

Minutes of the Board of Trustees Meeting  
Tuesday 11th May 2010  
7:30 pm in the Commons  
**“Pending Approval at the next Board of Trustees Meeting.”**

Members Present: Reid Adler (Chair), Ian Anderson (Youth Member), Becky Brandt, Tamara de la Camp (Program Council Convener), Dan Cohen (Secretary), Joan Darrah (Vice Chair), Lisa Gillispie, Kate Walker (Minister, member *non-voting*)

Members Absent: Birgit Robbert, Mike Walker

Others Present: Peg Bartel (new BoT member). Al Erickson (Church Treasurer, member *ex officio*), Al Robbert (Finance Committee Chair), Betsy Lowry (new RE Council Chair)

Others Absent: Branka Bijelovich (Church Administrator)

1. Inspirational Words (Kate Walker): The Idea of Transcendent by a 13<sup>th</sup> century poet (can't recall name)
2. Welcome to old and new Board Members (Reid Adler): Reid extended a welcome to guests attending for the first time.
3. “Consent Agenda” (Standard Monthly Agenda; see also attached Minister’s, DRE’s, Finance Committee’s and Administrator’s reports):
  - a. Review/Approval of April 13thBoT Meeting Minutes (Reid Adler): Minutes of 13<sup>th</sup> April approved
  - b. Finance Committee/Treasurer’s report (Al Robert, Al Erickson): (See Finance Committee Report) April was a disappointing month financially. A deficit of \$20,710 during the month brings our total deficit for the year to \$86,711. The balance sheet shows that this leaves an unobligated balance of only \$26,180. Recall that our obligated funds include \$104,741 in our property major maintenance (PMM) account. There is some possibility that we will have to use part of this or some other obligated fund for operating expenses yet this year.

A big part of our year-to-date operating deficit is attributable to lagging wedding income. Another part is due to lagging stewardship receipts. With 83% of the year elapsed, we have collected only 74% of our stewardship commitments. If stewardship commitments are fully paid during the remaining two months of the fiscal year, we should see surpluses rather than deficits in those months. Matters will be further discussed at the financial summit on 6<sup>th</sup> June.

- c. Administrator's Report (Branka Bijelovich): Branka was absent this evening; see Administrator's Report attached.
  - d. Minister's Report (Kate Walker): Kate attended a retreat for ministers of JPD; Guest minister was Gayland Gingrich of All Souls in NYC who spoke on theology in the secular age; see Minister's Report attached.
4. Old Business Items (Items pending from previous meetings, as referenced):
- a. Follow-Up on Request from the Minister for Financial Support for Purchase of a House (Reid Adler):  
Item OPEN to Committee on Ministry (COM) and Endowment Committee (EC) for follow-up to the BoT. The COM has not met to discuss this issue. The EC remains divided conceptually regarding this initiative and a recommendation is pending. There was mixed sentiment at the present time regarding an official policy recommendation by the BoT. The BoT will consider making a policy decision after taking into account the recommendations of the COM and EC.  
Item OPEN  
Follow-Up June 2010 (Reid Adler and COM and EC reports)
  - b. Board Policy from the Governance Task Force and a Board Position Description (Joan Darrah, Tamara de la Camp, Reid Adler): See attached MVUC BoT position description and BoT Policy Draft Revision. The draft revision was discussed in some depth and recommendations for editing were suggested. The draft document will be modified and presented to the BoT for approval in June.  
Item OPEN  
Follow-Up, June 2010 (Joan Darrah, Tamara de la Camp, Reid Adler)
  - c. "Stewardship Town Meeting" [previously known as the "Financial summit"] (Al Robbert and Al Erickson): A meeting with the Congregation has been scheduled for June 6th to discuss approaches to deficit planning and revenue diversification. The town meeting will be informational primarily but may lead to fruitful suggestions toward next steps. A goal will be the development of an integrated plan (supplemental stewardship campaign, draw down on reserves, strategies to enhance wedding income, etc.) A range of options must be considered..  
Item OPEN  
Follow-Up, June 2010
  - d. Strategic/Operational Planning (Reid Adler, Joan Darrah): Moving from mission/vision and the values/objectives of the Congregation into creation of an MVUC congregational strategic plan and operational plan. Item deferred until June.  
Item OPEN

Follow-Up, June 2010

- e. Update on Church-wide Communications Plan (Bill Alsmeyer-Johnson, Bill Clontz for the Communications Council): from February BoT meeting minutes; deferred to June 2010

Item Open

Follow-Up, June 2010

5. New Business Items:

- a. Nominations Process and Support for Nominations Committee for next year (Reid Adler, Tamara de la Camp): The nominating committee did a very good job but got off to a slow start. Strategies to enhance the process are under consideration.

