



Minutes of Meeting of the Board of Directors

Tuesday, April 14, 2015

- ✓ Dan Masini, VP Admin Council
- ✓ Debbie Leoni, VP Program Council
- ✓ John Towell, Secretary
- ✓ Cindy Vacek, Director
- ✓ Dick Yingst, Director
- ✓ David de Coriolis, Director
- ✓ Lindsay Bates, Senior Minister, *ex officio*
- ✓ Katie Phillips, Congregational Administrator, *ex officio*
- ✓ Jim O'Malley, Finance, *ex officio*

Also present: Hal Schulman, Kevin O'Neil, Jenny Montgomery, Molly MacKay Zacker, Deanne Alleman

1. Regular Reports

- **Secretary:** Minutes from both March Board Meetings (March 10 and 30) accepted.

- **Finance (Treasurer):** Kevin (in the absence of Pat Ward) discussed the budget which is detailed later on in these minutes.

- **Councils:** The subject of the timing of the UUSG goals-setting procedure was discussed. Lindsay suggested that a team of three be appointed to look at the situation and make a proposal. It was accepted that a three-member team would be best and should be composed of Council leaders to which an email inquiry will be sent.

- [SECRETARY NOTE: Subsequent to the meeting and upon review of the minutes from the Board Meeting, Hal Schulman sent the following notes. In light of Hal's intention to be involved in the above-mentioned work, it is being included here.

"The following is what I remember, sprinkled with a bit of suggestion as I have been working the subject this week:

- *While 3 members was discussed, I believe 4 might be needed to be effective.*
- *Hal Schulman volunteered to be on the team.*



- *Given that part of the objective in addition to working the goals/schedules topic is to improve BOD and Council planning collaboration, I believe the 4th member should be a "seasoned" BOD or ex-BOD person to add value.*
- *Similarly, while Council/Ministry Team Leaders are reasonable member candidates, I believe it also would be prudent to have 1 "seasoned" member on this team whom might not today be a MT Leader, but would be able to contribute in a significant fashion.*
- *I also have 1 current MT Leader who said she will support the team, but time does not allow for her to be an active member. This is a plus as well.*

The above reflects how I am proceeding and will keep folks posted. My goal is to have the team staffed by the end of this weekend if possible."]

•**Senior Minister:** NTA

•**Congregational Administrator:** NTA

2. Assistant Minister Update [EXECUTIVE SESSION]

3. Canvass Results and Analysis of Pledges

- Katie updated the Board with current pledges at 175 and yielding \$296,242. Dan asked about the status of the missing pledges. Katie notes that nothing has been heard from the missing pledges and Cindy indicated that the canvass team has done everything it was going to do to communicate with these people. Dick mused about the psychological effects of the Assistant Minister Fund and Dan asked if there was anyway to analyze this. Katie indicated that a third of the decrease is due to retirement. With regards to Assistant Minister funding, Lindsay was confident that the money will come in when the Assistant Minister is in place. Debbie asked whether it was typical to have people lagging in their pledges and Katie responded that she expected that another \$10k will be coming in from late pledges. Dick asked about the pledge situation and it was indicated that we gained 18 new pledges, but lost 26, so we're down 8 overall. Jim asked if this problem can be addressed at the annual meeting.

