception give a powerful talk.

Finally, we of course have had wonderful and engaging services, coordinated by our fantastic Worship Committee, with music provided by our Music Director Vivian Montgomery, our growing choir, and a number of guest musicians from both within and without. To me, our services provide hope, inspiration, and a variety of interesting and informational viewpoints that have helped to both center us, inspire us, and engage us. These services make me proud to tell others that I am a member of this congregation.

While we have more work to do, I am very hopeful for the future of our church. I want to say a heartfelt THANK YOU to all of you – for all you do, for who you are, for showing up – you are the Unitarian Universalist Church of Medford.

In peace,

Brendan Shea

Board Chair

## **Minister's Annual Report to the Congregation**

### **Entry**

It has been four months since I have entered your world, and it has been an entry with some challenges. Given the nature of when I started my ministry with you and the fact that Sundays were already scheduled both for me and the congregation, I feel, and I am sure you do too, that it has not felt like there has been consistent ministerial presence. I want to get to know all of you and it is slow going given my hours, but onward we go. In some ways I feel like the ministry will begin properly come September and what we have had is a prelude. We've slowly begun the dance we will do.

### **Exploration**

I have enjoyed working with your Board of devoted and dedicated people. There is great care taken with the decisions that have been made mindful of the challenges the church faces balanced against who we say we are and want to be as Unitarian Universalists. I have felt welcomed to the table, my concerns have felt heard and responded to by the best of their abilities. We all agree we want what is best for the congregation and that involves tough choices sometimes. It is a matter of always holding the larger picture which is a main function of the Board.

I have expressed that it is difficult for me to manage a part-time ministry, having never had one and wanting to operate out of my usual modus operandi: jump in feet first. My main question is: by what criteria do I decide where to put my energy and in what order? What are we trying to build?

## **Some Actions**

I am glad that as we proceed we will now be fully staffed. It has been a joy working with Vivian Montgomery (Music Director) and Mimi Olivier (DRE) and I look forward to getting to know Brenda Bonetti (Administrator). It was great too that I could be at Fred Humphrey's (Sexton) birthday party. UUCM is blessed with talented and dedicated staff to fulfill the ministry of the church.

I have been attending the Worship Committee meetings as I learn how worship has been organized and fulfilled. During this time I proposed bringing to the congregation a wonderful program I used known as **Soul Matters**. Next year we will "try it on" and see how it works for UUCM. In the interest of space, I have written more about it in the forthcoming newsletter. I think Soul Matters will add a new dimension to worship and a continuity across the services regardless of who is preaching/speaking.

Some of the special services that I have been leading and/or a part of include: Stewardship Sunday, Membership Sunday, where we welcomed our new members, and Coming of Age. And sadly, I will be leading John Bell's Memorial Service after his unexpected death.

I also started what I am calling "**Midweek Musings**" – an opportunity to send you a note every Wednesday to keep you updated on what is happening in the larger UU world (as in the recent changes at the UUA), uplift you with a piece of poetry or prayer, or simply share my thoughts in real time. I have not really gotten the sense of whether most of you think it is a good idea, but I know it is new, and we will see what the future brings!

## **Agitation/Aspiration/Growth**

Some of my time was taken up keeping informed of what was unfolding at the UUA (president and higher level sudden resignations), recent resignation of our UUA moderator due to significant health crisis, and subsequent fallout at the UU Minister's Association. We are living through an extraordinary time in our denomination that will result in long-lasting changes. This will be a highly emotional and contentious General Assembly in New Orleans such that I have volunteered to be a Chaplain through DRUUMM (Diverse & Revolutionary UU Multicultural Ministries) to the people of color, both religious professionals and lay folks. But we will get through it calling each other into our higher and best selves.

I invite you to pay attention to what is happening and if you are inclined to tune in to the streaming of events at <http://www.uua.org/ga> either in real time or through the recordings afterwards.

## **Participation**

I participated in the annual "Finding Our Way Home" retreat for religious professionals of color in March and will be at Ministry Days and General Assembly. At Ministry Days I will have the honor of being one of the panelists at this year's Berry Street Conference, a conference begun by William Ellery Channing in 1820. This year by having a panelists they are breaking tradition.

Reverend Marta I. Valentín

# Annual Report from the Director of Religious Education

2017 was a year of huge changes at UUCM generally and in the RE program specifically. In November the previous DRE, Sara Bossen, left unexpectedly. Mimi Olivier was hired to fill in temporarily with reduced hours as the church regrouped from the departure of the DRE and the minister, Tess, who left at the end of December. In March Mimi was hired as the official DRE, with hours expanded back to the previous 13 hours a week.

This year the RE Committee was staffed by Chair Karen Johnston and members Mary MacNamee, Elizabeth Dowey, and Lisa Bouley. They worked hard to keep the momentum of RE going despite the changes. We had 3 classes that met throughout the year. The elementary school class was taught by Elizabeth and Lisa, and the curriculum focused on the Sources. Many approaches were used to learn about where Unitarianism comes from including art activities, drama, and stories. Middle Schoolers participated in the “Neighboring Faiths” curriculum taught by Karen and Jeanne Feeley. They visited numerous local houses of worship which built their knowledge and strengthened UUCM’s ties to the community. The high-schoolers spent the year working on the “Coming of Age” program, taught by Mimi and David Concepcion. They explored their developing understanding of Unitarianism and worked with an adult Mentor from the congregation on a statement about their journey. These statements, or “credos” will be presented to the congregation on June 4<sup>th</sup>.

