

OPERATIONS COUNCIL MINUTES Final

May 16, 2023
Via Zoom online

Attending via Zoom: Susan Bartlett, Laurel Farnsworth, Jud Leonard, Karen Bottar, Wayne Everett, Eric Haas, Brian Gill (Finance Committee), Demie Stathoplos (BOT), Hattie Kerwin-Derrick (BOT), Chris Krebs (BOT), Parisa Parsa, Devin Shmueli (after 7:40 p.m.), Gordon Moriarty (substitute asst clerk)

Called to order by Susan 7:01 p.m.

Invocation/Chalice Lighting/Reading – Jud

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:

- *Karen moved that the April minutes of the Ops Council be approved. Jud seconded. Unanimous approval; motion passed.*
- By email
 - *Susan sent an email on April 28, 2023 with a request for approval of several special collections. All voted unanimously to approve each of the following:*
 - FUUSN's Racial Justice Ministry and Social Action Committee, as well as the UUUM, seek a special collection during COA Sunday in support of the Louis D. Brown Peace Institute (LDBPI). Parisa and Demie support the proposal.
 - Susan notes there has not yet been an approval of the Music Sunday offering going to the FUUSN music program.

FY24 Budget Review

- Overview
 - FY23 was budgeted for a \$50,000 loss but we will likely do much better, and may actually break even. For FY24, it is more likely that we will see at year-end the projected deficit of \$66,000.
- Discussion
 - FY23 Forecast
 - We budgeted for a \$50,000 net loss in current fiscal year FY23, but we will likely do much better. We are now at about a \$5,000 loss now and we may even break even. Finance Committee does budget conservatively. Plus, we did not hire people we had planned to hire. Most of the reduction in the forecast loss comes from the expense line, not the income line.
 - Demie – The membership coordinator and youth coordinator both left mid-year, and we did not hire an ADRE. This made a big impact on cash reserves.

- Susan – for FY24, we will more likely see the projected deficit of \$66,000 since we are likely to make the intended hires. But doing well in FY23 helps our cash reserves.
 - Parisa – Conservative budgeting going in that tends to overestimate deficits and careful management throughout the year is evident.
 - Demie – Of the \$40,000 committee expenses, things like membership and community events are pass-throughs, so the committee expenses are in fact less impactful.
 - Wayne – Regarding a new candidate looking at our projected deficit, adding tech person is forward thinking for us – acknowledging a weakness in our communications and we hope it may lead to additional membership. Also, the amount of reserve money is also impressive compared to many struggling churches. There are a lot positives to be appreciated even in view of a deficit.
 - Demie – Also on the positive side, the work of legacy committee was significant in terms of getting pledges to the endowment. It has been suggested to Demie that the formula for funding operations from the endowment can be adjusted in view of these pledges. The Board might consider that if the Board of Investment asked how we are going to structurally address what our deficit.
 - Susan – The proposed budget reflects the Board’s priorities for the year.
 - Demie – Extending Devin into Membership arena has been successful in terms of engaging people who come in. Good use of his salary as he contributes in ways other than RE.
- FY24 Budget Income assumptions
 - Brian Gill - With latest projections from the pledge drive, we are down about 20 pledge units, and about \$35,000 from last year’s total. Budget total for FY24 of about \$570,000 is about 97% of pledge drive total, as per usual. That total may go up slightly in next few months but probably not significantly.
 - Most other income lines are approximately consistent with income lines as in recent years. No longer have Temple Dorshei; Pine Village remains the biggest rental contributor. Uncertainties as to things like in Church Fair, Holiday Trees, special building use fees (e.g. weddings). Haven’t yet seen return to special use fees as in pre-Covid times so this line remains the same as previous years. Cell tower income goes up 3% per year per contract for about \$43,000 income/year.
 - Contribution from the endowment is based upon a formula related to the endowment growth and withdrawals over the past several years. It will be just short of about \$100,000 from the general endowment plus about \$7,000 from specially-designated endowment funds.
 - \$12,000 has been added as an income line per Parisa’s recommendation for the cost of minister search, which is an income line because it comes from a separate fund for sabbatical and search. It is also thus an expense line for the same amount.
 - Total income is slightly lower than estimate for current year or about \$900,000.
 - FY24 Expenses

