First Unitarian Society of Chicago October 24, 2019 Board Meeting – 6:45 p.m.

Board Members Present: Kristin Faust

Cindy Pardo Ellen LaRue Margie Gonwa

Grace Latibeaudiere-Williams

Amos Biggers

Others Present: Rev. Teri Schwartz

Rev. David Schwartz Monica Kling-Garcia

Beth Moss Liz Harris

Opening

The meeting began with Opening Words by Grace Latibeaudierre at 7:00

Minutes from the September Board Meeting

Kristin distributed the minutes from the Board's September meeting. Rev. Teri made a spelling correction. Ellen made an objection to the use of "FU" or "FUC" as an abbreviation for the Society's name. Rev. Teri suggested "First U" as an alternative. Monica made a correction to name. Amos will be responsible for putting the minutes on the website.

Cindy moved to accept the minutes as amended; Grace seconded the motion; motion carried.

Vote on the Congregational Secretary

Margie moved that the Board accept Kristina DeGuzman as Congregational Secretary; Amos seconded the motion; motion carried.

Report from the Director of Religious Education

Beth distributed her written report. She noted that attendance at the first Sunday RE classes was strong, and that numbers are smaller on holidays and days when the Revs. Schwartz are out. Beth continues to find ways to get youth connected to the program and to keep high school-aged youth involved, especially given the number of high achievers among congregational youth with many competing claims on their time, by offering experiences unique to our community. She noted that three youth will be able to attend the North Area Youth 2019 Fall CON in Evanston.

Beth introduced a new section of her report regarding notable challenges. She has hired new teachers because the position didn't retain, noting that it's difficult to maintain for a small position because individuals are either students or searching for full-time employment, and unfortunately one of the three hires didn't work out. She is currently in the process of searching for new individuals. Meanwhile, adult fill-in support has varied and she plans to make changes to the sign-up process in order to increase parent participation. Additionally, it has been challenging to find someone to train for Our Whole Lives (OWL). She currently has one individual trained and a second who is committed to training in January, but two will not be enough. Rev. Teri noted that the parents of children in the OWL program (age range 4th-7th grade) are not eligible to serve. Beth noted that she is trained and able to fill in, but with her other responsibilities and the nature of the OWL program, stepping in and out is difficult. Rev. Teri noted that Beth goes above and beyond in her job, and that she is going to chaperone the youth at CON weekend, which is her weekend off; Rev. Teri plans to work to find Beth some compensatory time.

Beth reported that her goals continue to be to provide a quality curriculum, noting that the middle school curriculum in particular is going very well, as well as providing more family events and service projects. The last service project was with the refugee center and they were able to make a donation directly to one family to support them. The next service project will be the Wednesday before Halloween; at least one family is signed up to go to the Greater Chicago Food Depository in costume. Beth continues to work toward having strong parent communication and attending coffee hour to engage with parents.

Ellen asked whether we are able to join forces with other churches in the OWL program. Beth indicated that while we occasionally have, this year's class is particularly large.

Ministerial Intern's Report

Monica distributed her written report, noting that it is formatted based on the UU competencies established for all students working toward UUA fellowship. Her role is currently mainly observational, but there are areas in which she is taking leadership. She has a Ministerial Intern Support Team, which is an opportunity to have lay support and feedback, and also serves as an evaluative body for every year of her internship. The Support Team currently consists of Barbara Randolph, Jim Proctor, Cory Muldoon, Elizabeth Larson, and Joyce Swedlund.

Monica will be coordinating the "Celebrate at First" program, which consists of events that happen after service, coordinating with various holidays, the current custruction, and conflict resolution efforts, meant to be events that will lift the spirits. Holiday celebrations are planned for December 8, February 16, Easter, and Flower Communion. She is also willing and excited to speak with anyone who has questions about ministry or the process of becoming a minister.