The RE program sponsored several church-wide activities this year. We held a Brunch for Families with Young Children on March 4<sup>th</sup> which was very successful. We plan to have several of these next year. Family Game Night on April 29<sup>th</sup> was also a rousing success, and proved to be a wonderful way to engage the children with adults from the congregation. Our goal next year is to have these every month or so. We would like to expand these church-wide programs that help develop intergenerational relationships. One idea is to include collaborative performances, both rehearsed and improvisational, as well as group games such as charades.

Our R.E. program was the recipient of an \$850 grant from the Universalist Church School Union Trust for the second time this year. We plan to use the funds for a dedicated laptop and to augment our materials and supplies. We have used some of the funds to purchase materials for our exciting collaboration with the Master Gardeners who are in charge of the gardens at the church. The elementary and middle schoolers are working together currently to plant potatoes and flowers. This exciting project connects the kids with the Food Pantry as well as beautifying our church.

Mimi is working with Carolyn Cronin from the congregation and Reverend Marta on a long-term effort to raise our congregation’s literacy in racism and White Supremacy. This effort was spearheaded by the Black Lives of UU organization, and on May 7<sup>th</sup> we answered their call by holding our first teach-in on White Supremacy. We hope to educate ourselves on the history of oppression within our own parent organization, the UUA, as well as society at large, to assure that we are part of the solution and working towards a true Beloved Community.

Plans are underway for an exciting year. We are recruiting for new Committee members and teachers. We would like to offer a new class in the fall for 4- and 5-year-olds as well as continuing the elementary, middle, and high school classes. We are hoping to provide the OWL program on sexuality for our 8<sup>th</sup> and 9<sup>th</sup> graders. We are looking for a fourth trained teacher to complete this program. We look forward to expanding our collaborations with the Master Gardeners and the Food Pantry. The older teens who complete Coming of Age this year will engage in an ongoing community service project next year with

the Food Pantry, deepening the congregation's relationship with this important program. The teens will also function as an "R.E. Advisory Board," drawing on their experience growing up in our program to recommend curriculum approaches for the younger kids.

Thanks to everyone whose hard work made the UUCM RE program very successful this year!! We are looking forward to an inspiring year ahead, moving forward with a permanent DRE and Minister, and implementing the exciting "Soul Matters" program.

Respectfully submitted,

Mimi Olivier, Director of Religious Education

## **Report from the Music Director**

We have had a rich year of music at UUCM in 2016-2017, with the choir, our usual in-house talent (Nancy, Molly, Brendan, Joe, Monty), other community musicians, and wonderful guests. In the fall, we had guests from my ensemble, Eudaimonia, and for Christmas Eve we had baroque instrumentalists accompanying the choir in music by the French 17<sup>th</sup> century composer Charpentier.

Our love song service in February was a great success, Easter featured the choir on spirituals accompanied by saxophonist Diane Heffner, and our recent performance of excerpts from Jason Shelton's UU Cantata "Sources" was very well received. Coming up, we will have the song-leadership of Jim and Beth Sargent, special guests from the Needham UU community. And in June, for our final choir service, we will be performing an amazing piece by Canadian composer Laura Hawley weaving together Arabic incantations of welcome and joy. Other important musical elements include the regular and impressive contributions of Russell Tripp as well as services with guests drummer/singer Matt Meyer (who also served as guest minister) and jazz pianist Peter Cassino. We are very fortunate to be able to bring such a wide variety and high quality of music to the congregation!

Inspiring collaboration with the minister and RE director has been a key part of what has made the music so strong and integrated this year. UUCM is fortunate to have a team that works together so well, and with such pleasure. The activism and engagement of the congregation is also a real blessing. As was the case last year, I have been stretched far too thin, with my full-time teaching job at Longy, my work at Temple Shir Tikva, my concert and research life, parenting, caring for my elderly father, in addition to my work for UUCM – many thanks to all for their support and good will this year!

Two notes: 1) Having a music budget that allows for bringing in such guests as are mentioned above, plus purchasing new music, is essential and should be identified as a regular part of operations rather than a special allotment drawn from temporary funds. 2) I suggest aiming toward the purchase of the Spanish UU hymnal, or at least purchasing licenses for photocopying some of its key contents.

Vivian Montgomery, Director of Music

# Review of Fiscal Year 2016-17 Finances

Fiscal year 2016-17 was an irregular year in several respects. For one, three of the staff positions turned over, resulting in intervals where the positions were either not filled at all or filled at reduced hours. For two, as outlined in the [Buildings & Grounds report](#) below, multiple one-time property upkeep and improvement projects in total incurred expenses that caused category expenditures to substantially exceed the amount budgeted. Highlights include:

Income: (1) Increased pledged amounts were actually met in total, continuing a favorable trend. (2) Plate collections and other non-pledge gifts exceeded expectations. (3) Fund raising, from the church rummage sale, the January “speakeasy,” and several smaller events generated a projected \$4,825 in income, somewhat short of the budgeted as one fewer events than originally planned were held. (4) Building use fees came in slightly under budget. We continue to get many one-time users, but as yet no recurring weekly users that would replace those lost two years ago have emerged. (4) Withdrawals from the Ministerial Fund will total \$6,000 this fiscal year, which is about equal to half of the income and capital gains generated by the Fund this fiscal year. There were no withdrawals from the NPO Fund.