- Brian Gill - Several weeks of discussions with various stakeholders (e.g. Laurel, Parisa, etc.) went into the downwardly revised numbers, including modest reductions in committee expenses.
- B&G expenses are in line with current year and past years. Laurel requested 6% increase for cleaning contract with Henry whose services Laurel values very highly. Laurel hopes electricity charge for FY24 will stay level; Urban has been paying careful attention to that. Overall, B&G expenses are about 30% of total.
- Office expenses are largely employee compensation. There is a substantial increase this year due to the plan to hire a communications and technology coordinator, who would be half-time, full year.
- Ministry expenses are almost entirely compensation, plus \$12,000 for settled minister search. 4% raises to staff except for Fran who is at top of scale and received the equivalent of a 4% bonus. Parisa was paid for 10 months in FY23 and will be paid 12 months for FY24. Same would apply to Devin, plus his increased responsibilities. Susan - Professional development expenses have been slightly reduced per agreement with Parisa and Devin – UUA suggests they be 10% of salary.
- No other notable changes for RE or for Music.
- Social Action had been a formula based on percentage of pledge totals. In recent years, it went from 2% to 1.5% and now to 0.75% of pledge totals, or \$4,147. Demie: in talking with Peter Smith, they had discussed a \$4,400 amount. But, estimate of pledges is lower. Budget amount will vary based upon actual pledge receipts. Susan recommended a discussion with Peter. Eric Haas will verify that with Peter Smith.
- Committees – most budget lines are less than the committee request but no dramatic changes. Coffee hour expenses may go up as there are more of them now post-Covid. Tree sales is a pass-through so there is an expectation that the income will be larger than the cost. Community breakfast line is new – it used to have its own account but now has \$1,500 line which is also a pass-through. Plant Based Eating Committee is also new.
- In sum FY24 budget shows a net operating loss of about \$67,000. It is more of a loss than the Finance Committee would like but it is believed to be affordable. We have pretty robust reserves. The operating reserve at the end of the current year should exceed \$180,000; building reserve should be over \$140,000. There is a rule of thumb that we should have one month of expenditures in the operating reserve and two months of expenditures in the combined operating and building reserves. Even with a \$67,000 operating loss, we will still be above those amounts.
- But, this would be a larger challenge in FY25 because we can't afford to run \$60-70,000 deficits after FY25..
- Demie – We are in a search year, would a new minister look askance at this deficit? Should we make greater cuts in this budget? Parisa - Her colleagues' sentiment is that the highest priority for searching ministers is fair compensation for its staff. Everyone understands the last few years have been challenging. Search committee will need to be ready to answer questions in this regard. But there are cash reserves and everyone acknowledges we have been through extraordinary times, so not as critical.

- Demie – GA reps have been invited to a wine and cheese at GA as FUUSN is one of top 50 congregations regarding paying 100% UUA dues. Many members feel strongly about this, but there may be room for our contribution to be reduced in the future in view of a possibly continued deficit. Susan – With changing staff structure and adding communications and technology person, we could take another look at the UUA dues next year. It's a \$36,000 expense and may be something to look at. Brian – There is money allocated for the GA delegation. Why can't people use that money to go? Demie – FUUSN only pays for registration fee, not hotels and planes.
- Pandemic created historically unprecedented challenges; pledge totals and units have declined from their peaks. But as we are hiring a new minister, it seems reasonable to be optimistic about returning those numbers to their peaks.
- FY24 Budget Approvals and Congregational Discussion
 - Board will be asked to approve the FY24 budget at its meeting on May 30. A Zoom presentation of the FY24 budget to the congregation will be June 6. If the Board approves on the 30th, it would go out to the congregation on the 31st. Consensus is to give congregation advance notice of the June 6 meeting.
- Ops Council Vote to Approve FY24 Budget
 - *Laurel moved to accept the FY24 budget as presented. Eric seconded. Unanimously accepted; motion passed.*

Staff update – Parisa

- Job posting for communications and technology person is on Indeed and UUA job board. There are two solid candidates to be interviewed next week, out of over twenty-five applicants, with start date of June 1st or shortly after. Waiting for this new person to be on the job before new website is up and running – early July hopefully.
- PPC is newly configured and are now considering revisions to the personnel policies. There is also an audit of the people paid by the congregation who should probably be on 1099's, including Henry. John Atkins has given some legal advice in that regard.
- Memorial services in June for Karen Davis on the 4th, Roberta Humez on the 10th, Barney Freiberg-Dale on the 17th, and Kate Carney on the 30th.

Staff Update – Devin

- In past month, finished COA including managing some conflicts involving use of social media. That will lead to new policies re phone use in RE and Youth programs.
- Working with new chairs of Member Services. Connie is stepping down and Kate Thibeault and Lynne Karlson are stepping in as co-chairs. New structure for the committee is hoped to enable getting more done.
- In RE, going to have RE Sunday on June 4 with testimonials from RE participants – children and youth - re impact RE has on their lives. Volunteer push to follow at coffee.
- Joint training with Providence, RI RE director for volunteers who want to teach elementary school age programming around “Spirit Play” curriculum. Cost total is

\$3,000 for training, which would be split between Providence and FUUSN. It is a curriculum that uses Montessori-style learning. Engage sacred stories via play and props on various themes. More for pre-K through 4th grade. 5th and 6th graders will be getting OWL as well as UU Sources. 7th and 8th graders will get UU Identity History and Theology with visits to other UU congregations - "Comparative UUism."

