

**UNITARIAN UNIVERSALIST FELLOWSHIP OF LOS GATOS
BOARD MEETING – NOVEMBER 10, 2005**

Called to Order at 6:35PM
Chalice lighting

Board members in attendance: Walt Main, Harry Campbell, Irving Yabroff, John Omvik, Jim Beebe

Guests: Rev. Nancy Roemheld, Julie Doyle

ANNOUNCEMENTS

Jim – Kari and John Sparks are two new members

Julie – The Committee on Ministry has had three potlucks. They were well-attended.

CONSENT ITEMS

- Resolved that the minutes of the October Meeting be approved: Passed
- Resolved that the board accepts with thanks Allison Levy's gift of the two couches now gracing the lounge. Passed. Irving will send letter to Allison.

MINISTER'S REPORT – Rev. Nancy: See attached.

APPOINT two nomination committee members. Nan Bixler and Tim Connelly have agreed to serve and were accepted.

John Omvik presented results of Irving's report on the Financial Status of the Fellowship. It forecasts an \$8,900 shortfall of income compared to the amount budgeted. This is due to two main factors: The loss of Weight Watchers as a regular weekly rental and the low level of contributions. The latter is probably due to the higher level of pledging this year as compared to last year resulting in a correspondingly lower level of contributions. Report is attached.

John moved:

It is resolved that until the 2006 Spring canvass is completed, any and all collections will be applied only to support UUFLG budgeted operational expenses or to the Social Justice committee for donation to charities outside the Fellowship. During this time, no collections will be taken for improvements to the Fellowship building, grounds or other projects.

Motion seconded and passed.

Walt presented the following resolution:

RESOLVED that the Administration Trustee, Irving Yabroff, offer UUFLG members the opportunity to forgo receiving the mailed hard copy version of the newsletter and, instead, be

notified of the availability of a new newsletter on the website. The resulting reduced mailing will begin with the December newsletter.

Motion moved, seconded and passed.

Harry agreed to send out the announcement and receive and record the replies.

Christmas Day Sunday Service: No Christmas Day service will be held.

Mystery worshiper report: The report was very favorable, overall, but had four suggestions for improvement.

1. Holding hands to make a continuous chain at the end of the service while we sing the final song is clumsy. Just holding hands in each row would be more comfortable. The Sunday Services Committee will be asked to consider this.
2. At the time the Mystery Worshiper came, the website instructions directed visitors to the Blossom Hill Road address, where there is only a small parking area and the building is hard to recognize from that side. Since then, words have been added to the website so that drivers are advised to search for the entrance to the Fellowship on Old Blossom Hill Road, even though the address is on Blossom Hill Road. For those that miss Old Blossom Hill Road, however, the Fellowship building is hard to recognize on Blossom Hill Road as you go past it. A picture of the building taken from the Blossom Hill Road side will be added to the directions by Irving to let those who don't turn off on Old Blossom Hill Road know what to look for.
3. The words to songs on the Order of Service need to be in larger print to be read easily. Also, a notation should be added indicating that all are to sing. Rev. Nancy will instruct Adrienne to make these changes.
4. There is much chatter during the playing of the prelude to the service. This denies those who want a time of quiet and serenity to listen to the music, and is also disrespectful to the musician. Rev. Nancy will introduce the prelude music to encourage respectful attention.

Additional announcements and action items:

- Jim announced that Suzanne Jo is working on a procedure for a volunteer coordinator.
- The heater makes too much noise when it is on during the service. The heat should be turned on early enough that the building will be fully warmed by 10:30AM. The heaters should then be turned off at that time. Irving will take this up with the Building Committee.
- The Membership Committee will develop a procedure to provide a Lifetime Membership option as defined in the new bylaws. The Board requested that prospective Lifetime Members agree to the change before it is presented for Board approval.
- Irving will provide suitable information on member's contributions during the past fiscal year to the Membership Committee so that they can begin their annual review of member eligibility.

