

**Minutes of Meeting of Board of Trustees of
Westside Unitarian Universalist Congregation**

April 22, 2015

The meeting was held at the congregation's building on 7141 California Ave SW, Seattle, WA, and was called to order by Joe with chalice lighting at 6:33 pm.

Present were President Joe Rettenmaier, Vice President Matt Aspin, Secretary Lisa Maynard, Treasurer Michael Matz, and Trustees Shannon Day and John Britt, as well as Rev. Peg Morgan and intern minister Kevin Lawson. Trustee Glenn Phillips was away. Eric Winiacki and Joanne Cook (Finance Committee) also attended, and Jill Fleming (Stewardship Committee) joined at 7 pm.

Minutes

Moved, seconded, voted to approve the March 2015 minutes as amended (recording that intern minister Kevin Lawson had been in attendance).

Approvals

Moved, seconded, voted to install Matt Aspin as Membership Chair. Matt has already met with outgoing chair Steve Becker.

General Assembly delegate selections. Peg had listed the interested parties in her written minister's report [appended]. Proposed slate: Viv Monahan, Cecilia Hayes, Steve Graves, Shelby, Eli Braidford (conditional on him becoming a member). Moved, seconded, voted to approve that slate of delegates for GA.

Proposed slate for next year's Board from Nominating Comm: Viv Monahan (President), Joe Rettenmaier (Past President), April Kristjansson (Vice President), Michael Matz (Treasurer), Jean Mendel (Secretary), Glenn Phillips (at large, in second year of two-year term), Tracy Burrows (at large, first year of two-year term).

Proposed slate for Nominating Comm: Eileen Duffy, Laura White (continuing), Alan Mendel (continuing).

The Nom Comm is still looking to fill a position on Endowment Comm. They are collecting bios for us to distribute with announcement of annual meeting. The slate is NOT confidential.

Annual Meeting Planning (May 17)

Actions to be voted on at annual meeting:

- Accept minutes of last year's annual meeting.
- Approve new budget.
- Elect candidates to nominated positions (Board, Nom Comm, Endowment Comm).
- Change by-laws to show fiscal year starting in July for 2016-2017 fiscal year.

- Install Peg as minister emerita.

Endowment Comm had provided a suggested revision to the by-laws last year. General agreement that we should defer endowment-related by-laws changes to another year because we have other financial/fiscal priorities right now. In the past, John had contacted UUA about Endowment Fund options.

ACTION: Matt will follow up with Steve Becker to let him know that we need to defer the endowment-related changes to another year.

ACTION: Lisa will send a message to the Leadership Assembly email list to solicit annual reports from committees.

ACTION: Lisa is unable to attend the annual mtg. [Karin Cummings agreed to take minutes at annual mtg.]

Our final Board meeting will be the Wed after the annual meeting. This may be the perfect time for incoming and outgoing Board members to meet.

Treasurer's Report

Michael distributed a printed treasurer's report. Balance for March is not yet reconciled. Cash balance is greater than \$60K. We haven't overspent our money for the year yet; we did overspend a bit this month, but YTD we have taken in more money than we've spent.

YTD are ahead by \$1K on income and have held off on expenses by about \$16K. The office is being very, very careful about spending. Some of that unspent \$16K is the second half of a planned deposit into our building reserve fund. UUA dues have been sent but haven't shown up yet as spent.

Memorial Donations currently have \$11K (these are undesignated donations have come from people's estates). We are free to move that as needed (e.g., into General Fund). We've made a lot of changes to the designated funds based on Finance Comm recommendations.

How is our deficit trending for the year? Fundraising and pledges are front-loaded; a natural consequence that our cash runs low toward the end of the year. Peg estimates that, with all recent fundraising activities and a large donation, our current gap is around \$5K. This presumes that people pay their pledges in full; reminders are going out now.

Rummage and book sale income line: what is Matt's target for revenue? Peg's report shows dream goal as \$3500 (including the \$1K that Shelby's auction arrangement brought in). Lisa encourages everyone to talk up and attend the benefit concert on Fri, May 1 – all money raised goes directly toward the gap. Would be a good idea to remind people to 'shop Westside' through Amazon, PCC, etc.

Stewardship/Pledge Drive

Jill Fleming joined the meeting at 7 pm to share pledge results (she had sent a written report that Joe shared with the Board in email). Right now she counts 97 pledge responses (\$198,900). If you take existing pledgers and assume they will pledge the same (\$52,900) we get up to around \$251,800 (pretty much the same number as actual pledges for the current year). This doesn't include people who would join and pledge during the year, but it also doesn't include an allowance for people who don't fulfill their pledge. This could be a wash (new pledges vs. unfulfilled).