Report on April 25 BOT Meeting – Karen

- Welcome Miles Konary as new member. Prepping warrant and annual reports. Parisa described some possible changes in Lay Ministry including clarifying the job description for use in recruiting new members. Also some changes in the Care Crew.
- History Project – how to share our history as we move forward
- COA, Flower Ceremony, RE Sunday.
- Parisa talked about the theme for next year: Conflict. RJM – to be revived. Devin talked about new RE as discussed.
- Discussion of letter written by Kevan Hartshorn to be sent to Boston Mayor Wu re renaming Fanueil Hall – would need a new policy for this.
- Chris and Stephanie talked about Settled Minister Search Committee.
- FY24 budget and Board priorities. How to deal with deficit. Other ways to take in fees? Discussion of RE registration fees as was charged in the past, which generated about \$10,000 per year. RoseAnn mentioned picture project – portraits. Ongoing history project.
- Test pits completed to figure out what we need to do to build an exterior entrance so Pine Village can expand. PV is in discussion with us for contribution to capital building fund.
- Laurel to attend Board meeting on May 30.
- Warrant to go out a week prior to Annual Meeting.

B&G Updates – Laurel

- Pine Village has added food service and must get a permit from City of Newton Health Department. They say we need a three sink unit next to dishwasher to replace the two-sink unit - PV will pay for this. *Jud motioned Ops Council approve the replacement of the sink at PV expense. Karen seconded. Unanimously approved; motion passed.*
- Test pits were dug so a geotechnical engineer could figure out a less expensive way to build the needed basement entrance. We already have a \$475,000 quote to build that entrance; we believe the expense for the test pits and engineer to generate a new proposal will be more than paid for by the savings. That is the basement excavation, including underpinning design. Laurel shared the underpinning plan for the redesign. \$6,250 NTE contract for the engineer to generate the new specifications to be delivered to the contractor. Contractor who gave the \$475,000 bid is the same one who dug the test pits. He said that with the engineer's plans it will be less. *Jud moved to approve the contract for \$6,250 NTE for geotechnical engineer to prepare new specifications. Karen seconded. Unanimously approved; motion passed.* Laurel will distribute that contract by email for the minutes.
- Pine Village will consider a proposal for a \$200K to 500K contribution to our capital improvement fund. We are not sure yet what they want in return. We have drawings for the parking lot and the egress. But, we do not yet have drawings from the architect for restrooms in basement. PV wants a 15 year lease with details yet to be worked out. This would represent a significant capital improvement for FUUSN. The older kids can go downstairs. Hoping to double their program. In the short term, they have agreed

to sign a two year lease. We have an electronic version of the lease which needs to be signed by Demie. Laurel has spoken to Lawrence Lee who is a good negotiator.

Membership – Jud

- Electronic Display proposal
 - Connie and Jud have discussed how to put video screens at entrances, which can be easily updated with info such as upcoming activities, pictures of FUUSN life, etc. They have spoken to electrician which seems expensive – new outlets and electricity add to that; screens themselves are not a lot. Using Wi-Fi networks may save cost. Two locations – back door from Highland Street and Washington Street door to Parish Hall. At back door, screen would go in one of two spots – facing exterior door or facing sanctuary door. At Parish Hall door, it would replace the bulletin board that is sparsely used, though Laurel would like to repurpose that custom-made bulletin board. Proposal is to start with two screens, with option to add other screens in the future. Request from Jud for a general sense from the Ops Council whether to expend several thousand dollars in installing two such displays. Communications and technology person would be logical responsible party. Susan suggests waiting for that person to be hired so they can weigh in on content and communications strategy.
 - Devin asked whether screens may frustrate community building and promote folks checking out screens rather than engaging each other. Laurel – screens could have one message on one day (e.g. Sunday) and other content on other days. Karen – felt this would be worth considering this contemporary method for interacting with newcomers.
 - Devin pointed out that membership and pledging typically declines about 25% during an interim period. FUUSN apparently has done neither. He wonders though how much the building is used other than Sundays. Jud replied it has been a quite busy place pre-Covid. It is used for many non-FUUSN purposes and who could learn from the displays.
 - Jud wondered whether a more appropriate time to pursue this might be after we hire a communications and tech person and once budget situation improves. Susan concurred. *Motion that sense of Ops Council is that it is an interesting but to hold for now, pending hire of communications and tech person raised by Laurel. Jud seconded. Unanimously approved; motion passed.*

Committee activities update - Jud

- Non-members on listserv.
 - Many on listserv are not FUUSN members nor really “friends.” Some are merely geographic neighbors. Jud asks if the listserv is just for those with a strong connection to FUUSN and not for people who want to post a listing or offer vacation home, etc? Demie said Board hopes to generate a communications policy in the coming year – who gets to speak on behalf of FUUSN and who gets to participate in and control media channels, like the email listserv. Who gets to make these decisions is still TBD. In the near term, there was a sense that folks without a connection to FUUSN (member or friend) will not be added to the listserv by Jud, who would prefer input from the Ops Council.

Thank yous – Jud to do

- Jen Van Campen and Eric Moore – COA
- Kate Thibeault, Barbara Niles and Dan Stoll – Budget Drive

Meeting adjourned by Susan 9:04 p.m.