

VUU Board of Trustees Meeting
April 25, 2019
Zoom Meeting

ATTENDEES

BF – Bob Fabre
DM – Deeanne McClennahan
ME – Mary Erickson
AB – Andy Burnette
MS – Musette Steger
KH – Karl Hurst-Wicker

THANKS

1. Ministerial compensation committee
2. People leaving the Coming of Age
 - a. MS will get KH the names

CONSENT AGENDA

1. DM
 - a. Rec on Minutes
 - i. Page 1 – list the consent agenda items
 - ii. Attach the finance & ministers reports
 - iii. Joint Cap Camp & Ops is a yes
2. MS moves to approve w/ changes
 - a. BS 2nd
 - b. Passes unanimously 5-0

MINISTERS REPORT

1. Evaluation of the 2-service model does not appear to support a 2-service model for next year.
2. Have learned there is a “tremendous appetite” for adult faith formation.
 - a. Goal for 100 slots available at all times, except summer, for adult faith formation
 - b. Marci working on adult faith formation options for next year
3. Discussion of whether having 2 services back-to-back w/o hour in the middle is feasible
4. Extensive discussion re: continuing 2-service model and modifying vs. going back to a 1-service model.
 - a. Parking issues with 1-service model
 - b. Having 9am and 10:30am services with Faith Formation after the 10:30am service?
 - c. Consider doing 2 services for shorter period?
 - d. No decision made, will continue to develop plan for next year
5. Immigration team working towards working to host asylum seekers the last Wednesday night of each month. Housing 50-100 people overnight.

- a. No money needed on our part. Mats are provided by Phoenix restoration project. Food the first day is donated. The second day is up to VUU and should not cost anything or very little.
- b. Have not asked Adobe School permission, but everything will be on the Sanctuary side and we are not housing people permanently. Adobe School is aware that we are planning on participating in the program. Everyone would be screened by Border Patrol/ICE and would only be with VUU for 1 day.
- c. Will need to have a clothing drive. Looking for small sizes of clothing and will be asking people in May to sign up for meals. 1st United Church of Christ & Shadow Rock UCC are currently participating.

POLICY REPORT

4/25/19 7:03 PM

1. Continuing to organize the policies and separate out committee policies from the remaining policies. Not quite ready yet, but continuing to work on this and online version is available and ready to be posted.

MINISTERIAL COMPENSATION COMMITTEE

4/25/19 7:05 PM

1. Report read.
2. Recommendations are that the timing of reports and evaluations be changed to make sure the recommendations be available and approved prior to the budget process beginning.
3. Discussion re: timeline for reports and guidelines.
 - a. Set goals in August/September at same time board sets annual goals?
 - b. Decision made to finalize this at next mtg

CAPITAL CAMPAIGN COMMITTEE REPORT

4/25/19 7:19 PM

Jodi Freeman new member of the CCC

Have brochures & pledge cards

The CPC is meeting 5/6/2019. They are wanting to make sure everyone has seen the rendering on the patio right now.

HEALTH INSURANCE ISSUE

4/25/19 7:21 PM

1. There is an \$11,000 issue that VUU owes Kellie Walker for her health insurance.
2. Consider writing her a new contract going forward July 1.
3. Suggestion is VUU pay half of it out of this year's surplus.
 - a. Allocate \$5581 from this year and budget the remainder in next year's budget.
4. DM moves that we reimburse the full amount
 - a. ME 2nd
 - b. Vote passes 5-0

BUDGET

4/25/19 7:27 PM

1. Questions RE: for Budget Committee
 - a. Nefesh Soul budgeted income for next year
 - b. FUUnD income increased by \$6,000
 - i. Have we notified the FUUNd drive committee of the increase?
 - c. Worship speakers
 - i. Costs \$1350/month when Andy not in the pulpit.
 - ii. Andy willing to not hire as many speakers next year.
 - d. Worship supplies
 - e. Recommendation to fully fund faith formation teachers by re-allocating money from Major Unexpected Repairs to the Lead Teachers in Faith Formation
 - f. DM will take the things talked about above and will meet with Andy to come up a balanced budget to take back to Anne & David.