Of the top 20 pledges, about 75 percent increased and 25 percent stayed the same or went down. Below that there are a few up, a lot at the same level, and some reductions. Shannon also reviewed the pledge responses and agrees with Jill's estimates. Jill intends to reach out to a group of people who are very engaged but not members. She thinks we might send a personalized email to people in that category and also send a carefully worded message to people in the lower end of the spectrum. Ellen West has agreed to do some follow-up also.

The Stewardship Comm has collected quite a lot of feedback from members and Jill is going to organize and report back on that. There are a lot of things people want to talk about. Due to the way we communicated concern about finances this year, some don't feel confident that we are managing our finances well. People have concerns about different aspects of church life and the funding of those. Jill thinks we need a robust budget process and conversation and need to engage people in the discussion of priorities. We won't get consensus but we do need to hear feedback.

Joe would like Jill to deliver close-to-raw feedback info to the Board (without condensing it). She says some was precondensed by canvassers. We need to make sure that our pledge messaging focuses on the entire congregational mission (vs. a mentality where people want to pay for only the services they receive/partake of). Areas with lots of feedback are music, RE, and Sunday services (on the latter, everything from not spiritual enough to too spiritual, and the name change to Worship Committee; also the mechanics/impact/length/content of the children's story).

We really need Membership Comm and Worship Comm and RE Council and Music Council to review and think about the feedback. Matt hopes to create opportunities for two-way dialog.

Shannon has a handful of cards from stewards and she also heard commentary. She asks Jill to ask stewards to record all comments and feedback.

Bottom line: we need to do some work around connectedness.

Joe had suggested in email the idea of a possible fall pledge drive (more of a tune-up, asking people if there is an opportunity to increase). He asks if Stewardship team had ever considered more than the spring pledge drive. GA has a session on year-round pledging. Stewardship team has considered a two-year pledge cycle (but not a two times per year cycle).

Committee needs to regroup (most of committee were also stewards). Jill says it is a multi-year process to get us more into the stewardship mindset. Given the kinds of comments they were getting, we should

NOT ask for a supplemental pledge because that may seem to break trust with people who have already pledged. Stewardship will send periodic communications, including a letter in Nov/Dec suggesting end-of-year giving. Need to tie social justice mission to church giving.

John reminds us that we've made fund development a high priority of the interim minister selecting process. The interim minister may offer some fresh ideas and momentum.

Board is deeply grateful to Jill for leading our stewardship campaign this year and SC.

FY15-16 Budget Work Session

Copies distributed of Finance Comm's draft budget with the additions/corrections the Board made at the March Board mtg. Estimated pledges for next year: \$251,800. We still have a gap.

Finance Committee says: Expenses come in two categories—ongoing programs and the building. Membership seems to be flattening out (this may not last, but we may have a pause in the upward trajectory of membership growth). We have used up \$15-20K of our reserves by spending more than bringing in for the last few years (since buying the building). We have no savings or operating reserve. We've used much of our building reserves. We shouldn't aim for a balanced budget; instead we should aim for a budget with more income than expenses to build up the reserves. Does the Board have D&O (directors & officers) insurance? Board should want to do what is best for the organization as a whole, even if it makes some people unhappy. Peg adds that we in this small circle have learned a lot over the months, but the larger congregation doesn't have all the information. She says we have to communicate our situation/share our financial data and have the necessary discussions.

The congregation knows that we have a running deficit this year and that we have pared down expenses.

FC recommendation is to start with realistic/conservative revenue projections. Then we have to prioritize what we want to spend it on (through conversations with the congregation). Trying to maintain the full program without the revenue to support it isn't really working.

John says: The Board is very grateful for all the work the FC has done. In the end it is the Board's responsibility (legal and fiduciary). Serving on the interim ministry task force has given him a different opinion about the TIMING of when to make these courageous cutting decisions. Factors include Peg's departure, arrival of interim minister, and the fact that the task force has made 'fund development' one of the minister's focuses. John is very reluctant to make drastic reductions PRIOR to the interim minister arriving. One of the guidelines from the UUA (as we approach an interim ministry) is to try to maintain continuity during this transition time as much as possible. He reiterates that his pushback is about the timing—not the intent or the diagnosis. Also, we don't want to significantly disable the staff right at the time that Peg leaves.

