

**First Unitarian Society in Newton
OPERATIONS COUNCIL MINUTES**

Wednesday, May 13, 2015

Alliance Room, 7:00 P.M.

Present: Susan Bartlett (joined by phone mid-meeting for budget review), Jeannie Chaisson, Judy Curby, Laurel Farnsworth, Andrea Kelley, Rev. Erin Splaine, Rowan Van Ness. Guests: Karen Bottar, Brian Gill (FY16 Budget); Bobbie Sproat & Gregg DiBiaso (Board).

The meeting was called to order at 7:04 p.m.

~ Invocation / Chalice Lighting: Laurel

~ Covenant

As we, the members of this Council and staff, gather to serve this congregation in leadership, we commit to ourselves and to each other: to be present and prepared for the work of this meeting; to listen well and contribute respectfully; to balance both our short and long-term visions with fiscal responsibility; to support the decisions of the Council; to uphold the democratic process; and to lead with goodwill and faith in the work we can accomplish together.

~ Approvals: All

- Minutes: Ops Council April minutes were approved.
- Request to use of the Sanctuary for a fundraiser concert to benefit Pan Mass Challenge Discussion ensued about FUSN's rental policy review has not yet been finalized. It was agreed, the Council can proceed with requests in the meantime. Further discussion about how much to charge: if they are using 2 nights for rehearsal and 1 for performance, we need not charge the full price for all 3 days. Proposal was for \$600 x 3 vs \$1000 x 3. We do want to be sure PMC has liability insurance and can provide a certificate showing their coverage. Since the event will be in the Sanctuary, Erin would like to continue considering such uses on a case by case basis. Andrea moved to approve the request for the concert; Jeannie. Approved unanimously.

~ Laurel - B&G update.

- A cherry picker (big truck) will come next Wednesday. The FUSN parking lot will be unavailable.
- The upstairs kitchen windows - from original construction - were removed and will be replaced, including some of the sashes. The windows were in serious disrepair.
- As part of a FUSN member's Eagle Scout certification community project, volunteers removed large shrubs from the parking lot oval and replaced with several smaller plants.

The Boy Scouts are not watering the outdoor plants. FUSN paid for the plants, but the labor was donated. Jeannie suggested posting the need for watering the outdoor plants. Laurel suggested a chalice circle group might be willing to take this on. Laurel will put out an email looking for volunteers.

~ Report on BOT meeting - Judy

Judy briefly summarized last night's Board Meeting.

~ Judy reported on the Finance Committee meeting, which looked at whether the Board of Investment might increase its contribution to the operating budget. Karen pointed out that usually organizations don't want to use investment income for operations. An amount of 5% is not unusual for non-profits. Brian: BOI would like to keep it at 3.5%. Jeannie pointed out that historically, the amount was closer to 5%. The BOI holds \$50k, which can be used if needed for Operations. Laurel said it is hoped that levels of giving might increase, as the economy recovers from the recession.

Laurel: Budget planning involves considering if the new Membership Coordinator should be planned as a 10-month position, rather than 11, as a way to save funds. She thinks it's possible to get funds from either the \$50k or a higher percent of the endowment. The percent is defined as the value of the unrestricted part of the endowment as averaged over past 3 years.

~ Review FY16 budget - Karen Bottar and Brian Gill shared a draft budget. Susan joined the meeting by phone.

Brian: The FY budget uses the 3.5% draw from the endowment, and includes an 11 month Membership Coordinator position. The proposed FY16 budget has a \$105K deficit. A \$15K deficit is expected for FY15, rather than the projected \$40K. Currently, there is \$148k in the bank, forecast for end of FY15. So Brian thinks the projected deficit for this year is not dire.

Recommendations:

1. If the BOI contribution to Ops goes up to 5%, it would provide \$24K in funds to reduce the deficit.
2. The budget would save* \$27k if the Membership Coordinator (MC) works 25 hours per week over 10 months, rather than 11 months full time. Brian pointed out that every year, new budgets predict deficits. *The amount saved includes salary, taxes and no benefits.