4/25/19 7:54 PM AGENDA FOR MAY 19 CONGREGATIONAL CONVERSATION & JUNE 2 MEETING
BF WILL LEAD MAY 19 CONGREGATIONAL CONVERSATION

4/25/19 7:59 PM

ME moves to Adjourn

MS 2nd

Vote: 5-0

Attachment A

**Rev. Andy Annual Leave Schedule
2019-20**

(Subject to Approval by Board of Trustees)

VACATION

July 15-July 29, 2019

December 30, 2019-January 5, 2020

March 16-22, 2020

STUDY LEAVE: Much of my study leave will consist of trips to Washington, D.C. to participate in the postgraduate program at the Bowen Center for the Study of the Family to study family systems theory.

September 9-15, 2019

December 9-15, 2019

March 9-15, 2020

June 8-14, 2020

SABBATICAL: I will not be taking sabbatical this year. I plan to take a three-month sabbatical in 2021-22.

WORK-RELATED TRAVEL

Chaplain at UU Elementary Camp, July 7, 2019-July 14, 2019

UU Minister's Association Fall Meeting: September 23-25, 2019

UU Minister's Association Winter Meeting: January 20-23, 2020

District Assembly (if one is held): Late April, 3 or 4 days

General Assembly: June 22-28, 2020 (Providence, RI)

Attachment B

April 22, 2019

Dear Board,

Please see attached March, 2019 financials, which have been reviewed by the finance team and are submitted to the board for approval.

Executive Summary:

Revenue	\$ 1,827	ahead of budget year-to-date
Expenses	\$26,526	ahead of budget year-to-date
Net Income	\$28,352	ahead of budget year-to-date

It is worth noting that the revenue includes two months rental income from the school, and so \$6,400 of the \$8,000 overage in rental income will not continue. Fund should, however, exceed budgeted revenue by the end of the fiscal year, by as much as \$4,000. Contribution income is within \$6,600/1.8% of budgeted contributions as of March.

The bulk of the under-budget amounts are related to property/utilities (\$17,900), worship (\$3,900), payroll (2,300), and admin (\$1,300). Only hospitality (\$900) and social action (\$1,300) are over budget.

Please review and have questions submitted ahead or ready for the board meeting.

Thank you,

DeeAnne

April 22, 2019

Dear Board,

Kellie Walker’s contract with VUU, written when she was ordained, remains in effect, with an updated pay schedule each year. It turns out that we have not paid Kellie the contracted portion of her health insurance (75% of individual or 50% of family), and amounts were updated each year instead based on erroneous assumptions and without consultation with her original contract.

In reviewing the error, we found that the (approximately) correct allocation was made for the part of 2014/15 when she had individual coverage, and that the changes going forward were incorrect. Rev. Andy requested that Brenda schedule out the amounts paid, and I created a spreadsheet to verify the adjustment necessary, which is a total of \$11,081.

	Individual Jun-Feb 2014/15	Family Mar-June 2014/15	Family 2015/16	Family 2016/17	Family 2017/18	Family To date 2018/19	Totals
Actual							
VUU Paid	\$ 8,458	\$ 7,915	\$ 9,508	\$ 10,353	\$ 10,833	\$ 7,842	\$ 54,909
Kellie Walker Paid	\$ 2,749	\$ 4,934	\$ 14,507	\$ 17,456	\$ 17,934	\$ 13,887	\$ 71,467
Total Paid	\$ 11,207	\$ 12,849	\$ 24,015	\$ 27,809	\$ 28,767	\$ 21,729	\$ 126,376
Corrected							
	75/25%	50/50%	50/50%	50/50%	50/50%	50/50%	
VUU - Corrected	\$ 8,405	\$ 6,425	\$ 12,008	\$ 13,905	\$ 14,384	\$ 10,865	\$ 65,990
KW - corrected	\$ 2,802	\$ 6,425	\$ 12,008	\$ 13,905	\$ 14,384	\$ 10,865	\$ 60,386
Total Paid	\$ 11,207	\$ 12,849	\$ 24,015	\$ 27,809	\$ 28,767	\$ 21,729	\$ 126,376
							\$ -
Difference due to KW	\$ (53)	\$ (1,491)	\$ 2,500	\$ 3,552	\$ 3,551	\$ 3,023	\$ 11,081

<Due to Kellie for prior years

Go forward:

\$	14,791	<current budget is \$10,334, should be \$14,791
\$	14,791	<KW annual contribution
\$	<u>29,582</u>	Current premium, annualized

Once we have discussed in the board meeting, I plan to move that we repay Kellie the balance due, in no more than two payments. One would be now, for \$5,581, out of the current year budget. The second payment would be in June or July – in June if we have surplus to cover the balance in the current year’s budget, and in July if we do not. This would mean an alteration in the budget we propose to the congregation, and so adds a new wrinkle to approving the budget as submitted today.