John is of the mind that, unless we are going to go bankrupt this year, we go ahead and use reserves this year to try to maintain continuity as we transition to the interim. As mentioned above, our only real choices for cutting are the building or staff.

For any needed cuts to music or RE, Board agrees that we should ask Bert and Betsy to make recommendations (give them a percentage or absolute number, for example) as opposed to us micromanaging the expenses for those staff-led programs.

Total estimated income is about \$378,500. Discussion about stretch goals for income vs. being conservative/realistic (as recommended by Finance Committee). Make a distinction between budget commitments and fundraising *goals*.

On the RE Supply Fee that we asked for last year, RE Council is opposed to asking for it again. Board suggests changing to a different approach where we ask RE Council to share with Membership and Stewardship Comms the names of families that need to be approached about deepening their commitment/contribution.

Of the income, our expenses represent:

- 60% of income goes to core ministry/staff
- 11% of income goes to admin staff
- 18% of income is dues and loans
- 15% of income is utilities, building maintenance, operations

Current gap is around \$37K. Board needs to come up with a recommended plan (our best shot at a balanced budget). We could use the memorial donations (\$11K) this year as a way to preserve the program for this transitional year and pull \$26K from the building fund.

We are assuming we are going to break even at the end of this fiscal year or be less than \$5K in the hole, especially if we don't make the second half of our contribution toward the building reserve.

Give Big on May 5 – we are eligible thanks to considerable effort by Peg. Board thinks we should publicize this opportunity for people to stretch their pledges.

Reviewed income lines for next year in detail; Michael took detailed notes. Reviewed a couple of expense lines, including not making a contribution toward the building reserve next year.

How to now communicate this to the congregation. Michael and Joe will communicate details about and context for our proposed budget. We can say that we will pull from building reserves (conservatively) but hope that our nascent income strategy task force will rise to the occasion with new and better fundraising/community-building (concerts, New Years' Eve party). Highlight the fact that we have done it this way to maintain continuity in this transitional year. Also point out that by not adding to the building fund at a rate of \$20K a year we are going into HIDDEN DEBT. Finance Comm thinks we need to shift and either bring in more money or cut expenses. Some suggestions: sell the building and rent space again (the building's value has appreciated since we purchased); find another church who wants to share the building with us, maybe meeting on Sunday afternoon or evening.

We will have a working session on Apr 29 at 7 pm to finalize the draft budget.

Interim Ministry Needs

Mark Newton, Chair of the Interim Minister Search Team, requested that the Board appoint a member of the Board to negotiate the contract with the Interim Minister. The Board appointed Matt Aspin.

The Search Team also reported the following:

After the Interim Minister is selected and a contract signed, we will need an "Interim Minister Transition Team." That team will serve as the new minister's "brain trust." The UUA recommends 5-7 members. Criteria for membership include:

- Widely known and respected in the Congregation
- Well acquainted with the Congregation's history (at least that capacity is represented well on the team)
- No one from the "Committee on Ministry." We don't have one, but we do have a "Compassionate Congregations Committee" which may be deemed similar in some ways.
- No one in relationship with a member of the Board of Trustees

The Transition Team's role in part is to set up early meetings between the Interim and congregational leaders, all members of the Board, every Committee Chair, every paid staff person, the Transition Team members, and all others deemed appropriate by the Transition Team.

Mark Newton asked that the Board appoint a chairperson for that transition team. The Board deferred that decision until a future Board meeting.

Meeting adjourned at 9:30 pm.

MINISTER'S REPORT

submitted by Rev. Peg Morgan (emailed to Board on 4/20/15)

Hello Board! This month I bring you mostly data...but first the final delegate recommendations right below. Then data on membership growth since 1966, then an eight-year perspective on pledge and contribution growth. And finally the newest compensation guidelines just released and posted on UUA website, as they apply to our positions. Hope this information is helpful to your informed interactions with congregants and to your decisions on budgeting.

DELEGATE APPOINTMENTS

Based on the level of interest in the general assembly delegate status, I recommend the following names for appointment; as far as people have communicated to me, no one will be disappointed with these decisions...many who are going (about 30 from our congregation, were not compelled to take on the responsibilities of delegate. It does require presence every day in the General meetings. Alternates are willing to serve if needed. As minister, I am automatically a ministerial delegate.