Expenses: (1) As can be see in the chart below, temporary vacancies or reduced hours in the minister, DRE, and office administrator positions resulted in personnel expenditures of almost \$10,000 below budgeted across those positions. (2) Substantially in the opposite direction, buildings improvement project expenses totaled almost \$6,500 above budget. (3) The mild but snowy winter is reflected in the reduction in heating expenses vs. the previous year and what was budgeted, while snow removal expenses came in (somewhat miraculously) almost exactly on budget. (4) Net Religious Education program expenses were virtually zero due to having been largely funded by a grant from the Universalist Church School Union Trust. (5) General & Administrative expenses, the majority of which consists of telecommunications and internet services, came in close to budgeted. The net of the above and other factors was that expenses in total are projected to come in over \$5,300 less than originally planned and approved.

Our church continues to function well on a lean budget, one we regard as having almost no “fat.” Our endowment fund accounts asset values ended the year higher than they began, despite the \$6,000 in withdrawals noted above, due to the marginally more aggressive investment strategy outlined in last year’s Annual Report being aided by a favorable stock market.

As we do in this space every year, the Finance Committee acknowledges the people involved in the church’s day-to-day financial operations: Assistant Treasurer Emily Hanna, former church administrator Lynn Battinelli, new church administrator Brenda Bonetti, and Collector Russell Tripp. Their ongoing work in doing the primary setup, monitoring, and entering the transactions that go into generating the reported numbers discussed above and in the proposed budget for the coming fiscal year is absolutely necessary for our functioning and planning.

Sincerely,

Geoff Ward and Michael Glenn,  
UUCM Finance Committee

## Fiscal Year 2016-17 Income & Expenditures, Projected Actual\* vs. Budgeted

	FY 2016-17 Estimated Income & Spending*	FY 2016-17 Budgeted	Actual vs. Budgeted
<b>Income</b>			
Pledges	66,568	66,800	-\$232
Plate and Other Gifts	5,472	4,800	\$672
Fund-raising	4,825	7,500	-\$2,675
Flower Sponsorship (net)	110	100	\$10
Building Use	14,100	14,500	-\$400
Investment Income from NPO Fund	4,933	3,000	\$1,933
Restricted Fund Distributions	4,437	4,500	-\$63
Ministerial Fund Distributions	6,000	10,000	-\$4,000
Drawdown of Music Program Fund	3,795	4,000	-\$205
<b>Income Total</b>	<b>110,240</b>	<b>115,200</b>	<b>-\$4,960</b>
<b>Expenses</b>			
Minister	31,664	38,000	\$6,336
DRE	12,692	15,580	\$2,888
Sexton	9,036	8,800	-\$236
Administrator	2,324	3,000	\$676
Music Director	13,028	12,920	-\$108
Payroll Service	2,272	2,300	\$28
Workers Compensation Insurance	2,135	1,550	-\$585
<b>Staff-Related</b>	<b>73,151</b>	<b>82,150</b>	<b>\$8,999</b>
Utilities & Heat	10,345	12,400	\$2,055
Snow Removal	5,284	5,400	\$116
Property & Liability Insurance	7,639	7,600	-\$39
Buildings & Grounds Maintenance, Repairs, Upkeep	10,973	4,500	-\$6,473
Sunday Service	3,241	3,050	-\$191
Religious Ed Supplies & Programming	0	900	\$900
Music Program	2,245	2,000	-\$245
General & Administrative Supplies, Services, Equipment	3,771	3,800	\$29
Affiliations	200	200	\$0
<b>Expenses Total</b>	<b>116,849</b>	<b>122,000</b>	<b>\$5,151</b>
<b>Deficit</b>	<b>-6,609</b>	<b>-6,800</b>	

\* Full fiscal year projections based off of actual income and expenses through May 31.

# Treasurer's Report

Principal church assets are our properties and their contents, and four major church funds. Those funds are (1) the NPO Fund, which functions as a reserve fund in our financial planning; (2) the Ministerial Fund, whose distributions are limited to offsetting compensation for the UUCM minister, (3) the Charity Fund, and (4) the Lawrence Fund. Below is a listing of the funds' net asset values (NAVs) as of the April 30 statements except where noted, and their respective influence on our finances. NAVs change due to income generated, fluctuations in market values of fund assets, investment management fees, and withdrawals from the funds. The NPO, Ministerial and Charity Funds are managed by LPL Financial, located in Winchester, Massachusetts. The Lawrence Fund is managed by the PNC Bank in Pittsburgh.

*Change of Portfolio.* In December of 2015 members of the then Finance Committee – Geoff Ward and Michael Glenn – met with Mark Shepherd to discuss our investment strategy for the church accounts. We noted that the church was approaching running a balanced budget, and there would thus be an associated reduction in significant withdrawals from our accounts over the coming years. Because of this, Mark suggested that we might want to consider changing the allocation of our funds. He suggested that we look at all our funds together, and then reinvest them in a diversified and balanced, but still conservative portfolio, which might bring us a higher return. The Committee discussed the matter and agreed to go along with Mark's proposal.

