

UUSS BOARD OF TRUSTEES MEETING

March 22, 2018 7:00 - 9:30pm

MINUTES

Present: Kathy Bernard, Carl Crain, Denis Edgren, Gordon Gerwig, Roger Olson, Annika Lawson, Margaret Wilcox

Staff Present: Roger Jones

Guests: Sybil Lawson

Chalice Lighting and Centering: Victoria

Consent Agenda: February minutes approved without comment.

Governance & Leadership Discussion: Victoria

- Discussion of our model for the business office and paid staff.
 - Do we have the right model?
 - UUSS used to have a church administrator - decided no longer needed
 - Does the current model overload Lucy and/or Krystal?
 - Do we need a new model? Need to hire another church administrator?
 - Krystal's job is easier because there is no second-guessing. Elaine and the custodians report to her.
- If the model is a concern, do we want to take action?
 - No action right now, but we will be on the lookout for signs of burnout in either Krystal or Lucy.

Treasurer's Report: Gordon Gerwig

- Presented January and February financial reports.
- Finance Committee meeting has been moved to make it easier to get the financial reports before the meeting.
- Capital Outlay Fund is down because of the expenses for lighting
- Two new bequests:
 - One for \$20,000
 - \$8,000 and \$6,000. Bequests are in the Heritage Fund because they are each less than \$10,000. Since both are from the same person, may ask that they be transferred to Bequests
 - Need to find out best way to thank people for bequests

Budget: Gordon Gerwig

- Pledges may be slightly optimistic
- Building use may also be optimistic
- Programs are more expensive and bringing in less
 - Unclear whether \$9,000 is reasonable for Theater One income
- Compensation and Benefits

- Raises for staff total about \$20,000
 - Want to pay UUA minimum. UUA min is higher because we are in the second to highest cost of living group
 - UUA minimum went up 4% this year. If we don't give at least 4%, we are falling behind on the UUA scale.
 - These are performance-based increases
 - Additional Amount for Music Director is for additional hours.
- Minister's SE is self-employment taxes. Church pays self-employment part of FICA and OASDI.
- What is LTD offset? Should it be listed for the Assistant Minister also?
- Bookkeeper position increase is 5%
- Receptionist is 10% - position should earn as much as the custodians
- Custodians' raises determined by Krystal and Lucy
- Change sound technician from \$1,000 to \$2,000
- Retirement benefit is 10% of salary, prorated for hours worked
- Compensation and benefits total \$470,000 compared to \$437,000 for FY2018.
- General & Administrative
 1. There is potential to increase building rental income, but will need to advertise. So \$500 figure may not be enough. Decided to increase to \$750.
 2. In general, there is not much change in General & Administrative
 3. Utilities - getting a better handle on accurate projections
 4. Repairs & Maintenance: Why are they so high for FY2018?
 - Entered into a maintenance contract for HVAC
 - Eliminate pest control
 5. Property tax is an estimate - request for exemption has not been acted on yet.
- Program Council's budget request has increased since the creation of this budget - it is now about \$31,000
- Reserves
 1. Reserve is emergency fund
 2. Capital Outlay
 - Expense must benefit church for more than one year
 - According to the Constitution, we must fund Capital Outlay by at least 2% of expenses each year
 - Up to APMT and Board as to what qualifies as Capital Outlay
 - Funded each month as expense item in budget - then increases fund asset.
 - Current balance is about \$61,000
 - Should be about \$109,000 to meet guideline of 15% of budget
- Finance Committee Recommendations
 1. Pay 5-star loan out of Capital Outlay (about \$15,000)
 2. Decrease proposed raises
 - Receptionist decrease proposal by 2%
 - Change Assistant Minister raise to 12%
 - Will save about \$2,000
 - Doesn't address all of deficit
 3. \$20,000 in bequest funds on balance sheet

- Policy says should be 30% for Capital Outlay, 70% for debt reduction
- Take \$10,000 and send to Cap Outlay
- Take \$15,000 from Cap Outlay and send to 5-Star (see point 1)
- Take remaining \$10,000 from bequest and send to 5-Star
 - So bequest is \$10,000 to Cap Outlay, and \$10,000 to 5-Star
 - Cap Outlay is \$15,000 to 5-Star
- 4. Actions would reduce deficit by about \$10,000
- 5. **OK by Board to take actions**
- Increase budget for building use? - Hard to tell what will happen
- Downside of #1 is we won't build up Cap Outlay fund for a major expense
- We will know more next month. We will have 9 months of actual data and a firmer number on the pledge drive

YRUUP (Young Religious UUs of the Pacific) Presentation: Annika Lawson

- Annika just got back from a conference
- About 18 people from Sacramento were there
- YRUUP has four conferences per year
- Next conference will be 5/18 - 5/20 at UUSS
 - Will need to provide sleeping accommodations
- For youth 15-20
- Don't have to be UU - can bring a friend
- Conference are youth-led, and focus on team-building, spiritual development, etc.
- Good way to meet youth that understand your upbringing as a UU
- Annika was elected to the YRUUP Council as the Registrar

Long Range Planning: Margaret Wilcox

- Have draft goals and objectives
- Have forums on 4/22 and 4/29 to discuss
- Will vote on them on May 20 at Congregational Meeting
- Goals have been tightened and improved by comments in Listening Sessions

Review of Constitution and Bylaws: Denis and Roger.

