

**Community Church of Chapel Hill Unitarian Universalist
Board of Directors Meeting
Tuesday, February 16, 2010**

Present: Barbara Chapman, Mary LeMay, Erich Lieth, Susan McDaniel, Mariana Fiorentino, SAM Brooks, Paige Hall Smith, George Thompson, Bob Weston, Maggie Scarborough, Josh Socolar

Absent: Steve Marshall

Ex officio: Maj-Britt Johnson

Treasurer: Scott Provan

Guests: Andrea Sordean-Mintzer, Alan Spalt

Minutes: Penny Ward

Chalice Lighting

Board Member of the Month Bob Weston lit the chalice and shared a reading from *The Road Less Traveled* by M. Scott Peck.

Board Learning

Andrea Sordean-Mintzer, Congregational Administrator, gave a presentation on how to read financial reports. She provided an overview of the flow of money in and out of the church, the differences between Restricted and Operational funds, how records are kept, and how to interpret a quarterly report. Her goal is to make reports user-friendly.

Treasurer's Report

Scott Provan reiterated Andrea's goal of making reports easy to understand. If you find anything confusing on the financial reports, let Scott know. Mary LeMay asked if Andrea could continue highlighting summary rows in color, as she had done with the handouts tonight; Andrea will do that.

Scott reviewed the 2009 end-of-year report. We ended the year with a \$34K deficit due to (a) income being \$16K less than anticipated and (b) expenses \$19K more than budgeted. The difference will be taken out of the Operational Reserve fund. This leaves both the Operational Reserve and Building Reserve funds significantly below levels that are generally considered safe. (Ideally we would like to have three months' expenses—\$150K in our case—in the Operational Reserve and \$10K in Building Reserve.) The budget includes a plan to replenish the Building Reserve fund a little each year.

Scott and others had a meeting about the shortfall. The conclusion was that the lack of money was due to three things: (1) pledge receipts were down because of the economy; (2) rental income was badly misjudged; (3) the board had promised to raise \$11K in general operating fundraising.

To address these causes, Scott suggested three possible ways to increase income:

(1) Get new members into the stewardship pool more quickly after they join the church; (2) find ways to improve the rental situation; and (3) conduct some operational fundraising activities, or move money into operational reserve or operations from existing fundraising activities (like music gala or service auction). Those are the “soft” areas for 2010.

There was some discussion about whether the board really had committed to \$11K in fundraising, and whether the budget planners should rely more on Andrea’s expertise. Scott pointed out that Andrea was involved in this year’s budget planning, that the board had agreed to a budget which included \$11K in fundraising income, and that we do need to come up with fundraising activities.

Maj-Britt said that work is being done on a mechanism for getting new members to pledge.

Scott said his presentation was for the board to consider, and that the problem wouldn’t have to be solved tonight. He suggested the board could have a task force for rentals, for example, to investigate ways to make facilities more attractive for renters.

Erich pointed out that reserve funds have been going down each year. He proposes that the church move each year’s deficit into the following year’s budget—i.e., force ourselves to make up the shortfall immediately, rather than drawing down the reserve accounts or being overly optimistic about our ability to raise money. Part of the board’s commitment from last year was to start replenishing reserves; the only way he can see to do that is to incorporate the deficit into the budget.

SAM said that, given the economic climate, the church might want to focus its efforts more on cutting expenses than raising income. Based on her experience with this church she knows that if members are unhappy about a cut, they may be able to come up with money on the spot to help cover it. That money could go toward our deficit.

George mentioned that another option the board has available is to review quarterly reports and adjust the budget accordingly throughout the year.

Mariana asked about having a Share the Plate collection for operating reserves. Others responded that Share the Plate is intended for outreach, and that the 26 Sundays for the year are already designated for other recipients.

George asked for volunteers for task forces to examine raising income and reducing expenses. Mary LeMay asked that there be a specific charge for each task force before asking people to volunteer. George said he would work with the Executive Committee to come up with charges for two task forces—one to look at income and one to look at expenses—and present the charges at the March board meeting.

Manse Report

Alan Spalt and Mariana Fiorentino reviewed the report they had presented to the board. Alan drew up the report, with input from Mariana and others. The board thanked him for producing such a clear and useful report.

