

**Irvine United Congregational Church
Administration Board Meeting Minutes
February 17, 2015**

Attendance:

Board: Martha Selby, Mark Allen, Anne Rosse, Tricia Aynes, Cindy O'Dell, Jerry Price, and Jerrod Anderson

Chair of Ministries Board: Dawn Price

Committee/Task Force Chairs: Laura Long, Wayne Banwell, Bill Lawrence, and Dave Schofield

Staff: Pastor Paul Tellström and Matthew Redrich

Visitor: Tommie Kozlov

1. Call to Order: The meeting was called to order at 7:00 p.m. by Chair Martha Selby.
2. Opening Prayer: The opening prayer was led by the Rev. Paul Tellström.
3. Approval of January 20, 2014 Minutes: It was moved by Jerrod Anderson, seconded by Anne Rosse, to approve the Minutes from the January meeting. The motion carried.
4. Treasurer's Report: Treasurer Mark Allen distributed his report, the highlights of which are as follows: Total IUCC results for January 2015 produced a loss of \$5,000 and net loss adjusted for depreciation of \$2,000. Budget for the month of January 2015 was an \$8,500 loss and budget adjusted for depreciation was a loss of \$5,500, so that actual net income results and net income adjustment for depreciation were both \$3,500 favorable to budget. Increased headcount in the ECC (34 in December 2014 to 39 in January 2015) produced a \$1,500 profit in January, which was offset by a \$6,400 loss in the general fund, producing an overall loss of \$5,000. We are doing better than expected. The primary driver for improvement was the bump in ECC enrollment. We had two planned enrollment drops in February, but expect to add six children in March. We have forgiven ECC rent for six months while enrollment stabilizes (with a planned repayment for two of those months). Once the ECC is consistently making a profit, we can revisit the rent issue. For Total IUCC, cash flow from operations was \$1,000 for the period ending Jan. 31, 2015. Pledged and non-pledged contributions of \$31,100 were \$6,400 poorer than budget but were \$3,400 better than last year in January 2014. Total expenses at \$39,200 were \$5,300 better than budget and were \$3,300 better than last year.
5. Task Force on Bylaws, Policies and Procedures Report: Bylaws Task Force Chair Dave Schofield distributed a Progress Update (attached) with suggested recommendations for the May 17, 2015 Congregational Meeting, the highlights of which are as follows:
 - Changes to Article 8, Section 1(B): Add "posted to the IUCC website" as one of the modes of delivering the proposed budget; Change the required number of days prior to the meeting to distribute the proposed budget from 14 days to 10 days; and Add a waiver provision to allow for a change in the number of days required to disseminate the proposed budget if an unforeseen delay should occur ;
 - Changes to Article 12: Add a new Standing Committee, The Audit Committee, to work with the Treasurer and staff in reviewing the budget and financials of the church; and Write policies and procedures for this Standing Committee whose makeup will consist of the Treasurer, an Assistant Treasurer, one Congregational Representative on the Admin Board, and two Corporate Members of IUCC.
 - Under Article 16, make changes to coordinate with the changes made in Article 8, Section 1(B).

Discussion regarding name of committee: Dawn Price commented that calling it an audit committee gives an expectation of oversight, and that would seem to imply that the purpose is to provide oversight rather than to help. Mark said he didn't have a preference of what to call it. Perhaps Finance Committee would be a better title. The Treasurer would chair the committee.

Motion: To approve the revisions as submitted. Moved by Mark, seconded by Jerrod, motion carried.

6. Fund Development/Stewardship Report – Committee Co-Chair Bill Lawrence reported that there are a couple of fundraising opportunities coming up. The Bon Vivant dinner may have a silent auction or a dessert auction. The committee will review possibilities and get back to Ministries Board. We received a communication from the Northwest Boys Choir in Seattle, who are willing to stage a performance for us. They have performed here before with a nice profit. We may arrange to have them here July 16, 17, or 18 (dates that they suggested). The only concern raised was to be sure it didn't conflict with our choir concert. Anne suggested that perhaps we could schedule a pastor's potluck before the performance to improve attendance. There was some talk about the logistics of feeding the boys. Based on our discussion, Martha said we liked the idea, so the committee should go ahead and explore scheduling options. We recommend that the committee coordinate with Music Ministry Chair Larry Gates to make sure it works with our choir.