Rev. Teri noted that the purpose of "Celebrate at First" is to provide opportunities for the congregation to engage and provide positive experiences to practice what we are learning about conflict resolution and being a community.

Treasurer's Report - Liz Harris

Liz distributed the church's latest income and balance sheet. She noted we are doing well, with an increase in projected pledges. Currently, we have received 22% of pledges for the current year, which is particularly good given that no reminders have yet been sent out. Reminders for both the annual fund and capital campaign should go out soon, the priority being the capital campaign.

We have funds invested with E-Trade as well as with the UUA Endowment, and the finance committee is working hard with the financial management firm Bernstein.

Liz passed out a draft investment policy. The only change was to the risk profile from the Fenn Endowment based on the purpose and needs of the three accounts that are being passed to Bernstein. The projected allocation for the general endowment was 70% with 30% for risk mitigation. A similar profile was recommended for the Fenn endowment, but based on finance committee discussion, a 50/50 split is suggested instead due to the desire to increase the Fenn endowment as much as possible without losing anything further. Steps toward risk mitigation have already taken place by investing in capital renovation. The proposal is not yet finalized and based on the decision to shift the Fenn endowment to a 50/50 split, the committee will invite Bernstein to name different investment funds for the Fenn Endowment.

Kristin and Liz have filled out paperwork with Bernstein. What remains is to transfer funds from E-Trade, which presents a problem: the signatories to the E-Trade account are Liz Harris and Betty Holcomb, and Betty is currently recovering from surgery and in rehab. Liz has spoken to Betty's husband and he suggests that Betty might be able to fill out the form and effect the transfer by the beginning of the next week. After the transfer is made, Betty can be removed from the account. Liz also spoke to the E-Trade manager who will check with their compliance department to see if there is another way around this requirement. The transfer is unlikely to occur until early the following week.

Liz then distributed proposed financial policies and procedures, inviting the Board to review the draft and be prepared to vote on it, along with any amendments, at the next Board meeting.

Liz noted that she met with the building committee on Tuesday and the building finance committee on Wednesday. Virginia Pace developed a document illustrating the current state of building finance, which was passed around, and reports that as of October 20, 70% of anticipated calendar year pledges were already in.

Cindy made a motion that the board notify the treasurer and finance committee as soon as the congregation is the beneficiary of a bequest. Margie seconded the motion, which carried.

Liz noted that the financial policies and procedures have been approved by the finance committee and requested a motion to approve by the Board at the next Board meeting. She noted that under the current rules remaining funds are to be converted to the general endowment in 2020, but since the capital campaign started later than anticipated, she suggests the congregation approve an extension to 2021 or possibly 2022 at the next congregational meeting.

Good Relations Committee Update

Grace distributed the written report and informed the Board that the Good Relations Committee had approved a final draft of their team covenant, and are currently working on 3 documents: a foundational document, the good relations policy itself, and the congregational behavioral covenant. The good relations police is set to be discussed at the November 5 meeting of the committee. The November 19 meeting was postponed so the committee members could attend the peace circle, and the committee will make a presentation at the First Forum on December 1.

Rev. Teri is currently looking for conflict resolution training in December and found an excellent 5-day training that would provide serious qualifications to attendees.

Ministers' Report Revs. Schwartz

Revs. David and Teri submitted their written report. Worship plans for the month include having Monica in the pulpit and Rev. Darrick Jackson as a guest preacher. They have also been invited to offer the invocation for the forest preserve district. Highlights this year will include thinking about how to talk about conflict and transformation from the pulpit, not just as church business but as a theme for worship. They noted the upcoming workday on November 9, which likely involves a lot of ivy cutting, and shared that the church hosts the Morris Dance Troupe on Sunday nights and that they come to work days to pay off their rental in service.

The Pennington Renovations continue to cause low-level disruption of office use.