- Article VII: President's Term
 - Should it say maximum of one term, or one term and maximum of being reelected for one consecutive additional term?
 - **Answer: Should say can be elected for one term and be reelected for a maximum of one consecutive additional term**
 - Make all officers and other Board members the same
- Take out requirement that Treasurer cannot then become Member-At-Large
- Want to make Member-At-Large terms staggered, but cannot work out verbiage
- Discussed other suggestions from Roger Jones - Denis and Roger Olson will discuss with Roger Jones outside of meeting. Board agrees with making the resulting changes
- Forum to discuss changes to Constitution: May 6, before service
- Forum to discuss budget: April 29, after service

Committee Substantive Issues:

- Program Council:
 - There will be a reception for the Grasshoppers on 3/29 from 4-6; hope to have trustees attend
- APMT:
 - Bid from patio contractors due Friday. Aesthetics Committee will review
- FRST:
 - Had idea of moving auction to fall to avoid conflicts
 - Auction Committee now opposed
 - Is there another way to avoid conflicts?
 - Coordinate auction activities with Soup Sundays?
- Stewardship:
 - Will have skit during Announcements on 3/25
 - Letter to non-responders going out 4/1

Minister Reports:

- Roger: See report

Board Business:

- 4/22 - Board Soup (Salad) Sunday
 - Gordon will take money
 - Also Refugee luncheon
 - Logistics are problematic, but willing to give it a try
 - 5/20 will be Kids' Freedom Club serving brunch instead of Board lunch
- Board to offer wine basket in raffle - use embossed wine glasses
- Approve as delegates to UU Regional Assembly:
 - Kathy Bernard
 - Mary & Rich Howard
 - Ray Reynolds
 - Celia Buckley & Marian Randall
 - Moved: Sally White, Second: Carl Gardner
- Safe Congregation Policy
 - Screening people who are registered sex offenders or currently accused
 - Draft for April Board meeting
- Reminder of Dates:
 - i. Congregational Meetings -5/20/18, 10/21/18
 - ii. UUA Regional Assembly - 4/27-29/18, Portland, OR
 - iii. UUA General Assembly - 6/20-24/18, Kansas City, MO
- b. Next meetings
 - i. Executive Committee - 04/09 at 5:45
 - ii. Board Meeting - 03/26 at 7:00 pm
 - iii. Opening/Closing - Lucy
 - Soup Sundays: Apr 22 Carl Crain

Closing: Victoria

Senior Minister's Report -- Board of Trustees Meeting – March 22, 2018

Staff and Committee/Lay Leadership Support

Since the February meeting I have met with: Stewardship Committee (several times), Religious Services, Committee on Ministry, Board of Trustees, the Board's Executive Ctte, Program Council and Chair, Refugee Support Team, Strategic Planning Task Force, Fund Raising Strategy Team, the 150th Anniversary Gifts chairperson (Tina Stidman), the 150th Anniversary Celebrations task force, All-ages camp director (Christopher). I provided suggestions and questions to Denis and Roger on the excellent proposal for revisions to the UUSS Constitution.

Have had weekly meetings with the Assistant Minister and RE Coordinator, one each with the Music Director and IT Tech. I've talked with Margaret and Denis and the UUA's Sarah Schurr and sought personal consultation regarding a UUSS Safe Congregation policy.

Today I'm attending the Administrative and Property Management Team. Brett Hendrickson, our AV Tech, has stepped down due to greater responsibilities at his full-time job; I helped Krystal recruit a college student I know through my service on the advisory board of the local YMCA. Rev. Lucy is on study leave and Miranda will be away Sunday, and Krystal has returned from a brief vacation but is out till next week with a bad case of Influenza A!

Child, Youth, and Adult Religious Education Programs and Spiritual Deepening

Miranda and I are devising sustainable and engaging RE programs for the fall, especially for our junior high and senior high youth groups; based on parent input, we won't try to offer the Coming of Age program again until 2019-20, when a large group of kids will move into 9th grade. We're planning to recruit a camp director (stipend) and youth counselors (small stipends) to offer Chalice Camp, a day camp about UU identity and values, for a week here in July.