Item OPEN

Follow-Up, June 2010

- b. “Inventory” of Board-level decisions that might need to be made next year (e.g., budget-related matters such as capital program, etc.) (Joan, Reid, All): Tentative topics of note include increasing our stewardship commitment, figuring out how to proceed with some type of “building” effort (at least a parking lot and improved commons), ensuring that the ministerial intern experience is worthwhile for both MVUC and our intern, and developing an action plan/strategic plan, bylaws overhaul. Reid requested that Board members submit items that should be considered on such a calendar list.

Item OPEN

Follow-Up, June 2010

- c. Replacement Nominee for Endowment Committee: John Henrehan has resigned from the Endowment Committee and the Board accepted the nomination of the EC of Bill Burns and endorsed this nomination

Item CLOSED

DLC

20<sup>th</sup> May 2010

**MT VERNON UNITARIAN CHURCH**  
**Balance Sheet**  
 As of April 30, 2010

	Apr 30, 10
<b>ASSETS</b>	
<b>Current Assets</b>	
<b>Checking/Savings</b>	
1000 · BHBT - Checking Account (00-81270-6)	3,980.57
1998 · CD B&H #11834544	101,593.12
1999 · BHBT - Money Market Account (00-81194-7)	65,234.76
<b>Total Checking/Savings</b>	170,808.45
<b>Other Current Assets</b>	
1350 · Due from IRS	3.51
<b>Total Other Current Assets</b>	3.51
<b>Total Current Assets</b>	170,811.96
<b>Fixed Assets</b>	
1501 · Land	1,220,900.00
1502 · Buildings	1,717,000.00
<b>Total Fixed Assets</b>	2,937,900.00
<b>Other Assets</b>	
1310 · Endowment Fund Investments	735,789.77
1320 · Memorial Walks Fd Investments	43,905.00
1330 · Windmill Fund Investments	54,170.00
1340 · Building Fund	357,101.18
<b>Total Other Assets</b>	1,190,965.95
<b>TOTAL ASSETS</b>	<b>4,299,677.91</b>
<b>LIABILITIES &amp; EQUITY</b>	
<b>Liabilities</b>	
<b>Current Liabilities</b>	
<b>Credit Cards</b>	
2010 · Citibusiness MC	1,251.12
<b>Total Credit Cards</b>	1,251.12
<b>Other Current Liabilities</b>	
2100 · Short Term Liabilities	
2101 · Grocery Scrip (Grocery Scrip)	311.18
2102 · Folk Dance - UCM	422.52
2104 · Intergenerational (Intergenerational events income an...	218.83
2111 · RE Course fees (Payments and receipts for books & ot...	35.13
2140 · Prof Expenses Minister	1,666.28
2142 · Prof Expenses Dir Music	77.00
2170 · Special Collections	1,161.50
<b>Total 2100 · Short Term Liabilities</b>	3,892.44
2191 · Deposits/Refunds	225.00
2200 · Payroll Liabilities	
2202 · Due to/from Employee	-112.58
2210 · Health Plan Withholdings	
Church Administrator	-0.01
Director of Music	-127.45
Director of Religious Education	78.67
Parish Minister	98.64
2210 · Health Plan Withholdings - Other	-2,452.66
<b>Total 2210 · Health Plan Withholdings</b>	-2,402.81
2211 · Minister Life & Disability	112.67
2215 · Other Group Insurance	112.73
2220 · Payroll Tax Withholdings	
DC w/h	331.79
Federal w/h	5,164.42
Medicare w/h	-393.62
Social Security w/h	-1,686.81
VA w/h	725.50
<b>Total 2220 · Payroll Tax Withholdings</b>	4,141.28