Thank you for your careful review of this item prior to Thursday’s meeting.

DeeAnne

Attachment C



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Attachment D

Report to the Board
Ministerial Compensation Special Committee
April 22, 2019

1. After reviewing the Finance Committee's 2019-2020 proposed budget, we are pleased to report that it is consistent with our 2018-2019 proposal.
2. We were unable to locate a 2018-2019 signed senior minister agreement. To protect all parties, we recommend that a complete agreement (including last year's Board-approved revisions) be signed by July 1, 2019, continuing annually.
3. We propose adding the following report to the "Charter of Regular Monitoring Reports (Data)" as per Board Policies IV.05.02, Ministerial Compensation Special Committee:

Title	Description	Frequency	Responsibility
Ministerial Evaluation	<u>Internal Report</u> : based on anonymous feedback from staff, quantitative metrics, and minister's self evaluation, concluding with an assessment of whether the previous year's goals were met.	Annual October	Committee of Board Members to the Board

4. We propose revising the Minister's Package report on the "Charter of Regular Monitoring Reports (Data)":

Title	Description	Frequency	Responsibility
Ministers' package(s)	<u>Internal Report</u> : propose any changes to the current agreement(s) and exhibit A	Annual December	Special committee of representatives from Board, Personnel, Finance to the Board Board

5. NOTE: The Board needs to sit with the Senior Minister to develop annual goals in November.

Attachment E



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Attachment F



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Attachment G

Budget Compilation for FY19-20

Notes on Draft 7a

To: DeeAnne, finance committee, Rev. Andy & Kellie, Marci, Sue, Paul

Anne Schneider

4/19/2019

Here's Draft 7A of the budget compilation process, recommended by the Finance committee. It is a balanced budget.

Key changes and information:

- Kellie is going from .75 to .66 FTE saving about \$7,000 and using about \$4,000 of that for music ops and to hire an hourly person to coordinate the tech booth
- Sue is now full time (starting in Oct.)
- Hiring a tech booth hourly person
- Health Insurance increase of 3.7% this year, and estimate same as next year; since half of that is already worked into the EOY estimates, the increase is estimated at 1.85%. Corrected Kellie's medical expenses to reflect actual VUU cost.
- Waste Management (new contract) was \$650 a month, now \$362
- Utilities increase of 3.7 this year, of which half is already in the EOY estimates, so 1.85 added to next year's budget.
- Dues (annual program fund) of 31,730, up from 29,124. If we used the old formula (\$88 per person for 348 members = \$30,005), that is about 94% of what UUA is charging us.
- Reserve fund at \$30,000; no new funds for 19-20 into it.
- The estimated cost for a second service (per week) is about \$100 extra for child care, \$100 extra for accompanist, 30 extra for tech booth = \$230 plus an extra \$100 per MONTH for an outside speaker = 25\$ per week for a weekly estimate of \$255 for each week of a second service.

Revenue estimates for Budget A

- Compassion in action – same as last year's budget (assumes 6 "asks" @ \$2,000 each)
- Named contributions – 1% higher than expected EOY
- Unnamed contributions (plate) – 1% higher than expected EOY
- Pledges (operating) - based on 2019 calendar year pledge drive (stewardship report as of 4/13/ 93.7% collection rate overall = 455,575).
- Rentals (Adobe, counselor, 2% increase, nefesh soul will be negotiated in the fall but assume it also to be 2% and same for occasional use. (Please correct if this is not what you want to negotiate!!).

- fUUnd (24K. This year got about 24+K, estimate 41 will actually be paid).
- **Revenue Estimate = \$625,130 for 19-20.** This is slightly less than EOY and slightly more than last year' budget). Last year's budget line items about the same as this year, but there was a \$26,800 carry forward last year.
- If there is a surplus this year, it will just be added into the cash account rather than added as carry forward income.