UUSS will be the host for the PCD Religious Educators' Pot of Gold conference Sept. 29.

Adult Enrichment Committee members staff a very full Connections Table on Sundays and have many fliers of upcoming programs. David Scheuneman's March 10 retreat brought 12 people, some very new; Marth Hodges has full classes for spiritual practices and Bible study.

Lucy and I are chaplains in support of our volunteer facilitators for the Beloved Conversations anti-racism course, with about 15 participants from UUSS and Davis. I co-lead one of the semi-monthly Spiritual Deepening Circles with Nancy Oprsal; Lucy coordinates all SDCs.

Stewardship, Fundraising and Fun-Raising

FRST reviewed, edited and posted Ginny Johnson's guidance on how to plan for and hold a fundraising event. The Anniversary Gifts appeal is dormant until after the Jubilee Auction; we have raised about \$112,000 of the \$200,000 goal. I'm soliciting donations from businesses for the auction and raffle. I've met at least once a week with Stewardship, which wishes everyone would turn in their pledge forms *now!* Results look good, except half the money has not been pledged.

FRST also approved several smaller, outreach-oriented fundraisers for the next several months. Lucy and I revised and resubmitted our grant application for a Pacific Central District Chalice Lighters program (crowd funding among UU folks in the PCD) to request money for new lighting along the drive way's edge. I heard unofficial that we're likely to be selected! The PCD Board still seeks a Chalice Lighter promoter and a denominational liaison from UUSS.

Budgetary Priorities

Lucy and I met with two members of the Executive Committee to make recommendations on wages and salaries for staff members for 2018-19; then I met with them to discuss bringing the Assistant Minister salary level into the UUA-recommended range--and to make the jump to the Associate Minister category less difficult if UUSS were to call Lucy next year. The team-work, productivity and grace of our staff members is at an all-time high in my 10 years here, thanks in large part to Rev. Lucy. A much different culture than what I remember on starting here in 2008!

Denominational Outreach

Lucy and I were pleased not only by the Rev. Dr. Susan Ritchie's sermon and forum for the launch of our 150th Anniversary on March 4, but also by the great response to her by members and friends. I'm still pestering Rev. Susan Frederick Gray's office for a 2018 date for her to visit. Rev. Lucy is treasurer of the UUMA Chapter in this district and recently attended the spring meeting and retreat; I attended the business meeting only, via the Internet.

On April 15, Rev. Gretchen Woods will preach about the concept and practice of covenant in our tradition. She has worked with us to develop a covenant between settled and emeritus ministers (Roger & Doug). She will be available on that Sunday to explain this special status.

We will host a Unitarian Communion at 5:00 p.m. Sunday, April 22, with this year's visiting minister from Transylvania, Rev. Emese Bodor; she preached here October 1. Several of us will travel to Portland, Oregon, for the UUA Pacific Western Regional Assembly; up to 8 delegates from here can attend the annual meeting of the Pacific Central *District* during that time.

My Monday morning class on church administration at Starr King School for the Ministry, our UU seminary in Berkeley, ends April 30. I am also the liaison from the local UU Ministers Association chapter to UU ministry students at Pacific School of Religion.

Continuing Education

My yearly study group of 10 UU ministers met in Sonoma County March 6-8. There is a religious professionals' program on the day before the Pacific Western Regional Assembly starts.

Yours in service,

Roger Jones, March 22, 2018

UUSS Treasurer's Report – February 2018 March 17, 2018

A. February 28, 2018 Income and Expense Statement

1 – Actual Income = \$47,146; **Budgeted Income** = \$54,758. Actual income was \$7,612 less than projected. Pledge income was \$9,517 less than budgeted.

YTD income = \$471,462; YTD budgeted income = \$441,317. Income is 107% of budgeted.

2 – Expenses = \$51,190. **Budgeted** = \$55,617. Actual expenses were \$4,427 less than projected.

Utilities were \$238 less than budgeted; YTD \$165 less than budgeted.

YTD expenses = \$467,684; YTD budgeted expenses = \$463,183. Expenses are 101% of budgeted.

3 – Net Income = negative \$5,210. Budgeted net income was negative \$3,321.

YTD Property Use Revenue was \$4,446 less than budgeted and YTD Pledge revenue was \$29,384 more than budgeted. YTD non-pledged contributions & plate \$652 less than budgeted.

4 – Fiscal YTD: UUSS has a deficit of \$5,621; budget projection of a \$30,108 deficit.

B. Budget Highlights and Concerns:

- Cash flow (ability to pay bills) issue is not a concern at this time, as the operating account has \$127,188 —we are budgeted to spend an average of \$58,408 each month.