4. Finance Committee Report on 2015-16 Budget



- Kevin presented a spreadsheet (see appendix) comparing two budget strategies and projected outcomes for the next five years. The first strategy relies on cutting staff and maintains a constant operating deficit for years 2 to 4 whereas the second strategy maintains the current staff and incurs a higher operating deficit which progressively decreases over years 2 to 4. It was noted that if we keep on our present course, both strategies result in total exhaustion of our unrestricted assets by the end of year 4. The Finance Committee recommends the second budget so as not to send a negative message to the new Assistant Minister. David asked if we were taking the entire income from the plate in both strategies and Kevin said yes. Debbie asked about past budgets and the amounts of relative debt normally incurred. Kevin indicated that this year, because of furnace repairs, was higher than normal at 20% of our unrestricted fund whereas normally it was closer to 10%. Hal asked when our mortgage would be paid off and Kevin indicated that it would not affect the time frame we were currently considering. Dan pointed out that costs from the donated land would not be a factor in our current deliberations because of the \$50k gift from the donors which will last 5 years. Katie then reviewed staffing costs and cuts made from the original proposal and this segued into discussion about educating the congregation and emphasizing the need for increased revenue. Kevin emphasized the need to stay positive in our message with emphasis on what we are doing to resolve our challenges. Kevin noted that out of the last 10 years, 8 of them have been run at a deficit but we've been successful staying under the radar and not panicking. The discussion moved on to the need for a program that teaches the congregation about money just as we have a program that teaches our young adults about sex. David recommended that Board Members attend Finance Committee meetings so we can better address our financial challenges. Dan recommended that we think about the budget and think how we will communicate with the congregation and develop more fund raisers. Hal injected a question about what is being suggested as an active solution to our challenges and Dan asked if the Finance Committee can generate a presentation. Kevin indicated that there are things that he will be doing that would have been done anyway but that we should be focusing on getting influential members on board with our financial challenges before we move into the Annual Meeting. Cindy agreed and Kevin pointed out that there will be angry social justice people and we need to create an appropriate context for the discussion. Debbie brought the discussion back to Hal's question of what is to be done and Cindy proposed further meetings with key players in the congregation. Dan indicated he will send an email to Bill and emphasize the need to build a message for the congregation and



Cindy added that social justice needs to be part of crafting this message. Hal added that everyone needs to understand the impact of our situation on UUSG goals. Dan gave an overview on the goals to work forward to, such as not having to take the entire plate and having a new Assistant Minister on board. Kevin indicated that the message should be a balance between the negative impact of our current financial situation and what we're doing about it. Lindsay pressed for the need to prioritize what we want to reinstate and have a plan for restoration.

5. GU Update

- Recent discussions between Board members and real estate lawyers have suggested the possibilities of a land lease deal which could be profitable over the next 50 years. David asked whether GU will wait for us to investigate further and Dan read the email response from GU indicating that they would probably give us more time but this wasn't certain. A motion was passed unanimously that the meeting on April 21 be postponed until a later time, to be determined. Further discussion led to proposing an email blast from Katie about the postponed meeting on the 21st and an announcement from the pulpit.

6. MOM Charter Update

- Lindsay pointed out there was no feedback about the previously presented update to the MOM charter. She then passed out a sheet containing the names of candidates for filling the vacant positions on the MOM committee. Board members circled the names of those persons to be added.

7. New Business

- Cindy reminded the Board that May 3 will be "Be Our Guest Day" and that Board members take an active role in welcoming guests.

Adjournment 9:30 pm

Respectfully submitted,

John Towell



Unitarian Universalist
Society of Geneva



Secretary

Appendix: PDF file of spreadsheet Kevin presented

	A	B	C	D	E	F	G	H	I
1	UUSG Funds Projections for Next 5 Years								
2	As of April 28, 2015								
3	file: UUSG Funds Projections for Next 5 Years V2								
4									
5	How Much Is Available to Spend?	in 000's	Comments						
6	Unrestricted Funds Available	280	Net of restricted funds as of 31 March 2015						
7									
8									
9		This Year	Year 1	Year 2	Year 3	Year 4	Year 5		
10	Proposed Budget 28 April 2015	FY14-15	FY15-16	FY16-17	FY17-18	FY18-19	FY19-20	Comments	
11									
12	Beginning Funds Available	280	280	224	176	143	33		
13									
14	Net Expenditures								
15	- Operating Deficit	0	-48	-33	-18	-3	12	Starting Year 2 operating deficit is reduced by \$15K per year, either by increasing pledges or reducing expenses	
16	- Property Projects	0	-8	-15	-15	-15	-15	Year 1 is not sustainable, \$15K is more likely	
17	- Second Minister					-80	-80	2nd Minister pledge funds expire after Year 3	
18	- Interim Ministers					-12	-12	Recruiting costs for interim ministers for replacing Lindsay	
19	Total Net Expenditures	0	-56	-48	-33	-110	-95		
20									
21	Ending Funds Available	280	224	176	143	33	-62	All funds available to support deficits are exhausted in Year 5	
22									
23									
24	Assumptions								
25	- For remainder of this year, April thru June, income and expenses net to zero thus not reducing the funds balance								
26	- Special pledge campaign for 2nd Minister will cover costs for all three years; current amount collected is \$75K								
27	- Property Projects remain at \$15K per year								
28	- No costs associated with the 3rd Street property								
29									