The new model basically is as follows: Cash: 30%; Fixed Income (short and intermediate bond funds): 40%; Equities: 30% (large-cap 25%, mid-cap 3%, small-cap 2%; the large-cap figure includes 3% international)

**NPO Fund.** (Note: The name "NPO" derives from "Non-Profit Organization".) NAV: \$111,910. This fund has no restrictions on withdrawal of principal or income. Income from interest and dividends is accounted for as investment income in the budget report. The fund contains approximately \$500 in tuition collected from OWL program participants, set aside for use in defraying future OWL teacher training costs. Income from the NPO fund is treated as income in the church financial statement, whether or not the income is withdrawn from the fund.

During this year, the NAV of the NPO fund rose from \$107,227 to an April 30 value of \$111,910, a rise of \$4,683. The fund's current NAV reflects the effects of the following for the ten months from July to April: dividends, interest, and realized capital gains net of fees of \$996; and an increase in unrealized capital gains of \$3,937.

**Ministerial Fund.** NAV: \$237,710. Distributions from the fund, determined by Financial Committee in consultation with the LPL advisor, are accounted for as income upon receipt. The use of distributions of this fund is limited to contributing to the UUCM minister's compensation.

During this fiscal year the NAV of this fund has increased from \$231,333 to \$237,710 as of April, a total of \$6,377. The increase was net of \$4,500 in withdrawals during the first ten months of this fiscal year, the gross increase having been \$10,877. The change NAV reflects unrealized capital gains of \$8,584; the remainder of the change comes from dividends, interest, and realized capital gains net of management fees.

**Lawrence Fund.** NAV: \$173,118 as of March 31. At the beginning of the fiscal year, this fund had a NAV of \$168,396. Distributions from the funds are determined by the Trustee – PNC Bank of Pittsburgh – and are limited to the income earned by the fund. Distributions are accounted for as income upon receipt, and totaled \$3,337 through the first three quarters of this fiscal year. There is no restriction on the use of distributed income, once received. The Trustee exercises absolute discretion on the fund’s investment policy, and to date has proved only modestly amenable to our request or suggestions. The Finance Committee will continue to offer suggestions in an attempt to align the fund’s investment policy more closely with the one arrived at in consultation with Mark Shepherd at LPL.

**Charity Fund.** NAV: \$52,667. Fund income, liberally defined in the fund’s covenant to include realized capital gains, may be paid out at the minister’s discretion to causes and church members in need. While the Fund’s terms do not preclude the financing of certain church expenditures, this has not been the practice to date. Thus the Charity Fund does not effectively enter into church budget-related considerations.

These two fund accounts (investment and checking) began the fiscal year with total assets of \$50,459. As of May 1, Reverends Tess and Marta had dispersed \$950 in charitable contributions.

**Small Funds.** *Music Fund:* This is a special-purpose fund, endowed in late 2013 by a generous former member of the church, earmarked specifically for funding the UUCM music program. The fund now has its own dedicated bank account. Previous to that account’s creation, withdrawals from the Music Fund were treated as income in the church financial statements. Following the bank account’s creation, direct expenditures from that account are treated as income. The current bank account balance is \$2,079, which is forecast to be spent down to zero this coming fiscal year.

*Russell Fund:* This is a small account invested with the UUA with current NAV of about \$1,430. Right now it is generating virtually no income. The fund’s terms prevent it from being liquidated, so it is essentially no more than a curiosity at this point..

The Finance Committee’s investment philosophy in the past several years has been extremely conservative – aimed at limiting any risk of capital loss. Historically current valuation levels have been associated with low total returns and substantial risk of major loss. Consequently, we have chosen not to gamble on eking out a few extra percentage points of return while incurring that risk.

## **Annual Report from the Worship Committee**

The 2016-17 worship committee included Susan Jhirad, Russell Tripp, Ann Heintz, Nancy Kurtz, Hank Driscoll, and David Parker. Mimi Olivier represented the Religious Education committee.

Rev. Tess announced at the Worship Committee retreat in August that we would adopt the theme of the UU Sources this church year, but with the ensuing ministerial transition, we specifically touched the theme only twice, with an October service lead by Michael Glenn focusing on secular humanism, and a reflection service facilitated by David Parker in May that surveyed all six sources.

We again worked closely with the Religious Education program to coordinate a reprise of the holiday pageant composed by Rev. Tess and based on Charles Dickens's *A Christmas Carol*. The program was well directed and well-acted!

Through the course of the year, we arranged for nine services with guest ministers, including Lisa Kirk, Elisa Pearmain, Elizabeth Nguyen (2 services), Laura Randall, Colin Bossen, Vera O'Brien, Matt Meyer, and Natalie Malter. We also arranged for Jim and Beth Sargent, from the Needham UU church, to provide their musical talents at the Memorial Day service.

Numerous persons from the UUCM community stepped up to present or facilitate services. Many thanks to all who contributed.

We were pleased to welcome Rev. Marta Valentín for her first worship service at UUCM on February 26. Since her arrival, Rev. Marta has been providing guidance to the worship committee, and we look forward to working with her.

