

Thomas Jefferson Memorial Church  
Board of Trustees  
April 22, 2010  
Minutes

Goals for the Board of Trustees  
2009-2010

- Support the Ministerial Search Committee.
- Encourage participation of the broader congregation and make ourselves available and recognizable, especially at council meetings.
- Evaluate the council structure.
- Clarify the roles and responsibilities of the church staff, board, and councils.

Donna Baker, Pam Philips, Ellen Pratt, Karen Shaffer, Jean Shepard, Doug Webbink, Liz Benzinger; Raven Long, Dan Grogan; Guests: Tony Perinno, Leia Durland-Jones, Bob Keifer

- I. Opening Meeting (10 minutes)
  - A. Devotion/opening words (Donna)
  - B. Check-in (optional)
  - C. Acceptance of Agenda
  
- II. Old Business
  - A. Budget Discussion
    - Budget proposal increases and cuts were shared, including clarification of named funds
    - Income reductions are based on current numbers from FY 2010 (unpledged donations and plate cash)
    - Clarification that Green Sanctuary has been separated from Social Action Council
    - Discussion of cost of mailing
    - Discussed priorities if additional funding is received: 1. ministerial support, 2. Director of Music returns to  $\frac{3}{4}$  time, and 3. RE Assistant position
    - Discussed the need to keep the Congregational Administrator at full-time in order to support the Ministerial staff, staff and congregation
    - Suggested that we allow the interim minister to decide whether the ministerial support money budgeted will be spent this year based on the interim minister's/congregation's needs or saved in escrow towards FY 2012
    - If the interim minister decides to utilize volunteer retired ministers from within the congregation, Tony will work with the interim minister towards scheduling this support
    - Clarification of the purpose of this meeting as completing the budget towards proposing to the congregation; if there is significant change in the CANVASS, the Board will meet again on April 29 to make changes
    - The Director of Music job description will have to change if the position is cut from  $\frac{3}{4}$  to  $\frac{1}{2}$  time
    - Debt reduction discussion:
      1. question as to whether we should pay off member bonds this year in the context of the cuts
      2. clarified that this would be net \$10,000

3. some members of the congregation want to pay off the bonds in part because of the high interest rate; suggested to decrease the interest rate on the bonds
  4. could potentially reduce the bond pay-off to half – we would actually hold this in escrow until we could pay off a full bond
  5. could potentially offer this as a priority if CANVASS exceeds \$400,000
  6. this reduction would not bring the DOM back up to  $\frac{3}{4}$  time (approx. \$17,000 needed/approx. \$12,000 to get it back to the old salary and not to the UUA mid-range)
  7. people more likely to add to CANVASS for staffing expenses rather than debt reduction
  8. currently (in practice) not redeeming bonds from those who have stated that they intend to forgive the debt/return to the church
  9. total bonds \$175,000, owe \$62,000 to UUA, \$95,000 to members; we have to pay off the principal to UUA
  10. if we go into a building campaign, we should do this without debt
  11. suggested that if we don't get up to \$400,000 in CANVASS we would cut the debt reduction
- Cumulative operating fund: represents surpluses from past years; approximately \$40,000; suggested that we do not tap into this reserve due to lack of funding in the other reserve funds (e.g. building reserves at approximately \$17,000); financial planning generally states that an organization should have 6 months worth of expenses in reserve and we do not currently have that in reserve; \$40,000 would fund the church for roughly 3  $\frac{1}{2}$  weeks; we have an endowment fund of \$300,000, but it is not supposed to be used for operating funds; have used \$5,000/year in interest towards debt interest
  - Proposed decrease of U-House maintenance by \$1,500; increasing Ministerial Support
  - Suggested that we “hold” additional pledges until we reach  $\frac{3}{4}$  time for DOM rather than adding hours at a time (e.g. 20-22 hours, 22-25 hours, etc.)
  - The vote in May will be to accept or not accept the budget; if more money is received, the Board will incorporate this into the operating budget based on the priorities that will be stated in the communications prior to and at the congregational meeting
  - The congregation needs to have opportunities to ask questions and make comments to the Board prior to the Congregational meeting
  - Are we keeping the ministerial support position due to the realistic size of the congregation or based on the search process; the Executive Committee recognized the consistent message that there is a need for more than 1 FT position for ministerial support and focused the finances into those positions first
  - Could we create incremental RE assistance (e.g.  $\frac{1}{4}$  time up to  $\frac{1}{2}$  time); debt reduction decrease could potentially fund the RE Assistant position
  - It was stated that we could have volunteers support both the ministerial support position(s) and the RE Assistant position
  - Cutting both debt reduction and ministerial support would be required to bring DOM up to  $\frac{3}{4}$  time with wage correction and return the RE Assistant
  - Suggestion made to keep \$10,000 in ministerial support and put the RE Assistant at  $\frac{1}{4}$  time; does this support either or both ministerial needs and RE or does it decrease both;  $\frac{1}{4}$  time of RE Assistant would be very helpful; utilize volunteer for additional  $\frac{1}{4}$  time of ministerial support
  - Suggested the possibility of an intern as the ministerial support