**MT VERNON UNITARIAN CHURCH**  
**Balance Sheet**  
 As of April 30, 2010

	<b>Apr 30, 10</b>
<b>2230 · MVUC Payroll Taxes</b>	
Employer Medicare	-393.61
Employer Social Security	-1,686.78
<b>2230 · MVUC Payroll Taxes - Other</b>	-239.62
<b>Total 2230 · MVUC Payroll Taxes</b>	-2,320.01
<b>2240 · Employee Pension Contributions</b>	
Minister's Pension Contribution	1,482.10
Office Mgr Pension Contribution	8,750.00
<b>2240 · Employee Pension Contributions - Other</b>	-8,350.00
<b>Total 2240 · Employee Pension Contributions</b>	1,882.10
<b>2245 · MVUC Pension Contributions</b>	2,550.77
<b>2246 · MVUC Health Plan Contributions</b>	
DRE Health	487.26
<b>Total 2246 · MVUC Health Plan Contributions</b>	487.26
<b>Total 2200 · Payroll Liabilities</b>	4,451.41
<b>Total Other Current Liabilities</b>	8,568.85
<b>Total Current Liabilities</b>	9,819.97
<b>Long Term Liabilities</b>	
<b>2500 · DESIGNATED FUNDS</b>	
2501 · YRUU	1,722.50
2504 · Music Fund - Gifts & Memorials	687.18
<b>2505 · Partner Church</b>	
General	5,104.94
Scholarships	1,110.00
<b>Total 2505 · Partner Church</b>	6,214.94
2508 · Social Justice	915.84
2509 · RE Special Projects	4,112.32
2510 · Boston Trip	1,110.93
2511 · SBA Reserves	8,779.61
2513 · Playground	4,572.62
2514 · Social Justice Disaster Relief	218.46
2516 · Chapel Aesthetics	1,043.01
2518 · Green Sanctuary	534.70
2520 · Property Major Maint (PMM)	104,740.55
2525 · NOVA LUUP	159.19
<b>Total 2500 · DESIGNATED FUNDS</b>	134,811.85
<b>Total Long Term Liabilities</b>	134,811.85
<b>Total Liabilities</b>	144,631.82
<b>Equity</b>	
3001 · OPERATING FUND BALANCE	2,989,783.29
3200 · OTHER FUNDS BALANCES	1,190,965.95
3900 · Retained Earnings	52,586.00
Net Income	-78,289.15
<b>Total Equity</b>	4,155,046.09
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>4,299,677.91</b>

**MOUNT VERNON UNITARIAN CHURCH**

Fiscal Year 2009-2010 Revenue & Expenses

As of April 30, 2010

Account	ACTUAL To Date	ACTUAL April	ACTUAL To Date	ANN Budget	Percent of Budget
<b>REVENUE</b>					
4100 Stewardship Pledges	262,758	22,908	285,666	385,000	74.20%
4200 Contributions	15,585	1,826	17,411	19,000	91.64%
4300 Facilities use and rental (other)	21,032	1,395	22,427	28,472	78.77%
4390 Wedding Income	56,451	5,650	62,101	145,000	42.83%
4400 Fund Raising Income	9,756	41	9,797	10,075	97.24%
4500 Administrative & other income	164	26	190	800	23.75%
<b>TOTAL INCOME</b>	<b>365,746</b>	<b>31,846</b>	<b>397,592</b>	<b>588,347</b>	<b>67.58%</b>
<b>EXPENSES</b>					
5000 Worship programs (incl music)	5,928	441	6,369	10,000	63.69%
5100 RE programs incl youth ministries	4,056	166	4,222	4,000	105.55%
5200 Home community programs	51	0	51	300	17.00%
5300 Denomination Responsibilities	19,409	3,778	23,187	28,026	82.73%
5400 Our larger world/social justice	173	0	173	450	38.44%
5490 Virginia Interfaith	300	0	300	300	100.00%
5500 Administrative programs	251		251		
5520 Stewardship Campaign	0		0	700	0.00%
5540 Other comm. & expenses	0		0	600	0.00%
5590 Search committees	200		200	0	
5600 Conferences & continuing Edu.	0		0	800	0.00%
5700 Prof. Expenses	10,860	388	11,248	15,812	71.14%
6100 Operating Expense	6,264	1,580	7,844	14,025	55.93%
6155 Rental Events Expenses	25,030	4,178	29,208	40,000	73.02%
6200 Communications	2,460	0	2,460	5,000	49.21%
6300 Debt service	0		0	0	
6400 Insurance	5,631	610	6,241	10,000	62.41%
7000 Supplies	6,215	91	6,306	6,100	103.38%
7200 Property maintenance	32,829	5,192	38,021	56,800	66.94%
7300 Utilities	22,761	3,683	26,444	29,500	89.64%
8100 Employment compensation	0		0		
8110 Minister	81,112	8,155	89,267	104,316	85.57%
8129 Temp Staffing	5,825	1,869	7,694	0	
8130 Staff	157,492	16,133	173,625	211,590	82.06%
8200 Payroll taxes	12,287	1,303	13,590	16,836	80.72%
8300 Employee benefits	0		0		
8320 Health insurance	12,997	1,736	14,732	16,719	88.12%
8330 Pensions	19,453	3,253	22,706	22,861	99.32%
9000 Miscellaneous	12	0	12		
<b>TOTAL EXPENSES</b>	<b>431,747</b>	<b>52,556</b>	<b>484,302</b>	<b>594,735</b>	<b>81.43%</b>
<b>NET REVENUE(EXPENSES)</b>	<b>-66,001</b>	<b>-20,710</b>	<b>-86,711</b>	<b>-6,388</b>	