The schedule for summer services is completed. Worship leaders for all weeks of the summer are identified.

Looking forward, we have a committee retreat planned for August, where we will work with Rev. Marta to set the direction of worship for the 2017-18 church year.

Overall, we have had a very busy year with a rich variety of worship experiences including a large number of participants. The services have all been well organized and well presented, and we are confident that they have contributed to the spiritual growth of the UU Church of Medford congregation. It has been a pleasure and a privilege to contribute.

Respectfully submitted,

David Parker, for the Worship Committee

## **Annual Report from the Caring Team**

The Caring Ministry has evolved from an intentional team-led effort to an unstructured Congregation-wide response. Steve Schmidt remained as the contact person to whom some requests for needs were addressed. The trend that began to emerge in the past few years seems to have continued to grow: Much caring within the UUCM community is being provided "behind the scenes," and Steve was not directly involved.

The Caring Ministry, on behalf of the Congregation, would like to extend a heart-felt thank you to all those who helped provide care for fellow members and friends of UUCM.

Respectfully submitted for the Annual Report by the Caring Ministry.

# Annual Report from the Buildings & Grounds Committee

Several major “one-time” expenses were incurred during the year which brought total expenditures up to substantially more than the budgeted amount for buildings and grounds maintenance and upkeep. Some were truly one-time, which we do not expect to repeat any time soon; others were borderline recurring. An upshot is that the baseline annual requested budgeted amount has been increased to \$6,000.

Among the projects falling in the former category above were: (1) The gutter on the sanctuary’s west side roof gutter was lined with with a synthetic coating, in a what appears to be a successful attempt to stop water from entering into the wall below. There has been no further sign of water damage on that interior wall since the lining was installed. The cost was in excess of \$3,000. (2) A massive quantity of accumulated junk was removed from the Osgood House basement basement, attic, and rooms, and the church basement. The Osgood basement was then professionally cleaned. Total cost was about \$1,750. We intend to complete the clean-out of junk from the church basement and have it cleaned as well, but once that is completed that should be it – as long as the storage spaces stop being used as dumping grounds. (3) The toilet in the church bathroom near the side entrance was replaced. Now all four toilets on the properties are modern low-flow models. The cost of the job was \$575. The total of these three jobs was thus over \$5,300.

Projects completed which qualify as sporadic but reliably recurring include replacing roof slates on the church and clearing out the main church sewer line. Because the unit cost per slate replacement goes down as the number of slates replaced during the job goes up it makes sense to wait every two or three years to have a cumulative fix performed. And I am now thinking it would be wise to have a preemptive clean-out of the sewer line done annually rather than, as has been the protocol to date, wait the two or three years it takes for the line to start backing up and then entailing a concomitant major job. Other examples of sporadic tasks that do not occur every year are patching the church driveway and tree pruning, both of which are due to be done this coming year.

The community garden group, who have been putting the church grounds to good use for supplying produce to the church Food Pantry while effecting an aesthetic upgrade to boot, continue to be welcome partners in improving our outdoor face to the world. They are now looking at options regarding the church’s front yard.

Finally, it is worthy of note that the reliability of the main church heating system improved immensely following the replacement of the ignition element of the main gas boiler (at a modest cost). The failure to fire up on demand had been an ongoing issue since the conversion of the burner from oil to gas several years ago. Thankfully the problematic issue seems to have been identified.

I am gratified to report that Loren Bernardi joined the Committee as a formal member this past year. As usual, I would like to recognize the dedication of our sexton, Fred Humphries, which goes well above and beyond the official charter of his position. Fred’s contributions were fittingly acknowledged during the May 7 Sunday service, whose general theme was honoring our community stewards.

Respectfully submitted,

Geoff Ward,

Building & Grounds chairman

# Annual Report on Social Justice Work

Here is a report on this year's social justice work.

We had chosen two areas of work for this 2016-17 year: (1) racial injustice and (2) immigrant support and defusing islamophobia. These are the activities we carried out during the year:

On Sunday, October 2, the Syrian refugee Amira El Amri spoke at a special social justice service about refugees from the Middle East. She described her own personal odyssey and urged us to come to the aid of other refugees like herself. In response, we took up a special second collection which garnered \$788 for the UUSC-UUA Refugee Crisis Fund, a fund that supports hands-on refugee support in the Middle East.

On Saturday, November 6, we co-sponsored a forum in Malden on racial justice with the Malden First Parish Church. The forum, moderated by Carey McDonald, Outreach Director of Program and Strategy for the Unitarian Universalist Association and an FPC member, was in honor of their raising a Black Lives Matter banner and was intended to help explain to the Malden community (and others) why churches like UUCM and FPC displayed it. David Concepcion spoke at the event, representing UUCM. Speakers included DiDi Delgado and Christian Perry from Black Lives Matter/Cambridge), Neil Osborne from the Mystic Valley Area NAACP, and Ellie Tiglao of the Asian-Pacific Islanders (AOPIs) for Black Lives Boston.

In November and December we sponsored two different groups that read and discussed the 2016-2017 UUA Common Read, *The Third Reconstruction: How a Moral Movement is Overcoming the Politics of Division and Hate* by The Rev. Dr. William Barber II and Jonathan Wilson-Hartgrove. About sixteen people took part in these groups, which were led by Michael Glenn and Jenn Stiles.

