Countryside Church Unitarian Universalist
2017 Annual Meeting Notes

Karen Noorani called the meeting to order at 11:35 am.

Rev. Hilary Krivchenia shared an opening reading by Mary Wheatley.

Karen shared an opening greeting and invited the members of the congregation to recite the Board covenant.

Karen encouraged the congregation to review the Ministries’ Report to learn about the numerous successes over the course of the year. She said that the funding goals for the solar panel project have been met and that we are in contract negotiations with the installer, Hawk Energy to proceed with the installation. We expect to have a signed contract by the end of May and have the installation completed within 8-12 weeks of signing the contract. Karen thanked the members of the Membership team for their efforts to increase membership and connect with the increasing number of visitors to the church, and noted that we have certified our membership at 300. She also thanked the numerous volunteers who assist with Sunday logistics such as coffee hour stewardship, greeting, ushering, etc.

Establishment of Voting Eligibility: Karen said that there are 290 members who are eligible to vote, and a quorum of 58 is required to conduct official business. A quorum of 82 was established.

Karen thanked the current board members for their service, and presented the Board of Trustees leadership slate for 2017-2018.

Ken Bobbe moved approve the leadership slate. Mike Gilley seconded the motion, and the motion passed with a majority.

Karen presented the Endowment Committee’s leadership slate. Peggy Simonsen moved to accept the slate, and Lisa Bohne seconded. The motion passed with a majority.

Karen presented the Nominating Committee’s leadership slate. Dan Yokas moved to accept, and Robin Labedz seconded. The motion passed with a majority.

Rev. Hilary shared some remarks regarding the staff vision. She noted that this is one of the most dynamic staffs that she has had the privilege of working with, and noted that the Music director wants to continue developing the children’s choir and expand the adult choir and to include more “multi-sensory” worship. The RLE director shared a desire to see the community continue to live in and be transformed by our faith and to foster relationships among all ages, and to be able to increase our ability to speak to the wider world. The administrator wants to see a congregation brave enough to be active in service to both CCUU and the wider community, particularly in social justice matters, and for CCUU to be a place for people to find a home and to find spiritual grounding.

Karen shared the thanks of the board to staff members Laurie Lantz, Alison Vernon, Dr. Janice Razaq, and Jules Jaramillo.

Treasurer Mary Johnson discussed the of the balance sheet from the previous church year.

Gary Labedz presented the results of this year’s stewardship campaign. He noted that there were a significant number of households who had increased their pledges from the previous year, and also
noted that there was a number of households that had also decreased their pledge from the previous year. However, altogether, there was a slight overall increase in pledging from the previous year. Gary also shared a decile analysis of household pledging which listed percentages of pledges. The top 10% of pledging households gave 35% of the total money pledged, and the top 30% altogether gave 67% of the total money pledged.

Mary thanked Gary for his ongoing leadership of the stewardship team, and presented the 2016-2017 annual financial report, along with the proposed budget for 2017-2018.

Mary noted that we are anticipating $5,000 less in pledges, and $5,000 from the grant from the ministerial intern. She said that there has been a revenue line item of $6,000 added for anticipated fundraising to be done throughout the church year.

To meet the anticipated costs, transfer to capital reserve was cut by $10,000. Mary said that the mortgage will be renegotiated in January, 2019. Personnel expenses have gone down by a net figure of $2,000, but there is a 1% cost of living increase for staff members this year since there was no COLA or merit-based increase last year, and an additional increase for the church administrator’s salary. She also noted that the minister’s salary is still below the suggested midline salary recommended by the UUA. There are no UUA dues being paid.

Mike Gilley noted that utilities were budgeted at $3,000 less than what we paid out last year and asked why the number is lower. Mary said that with the solar installation, we anticipate saving $1000-$2000 on utilities. There has also been some recent plumbing work done. Mike also said that we used to track anticipated costs for infrastructure and said that the Capital reserve is notably low, and wanted to know if any investigation has been done toward anticipated future budget expenses. Mary said that we are still maintaining a Capital reserves aging schedule, and that it was recently reviewed in the last couple months and there are no significant changes. She said that we need to be putting in $30,000 a year to be funding it properly.