Reviewing the numbers: Mariana said the church pays \$493/month for mortgage on the Manse. We owe \$64K on the mortgage. There is a budget line item of \$12K for the mortgage, and a reserve fund of

\$10K. There had been a restricted funds Manse account last year, but without rental income Andrea had to pay bills out of the \$3300 in that account until it was depleted.

There are two goals for use of the Manse: One is as a facility for RE. Families are enthusiastic about using the Manse for RE, and Marion Hirsch has no complaints. The building doesn't need any major improvements to be suitable for continued use by the RE program.

The other goal for the Manse is to promote it as a rental facility for outside groups. This has not panned out, partly due to limitations of the building, the economy (all rentals are down), and logistical reasons that represent a drain on the staff. Work is underway on improving the most visible problem area, the driveway.

There have been some other uses of the Manse—for retreats, and as work space for set painting for the musical. One of the criticisms Alan heard was that the path was not accessible; he wants to point out that last year there was no path. Matt Nelson created the path as an Eagle Scout project. Marion says it's not a problem because they've worked out how they bring people in and take them out.

One request from RE is that, since they are the principal users of Manse for now (at least until the planned RE Pavilion is built), they'd like to be able to personalize it a little bit more. They might like to bring in different furniture, paint some walls. Alan stressed that RE doesn't ask for exclusive use of the Manse. Alan is impressed with Marion's thoughtfulness and sensitivity about operations of the church, and children's/youth's part in church life.

We have not made much progress in making the kinds of improvements we think would be necessary to make this an attractive place for outside renters. (1) Parking is limited at the Manse, and the main parking lot is in use on weekdays. (2) While we do have a plan for handicapped access into and out of the building, the building as a whole is not wheelchair-friendly. (3) We do have wiring and Wi-Fi problems—not a problem for RE, but a limitation for business groups. At one point we thought a group was going to establish a long-term rental of the Manse as a rehearsal space, but the group stopped renting because as days grew shorter, people weren't comfortable with the darkness of the driveway.

George asked if there is money available for making improvements. Mariana replied that 20% of the service auction proceeds are designated for the Manse, so that will provide about \$2200.

George mentioned that other issues had been brought up by covenant groups, who didn't like using the Manse in the evening due to the darkness outside. Lack of electrical outlets was also cited as a problem. Bob mentioned that when his group met there on a windy night, the furnace kept shutting on and off and the lights were flickering. Andrea said Duke Power has been contacted and will make a call to investigate. Timed and motion-sensitive lights have been installed on the outside of the Manse, but not further up the driveway and path.

There was discussion about letting RE be the primary users of the upper level of the Manse, and making the lower level of the Manse available as living space for an intern minister or caretaker, or renting it to one or two non-profit groups. The report recommends just this approach.

Barbara moved to accept the recommendations in the report (see Attachment to minutes). The motion was seconded by several people. The motion carried unanimously.

Mission Statement

George said that Maj-Britt had prepared background information (page 4 of agenda) on the mission statement. He asked that each person present speak briefly about their thoughts on the statement, and about how to take what has been done so far and use that to create a mission statement. Maj-Britt asked if the group would be willing to continue the meeting past 9:00 in order to allow a full discussion. The group agreed, and decided to review the Consent Agenda before returning to the mission statement discussion.

Consent Agenda

Mary LeMay voiced a concern about the Share the Plate charter. The charter spells out a committee consisting of six people, all doing work. She believes it's inappropriate for the board liaison to be considered one of the working members. Maj-Britt clarified that in the charter—where six people are “invited to serve”—the emphasis is on “invited,” meaning that none of the six people is expected or required to serve. Mariana mentioned that at Susan Spalt's request, she had been attending Share the Plate meetings.

Susan asked why the charter was for a committee rather than a ministry. Maj-Britt said that the concept of ministries as opposed to committees had not been widely disseminated into, or understood by, the church. She doesn't believe people are ready for that change.

Barbara moved that the board pass the consent agenda. Josh seconded. The motion passed with 9 ayes and one abstention.

Erich made a comment about the music gala, since the entire board hadn't been present at the discussion. The music gala group initially asked that 100% of the proceeds from the gala go to Haiti relief. Erich reminded the board that we repeatedly get requests to waive the 20% stewardship component of fundraisers, and that we need to be firm about requiring it, because that represents a significant part of our operational income.

Mission Statement, continued

Everyone present was given at least two chances to share their opinions about the two versions of the mission statement and their ideas about how to proceed with the process.