Steve Graves

Shelby Greiner

Eli Breidford (conditioned upon him attending orientation, pledging and signing the membership book before GA)

Joe Rettenmaier

Cecelia Hayes

Alternates:

Betsy Lowry

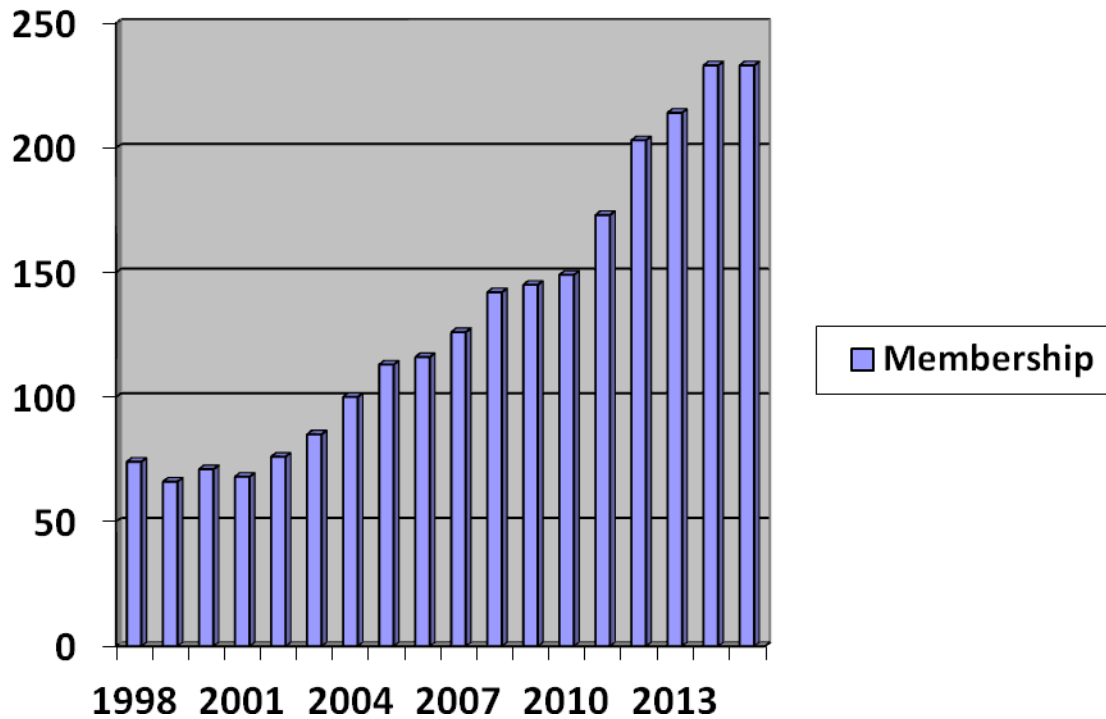
John Britt

Anne Miller

The credentials for delegates to pick up their voting card are now done online and printed out. We will arrange those from the office, after the board makes the final decisions, and get them to the delegates.

MEMBERSHIP GROWTH

Recently I received a nifty document that lists the congregation's membership since 1966. I have attached the document's information and copied below in two formats. I have heard recently that at least one person thinks our membership is flat. If flat means the same over the last twelve months, then I would agree. If it means most anything else, I strongly disagree. But I believe saying we have flat membership is largely misleading. It's kind of like not being anxious about your stock investments...there are times when there is no growth or even a dip, but it is the overall performance that you want to focus on.



2014 & 2015 are the last two columns
(table program didn't allow for adding
those dates)

OUR MEMBERSHIP DATA AS RECORDED BY UUA

Their system is to list it as the year following our submission of data on February 1. Their fiscal year and dues requirements run July 1 to June 30, so they use the second calendar year as the date of the membership. The count we turn in on Feb 1 determines the dues owed from July 1 through the following June 30.

1965 - 40 (count turned in February 1, 1964)

1970 - 20

1975 - 30

1980 - 10

1981 - 24

1982 - 20

1983 - 20

1984 - 20

1985 - 24

1986 - 20

1987 - 20

1988 - 20

1989 - 18

1990 - 20

1991 - 20

1992 - 20

1993 - 38

1994 - 43

1995 - 50

1996 - 54

1997 - 66

1998 - 74

1999 - 66

2000 - 71

2001 - 68

2002 - 76

2003 - 85

2004 - 100

2005 - 113

2006 - 116

2007 - 126

2008 - 142

2009 - 145

2010 - 149

2011 - 173

2012 - 203

2013 - 214

2014 - 233

2015 - 233

RECORD OF PLEDGE AND CONTRIBUTION INCOME

Below is an eight-year perspective on pledges and contributions.