- Move to accept budget as proposed with \$1,500 reduction to U-House maintenance; withdrawn
- Move to reduce ministerial support to the amount necessary to keep ¼ time RE Assistant – passed 7-1-0
- Moved to accept first priority if additional funding becomes available: Ministerial support back up to \$20,000 – passed unanimously
- Moved to accept second priority if additional funding becomes available: Restore RE Assistant to ½ time – passed unanimously
- Moved to accept third priority if additional funding becomes available: 5 hour increase for DOM at wage correction (some research indicates at many churches have less than ¾ time DOM positions; we have a separate pianist to support music as well; many churches have the choir singing every week) – passed 5, opposed 3, abstain 1
- Move to accept budget as amended – passed 8-1-0
- Discussed next steps for Board members calling regarding additional pledging

### III. Closing Activities (5 minutes)

#### A. Process evaluation

#### B. What do we need to communicate to others?

- Bob Keifer will work with Ian to get names to Pam for the Board members to contact regarding pledging
- Pam will talk to staff regarding the budget proposal (via a phone call tonight)
- Pam will get information into the Friday email regarding the budget proposal
- Doug will send the Board the updated proposed budget; will send it to Carole to send out once it has been reviewed by Pam; Doug will also send Pam highlights of cuts
- Pam will work on article for May bulletin also regarding budget

#### C. Closing words (Raven)

#### D. Adjournment

#### Attachments:

Budget Proposal

#### Upcoming dates:

April 29 – tentative Board Meeting, 7:30 pm in Social Hall

#### **April 2010 Meeting**

Positions to be filled on the Board and on Board-appointed Committees, leadership retreat, canvass update, congregational meeting planning, budget approval, Disruptive Persons Policy and Conflict Resolution group

#### **May 2010 Meeting**

Review of committee chairs and Board-appointed committees list, budget review, congregational meeting, General Assembly planning, Board retreat planning, Personnel Committee report on staff evaluations, completion of review of policies manual, Discuss Board/Selected Search Committee discussion regarding expectations of a called minister

#### **June 2010 Meeting**

Welcome of new minister and new Board members, farewell to departing Board members, 2010-11 budget review, congregational meeting review, General Assembly planning

## Attachment: Budget Proposal

| As of April 20, 2010 - Budget Assumes \$400K in Pledges | 09-10<br>Budget |
|---|-----------------|
| <b>INCOME</b>   |                 |
|   |                 |
| Pledges   | 420,000         |
| Pledge Shrinkage [1]                                    | 5,000           |
| Net Pledges   | 415,000         |
| Prior Year Pledges                                      | 7,000           |
| Unpledged Donations                                     | 20,500          |
| Plate Cash  | 11,500          |
| Building User Fees                                      | 6,500           |
| Mollie Michie Preschool Rent                            | 5,850           |
| U-House Rent  | 22,000          |
| Endowment Income  | 5,000           |
| Fund Raising Income                                     | 26,000          |
| Grocery Scrip Gift Card Profit                          | 25,000          |
| Great Lakes Script Income                               | 5,000           |
| Bank Interest   | 1,450           |
| B&B Income  | 850             |
| Hospitality and coffee Income                           | 1,700           |
| Community Outreach (Social Action) Collections [2]      | 18,000          |
| Ministerial Search Money from Previous Year [3]         | 8,300           |
| Bruce Abrahamse Fund income (music) [4]                 | 0               |
| Bristol Fund income (Buildings and Grounds) [4]         | 0               |
| Henry Cheetham Fund income (Religious Education)[4]     | 0               |
| <b>TOTAL INCOME</b>                                     | <b>579,650</b>  |
|   |                 |
| <b>EXPENSES</b>   |                 |
|   |                 |
| <b>PERSONNEL [5]</b>                                    |                 |
| Interim Minister - Salary + Housing                     | 86,903          |
| Interim Minister in Lieu of FICA                        | 6,648           |
| Interim Minister's Pension                              | 8,690           |
| Interim Minister's Professional Expenses                | 8,690           |
| Interim Minister's Health Insurance                     | 9,804           |
| Interim Minister's Benefits                             | 1,600           |
| <b>Interim Minister's Package</b>                       | <b>122,336</b>  |
|   |                 |
| Pastoral Care or other part time Ministerial help       | 18,200          |
| Pastoral Care Minister's Professional Expenses          | 900             |