On the subject of conflict resolution, the October 5 regional workshop received a high level of congregational engagement. Peace Circle training for four people is planned for November by Steve Serikaku, who is graciously donating his time worth about \$500 at market rate. In terms of congregational conflict-resolution training, the ministers have reached out to a number of organizations. These include the Mennonite center, for which the earliest training would be in June and may have to be coordinated with other houses of worship, and the Paula Peace Building Organization, which has one-day trainings and which might scale better for our congregation. Rev. Teri hopes to have programs narrowed down by the end of the week.

The ministers also are continuing contact with colleagues for longer term solutions to address past ministerial misconduct. The Mennonite Peace center is unable to work with the church directly on this type conflict resolution due to concerns about slander liability. The Faith Trust Institute is an organization specializing in sexual abuse that is already working with the UUA for better processes and accountability, both forward-looking and retroactive. Rev. Teri will speak more with national, regional, and collegial UUA bodies; First U may end up being one of the pioneering congregations in this area. Rev. Teri noted that if anyone else has an interest in organization conflict-resolution issues with the church, she is open to dividing the work.

Rev. David noted the substantial amount of money required for the planned conflict-resolution work, which can be absorbed into the budget with smaller trainings, but the effort requires an 18-24 month engagement for the ministers, board, leadership and congregation that runs substantially into the 5 figures, around \$30,000, and transparency about the cost is important. The scope of work for this project is on the scale of the capital campaign work. Financially, there are two possible paths: (1) use a portion of the excess Fenn House funds, which could be appropriate given the divisive and contentious nature of the Fenn House sale for the congregation; or (2) utilize funds from the Borja estate, which given that Robert was a peaceful person as reflected in his art, would also be appropriate.

Rev. Teri informed the Board that the Little People Learning Center will not being renewing its lease. Grace moved that the Board empower the president and ministers to appoint a task force to find a new tenant and Ellen seconded the motion, which carried. Rev. Teri noted that the idea tenant would be another preschool so that the church can continue to have Sunday School in those rooms without modification.

Rev. David has been attending finance committee meetings and both Revs. Teri and David have regular meetings with staff for supervision; Rev. David meets with Mike Knowles while Rev. Teri meets with Beth and Monica, and both ministers meet with Jeff Hamrick for music planning. As a result, both are overworking their designated part-time hours and some of this work will have to be delegated as the current workload is unsustainable. Kristin inquired as to what work could be delegated, and Rev. Teri indicated it could be useful to have a subgroup working on resources for conflict resolution and mediation. The ministers' hours are currently designated at 20 each per week. Rev. Teri noted that when the workload was closer to these designated hours, the ministers were mostly doing day-to-day business. Special projects are what push the hours up to unsustainable levels. Grace put forward the idea of revisiting and revising at least one of the ministers' contracts to 3/4 time, which might only be possible for Rev. Teri given Rev. David's other position with the Beverly Unitarian Church.

