

**First Unitarian Church  
Board of Directors Meeting Minutes  
6:30 PM Social Hall  
15 November 2011**

Members Attending: LeCrone, Knoebel, Street, Kwait, Demi, Hendley, Johnson-Jimenez, Wofford, Silva

Members Absent: Leland, Kilpatrick

Member Ex-Officio: Robinson

Other Attending: Herrera

Scribe: Green

6:30 pm Chalice lighting/reflection: Kwait

*Kwait provided a reading by Marge Percy – “To Be of Use”*

**1. Administrative agenda 20 minutes**

*Both Leland and Kilpatrick were absent. Meeting was chaired by Street.*

- A. October 18th Board Meeting minutes
- B. October Treasurer’s report
- C. October Core staff report
- D. October President’s report
- E. Policy Governance Report

*Motion to accept Administrative agenda with suggested edit to Treasurer’s Report by Hendley. Second by Demi. Motion passed unanimously.*

**2. New business**

- A. New Sanctuary Finance Issues - 30 minutes
  - i. Capital Campaign projection and status – Demi

*The report is that we are not at goal, but contacts will continue. A chart titled “Essential Gifts Chart compared to Pledges Given” (see Essential Gifts\_Nov15\_2011 pdf document) was presented indicating where we stand and how far we need to go.*

- ii. DCT Status and update – Herrera

*Herrera presented a summary of current status indicating that we are at “Stage 2” of the process. The project timeline depends on funding and “scaling to budget” is an option. It is unsure whether the package will be ready for a congregational vote in January. A DCT report submitted by Linda Skye detailing the completion of Focus Groups and the planning of future groups outlined items such as the Mural, Worship, Music, and A/V*

discussions regarding interior design of the new building (see DCT Report\_Nov15\_2011 document).

iii. Funding options – Knoebel

*Knoebel presented Building Project Financing Board Update #1 (see Bldg Fin\_Nov15\_2011) detailing the steps underway to secure information from lending institutions regarding financing criteria for our building project. Knoebel gave an overall explanation of the financing process and explained that a valuation of the current property would happen on Monday, November 21. An item of note: monies from the UAA would be a mortgage – not a construction loan; whereas monies from a bank or credit union could be a construction loan. A complete funding package will be presented when more becomes clear. Our current information provides us a step towards learning what we can do and determining what we can afford within our budget.*

iv. Debt service discussion / motion – Street

*After a round table discussion based upon the handout “Mortgage Options for the Building Project” (see page 2 of Bldg Fin\_Nov15\_2011) showing the total of annual payments per amount borrowed, the following was decided: “The Board agrees to direct the Financial Task Force to develop a financing package for the new building that includes a mortgage of debt service increase of \$15000 per year”.*

B. Internal Audit – 20 minutes

i. Response to Internal Audit Committee from Staff: Robinson

*Robinson provided a response to the Audit Committee recommendations as they pertain to staff. The staff spoke with the committee regarding the suggestions and found that the committee members felt strongly about them. The staff feels that it would be very hard to comply with the items, as some have major budget implications (see Audit Response\_Nov15\_2011\_v2). Motion to accept staff’s recommendations regarding Audit Committee results with discussed edits by Kwait. Second by Wofford. Passed unanimously.*

ii. Response to Internal Audit Committee from Finance Committee: Knoebel

*The response provided by Knoebel was included with the response from Robinson (see Audit Response\_Nov15\_2011\_v2). Two specific points mentioned were the fact that minutes are hard to get from committees and that vouchers from committees should have signatures from all approving members for out of the ordinary expenditures.*

iii. Response to Internal Audit Committee from Board and possible motion: Street

*The Board decided to defer to Board President Leland to draft a response to the Audit Committee at a later date.*

C. Budget – 30 minutes

i. Budget process status - Robinson/Knoebel

*Even though a balanced budget will be set in December, it won't be considered final until January. The Board was given a handout to consider, which contained items specifically, needed to complete the budget. They include: Cost of Living Adjustment amounts, amounts required to achieve "Fair Share" status, and amounts needed to achieve the salary goals for the Ministers.*

ii. Budget process discussion – Street

*"The Board was asked to make a recommendation regarding the Senior Minister's salary and direct the staff as to Board priorities for FY2012. In our discussion, we agreed that we uphold the priorities that were set during the June 2011 Board meeting. We voted on the following motion as a final step in this discussion:*

*In planning the 2012 budget, the Board directs the staff to give the Senior Minister a raise of \$5376 and allocate the remaining funds to the following priorities in the following order: 1) promotion for the Assistant Minister to Associate Minister, 2) Cost of Living raise for all staff (including ministerial staff), and 3) Fair Share.*

*Motion made by Street, Seconded by Wofford. Passed unanimously."*

D. Adjourn – 8:30

**3. Future agenda items**

- A. December: Final building plan, final budget plan, draft strategy, By-law revisions, additional consideration of Internal Audit Committee Recommendations
- B. January: Additional Board Meeting, Annual Meeting, transition to new Board

**4. Important dates**

- A. December 13, 2011: Board Meeting
- B. January 3, 2012: Additional Board Meeting**
- C. January 17, 2012: Board Meeting
- D. January 22, 2012 at 2:30pm: Annual Congregational Meeting, sanctuary**
- E. February 3-4, 2012: Board Retreat for new Board

**NB: Bold indicates non-recurring events at which full Board participation is sought.**