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**MOUNT VERNON UNITARIAN CHURCH**  
**April 30, 2010**

Balance brought forward	1,061,465.62	
CD Interest	1,593.12	
Received in February 10	50.00	
Interest fm B & H	Interest	112.41
Interest in McLughlin	Income	0.51
Total received for Building Fund (includes interest)	1,756.04	1,063,221.66

EXPENSES:

B & H Line of credit	265,000.00	
Campaign	16,845.36	
Consultant	22,010.00	
Architect, Engineers & Contractors	280,160.27	
Permits, fees	14,772.00	
Stained Glass Window	4,758.83	
Miscellaneous	980.90	
Total Expenses to Date		604,527.36
NET Funds on Hand for Building		\$458,694.30

WHERE THE FUNDS ARE:

Funds at McLaughlin Inv.(Includes Income @0.05%)	245,458.82	
Cash in B&H (earns 1.46%)	111,642.36	
Cert. of Deposit at B & H (earns 2.31%)	101,593.12	
		\$458,694.30

Minister's Board Report  
Mt Vernon Unitarian Church  
May 11, 2010

**Proposed MVUC Mission:**

We are a loving and inclusive community. Our mission is to encourage one another on our spiritual journeys and working together to build the common good.

**Proposed MVUC Vision:**

We will:

Live our UU principles and be a voice for liberal religion;

Create vital worship experiences that engage our minds, hearts and spirit;

Engage in lifespan religious education and learning;

Expand our social justice leadership and commitment;

Become a more diverse and multi-generational community.

To achieve our vision, we will practice intentional, responsible stewardship.

1). My reflection on the current fiscal deficit. (My apology for the length)

My responsibility as minister is to keep an eye on the broader perspective of MVUC's spiritual health. Its financial health is an important piece of the ministry we do together. As I stated during last month's board meeting, I think the current deficit is the result of timing: A long term goal made 3-4 years ago by MVUC's board and Personnel Committee to using the UUA's Fair Compensation Guidelines and to full staffing for growth, which was then followed by a world-wide economic depression inevitably effecting our rental income.

What this has shown is our vulnerability to market based income. MVUC is currently dependent upon the rental income in order to fulfill the above goals of Fair Compensation and full staff for growth.

The next step is exactly what we're doing, bringing this situation back to the congregation. What the board says, or how it frames our current stewardship health to the congregation is critical and a testimony to the quality of leadership. The difference

is whether or not the congregation is actually willing to move in the direction we all want to go. To that end I offer my reflection.

My suggestion is to say in effect: We've all heard the Vision and Mission that we all want and have voted on it. It's a great Vision and is achievable. The board is ready to implement it with goals and objectives and we have the staff and program to make it happen, now we need to pay for it.

I suggest a two-three year stewardship plan to change how we all relate to church finances, (see our Mission Statement about responsible stewardship). Stewardship habits do not change easily, and never over night. In fact, I'd venture that our relationship to money is harder to change than just about any other behavior.

A proactive plan should recognize that cutting services and programming is a message that says we don't think we can get where we want to go. It is a step backward. It is my understanding that successful businesses do better if they can appropriately invest in their future during economic stressful times. While we're not a business by most standards due to a church's nature as a non-profit, volunteer organization, we still must hold to some business practices. One of those is ensuring we're efficient. I can attest that the entire staff is working extremely hard at making our community be the best it can be, often working more hours than they're paid for. There is no doubt in my mind that a cut in staff would have significant negative repercussions in our community beyond reducing a deficit.

One of the goals that I stated when I was candidating at MVUC was to ensure staff stability. The feedback I received was overwhelming relief, due in no small part to the many staff turn over's the community experienced over the previous months. We now have more than staff stability, we have a cohesive and supportive team that believes in MVUC and its Vision.

However, I'm not intending to take up a defensive position on stewardship. Instead, I am offering a perspective that our fiscal "crisis" is one with which, for now, I'm comfortable. MVUC is in excellent health over all. We have outstanding leadership, very committed and energized membership, strong assets (including no debt), and well trained staff. Our biggest challenge is inadequate pledging and a broader fundraising plan that matches our vision.