Upcoming Board Events

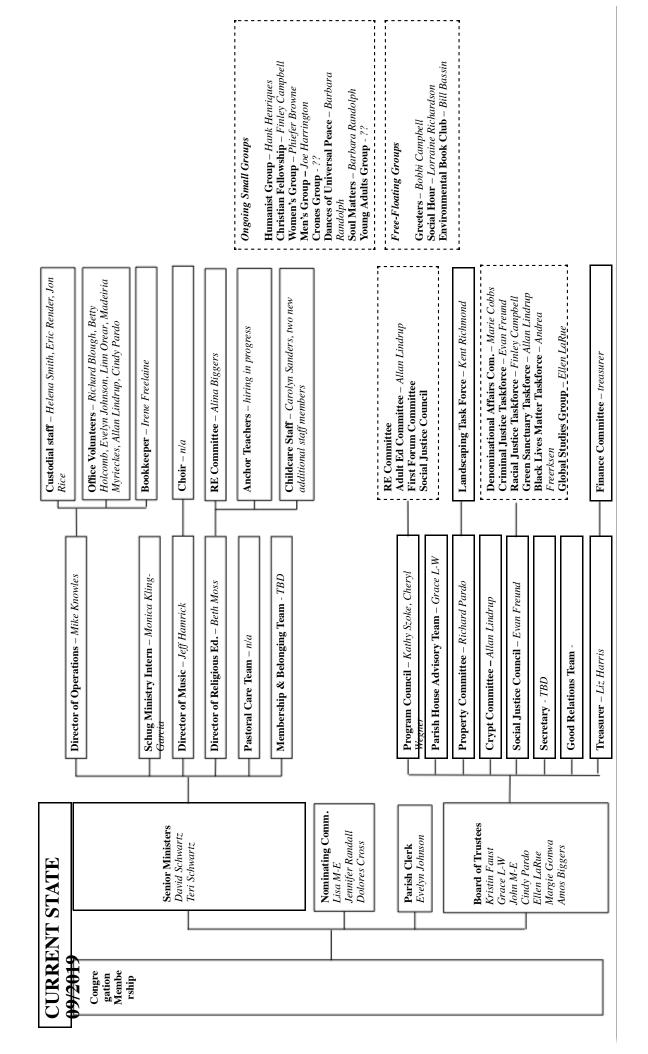
Upcoming events include the November 19 Peace Circle, and the December 1 Good Relations First Forum (changed from December 8).