Expense Estimates and Commentary.

Desired Budget (Budget A) –

All expense estimates are the same as in the 2018-19 budget OR the End of Year (EOY) EXCEPT

- 6% raise for Rev. Andy
- 3% raise for all staff including lead teachers, maintenance, accompanist, etc. and Kellie
- Marci's raise an agreement with Andy to get her closer to UUA standard= 5000.
- \$2,000 for worship associate speakers (closer to actual of this year but don't need the sabbatical speakers as Andy isn't taking sabbatical this year).
- \$31,730 for UUA / PSWD Annual Program Fund (dues), as per UUA letter (up from \$27K last year).
- Continuation of last year's new programs, adding tech booth supervisor increase for accompanist and music ops as distributions from savings realized from KW FTE reduction.
- Adding money for in-service staff training (\$1,000)

EOY Estimates. There could be more small adjustments here, but not unless needed. Some EOY estimates are important because they are used for next year's budget estimates. Most of the EOY estimates assume everyone spends the money they were allocated in the 2018-19 budget UNLESS there are good reasons to make a different estimate, such as the budget compiler being told that some group won't be spending all its money or the group has already exceeded its budget. Specifically

- EOY pledge estimate is from DeeAnne for 2018-19— as of 3/19 = 436,381
- The \$8,000 allocated for second service (see worship associate categories) has been charged to worship associate speakers ,RE child care, music ops, and other categories, so some of those will exceed last year's budget but these do not add to the overall expenditures for the year as the total for 2nd services is lower than budgeted.
- The amount to designated charities is quite a bit above the budget estimate of last year, but this is the "plate" for six of the first Sundays of each month—so it goes to charity.
- The spreadsheet assumes most committees will spend their money

- The big expense in “administrative other” was in Feb. and probably was related to the capital campaign and probably will be reimbursed from CC funds??
- Property EOY expenses are a monthly projection (because this category has been underspent hugely, except that major repairs has money for one AC for this year.) The monthly land maintenance contract was cancelled and this is being paid hourly. Sue estimates it will come in at about 10,000 for EOY.

HOW TO READ THE SPREADSHEET AND EXPERIMENT WITH VARIOUS ADJUSTMENTS

1. Open the excel file to the tab that says “2019-20 budget plan interactive”
2. Rows – the rows (down the left) are income categories followed by new programs, and then expense categories.
3. Columns—columns begin with the 2017-18 data (just for reference.. budget and actual), then the 2018-19 budget. The next two columns (F and G) shows the actual income/ expenditures as of the end of February (8 months of data) and then the End OF Year estimates (4 more months). Column I is the “Desired Budget” plan. Column K has comments about assumptions underlying the budget figure.

To see the results, look at rows 26, 27, and 28: Income, Expense and “new income to balance”. Look AT column I and you’ll see how much income is needed for a balanced budget, given the revenue and expense estimates in the “desired budget.”

NOW, to play with it.

5. Make a new copy of the spreadsheet. Put your cursor on the tab that says “budget plan 19-20 interactive”, right click, choose “move or copy” and then when the new windows comes up, click on “copy” and you’ll have one to play with.
5. Scroll over the columns m and n. These are the Parameters and the \$\$ needed to balance. Example: see the row that says “Andy’s sal” and the next column with 6% in it. Type in something else instead of 6%... just type in the number and see how the \$\$ to balance changes.

2019-2020 Pledge projection 3/19/ data from deeanne

	2019 Pledge	Discount	Budget	
1st Year	\$		\$	
Pledges	34,546	94.4%	32,603	actual pledges
	\$		\$	
Declined	1,080	85.00%	918	na
			\$	
Estimated		85.0%	-	
	\$		\$	
Follow Up	19,868	85.0%	16,888	tbd - follow up
Return	\$		\$	
Pledges	396,904	94.4%	374,677	actual pledges
Mid Year	\$		\$	
Pledges	6,823	75.6%	5,158	est. based on last yr
2nd half	\$		\$	est. 2% 1/2
increase	4,524	94.4%	4,271	yr
	\$		\$	
Total	463,745	93.7%	434,515	
Goal in five year plan			\$ 474,000	proposed budget
			\$	
Balance to 5 year plan goal			39,485	