Erin read an email from the Membership Committee (Judy Zacek and Bill Dusett) expressing its preference for hiring a Membership Coordinator at 25 hours a week to start in August, rather than waiting for someone to start full time in September. Erin said that it might be better in the long run to have a full time person start in September. Andrea agreed: the search committee hasn't met yet and doesn't have a final job description. Judy C. expressed concern that the decision may not be made in time for an August start and that September is more realistic. Jeannie expressed concern that we should focus on getting the right person. Erin pointed out

that a full time person starting in September (FY16) would be for 9 months and then go to 10 months in FY17. Full time for 9 months saves \$10K. Susan agreed that this would be a good place to start.

Laurel pointed out that the Board of Trustees votes on the proposed budget. Ops' role is to provide its preferences and recommendations.

1. Ops would like to ask the Board of Trustees to ask BOI for a 5% draw. Last year was 4.5%. The difference is \$8K. Brian asked if the 5% can be made conditional, i.e., if it's needed at the end of FY. Laurel pointed out that in the past she has not been able to do summer construction if funds were not available. Judy pointed out that funds can be drawn from BOI if needed. Consensus was that it would be best to ask for the 5% draw.

2. Consensus was that the new Membership Coordinator (MC) should be budgeted at 9 months full time for FY16, anticipating 10 months for FY17, depending on funds available at that time. For the previous MC, the 10-month position was paid over 12 months, to ensure benefits continued for the employee. Ops recommended this be the case for the new MC.

Discussion continued about whether Ops should recommend further budget cuts. Laurel said she could take \$2K off the \$10K reserve fund for FY16. Judy suggested that we look at discretionary spending and reduce as necessary when the time comes. (This year, it cost \$12K to shovel the roof, which was more than the \$10K reserve.) The compromise was to drop \$5K from the reserve fund in the budget.

A Junior Choir leader is included in next year's budget. Susan pointed out that music line is up 7%, and maybe that could be reduced. Erin pointed out that some of that 7% involves the music person being involved in RE, as requested by some parents. Consensus was to keep that increase. It was agreed not to drop the line item for leadership development for members and staff.

Laurel pointed out that the budget is conservative and that the committees don't always spend all their budgets. Some years, some committees do spend and others go over budget. So it's safe to include budget lines for all of them. Historically, each year we've had a "turnback." An amount could be added as an anticipated "turnback" (i.e., unspent) to reduce a projected deficit.

Erin said Kim Shanks is looking closely at the RE budget. Rowan also said Coming Of Age is not spending all its budget of \$4700. Brian asked if fees should be included as offset to COA costs. Rowan mentioned some COA costs are covered by its frozen food sale and Thomson Island fees. Currently, there's \$4500 in restricted Thomson Island fund. Rowan also pointed out that someone has offered to volunteer in the nursery; if there was not a volunteer, it would have to be included as a budget item. It was agreed to lower COA budget to \$3700.

Laurel proposed asking the BOI to let the current surplus go toward covering FY16 expenses. Brian said the budget already includes applying \$67K from the surplus to FY16. Bobbie said the Annual Budget Drive team is considering asking for optional additional pledges in the fall, in addition to the spring pledge drive.

Judy proposed requesting the full 5% draw for breathing room and to lower the deficit as it appears in the budget. Brian pointed out that Meghan is being paid through July, which means some costs will carry over to FY16, and that part of the Ministry budget will go away after this year.

Brian agreed to present the budget to the congregation on May 31st, so it won't be a surprise at the Annual Meeting. He will send a revised budget to Susan.

Judy said Susan Brouillette, the new accounting consultant, will be putting in some hours during FY15 as part of taking over for Nancy Tobias. Laurel moved to increase the accountant consultancy budget by \$600. Andrea moved, Jeannie seconded. Unanimous approval.

Andrea suggested sending flowers and a card to Ops Councillor Anne Hess-Mahan, who is recovering from surgery.

Andrea said there are planting mix soil bags left over from the parking lot re-landscaping, and we could offer them for sale to congregants.

~ Thank yous: All

Andrea Kelley for donating her expertise and professional discount to the Eagle Scout's landscaping project.

Laurel will thank all the people who helped with the mulching and gardening.

Peter Farago for his help overseeing and implementing the new database, providing technical assistance, training and troubleshooting.

The meeting was adjourned at approximately 9:10 p.m.

Respectfully submitted,
Wendy Schwartz,
Assistant Clerk