Also in November, we carried out a "safety pin" campaign after one of our services. Wearing a safety pin is a symbol today, meant to assure people that if they feel harassed or threatened – because of gender, color, ethnicity – the wearer of the pin had their back, could help, or call for help. Or, at least, was not a threat.

On January 15, social justice activists participated in a UUCM service marking Martin Luther King, Jr. Day. Dave Concepcion gave the sermon on "The Misremembered Dr. King." Many of us went the following day to the MLK Day brunch at the Menotomy Grill and Tavern in Arlington, sponsored by the Medford Human Rights Commission and the Mystic Valley Area NAACP.

Between mid-January and mid-March, our main social justice work was the Medford Conversation Project on "Race and Ethnicity in Medford and Beyond." Several UUCM members worked on the Project's planning team from October through March; three members served as small group facilitators; and several more took part in the series of five small group discussions, culminating in a large meeting of close to 160 people on March 12th. The activism sparked by this Project later spilled over into city-wide organizing to make Medford a safer city for all its inhabitants, a project known as SafeMedford. Several UUCM'ers have been working with this group as well.

On February 5 we welcomed Muslim members of the Malden Islamic Center and the Medford Bangladeshi community to a service on welcoming our neighbors. After the service, we invited our guests to join us at small tables for a buffet lunch and conversation. This event brought close to a hundred people into our church and served to deepen our commitment to upholding the worth and dignity of all members of our community. As a follow-up to the event, the Malden Islamic Center welcomed several students and teachers from our RE Middle School program, to introduce them to concepts and the practice of their religion.

In February, we took up a collection to support social justice projects at Medford High by our teens Antonia Collins, Maya Gomez-Coultas, and Willa Driscoll, which raised \$300.

In addition to this, since Donald Trump's election, members of the church have continued attending various rallies and demonstrations – in Boston and beyond – including the spectacular Women's March on January 21. As a follow-up to the March, and in honor of International Women's Day, Susan Jhirad led a Sunday service entitled "Why We March," which featured a slide show, songs by guest musicians, and a rendition of the classic "Respect" by the singer Didi Stewart.

Our book clubs continued to investigate the topic of race and white privilege by reading and discussing Debby Irving's *Waking up White* and Ta-Nehisi Coates' *Between the World and Me*.

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At our year's end meeting on May we decided to change how we will organize our social justice work. Moving forward into 2017-2018, we will be decentralizing how we take on and carry out these activities, a model many other churches are using. In today's world social justice work takes many forms, and different members of a church resonate to different issues. Rather, then, than attempt to focus everyone's energy on one or two main themes, creating a fairly structured year's program, we are encouraging people to take up the issues they care most deeply about. If someone in the church wants to work, say, on issues of climate change, they could chart a course and invite others to join them. At the same time, we will set up some main sub-groups, each with their own leaders or "contact persons."

- Carolyn Cronin will be the general UUCM contact person for social justice issues. If you hear of an event or action that people should know about, let her know. We will try to inform folks who want to be informed about "what's going on," without barraging those who do not, with timely notifications on the Discussions list. Over the next six months, Carolyn will also conduct a survey of church members' attitudes around social justice issues.
- Susan Jhirad and Ilene Lerner will be contact people for Safe Medford and immigrant-related issues.
- David Concepcion, Jenn Stiles and Carolyn Cronin will be contact people for issues of racial justice.
- Ben Marder will develop a page on our website (coordinating with Melissa R.), listing ongoing and recommended social justice activities.
- The social justice book groups which proved so popular this year will continue. Margery Gans, Michael Glenn and Jenn Stiles will plan next year's reading list, expanding it to include books on theology and social justice, biographies, and fiction, as well as books on history and policy. The two different available meeting times (Sunday afternoon and Monday evening) will continue as well. People will be able to join the existing groups in the fall, and/or shift groups as fits their schedule.
- In conjunction with Rev. Marta and the Worship Committee, we'll continue to offer social justice themed Sunday services.
- And we will continue to work closely, cooperatively, with other nearby UU churches as well as with local groups.

# Annual Report from the Membership Committee

Growth in our community is vital to its survival. So “membership work” is a basic part of church life. To augment this work, this past fall we applied for a one-time Woburn Grant from the New England Regional UUA. We asked for funds to purchase materials for a “welcome bag,” which we planned to give to all first-time visitors who stayed for Social Hour. The bag would be an expression of our delight in welcoming them. It would contain a coffee mug embossed with our logo, some fair trade chocolates, and an assortment of pamphlets about Unitarian Universalism and our church. We also asked for funds to maintain our visitor database, as well as to pay for childcare during Sunday services – so people with small children could attend the services without having to worry about their kids. The Woburn Fund granted us \$3,600, and we began implementing this program in February, 2017.

Steve Schmidt agreed to maintain our visitors’ data base, contact newcomers, and make new name tags for visitors who wanted them. Lily and Jahna MacNamee volunteered to staff our Sunday nursery. Mimi Olivier, as Director of Religious Education, organized a spring brunch for parents of small children, as well as a family “Games Night,” and invited newcomers with small children to these events.