7. Building and Grounds Report – Committee Co-Chair Wayne Banwell reported that we have started revamping the girls bathroom in the ECC by adding new changing table, removing cabinets, and adding a new shelving unit. This project should be done by the next Admin Board meeting. We're forming a new group which will help us maintain flowers, shrubs, and the area surrounding our sign on Alton. It will be a self-organizing group that will coordinate with Building and Grounds when necessary, particularly if it needs reimbursement for materials. There are six people in the group already. The group will call its own meetings and get together to do the work.

Update on lighting board issue: The last time we had the lighting board repaired, it cost \$1,000. It is fixed for the time being and could work for up to two years. If the light board fails again, we are looking at a cost in the \$20,000-\$30,000 range. With the first phase (and we are getting multiple quotes), we would have a new state-of-the-art board with lights over the pulpit. New lights would be LED and would cost \$2,000 to \$5,000 each. We could go with a new board system with first set of 4-5 lights, but everything else would be out. We could set up additional lights to add to them. We are looking at \$60,000 minimum for total redo, and the lights will almost certainly go out before we launch the building campaign (Wayne). We are looking at an expense of \$30,000 - \$100,000 depending on choices we make. The board alone is \$10,000 (Paul). If the dimmer goes, we would have no lights (Wayne). Another challenge will be to find a converter between the board and what's in Sarah's office – cost unknown. Martha asked the committee to put some numbers together for our next meeting so we can be prepared – a list of all elements of choice, necessity, and cost so we can put a contingency plan into effect. Matt suggested that the plan include a phased approach.

8. Child Care Committee Report – Chair Laura Long submitted a written report (attached), the highlights of which are as follows: 41 children are enrolled, for a monthly tuition income of a little over \$35,300; We have filled a new part-time assistant teacher position for the 2s and 3s, and we are continuing to recruit for another assistant teacher; Thanks to the Building & Grounds Committee for the bathroom improvements; Contracts have been signed for refurbishing the large sand area on the playground and installing shade structures; We are still anticipating the ECERS classroom evaluation to take place this month, and we are also waiting for the CLASS observations scores for Rose Gonzales; Publicity and

outreach are much improved; and The ECC's all-family multicultural potluck dinner will be Feb. 27, and parents will have the opportunity to visit the classrooms and see children's work.

9. Technology Committee Report – Chair Matthew Redrich reported that Church Administrator Michael Spindle's computer has new software, so our Sunday bulletins will have a different look.

10. Ministries Board Chair Report – Ministries Board Chair Dawn Price submitted a written report (attached), the highlights of which are as follows: There is a vacancy in the Chair of the Worship Ministry position; Adult Ed will host the Jesus Seminar on March 27-28, and all are encouraged to attend; The All-Church Bon Vivant is scheduled for May 30; We are continuing to collect "get involved" forms; and Volunteer assignments and coordination has left some uncertainty as to job responsibilities, so we continue to tweak and clarify.

She further reported that we are trying out an experiment this Sunday with coffee hour. It will be a minimalist coffee hour with standardized food. We are doing a survey to get feedback on how people like it. This change is coming out of a lot of feedback about issues surrounding coffee hour. There are some real problems for Adult Education when coffee hour is happening because of the noise level involved. There are complications with moving coffee hour to the ECC. If we can spread the imperfections around, maybe we can resolve the issues.

11. Moderator's Report – Moderator Anne Rosse was unable to do a verbal report due to laryngitis. She submitted a written report (attached), the highlights of which are as follows: Thanks to those who made the Winter Meeting happen; Budget for 2015 was approved at the Winter Meeting, and it may be reopened in May for the Spring Meeting should circumstances justify it; She asked the Bylaws and Policies/Procedures Task Force to determine whether there should be flexibility with our 14-day disclosure requirement for budget and bylaw changes and to make recommendations for creating some backup for our treasurer position; The City of Irvine has requested changes to the proposed scope of work for the traffic study and has told us our parking spaces in the back lot are not in compliance with current size requirements (we are working to resolve both of these matters); the Contingency Task Force has an initial strategy and expects to start meeting soon; We have formed a small working group to pursue the issue of IUCC's deed; and We are undertaking an update to our Long Range Plan.