- Harry announced the membership data has been converted to a new database which is much improved. He is working on a new directory.

Meeting adjourned at 7:50PM.

Respectfully submitted by Irving Yabroff, acting for Margo Smith.

Attachment 1: Minister's Report

To: Board of Trustees, UUFLG
From: Nancy Roemheld, Interim Minister
Re: Report
Date: November 10, 2005

Since the October Board Meeting, I have been involved in the following activities as your minister:

I have offered three worship services and met with lay leaders. Attended committee meetings for Committee on Ministry/ Membership/ Sunday Services/ Music Committee (for Xmas Eve).

There were no hospital calls this past month, a few phone calls to those who are "shut-in." – One to an extremely deaf lady, there was lots of shouting. I've found one of the older members who knows her, and will call on her soon. I made four house calls, not for illness, for church business and for invitations to supper. I also had two luncheon invitations.

Met with the Interfaith Clergy group to finalize plans for the Interfaith Service on November 22 at Shir Hadash. I hope some of you can come – I will be reading Psalm 107 from the Jerusalem Bible. The Episcopal priest is doing the children's story – they say he does a fine job with that.

We had four people at our Newcomer's Circle – two who had just joined. Harry did the honors as a "long time member," thirty one years.) Walt also assisted.

I met with Andrew Johnson from the District Legislative Ministry. He would like to see this congregation get involved in advocating for legislation that is helpful to Californians. There are pamphlets in front hall.

I had my first office hours today. Turned the phone ringer on and waited for it to ring. Nothing. Then I "willed it" to ring, and that did not work either. I did have a couple of walk-ins.

Yours in the faith, Nancy

Attachment 2: The State of UUFLG Finances

THE STATE OF UUFLG FINANCES or "THE RUBBER HAS HIT THE ROAD" November 4, 2005

We are now four months into the fiscal year. Income and expense patterns have had time to settle down and become more predictable through the rest of the year. Further, financial needs not included in the original budget are beginning to surface. It is time to take stock, see where we are going, and plan corrections where necessary. The dynamic nature of our budget facilitates this review through a series of adjustments made to date to incorporate our growing insight into our financial operations. In this way, the current budget is made a more realistic forecast of our expected income and our planned expenditures as our plans change through the year. The budget can thus serve as a useful tool for their control.

The October P&L vs. Budget Statement for October, 2005 has been distributed separately from this document. The following is a review of this report.

Income compared to current budget figures

The Total Income is close to budget because pledge payments are ahead as much as Contributions, Sunday Collections and especially Building Rentals are behind. All three of those latter income categories are likely to remain well behind their budgets for the rest of the year.

1. Contributions: This is money donated to the General Fund exclusive of pledge payments and which is paid by check or signed envelope, if cash. Last year, contributions were 12.5% of pledges. They were budgeted at 10.5% for this year. The actual percent so far is 2.8%. If this percentage continues through the rest of the year, our income from contributions will be \$8900 short.

2. Sunday Collections: This is cash collected during Sunday Services from unidentified donors. Last year, cash collected was 4% of pledges paid. The budget for this year is 3.6%. The actual percent so far is 1.8%. If this percentage continues through the rest of the year, our income from Sunday Collections will be \$2,000 short.

3. Building Rental: This is income from renting rooms in the building, the deck and the parking lot to outside individuals and organizations. The budget for this year was set to \$7,000, a \$2,000 increase from last year. This was based on maintaining the same recurring rentals we had last year and achieving additional rentals through increased marketing. Instead, our main recurring rental, Weight Watchers, which accounted for half of that \$7,000, dropped because of low attendance at their meetings. Additional marketing effort is just getting underway. Thus while it is likely that rental income for the year will fall short of the budgeted amount, the shortfall to be expected is hard to forecast. For the purposes of this review, I'll use a shortfall figure of \$2,500.