|  |                |
|--|----------------|
| <b>Pastoral Care Minister's Package</b>            | <b>19,100</b>  |
|  |                |
| <b>New Interim Minister - Salary + Housing [6]</b> | <b>0</b>       |
| New Interim Minister in Lieu of FICA               | 0              |
| New Interim Minister - Pension                     | 0              |
| New Interim Minister - Professional Expenses       | 0              |
| New Interim Minister - Health Insurance            | 0              |
| New Interim Minister - life Insurance              | 0              |
| New Interim Minister - Dental Insurance            | 0              |
| New Interim Minister - Disability Insurance        | 0              |
| New Interim Minister - Moving Allowance            | 0              |
| <b>New Interim Ministers' Package</b>              | <b>0</b>       |
|  |                |
| <b>Total Ministerial Costs</b>                     | <b>141,436</b> |
|  |                |
| Director of Religious Education Salary             | 52,924         |
| DRE Pension  | 6,351          |
| DRE Prof Exp                                       | 3,000          |
| DRE Health Insurance                               | 5,400          |
| DRE Life Ins                                       | 350            |
| DRE FICA   | 4,049          |
| <b>Director of Religious Education Package</b>     | <b>72,074</b>  |
|  |                |
| DRE Assistant Salary                               | 12,360         |
| DRE Assistant FICA                                 | 946            |
| <b>DRE Assistant Package</b>                       | <b>13,306</b>  |
|  |                |
| Director of Music Salary [7]                       | 32,990         |
| DOM Pension  | 3,959          |
| DOM Prof Exp                                       | 1,501          |
| DOM Health Insurance                               | 7,300          |
| DOM Health Contribution                            | (1,850)        |
| DOM FICA   | 2,524          |
| <b>Director of Music Package</b>                   | <b>46,424</b>  |
|  |                |
| Congregational Administrator Salary                | 38,193         |
| CA Pension   | 4,583          |
| CA Prof Development                                | 1,000          |
| CA Health Insurance                                | 7,300          |
| CA FICA  | 2,922          |
| <b>Congregational Administrator Package</b>        | <b>53,998</b>  |
|  |                |
| Student Intern                                     | 0              |

|  |                |
|--|----------------|
| Sabbatical Fund  | 0              |
| Cleaning Service   | 16,000         |
| Security Service   | 2,900          |
| Workers Compensation Insurance                           | 1,250          |
|  |                |
| <b>Settled Ministerial Search Committee Expenses [3]</b> | <b>12,055</b>  |
|  |                |
| <b>TOTAL PERSONNEL EXPENSE</b>                           | <b>359,441</b> |
|  |                |
| <b>PROGRAMS</b>  |                |
| Worship Council  | 3,450          |
| Covenant Groups  | 200            |
| RE - Children & Youth                                    | 8,000          |
| Childcare  | 3,200          |
| Cheetham Fund (Religious Education) [4]                  | 0              |
| Music  | 3,540          |
| Pianist  | 6,840          |
| Instrument Service                                       | 1,000          |
| Abrahamse Fund expenses (Music) [4]                      | 0              |
| Community Life Council-Membership & Mem. Tracking        | 1,250          |
| Volunteer Awards - Coordinating Committee                | 100            |
| Pastoral Visitors  | 110            |
| Hospitality and Coffee Expense                           | 1,200          |
| UUpity Women   | 75             |
| Social Action Council                                    | 1,000          |
| History  | 100            |
| Communications   | 1,500          |
| Lay Leadership Training                                  | 1,500          |
| VUUS   | 350            |
| Green Sanctuary (Includes Energy Saving)                 | 0              |
| Board of Trustees Discretionary Fund                     | 600            |
| <b>TOTAL PROGRAM EXPENSE</b>                             | <b>34,015</b>  |
|  |                |
| <b>OFFICE &amp; FUNDRAISING</b>                          |                |
| Office Expense   | 5,000          |
| Computer Maintenance                                     | 3,000          |
| Photocopies  | 7,500          |
| Telephone  | 2,200          |
| Postage  | 3,000          |
| Canvass  | 1,500          |
| Stock Transaction Fees                                   | 1,200          |
| Fund Raising Expense                                     | 600            |
| B&B Expense  | 50             |