Board members expressed their gratitude and appreciation for the tremendous amount of work done by the groups who fashioned the statement. Members who had served on those groups expressed the feeling that they were finished with their part of the process and that it was time to pass the project on to others.

There was discussion about whether the board needed to endorse or approve a mission statement before asking for a congregational vote. General consensus was that, per its covenant, the board needs to show public unity on whatever statement they present for approval, but also that the congregation should see it as their own mission statement, not the board's.

It was pointed out that in a church whose members take pride in their diversity of opinion, it would be unrealistic to expect that all members will approve of one statement. At the same time, there is no requirement for someone to agree with the statement in order to be part of the church.

Several members said that they found the first mission statement more moving, poetic, and inspiring—especially the phrase “the transforming power of love”—but that the second statement was clearer, simpler, and easier to remember. There was agreement that some editing of the second version’s second sentence could make the wording less awkward.

Some members were dissatisfied with “change the world” in the second version, saying we should specify how/why we want to change the world.

The first sentence of the second version was initially included because members wanted to have the name of the church in the statement. During discussion, it was pointed out that any mission statement the church adopts will be prefaced with something stating that this is the mission statement of the Community Church of Chapel Hill Unitarian Universalist.

There was discussion about the distinction between a mission statement (what guides us) and an identity statement (what makes us unique). It was also mentioned that the mission statement does not have to replace the church’s statement of purpose.

Some members volunteered to do wordsmithing on the current statements. Others pointed out that the task force who crafted the statements had already done plenty of wordsmithing, and that there were no guarantees that a third version was going to be any more acceptable than the previous two. Ultimately, the consensus was to try to modify the existing statements. Mary, Josh, and Paige will draft a new version and bring it to the board for approval at the March meeting.

Review of Action Items

Barbara reviewed the January action items with those responsible. All items had been or were being done.

Action items for next meeting: George will bring a charge for the two budget task forces; Mary, Paige and Josh will work on the next iteration of the mission statement.

Extinguishing the Chalice

Bob gave another reading from *The Road Less Traveled*.

The meeting adjourned at 9:20.

ATTACHMENT

Manse Recommendations, Accepted by Board on 2/16/10

Recommendations [regarding Manse] for 2010: It seems clear that the Manse is needed for R.E. at least until the R.E. Pavilion is built. And not only needed but well suited at moderate cost, less than any other alternative since we already own and control the Manse. It is also clear that promoting casual rentals is problematic, particularly in this economy.

We recommend:

1. That the Manse be primarily for program use, principally for R.E.
2. That R.E. be allowed to 'personalize' the Manse in recognition of it as the most regular and enthusiastic user. [N.B.: R.E. has not requested, and does not want, exclusive use.]
3. That other church uses be encouraged as happened this year. For example, we hope that Covenant Groups will consider using the Manse for their gatherings. That church groups of 15 or less consider using the Manse instead of Jones Building for their gatherings.
4. That casual rentals be accepted when they don't interfere with church needs, but that they not be actively promoted. Currently we have a yoga group that meets on Thursday from 6-7 PM and pays \$60 for their 6 week session.
5. That long-term rental of part of the downstairs be considered if an organization furthering our church goals is in need and can help offset expenses. For example, we would canvass non-profit organizations in search of a small office space and offer the lower level room with bath for \$425 per month with the additional benefit of allowing their use of the large main level meeting space during the day during the week if needed for meetings. An additional thought is to determine if the wall between the two smaller rooms can easily be removed to increase the usable space in the lower level reducing number of rooms to 3 but increasing use potential due to increase in size.
6. That the youth deliver a Within These Walls to tell the congregation how much the Manse space means to them; to invite the congregation to an after service reception at the Manse; to remind the congregation that the lower level space is available for rent to a non-profit or small business owner for use M-F.
7. That a determination be made of the best use of the storage building at the Manse, which now holds racks and supplies for the former Project Amistad clothing distributions. If it were more suitable in a different location, it could be free up a couple of parking spaces at Manse.
8. That maintenance be continued to keep the building in shape. E.G., currently discussions are under way on the electrical system and driveway drainage. Also the septic system has not been pumped in several years. With active use now by RE, it is recommended that it be pumped yearly to avoid problems down the road. (Cost about \$150) The thermostat is programmable, and B&G was checking to make sure it is programmed to meet the current user needs.