Karen complimented Mary’s work and noted that capital reserves, historically, have not even been a line item on our budgets over the last 15-18 years until the last few years. She also noted that capital reserve funding over that period of time had been cut out of the budget. Karen said that future boards will have a policy that each quarter, a quarter of the capital reserve budget will be shifted to the capital reserve. Since the money currently budgeted for the capital reserve for next year is below the recommended amount, Karen will recommend at the next BOT meeting that the $5,000 currently budgeted for next year be immediately allocated into the capital reserve. Karen noted that the Capital Asset team has been reviewing anticipated future expenses, and they found that major repairs to the roof over the RE wing could be postponed by as much as 10-15 years with proper ongoing maintenance (and that maintenance has been funded in the budget.).

Ron Vargoson moved to temporarily put on hold filling the vacated position of assistant RE director until our pledge base can sustainably support that position financially.

Karen said that according to the bylaws, members do not have the authority to make motions for line-item cuts to the budget, including funding of staff positions, and said that this motion would not be considered. She said that we also cannot assume that if a staffing vacancy comes up, that position will automatically be eliminated (or filled). Rev. Hilary, as chief of staff/senior minister, determines what
staffing levels and positions are necessary, along with the personnel committee. Karen noted that we are already understaffed by UUA standards, even though we have a strong volunteer force. She said that it would be irresponsible to make cuts in areas where we are seeing growth, particularly in the RE program and new membership. Karen noted that there were some hard decisions to make, and have set a reinstatement schedule for items that are not fully funded.

Karen noted that the board is responsible for assuring economic stability, and also for dedicating and promoting religious education for all ages. Additionally, the board has a fiduciary responsibility to have a planned future and vision for CCUU. We didn’t pad the budget in hopes that pledging would be there, and we didn’t burden the congregation with meeting a large fundraising target that may not be realistic to balance the budget. Karen noted that a significant number of new pledges or increased families were families who have a stake in the RE program.

Since 2001-2002, there have been consistent deficits in the budget that have ranged between $10K-$57K, and there have only been 5 years where UUA dues have been fully funded since the late 1990’s, and only 3 years where the congregation has approved a budget that did not have a deficit. Those deficits were covered by fundraising and individuals giving extra donations. Karen said that this is not a sustainable practice we can continue to use going forward. While it is important to pay UUA dues, we need to be sure we’re seeing to our congregations’ needs as well.

Congregation needs to be asking how we increase our revenue streams and find savings that don’t include program/staff expenses.

Rem Stokes asked if we had to vote to reject the entire budget in order to remove the line item for an RE assistant.

George Motta expressed his concern about what’s been done in the past, but there’s been no change from what we’ve seen in the past. He asked who is on the personnel committee and who decides what staffing is needed. He said that it’s been anticipated that what’s in the capital reserve has already been earmarked. Mary reiterated that we can extend the life of some of the most immediate and significant items on the schedule. Karen said that Kathy Maraist, Rev. Hilary and Joy Simon compose the personnel committee, and the board is looking at adding a 4th person to that committee.

Tom Curtis thanked Karen for sharing the history and work on the subject, but asked for clarification on how the bylaws don’t allow for line-item removal of budget items. He also said that if the congregation isn’t able to support the church, it represents a failure of the board’s fiduciary duty. Karen said that the bigger fiduciary the board has is to address our membership and programming needs as well as our future growth.

Angelina Huntsha commended the board for the work they have done, and said that is extremely short-sighted to not look at how the demographics are changing, and that the church’s congregation is getting younger as a whole, and that that core demographic should not be short-changed.

Steve Black talked about how the capital reserve has been historically underfunded.

Jeff Phillips said we would potentially have to buy new wireless microphones, but we won’t have to, thus saving ~$3,000.
Alan Johnson said that he and his family have become recent members, and asked what the process for making a decision to sell the north property, and if there has been outreach to the park district to see if they are interested. Karen said that the sale of the north property is being considered and will be discussed later in the fall. She noted that the father of the renters’ family has recently gone into in-house hospice care, so we are going to be sensitive and step back from the sale process at this time.

Bob Spielman said that by voting on a new board, we created responsibility and onus on that board to address things like budgets going forward, and it’s not fair to undermine the work that the previous board has done.