Expenses compared to current budget figures

The Total Expenses are also close to budget because most line items are close to budget and those ahead balance those behind, so far. Expenses of two line items are seriously higher than budget. These are;

1. 541 Admin. Hours - This is the cost of Adrienne's time to handle emails, voice mail and other miscellaneous tasks. That traffic is much higher this year than last because we are much more active. She is averaging 20 minutes a day this year. Last year she averaged only 12 minutes a day. The increased traffic wasn't anticipated in the budget. The budget required is expected to be \$2100 for the year rather than the \$1200 budgeted.

2. 583 Child Care - This is the cost of the nursery aide, Michelle Sierra. The budget anticipated her working 40 hours during the year costing \$600. She is working 1 1/2 hrs per week, every week which will cost closer to \$1200 for the year.

These two expense line items will not be the only ones that will require additional money. They are just the first to show up. One area which will need additional money is Building Operations and Maintenance. There are some high priority maintenance costs which don't fit within the budget. One of these, a piano truck frame to make it easier to move the piano without risking damage to its back leg, costs \$400.

Summary of Income and Expenses vs. Budget

In summary, by the end of this fiscal year income is expected to be short of the budgeted amount by \$13,400. Projected expenses at this time are projected to be \$1,900 higher than those budgeted. Note that the current budget is already taking \$4,182 from Reserves to meet budgeted expenses. Thus the additional deficit we are facing, beyond the currently budgeted \$4,182, is \$15,300. If we were to rely only on the Reserves to balance the current budget, we would reduce the Reserves by \$19,482.

Reserves

We have two Reserve Accounts at present.

1. 131 Operating Reserves: This is a savings account at US Bank in which we are holding the surplus we accumulated from last fiscal year. Its current balance is \$18,360.54. \$4,182 is committed to be used by the current budget, if needed. Some of the remaining will be needed for the Search Committee and moving expenses for another Interim Minister should we not keep Rev. Nancy for our second interim year. These expenses are estimated at about \$6,000. The remainder will be needed the following year for Search Committee expenses for a Settled Minister, unless we succeed in including those costs in our upcoming pledge campaign.

2. 132 Maintenance Reserves: This is in a Money Market account at Fidelity Investments and has a current balance of \$17,964.55. It is our reserve for critical one-time expenses for

building and grounds maintenance and improvements that are not provided for in the current budget. Money borrowed from this reserve is being replaced by monthly payments from our budget at a rate of \$5,000 a year. See account 613 Reserve Payments. The goal is to keep \$20,000 in this account for these critical expenses.

Solutions

The easy solution is to take the money we need out of reserves as we need it. That, however is not a long term solution. The need to replace those reserves adds to the already difficult time we must anticipate to raise enough money for next year's operations in this year's canvass, and the search committee expenses for a settled minister, and the settled minister's costs as well as an expanded program for the following year. With this foresight, the use of reserves must be minimized.

Another option is to make serious cutbacks in our program in order to reduce expenses. The budget, as we are seeing, already supports only a minimum program. To cut it further to any significant extent would cripple our ability to realize our hopes for the future. We would probably lose much of our membership and may lead to our eventual dissolution. This is the track we were on when we first decided to hire minister.

The only productive option is to increase our income for this fiscal year, and/or increase it in the upcoming canvass sufficiently beyond the operating budget to pay back some of the reserves we are borrowing to get through this fiscal year. The size of the increase needs to be in the thousands, not the one hundred or so dollars we can get from small scale fund raising projects. Not that small scale fund raising projects aren't a good thing, they are. They build community. But they can't be relied on to make a significant impact on the reserve funds needed. That leaves rentals, additional pledges and direct contributions.

My purpose in bringing this to your attention is that we have eight months in this fiscal year to do things to increase income for this year, and we have a canvass ahead of us to increase income for next year. This is a challenge to all of us. I know we can meet it if we recognize the problem and work creatively together.

Irving Yabroff
Bookkeeper and Finance Committee Member