C. Pledge Income Report: February receipts = \$32,541; Budget = \$42,058.

YTD pledge receipts = **\$365,851**; YTD budget = **\$336,466.64**. Pledge receipts are 109% of budgeted.

D. Finance Committee Update:

Finance Committee received financial reports via email on March 16th.

E. February 28, 2018 Balance Sheet (Total Assets: \$832,282 –\$19,554).

Oper. Fund (01): \$127,188, –\$10,628 (Reserve Fund \$56,771; current liabilities \$37,783; Cash Flow Reserves \$31,967 –\$5,210).

Temp. Restricted Fund (02): \$146,182 (Heritage Fund \$82,357, +\$12,525; Betty Ch'maj \$36,383, –\$2,781; misc. \$7,422; Bequests +\$20,000).

Endowment Trust (03): \$411,586, +\$5,000. Endowment Trust Loan is both an asset and liability.

Property and Equipment Fund (04): \$4,352, –\$64,010.

Building Fund (05): \$142,973 (Building Fund \$138,242; Cap Campaign Support Fund \$4,731).

Five Star Bank loan: \$500,301 (\$3,433/mo. & \$41,200/year; currently at 5.25% principal & interest). Rate will adjust to Prime + 2% in November 2020.

Endowment Trust loan: \$310,740 (\$777/quarter and \$3,107/year; 1% interest-only).

F. Miscellaneous/standing items:

1. Finance Committee met on March 21st and reviewed the February financials as well as the preliminary 2018-2019 budget.
2. Building Rentals: Through February 2018 received \$35,554. We have booked rentals through June 2018. \$60,000 was budgeted for the 2017-18 fiscal year, so YTD a deficit of \$4,446. We have booked an additional \$6,547 from March 1st through June 30th. We have a projected deficit of \$17,900 in building rentals assuming no additional rentals are booked now through June 30th.

UUSS Treasurer's Report – January 2018
March 14, 2018

A. January 31, 2018 Income and Expense Statement

1 – Actual Income = \$60,901; Budgeted Income = \$54,758. Actual income was \$6,142 more than projected. Pledge income was \$6,665 more than budgeted.

YTD income = \$424,316; YTD budgeted income = \$386,558. Income is 110% of budgeted.

2 – Expenses = \$65,357. Budgeted = \$69,214. Actual expenses were \$3,857 less than projected.

Utilities were \$513 less than budgeted; YTD \$73 more than budgeted.

YTD expenses = \$416,494; YTD budgeted expenses = \$407,567. Expenses are 102% of budgeted.

3 –Net Income = negative \$5,617. Budgeted net income was negative \$9,869.

YTD Property Use Revenue was \$5,363 less than budgeted and YTD Pledge revenue was \$38,901 more than budgeted. YTD non-pledged contributions & plate \$740 less than budgeted.

4 – Fiscal YTD: UUSS has a deficit of \$412; budget projection of a \$28,219 deficit.

B. Budget Highlights and Concerns:

- Cash flow (ability to pay bills) issue is not a concern at this time, as the operating account has \$137,816 —we are budgeted to spend an average of \$58,408 each month.

C. Pledge Income Report: January receipts = \$48,723; Budget = \$42,058.

YTD pledge receipts = **\$333,309**; YTD budget = **\$294,408**. Pledge receipts are 113% of budgeted.

D. Finance Committee Update:

Finance Committee received financial reports via email on February 27th.

E. January 31, 2018 Balance Sheet (Total Assets: \$851,836, +\$51,434).

Oper. Fund (01): \$137,816, +\$7,270 (Reserve Fund \$56,771; current liabilities \$43,285; Cash Flow Reserves \$37,176, -\$5,411).

Temp. Restricted Fund (02): \$116,434 (Heritage Fund \$69,832; Betty Ch'maj \$39,164 misc. \$7,422).

Endowment Trust (03): \$406,586, +\$3,742. Loan is both an asset and liability.

Property and Equipment Fund (04): \$68,363.

Building Fund (05): \$122,637 (Building Fund \$117,906; Cap Campaign Support Fund \$4,731).

Five Star Bank loan: \$501,467 (\$3,433/mo. & \$41,200/year; currently at 5.25% principal & interest). Rate will adjust to Prime + 2% in November 2020.

Endowment Trust loan: \$310,740 (\$777/quarter and \$3,107/year; 1% interest-only).

F. Miscellaneous/standing items:

1. Finance Committee did not meet in February.
2. Building Rentals: Through January 2018 received \$29,637 We have in booked rentals through June 2018. \$60,000 was budgeted for the 2017-18 fiscal year, so YTD a deficit of \$5,363. We have booked an additional \$19,904 from February 1st through June 30th. We have a projected deficit of \$10,459 in building rentals assuming no additional rentals are booked now through June 30th.