In some ways this crisis is actually necessary in order to encourage change in behavior. Generally speaking people don't change their behavior unless there is stress in the system (remember my short lecture during last year's board retreat). This is it. This is the stress. The real challenge is for the leadership to let the stress spread just enough to ensure change, but to control it so it doesn't go overboard and cause all sorts of damage.

I understand that a conversation about staff layoffs is an inevitable piece of the puzzle, and helps raise the stress level so people feel the crisis. But to go though with the

layoffs without offering alternatives is to miss the opportunity for sustaining systemic change. On the other hand, the stress the staff is currently experiencing may not be helpful, and could result in low morale. You can help by adding your affirming and supportive voice to their well being.

I also remind the board that the UUA offers assistance. A quick call to Wayne Clark's office may help guide the board in its decision making. There are other church's who have and are going through similar situations (although I'd rather talk with those who have already successfully navigated through this).

2) Summer Schedule: I'll be on vacation June 13-20 and June 28-July 17. From July 18 to Aug. 7, I'll be on study leave. From June 21-26, I'll be attending UUMA Annual Meeting and GA in Minneapolis.

Kate R. Walker  
Minister

#### Board goals

- Address church and community-wide communication (consider use of JPD resources)
- Complete re-examination of the Capital Building Project/Capital Campaign
- Improve governance and move toward the policy governance model
- Grow the Congregation
- Enhance spiritual experience

#### Kate's Goals for 2009-2010 at MVUC

Work closely with the Music Director (Mark Zimmerman) and Director of Religious Education (Meagan Henry) and Worship Committee on improving high quality worship activities

Establish and develop the monthly theme-based worship program

Establish and set up a process to sustain the small group ministry program that is not minister-dependent by fall 2010

Create an environment that can hold a healthy level of anxiety around a capital campaign (see discussion below under item 9.) and possible shift toward the policy governance model for functionality

Establish relationships with the larger Route 1/Mount Vernon mental health community and find a niche for her ministry in those settings

Sub-goals:

Finish adult curriculum on death and present to MVUC by winter/spring 2010

Work with the Director of Religious Education (Meagan Henry) on renewing/enhancing adult RE

Untangle/reorganize the MVUC library

Prepare to support the anticipated intern minister in 2010/2011

Mount Vernon Unitarian Church  
Church Administrator's Report  
Branka Bijelovich  
703 765 5950/103  
admin@mvuc.org

Board Of Trustees Meeting  
May 2010

In addition to my regular duties, I am constantly involved in fixing QB mistakes from years ago (some of them going back even five-six years ago). I vowed to have everything corrected by June 30, 2010, so that we enter into the new church year with a clean and correct financial picture. At the present time, there are some mistakes on the QuickBooks reports we have. The longer the mistake was going on the more difficult and more time consuming it is to correct it. The numbers of corrected reports will not change the final numbers dramatically but in accounting there is no such thing as almost correct numbers. They are accurate or not.

I will be very happy once I am done with it. It is frustrating when you can't trust the numbers in front of you completely.

In any case, every free moment I get, I am dedicating to checking all accounts for accuracy.

Kate wrote in her report some of the things that I would have mentioned as well about the deficit. I agree that there are ways to minimize the deficit if we think more business like than it is usually the case. I consider our church non-profit only for tax purposes but when you analyze it, this is an entity paid by private money by the members. Nobody gives any grants or government sponsored money to the church. In other words, we can think like a business and help ourselves out of this deficit by doing some creative fundraising. WE should all get involved, not only a few of the same people who are burned out. If we find a way to involve more people, it will not be difficult on any one. I would imagine that the message about the church being in deficit is out there plenty and it never ceases to amaze me when I hear that someone didn't know about it (although, we, the members of the Finance Committee, are in touch with it much more than anyone else).

The wedding income is a reflection of the economy out there. What is encouraging is that not only reports say we are finished with the recession but there are signs that things are moving in the right direction, rather slowly, but moving. I see Nina interviewing a lot of couples (last month she had over 20 interviews, the same in April and in February). We still don't know how many will sign up because couples became very picky (there is more competition now) but it is more than double interviewing than in 2009.

My message in the annual report and whenever I speak about the crisis is: Let's not go backwards. That is not a wise choice. There are positive ways to overcome such crisis.

The difference in choosing which way to get out is what usually distinguishes successful stories out of the recession and the ones that are not.

I am confident that together we can find positive ways out of the biggest crisis most of us have ever seen in our lifetimes.