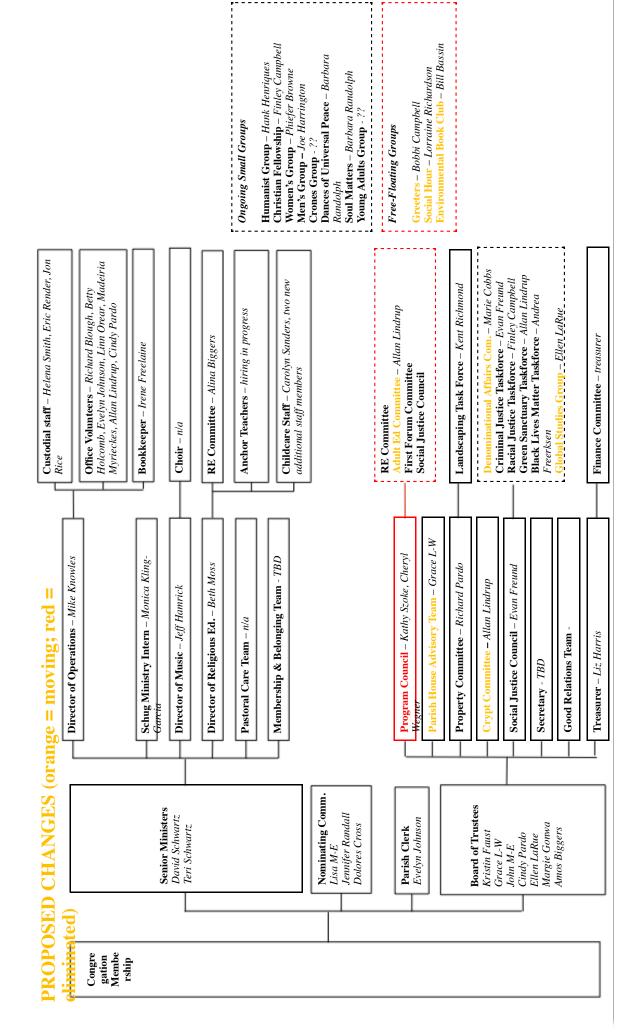
Action Items

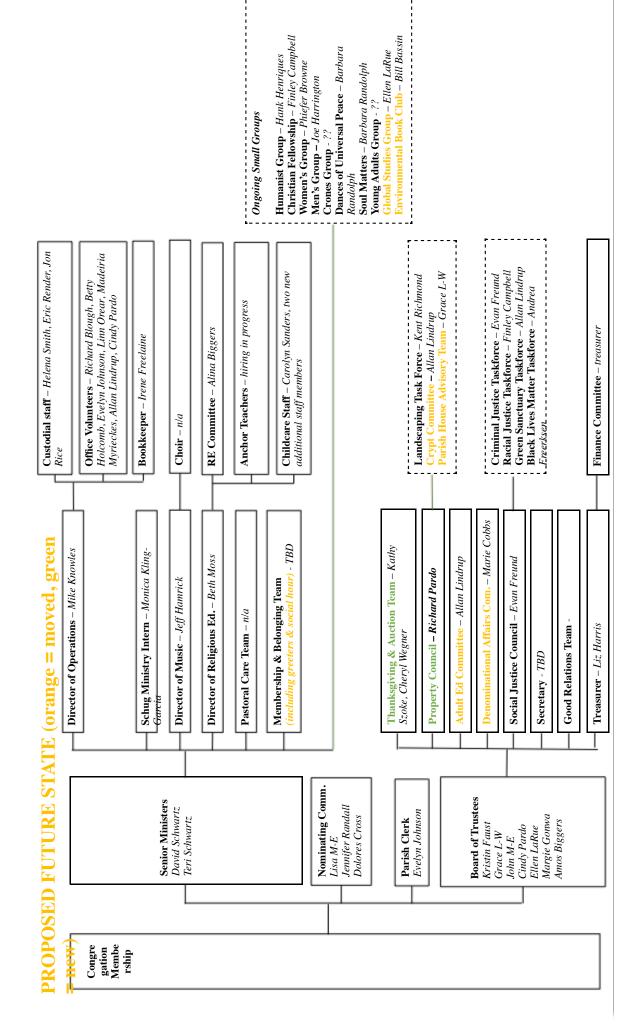
- 1. Construction Update Kristin received a written construction update from Richard Pardo indicating that the project is on track and on budget. Richard is invited to the December Board Meeting to give an in-person update.
- 2. Borja Estate Kristin is in receipt of an official letter from Margaret Huyck, executor of Bob Borja's estate. Bob left his house to the church as well as the contents inside. The probate process is expected to last until the end of March. At the Sunday open house items will be sold and the executor will keep the proceeds int he estate and the funds will be distributed after probate. The Church will be the beneficiary of the house and chattels (and proceeds thereof) as well as 10% of other financial assets. Preliminary estimates indicate the house is valued at around \$375,000. The board will be responsible for deciding how to deploy the bequest.
- 3. Adult Religious Education Classes Margie noted that the Adult RE committee discussed the difference between a class and a book club or issues seminar and determined that they would ask for a course curriculum for Finley Campbell's proposed class.
- 4. Kristin distributed a proposed revised church organization chart, revised based on the current size of the church and with the aim of growing and dispersing leadship opportunities across a broader spectrum of members. The organization chart represents one possible path to a new structure for church committees. Cindy noted that the Parish House committee is a part of the construction projects and will end once construction is complete. Rev. David noted that the church committee structure is specified by bylaws that were written for a much larger congregation. It was also from a different era when congregants could be expected to go to multiple church committee meetings per week. Kristin put for the idea of a meeting or subcommittee dedicated to developing, dispersing, and growing leadership opportunities for new and existing church leaders, for example by taking advantage of UUA or ecumenical lay leadership trainings. Kristin requested that Board members bring suggested revision to the committee system to the next Board meeting.

Cindy moved that the Board enter executive session. Amos seconded the motion, which carried.

Closing Words were offered by Grace, and the meeting adjourned.







October 23, 2019

This is an "official" report on the estate of Robert Pedro Borja. As we know, he died June 22, 2019, following a nasty fall. When we composed his will in 2015, I agreed to be the Executor, with Grace Williams as a successor Executor, because he wished to leave the house and all its contents to First Unitarian Church.

The Will sent to probate; I have been officially appointed as the Executor. I am attaching a copy of the will so you can see what was specified. As you note, in addition to the house and the contents, First Church will also receive 10% of the residual cash assets of the estate.