12. Pastor's Report - Pastor Paul submitted a written report (attached), the highlights of which are as follows: Our Ash Wednesday service is tomorrow night, and attendance will determine whether or not we continue this tradition; Update on the status of IUCC deed conversion – The Conference budget shows a deep deficit, and he has been in conversation with Conference Minister Felix Villanueva regarding our deed (see paragraph below for board discussion on this matter); Worship and events related to the pastor and staff - there will be growing programmatic pressures on staff, especially as we lead up to Holy Week, and he provided a planning calendar of what to expect through Easter; We welcomed 12 new members last week; Our Confirmation class will be confirmed on Pentecost Sunday; Recording and lighting issues are being worked on; January numbers show first service has achieved "critical mass"; and He is serving as Chair of the Nominating Committee for the Conference, and he would love to nominate a member of IUCC.

Discussion on status of IUCC deed conversation – Treasurer Mark Allen wanted to discuss the letter from the Conference that was printed in our February 2015 IUCC newsletter. He believes that simply by the fact that the letter stated the Conference was at risk of running out of money, it is even more imperative that we do something about the status of the deed. He says if you start digging, there are deep holes in the Conference's reasoning. If the Conference did file for bankruptcy, creditors could pursue churches

that were given their deeds back. If we go ahead and do the capital improvements and the Conference goes bankrupt, our land and everything on it could be taken to satisfy creditors. If we don't get the deed in our name within two years of the Conference declaring bankruptcy, we could be vulnerable to this. What leverage do we have to get the deed put in IUCC's name (Anne)? We budget \$10,000 a year to the Conference and the UCC, and we could withhold our pledge until they provide the deed (Mark). Pastor Paul said he had already seconded a motion at a Conference meeting that any pastor from a church that withheld money would lose his standing as minister, so he is opposed to that option. The Conference's solution to lay off a couple of people doesn't fix the financial issue (both Mark and Paul). It is going to have to make big cuts and/or convert to a volunteer basis (Paul). The issue is complicated by the fact that the Conference bankrolled IUCC until we got on our feet – we were a new church start, and the Conference bought the land and paid for the minister for four years (Paul). We are contemplating significant improvements and we are thriving – that's good leverage (Dawn). Matthew said he was at a young clergy gathering and heard that the national UCC may be looking at restructuring. That still doesn't help us (Mark). Would making a substantial cash payment back to the Conference provide enough leverage to get the deed back (Anne)? Some churches have closed their doors, sold their properties, and given no proceeds to the Conference, despite previous agreements to do so; others have either stopped paying Conference dues or have cut back, yet they still want and expect Conference services (Paul). Churches need to pay to play – if they want these services, they've got to pay for them (Mark). This is a mission critical financial issue as we try to raise capital for our building plan - we need to have a conversation between Rob Thornton, Pastor Paul, Anne and Mark with Conference officials (specifically the Rev. Felix Villanueva) that will provide guidance on how to proceed (Martha).

13. Old Business

Evacuation plan for Friendship Shelter – Dawn asked that we remove this item from our agenda. We had been asked to consider providing such a site for the Friendship Shelter in the event of a city-wide emergency, but now there is a new police chief and it is no longer a priority for the City of Laguna Beach.

14. New Business

Jerrold Anderson asked about the status of the letter we received from the County Assessor. It's where we left it last time, per Paul. Michael has taken checks from the mosque but has not cashed them.

15. Adjournment - The meeting was adjourned at 8:23 p.m.

Matthew Redrich led the closing prayer.

Our next Administrative Board meeting will be March 16, 2015.

Respectfully submitted,

Tricia Aynes, Clerk