Rev. Scot Giles said that for 13 years, he served as a parish minister for 2 churches that let members vote on line-item budgets, and in each case, it was an extremely inefficient process. It’s better to have the budget process we currently have.

Alan Greenland asked for clarification on whether Ron Vargoson’s original motion would be considered. Karen said that it was not. Alan then moved to adopt the budget. Leslie Peet seconded. The proposal passed 61-7.

Rev. Hilary encouraged congregation members to keep discussing their thoughts and concerns with each other, staff and the board.

Mary Johnson presented the proposed reinstatement schedule for 2017-2018. This includes ~$15,000 to UUA national dues and $10,000 being transferred to capital reserves, among other items. She also showed the reinstatement schedule from the 2016-2017 reinstatement schedule and described the items that have been funded due to the previous year’s surplus rollover.

Gloria Kinney commended the people who have worked on the budget and noted her own service on past boards. She said she supports creating a budget that has sustainability built into it, and noted that for the past several years, it’s been difficult to match our pledge income to our congregation’s needs, and encouraged people to consider Ron, Rem and George’s suggestions, but said we need to also find other sources of income and find ways to strengthen our programs, and suggested reconsidering support for outside organizations if we are struggling to support ourselves.

Karen talked more about building a sustainable future for the congregation, especially the capacities for maintaining volunteer energy. She noted that there are 2 items, the capital income reserve and full funding of UUA dues, that are not being fully funded by our income streams. There will be a policy going forward that money allocated for the capital reserve will be moved into the capital reserve earlier in the year. Goals include maintaining current staffing levels as we try to increase membership- the staff feels like they can manage at the current staffing level. Another goal is to maintain and increase membership numbers at a reasonable place. Another goal is to increase financial support by a broader base of membership, and encourage generous and resourceful stewardship of members’ time, talent and resources. Karen noted that this approach paid early dividends, based on the number of households that increased their pledge for this year. Another goal is to increase income outside of membership pledging, and we have established a Ways and Means committee to take account ways for creating additional fundraising and income streams from outside the congregation, including rental and usage fees, developing partnerships with other non-profit organizations who can use our resources and facilities when we’re not (and pay for them), and having fundraising events that both raise funds for CCUU and
increase our presence in the larger community as well. This committee’s target is $5,000, although this is not being put into the budget as this is the first year of the committee. Another goal is a way to reduce non-program expenses, including reducing the mortgage (which is currently ~$36,000 a year), and noted that if we could raise $400,000 by January, 2019, we could pay off the mortgage in full and be done with it for good. Selling the north property is a potential way of securing a significant amount of these funds, although selling the property will cause a reduction in income as well. By accomplishing these goals, we would fully fund the capital reserve and UUA dues and rehire a sexton as a paid staff position for building maintenance so we do not have to rely on volunteers for building maintenance.

Karen presented the finalized new Mission and Vision statements. Matt Myron noted that we began the meeting with a quorum, so we can proceed with voting to adopt the statements. Joy Simon moved to adopt the new Mission and Vision statements. Ron Vargosen seconded, and the motion passed with a majority.

Lois Phillips presented the Endowment committee’s report. In the past year, the endowment has received $575 in gifts. Laurie has been asked to send thank you notes to people who have received donations to the Endowment fund from others in recognition of the hard work they did.

Mike Graves presented the Outreach Steering Committee’s report. The committee raised over $31,000 at the Time and Talent auction, and another $1,100 at the Music With a Mission event (which had record attendance this year). They are also reducing their reserve and giving $7,500 to the their outreach partners, totaling over $40,000 raised for the three outreach partners. They are asking those partners to identify additional needs and will consider making one-time grants of $2,500 to the partners. He said that the committee plans to solicit additional input from members of the congregation on identifying potential new service partners.

Rev. Hilary presented an update on the memorial garden, and shared potential models for memorials that will be installed within the garden, which include plaques, bricks and statues.

Karen recognized the outgoing members of Board of Trustees, Nomination Committee, Ministry Council, and Endowment Committee.

President-elect Christine Organ shared a closing reading from Marta I. Valentine.

Rev. Hilary shared a closing reading from Matt Wheatley.

The annual meeting adjourned at 1:33 pm.