I have hired a lawyer, who is advising me on legal matters and taking the estate through the probate process.

A final disposition of the house cannot be made until the end of March, in order to give possible claimants time to make a claim against the estate. Formal title transfer cannot occur until that time. However, we have several people who have expressed strong interest in the house, so it does not seem reasonable to enlist a realtor to market the property. So far, I have had one appraisal done on the property value; he identified a value of \$375,000. I have a second appraiser lined up (at the advice of John Saphir), to get an independent opinion. The main liability is that the basement is both unfinished and in need of major repair in order to be useful. **The Board needs to be responsible and involved in the final disposition of the property.**

In terms of the contents of the house, we have a Task Force moving on that. An Art Curator group has selected items which we brought to the church, either for permanent/rotating display or for temporary displays. We will have an open house/house sale this Sunday, October 27, run by Margaret Huyck, Cindy Pardo, Lorie Rosenblum, Ellie Hall and others; for most items we will ask whatever they want to pay. We will have subsequent events and venues to sell the remaining items. We encourage all church members to come and view all the art produced by Connie and Bob Borja, and to purchase items that will bring them pleasure.

I am in the process of converting all the financial assets to The Robert Borja Estate. I have retained the cash assets at Bank Financial, and now have a checking account with which I can pay all expenses (including the memorial service and dinner) relating to the estate. I am establishing a savings account for the remainder of his liquid assets — initially with Vio Savings online, because they offer the highest interest rate, compounded daily.

The will specified that First Church will receive 10% of the residual cash. At the current time, it looks like this could be \$70-75,000 (for our share). **The Board will be in charge of deciding how to deploy this bequest.**

Thanks to all who are helping me in this process of honoring our beloved member, and determining how best to utilize his bequest to us.

Margaret Huyck, as Executor for the Estate of Robert Borja

Report on Capital Projects Progress through October 11, 2019 Richard Pardo

Summary: The initial phase of the Capital Campaign projects got underway during the months of August and September. Some work, at least preliminary work was done on every project. The detailed status of each of the major activities is described below. At this point no major surprises have been identified and all the major activities are within the planned budget. The schedule of these projects is discussed below, but no significant delays have been identified at this point. All projects are expected to be complete by summer of next year (2020).

Parish House: During that period, Parish House was emptied of all church-related materials and wall destruction was initiated along with removal of old plumbing fixtures and piping. By the end of September most wall destruction had been completed and new rough plumbing for the expanded kitchen and restroom areas was essentially complete by the end of the first week of October. Work related to the Parish House mostly focused on the first floor of Parish House, but also included significant plumbing construction in the Boiler room directly below the Parish House first floor. The first 6 pictures show the condition of Parish House work as of October 5, 2019.

The Parish House Advisory Team (PHAT) net Friday, October 11, to focus on kitchen appliances, cabinets and layout. They will meet again on October 29 to select/approve, bathroom and lounge fixtures, layout details, paint choices and floor materials.

Pennington Center: Much of the urgency of getting these projects underway was driven by the need to coordinate with our major space user's schedules. Little People's Learning Center (LPLC) had a fairly light student population in August and were to be closed during the week leading up to (and through) Labor Day. The Hyde Park School of Dance (HPSD) had a very similar schedule planned so most of our focus was to get the Pennington wall and window work completed within about 10 days around Labor Day. The new double pane windows were delivered on August 19. The installation of the windows began on August 22 and was essentially completed by September 3. That was especially true of the LPLC space.

The window installation included significant work on the inside of the exterior walls of Pennington. Metal wall framing was installed (metal '2x4') and R15 fiberglass insulation was added before ½" plasterboard was installed created a new wall rather than just the concrete block wall of the original design. In addition, 1" of foamboard insulation was added to the wall behind the heating radiators. The new walls have an insulation rating now of approximately R17-R18. The new thermal double-pane windows have a R-4 value (compared to R1 or so). Thus, the Pennington building should be dramatically more energy efficient once this project is completed. Pictures 7-9 show the status of Pennington work as of October 11, 2019.