Many members contributed to the warm welcome our visitors experienced at Sunday services and afterwards in Benker Hall, and we want to thank them all. But we also relied on a team of people who wore the “Red Apron” to serve as official, visible greeters. The “Red Apron” team addressed newcomers and answered their questions. This year, the team included Annette Bloom, Michael J. Lowe II, Dana MacNamee, Tammy McKanan, and Steve Schmidt. Steve also maintained a consistent, welcoming presence at our front entrance, introducing newcomers to our church and inviting them to sign our visitors’ book. Dawn Milam and Elizabeth Ellis also helped at the visitors’ desk.

People decided to become new members at various times of the year, and Rev. Marta held a Membership Service on Sunday, April 23. We were delighted to welcome seven new members this year, as approved by the Board: April Evans, Margery Gans, Paul Marcucilli, Dawn Milam, Avalon Owens, Thomas Phillips, and Meghan Rogers.

Our new members’ photos and brief biographical statements were posted in Benker Hall for six weeks after the ceremony. We now plan to take photos of all church members during the coming fall, invite everyone to write a “biographical statement,” and then hand out a small Members Book to everyone in our community.

Thanks to everyone who has helped out this year!

~~ Michael Glenn

# Fiscal Year 2017-18 Budget Proposal

	FY 2017-18 Proposed	Explanation
Pledges	70,600	This year's pledge drive total
Plate and Other Gifts	5,500	Approximate 2016-17 FY projected total
Fundraising	6,000	2016-17 total plus one small event
Flower Sponsorship (net)	100	
Building Use	15,500	2016-17 total plus small fee increases
Investment Income from NPO Fund	2,000	Approximate 2016-17 FY projected total
Lawrence & Other Restricted Fund Distributions	4,500	Level with previous FY
Ministerial Fund Distributions	10,000	\$4,000 income / \$6,000 principal drawdown
Drawdown of Music Program Fund	1,840	Remaining fund amount
<b>Income</b>	<b>\$116,040</b>	

Minister	38,500	Slight increase from 2016-17
DRE	15,580	Full year of 13 hours per week
Sexton	9,200	Raise in hourly rate to \$15
Administrator	4,260	Raise in hourly rate to \$16
Music Director	12,920	Level with 2016-17
Payroll Service	900	Coverion from ADP to Paychex
Workers Compensation Insurance	2,100	Level with 2016-17
<b>Staff-related</b>	<b>\$83,460</b>	
Utilities & Heating Oil	10,000	Level with est. 2016-17
Snow Removal	5,400	Level with 2016-17
Property & Liability Insurance	7,600	Level with 2016-17
Buildings & Grounds Maintenance, Repairs, Upkeep	6,000	Increase in annual baseline
Sunday Service-related expenses	3,550	12 guest speakers, coffee, Soul Matters
Religious Ed Supplies & Programming	200	Net of grant
Music Program	2,000	Level with 2016-17
General & Administrative Supplies, Services, Equipment	3,300	Lower telephone/internet service costs
UUA/MBD contribution	250	Level with 2016-17
<b>Expenses</b>	<b>\$121,760</b>	

**Deficit**      **-\$5,720**      Planned drawdown from NPO Fund

## Appendix 1: Church History Through a Financial Lens

To the right we repeat un-updated the annotated display presented in last year's Annual Report taken from reports provided by LPL Financial – the asset manager of three of UUCM's four most important endowment funds – which the Financial Committee believes will be of interest to the community.

To the right is a concise graphic history of the NPO, Ministerial, and Charity Fund values. The first two histories vividly display the effects on the church's fund values from the Madeline Benker bequest early this century, followed by its extensive drawdown from spending for extensive rehabilitation of the church's physical structure physical, coextensive with ongoing operating deficits until spending was brought more in line with sources of income 2011-14 – as noted in the annotations.

Summarizing key elements of this history:

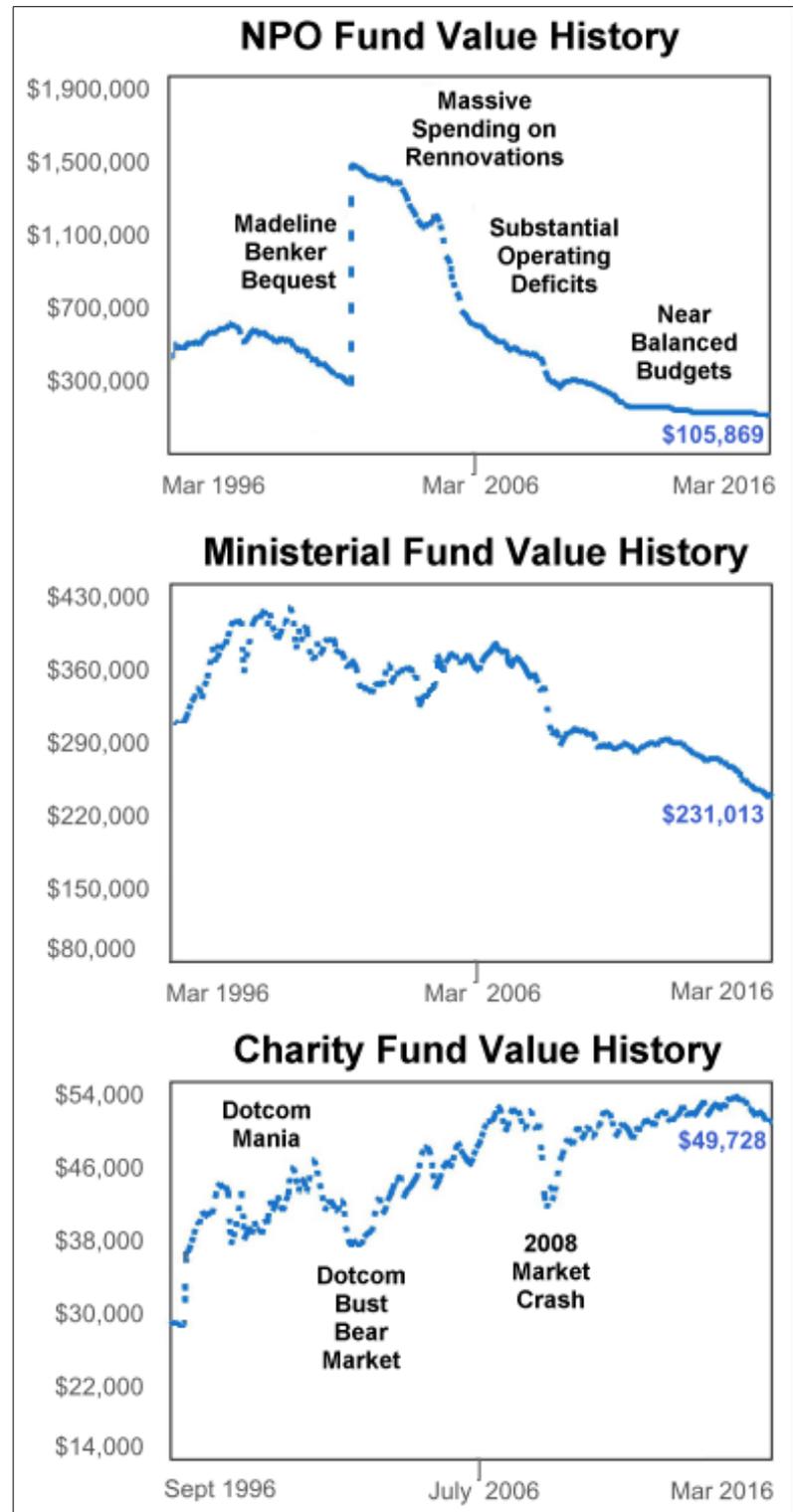
2001-05: Extensive work on the church, including restoring the main stain glass window in the sanctuary, restoring Benker Hall, restoring the bell tower.

2006-15: Further work on physical plant, such as repainting Osgood House, replacement of sanctuary roof cap, major replacement of cracked or missing church roof slates, replacement of membrane roof over the church side entrance, replacement of church main water input pipe, conversion of church boiler from oil to gas, church and Osgood plumbing work.

2001-11: High operating budget deficits with full-time minister and other staff.

2011-14: Change to  $\frac{3}{4}$ -time minister, other staff cutbacks result in substantial reductions in operating deficits.

2014-date: Change to  $\frac{1}{2}$ -time minister and other operational changes results in small (but still positive) operating deficits.



## Appendix 2: Fiscal Year 2015-16 Income & Expenditures, Actual vs. Budgeted

	FY 2015-16 Actual	FY 2015-16 Budgeted	Actual vs. Budgeted
<b>Income</b>			
Pledges	66,524	62,500	\$4,024
Plate and Other Gifts	5,835	4,000	\$1,835
Fund-raising	5,743	7,500	-\$1,757
Flower Sponsorship (net)	18	100	-\$82
Building Use	14,000	16,000	-\$2,000
Investment Income from NPO Fund	2,309	4,000	-\$1,691
Restricted Fund Distributions	4,471	4,040	\$431
Ministerial Fund Distributions	12,754	12,000	\$754
Drawdown of Music Program Fund	4,000	4,000	\$0
<b>Total</b>	<b>115,654</b>	<b>114,140</b>	<b>\$1,514</b>
<b>Expenses</b>			
Minister	37,406	38,000	\$594
DRE	14,923	15,580	\$657
Sexton	8,480	8,800	\$320
Administrator	2,968	3,200	\$232
Music Director	11,055	12,920	\$1,865
Payroll Service	2,197	2,200	\$3
Workers Compensation Insurance	1,201	1,400	\$199
<b>Staff-Related</b>	<b>78,230</b>	<b>82,100</b>	<b>\$3,870</b>
Utilities & Heat	14,395	13,400	-\$995
Snow Removal	3,412	6,300	\$2,888
Property & Liability Insurance	7,494	6,550	-\$944
Buildings & Grounds Maintenance, Repairs, Upkeep	1,922	5,000	\$3,078
Sunday Service	2,611	2,750	\$139
Religious Ed Supplies & Programming	566	1,100	\$534
Music Program	2,000	1,980	-\$20
General & Administrative Supplies, Services, Equipment	3,739	3,800	\$61
Affiliations	200	200	\$0
<b>Total</b>	<b>114,569</b>	<b>123,180</b>	<b>\$8,611</b>
<b>Deficit</b>	<b>1,085</b>	<b>-9,040</b>	