YEAR	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15 to date
Pledge budget	107,723	147,636	168,752	183,850	190,550	230,000	255,000	276,360
Actually pledged	106,908	123,351	141,759	169,880	199,772	217,914	242,924	252,482
Pledges actually paid	96,504	120,600	143,538	161,561	196,994	211,910	243,377	215,889
Last year's pledges paid this year	4,151	7,365	7,834	5,596	2,925	4,020	4,570	3,378
Pre-paid for next year	3,370	2,175	300	8,310		3,425		
One-time extra pledge paid							3,940	3,783
Subtotal: Pledge gifts	104,025	130,140	151,672	175,467	199,919	219,355	251,887	223,050
Non pledge checks/gifts	2,546	4,874	2,625	7,955	4,312	3,584	2,513	3,523
Cash gifts Sunday morning	4,365	4,218	5,427	8,857	9,399	8,694	9,644	7,970
Special gifts	8,800					5,120	4,000	10,700
TOTAL CONTRIBUTIONS AND PLEDGES	119,736	139,232	159,724	192,279	213,630	236,753	268,044	245,243

If you want to know how much of a given year's pledges actually came in, you have to add the "Pledges Actually Paid" and the next *fiscal* year's "Last Year's Pledges Paid this Year." There are always checks coming in during June and July that are finishing up pledges for fiscal year ending May 31. I divided the total paid on the pledges by the total amount pledged. That table follows.

However, the total amount pledged is adjusted during the year when people tell us that they must suspend or reduce their pledge. We don't track those reductions except in the people's household files, and in the donation, database we change their pledge to what they say they can pay; we don't log reduction amounts though, so there is no way of knowing the total of the reductions over the year by several people. But the fact that the decimal is pretty much 1.0 for all years says that people don't just not pay their pledge... If they lose their job they tell us what they need to adjust their pledge to. You can see that there are not many who just don't complete their pledge. Otherwise, we would be in the 0.8's or lower.

YEAR	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15
Pledged	106,908	123,351	141,759	169,880	199,772	217,914	242,924	252,482
Paid during fiscal year	96,504	120,600	143,538	161,561	196,954	211,910	243,377	215,889
Paid late in summer of next year	7,365	7,834	5,596	2,925	4,020	4,570	3,378	
Total paid	103,869	128,434	149,134	164,486	200,974	216,480	246,755	
% Paid	0.9715	1.0412	1.0520	0.9682	1.0060	0.99341	1.0157	

SALARY RECOMMENDATIONS UPDATES FROM UUA

The new salary guidelines are now posted at the UUA. Our city is still in GEO INDEX 5. Links follow my chart comparison between 2014-15 and this new 2015-16.

POSITION	Minimum	Midpoint	Maximum	Current	NOTES and Current Difference From Midpoint
Minister 2014	64,550	82,350	100,000	75,000	-7,350
Minister 2015	64,600	82,400	100,000		-7,400
RE Credentialed 2014	45,050	51,700	58,350	52,000	While Betsy is not "credentialed" she does have a PhD in education and taught education at John Hopkins...it seems this category best represents her professional qualifications. +300
RE Credentialed 2015	46,850	53,800	60,750		-1,800
Certified Music Director 2014	44,050	51,850 (.675% =34,998)	59,650	31,412 (FTE = 46,536)	27 hours per week position = .675% 34,998-31,412= 3,586 31,412/(27 hrs/week x 52 = 1404)=22.37 pay per hour x 2080 (FTE hours) = 46,536 -3,586
Certified Music Director 2015	44,900	52,850 (.675% =35,673)	60,800		35,673-31,412=4,261 -4261
Congregational Administrator 2015	41,450	48,750	55,950		If Shannon is given the task of supervising the bookkeeper, then she should move to this position. Other option: continue having minister supervise with assistance from Michael Matz, Treasurer, who is a skilled bookkeeper.
Office Administrator 2014	31,900	37,500	43,200	18,720 (37,440 FTE)	50% time in 2014-15 37,500 - 37,440 = 60 -30 (1/2 time)
Office Administrator 2015	31,950	37,550	43,250	18,720 (37,440 FTE)	At 50% time: 37,550-37,440 = -110/2 = 55 -55
Office Administrator	31,950	37,550 (3/4% =	43,250	18,720 (50% time)	Increase to bring to ¾ time 28,162 – 18,720 = 9,442

2015 ¾ time		28,162)			-9,442
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There is some broader info at <http://www.uua.org/careers/compensation/fair>.

For actual guidelines for 2014-15 and 2015-16, go to <http://www.uua.org/careers/compensation/fair/congregational-staff> and click on GEO 5 under those categories.