The remaining work on Pennington is mostly focused on completing the window installation by installing Hardie Board on the outside of all windows, finishing the exterior

installation by adding panels in the gaps between the vertical window sections, receiving and installing smaller windows in the northeast Pennington stairwell and David's office, installing storm windows in the 'commercial kitchen room near the basement Garden Room.

Photos 7 & 8 show window sections with the Hardie Board installed along with decorative 'top hats' for the window sections. This work is now ongoing. All exterior work should be finished by the end of October and new central air conditioning system will be installed in the spring of 2020 (probably in the April-May period).

Sanctuary and Hull Chapel 'Storm Windows': All Sanctuary and Hull Chapel windows will have storm windows added to them to provide protection to the existing windows, reduce air 'infiltration', and improve the R-value of the existing windows. Detailed measurements of the existing main windows have now been made and an initial payment for the storm windows has also been made. This includes the round windows on the west side of the Sanctuary as well as three small windows overlooking Hull Chapel for inclusion in the project which were overlooked in the early planning for the project. This has raised the total price for all the windows by about \$6000 and that is charged against the contingency (see the Budget section below). A drawing showing how the new storm windows will be fitted to the existing limestone frame is included at the end of this report.

The storm window company originally needed about 12 weeks to make and deliver the new windows. But the recent power outage in California has affected their plant and a difficult schedule has become impossible. They have tentatively agreed to provide the storm windows for the East facing large window over the main Sanctuary doors and install them in November or early December. The remainder of the windows will be delivered now in the winter 2020 and installation will take place as soon as the weather allows – possibly March or April 2020.

Already underway are some repairs and painting of the existing window frames (especially the pivoting sections of the windows which have caused numerous leaks into the sanctuary). This work will largely be complete by the end of October 2019.

Electrical Work: The main building power feed dates back to 1930 and has been operating with significant damage to the main building electrical feed cables for ~30 years (certainly as long as I have been involved with property matters). The condition of the present system is shown in photos 11 through 13 below. The project to replace that system has begun and a temporary power connection for the building is shown in photo 10. This awaits Commonwealth Edison's action to activate the temporary power connection and then removal of the 1930 Sanctuary and 1962 Pennington feed equipment and installation of the new equipment. Replacing the Pennington input feed was not part of the original plan, but was added when we learned that the underground tube holding both cables was compromised and filled with water. The additional cost is discussed below in the budget section. Since we will have power supplied through this temporary connection, the exact time frame waits for Commonwealth Edison to start the process. They have been requested to inspect, approve and power this connection. When that happens, then work on the replacement will take place. We expect this will be completed by the end of 2019, but that depends on CE acting.

Ramp between Parish House and Pennington: A new connecting ramp between Parish House and Pennington has been designed and will be implemented in December 2019 when the Dance School and LPLT both are closed for the Holidays and activity at FirstU also is minimal. The project includes the need to redesign the stairs up from the basement and relocation of the door into the Sacristy. This is a very complex project and we hope will it be completed in about 1 month during late December 2019 and January 2020.

Budget Status: The table below is the initial cost estimates modified to include interest to be paid to the endowment, reflecting temporary borrowing, and other administrative costs and also an increase of \$10,500 for the electrical work reflecting the new knowledge that the present underground feed into the church is badly leaking and has damaged the Pennington electrical feed as well. So the new cost estimate replaces both the 1929/30 system and the 1962 Pennington feed with a single line into the building.

Although it is early in the project activities, so far our budgets for other items is holding, beyond the items mentioned in the contingency use below. We do have some issues with our total architectural design fees and project administration fees that we are presently trying to understand.