|   |               |
|---|---------------|
| <b>TOTAL OFFICE &amp; FUNDRAISING EXPENSE</b>           | <b>24,050</b> |
| <b>BUILDINGS &amp; GROUNDS</b>                          |               |
| Building Energy Saving Maintenance                      | 6,124         |
| Church Gas, Water & Sewer                               | 11,000        |
| Church Electricity                                      | 5,400         |
| Trash Collection, Cleaning Materials, Fire Extinguisher | 3,675         |
| Church Maintenance                                      | 7,325         |
| Grounds Maintenance                                     | 2,000         |
| Church Cap Improvements                                 | 5,008         |
| Summit Gas, Water & Sewer                               | 750           |
| Summit Electricity                                      | 4,500         |
| Summit House Maintenance                                | 2,000         |
| Building Maintenance: Church + Summit House             | 0             |
| Summit House Capital Improvements                       | 0             |
| U-House Maintenance                                     | 3,000         |
| U-House Cap Improvements                                | 1,500         |
| U-House Property Tax                                    | 5,400         |
| U-House electricity, gas & water                        | 300           |
| Multi-peril and Umbrella policies                       | 6,500         |
| Building Reserve Fund                                   | 0             |
| Bristol Fund expenses (Buildings and Grounds) [4]       | 0             |
| <b>TOTAL BUILDINGS &amp; GROUNDS EXPENSE</b>            | <b>64,482</b> |
| <b>COMMUNITY AND DENOMINATION OUTREACH</b>              |               |
| Mollie Michie Preschool Scholarship                     | 1,000         |
| <b>IMPACT</b>   | 2,800         |
| Alliance for Interfaith Ministries                      | 750           |
| MLK Sunday  | 100           |
| UUA Annual Program Fund                                 | 26,880        |
| TJ District Dues  | 10,080        |
| Community Outreach (Social Action) Disbursements [2]    | 18,000        |
| UUA Partner Church - separate line item                 | 150           |
| UUA UN Dues - separate line item                        | 100           |
| <b>TOTAL COMMUNITY AND DENOMINATION</b>                 | <b>59,860</b> |
| <b>DEBT SERVICE</b>                                     |               |
| UUA Loan Principal [8]                                  | 12,500        |
| UUA Loan Interest                                       | 1,577         |
| Member Bonds Principal [9]                              | 15,000        |
| Member Bonds Interest                                   | 9,775         |
| Bond Trustee Fee  | 100           |
| <b>TOTAL DEBT SERVICE EXPENSE</b>                       | <b>38,952</b> |

|                          |                |
|--------------------------|----------------|
| <b>TOTAL EXPENSES</b>    | <b>580,800</b> |
|                          |                |
| <b>SURPLUS/(DEFICIT)</b> | <b>(1,150)</b> |

[1] In the previous fiscal year, \$420,000 was budgeted for pledges with a \$5,000 pledge shrinkage, but only about \$387,500 was received.

[2] Community Outreach (Social Action) disbursements always equals Community Outreach (Social Action) collections.

[3] \$8,300 from 2009 balance sheet was available for Ministerial Search in 2009-2010. An estimated \$7,000 left from the 2010 balance sheet should be available for the 2010-2011 Ministerial Search.

[4] Annual income from the Abrahamse, Bristol and Cheetham Funds may be spent for the specified purposes, or else adds to the principle. Previously these items were included on the balance sheet but were not explicitly shown in the church budget.

[5] Assumes no cost of living increase for existing staff in 2010-2011. Also assumes no professional development allowance for staff other than for the Minister.

[6] New Interim Minister's compensation based upon 12 month amounts of:

|                             | Benefits         |
|-----------------------------|------------------|
|                             | July 1 - June 30 |
| Salary & Housing            | <b>\$80,500</b>  |
| FICA (7.65%)                | \$6,158          |
| Retirement (10%)            | \$8,050          |
| Health Insurance            | \$8,450          |
| Group term life insurance   | \$618            |
| Dental insurance            | \$578            |
| Disability insurance        | \$805            |
| Professional Expenses (10%) | \$8,050          |
| <b>SUBTOTAL</b>             | <b>\$113,209</b> |
| Moving Cost                 | \$9,000          |
| <b>TOTAL</b>                | <b>\$122,209</b> |

[7] Director of Music Salary based on UUA guidelines midpoint level of \$50,900 for full time position, then prorated to 1/2 time.

**[8] At the current rate of \$12,500 per year, the UUA Loan will be paid off in 2014.**

**[9] The December 2006 Debt Service Report from the Finance Committee to the Board**

**stated that we would pay off the member debt by 2014.**

**To do that, we had planned to pay off \$30K in FY 08-09, \$40K in FY 09-10 & 10-11, and \$45K in FY 11-12, 12-13 and 13-14. If we only paid off \$15K each remaining year, it would take us about 11 more years to retire all the debt.**