Task	Projected	l Cost
Parish House	\$	281,257
Parish/Pennington Ramp	\$	39,000
Electrical Panel	\$	61,750
Pennington Windows/Insulation/AC	\$	375,792
Sanctuary/Hull Windows	\$	145,179
Architectural Management Fee	\$	100,000
Contingency	\$	42,000
Additional Administrative Costs	\$	25,000
Subtotal	\$1	<u>,069,978</u>
Cap Camp fundraising costs (already spe	ent) \$	100,100
Architectural Design Fees (already spent	t) \$	84,527
total of costs	\$	1,254,60 <u>5</u>

At this point, we have used contingency for the following items:

Portable AC for Pennington Center: \$4700 (we should be able to recoup $\frac{1}{3}$ to $\frac{1}{2}$ of this cost in the spring by selling these units. But we may want to keep a few for some rooms that will not have air conditioning).

Expansion of Sanctuary Window project to include some overlooked windows. \$6000. This amount reflects both the cost of the additional storm windows and the additional rental of a manlift to carefully measure these windows as well.

Pennington Windows: some small windows were overlooked when planning the Pennington Project. These windows have now been ordered but their cost may exceed what was originally budgeted. \$5000

Locksmith work on alley door to provide a new way into Parish House: \$300

Cleanout of Parish House and Pennington rooms: \$600

Total at this point against contingency: ~\$16,600

Schedule:

The updated schedule is shown here. This schedule is only slightly different than what we started with. I am showing more flexibility for the electrical main feed work to reflect our uncertainty with ComEd, but once the work commences it should take less than two months to complete. Also the schedule for the Sanctuary Windows reflects the discussion in that section.

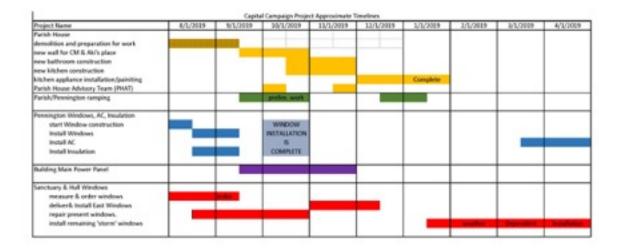




Figure 1 Parish house merged old women's restroom and kitchen showning roughed in plumbing.

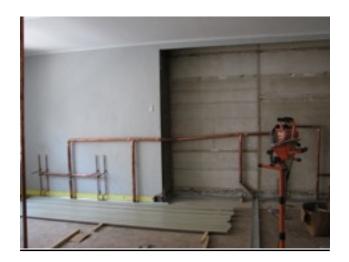


Figure 2 Old Nursery, showning roughed-in plumbing for new restrooms



Figure 3 Aki's Place area. most of CM Parlor/ Aki's wall removed. Old storage area

removed. Note doors and panels temporarily stored in CM Parlor.



Figure 4 Wall removal: Old Women's restroom and Kitchen area.



Figure 5 CM Parlor & Aki's Place. Remaining wood panels will be opened, leaving only two panel sets top to bottom. Rest of opening will use new folding doors.

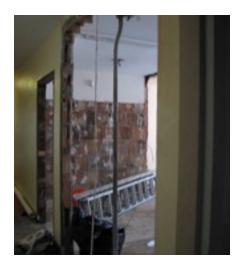


Figure 6 Current view into women's restroom area. Nursery door removed and expanded.



Figure 7 West Wall, Pennington Center showing new windows, Hardie board below windows and top decorative filler. Note also the top decorative element that is a new addition to design.



Figure 8 North wall Pennington Center. Scaffolding is expected to be removed at end of October.



Figure 9 Interior of nursery room. New windows installed and new exterior wall modified to add insulation.



Figure 10 Temporary power box for electrical work waiting for ComEd review and approval.



Figure 11 Main Church Power Panel from 1930



Figure 12 Church Building Power Panel showing damage to input cable. See cable damage above red box on large diameter leads.



Figure 13 Separate Pennington Center Power Panel installed in 1962. This too will be replaced.