

UUCWI BOARD OF TRUSTEES
Approved May 3, 2007 MEETING MINUTES

ATTENDEES: Kit K., Toyan C., Sandy W., Frank A., Mary G., Kathleen B., Tom B. and Dave C. Visitors were Baird B. and Roy B.

INTRODUCTION

Toyan called the meeting to order at 6:04 pm. Dave lighted the chalice and read inspirational words. Minutes of the previous meeting were unanimously approved.

TREASURER'S REPORT

The treasurer's report was handed out but not discussed to save time for the Building Committee report. 8000 still shows as uncollected pledges. Frank raised the desirability of making donations to local social action organizations this year; Tom said he would arrange for that to happen through the Social Action committee.

MINISTER'S REPORT

Kit's minister's report had previously been circulated via email.

BUILDING COMMITTEE REPORT

Contractor

Baird (Chair) and Roy attended to report on the progress of the Building Committee. Clearing for roads and the building can begin as early as next Monday. Mr. Farloe had quintuple bypass surgery; Baird has visited him and he still wants to do the ground source heat pump; timing is to be determined.

Loan application

Tom reported that he had talked with Wayne Clark at UUA, who is basically the decision-maker on approval of our loan; what he recommends is likely to be approved. Tom said he is "happy with us". Kathleen reported that the rate Tom quoted from UUA was market plus 2% versus market plus 3% for People's Bank; if the "market" basis is the same reference point, UUA would be significantly better. She expects our rate not to exceed 6.75 to 7.75% if we complete the process in 6 weeks or so because rates have not been changing rapidly.

There was considerable discussion of the wording of the resolutions to be put before the congregation at the annual meeting. The results were as follows:

Approval to Borrow Monies for Construction and Mortgage

Should the Board of Trustees (BOT) be authorized to commit UUCWI to negotiate loans to build a church building as follows?

- (a) A construction loan from a lender to be selected by the BOT for a necessary term at the most favorable interest rate available AND
- (b) A mortgage from UUA to follow the construction loan at a term of at least 20 years and at the most favorable interest rate available and alternatively, should the UUA be unavailable to UUCWI for any reason, a mortgage from a lender or lenders to be selected by the BOT at the most favorable interest rate available.

Approval to Proceed with Construction of the Updated Building

Should the Building Committee proceed with construction of the church building in accordance with the updated floor plan, subject to obtaining adequate financing?

2007-2008 DRAFT OPERATING BUDGET

Toyan presented and discussed her draft operating budget for 2007-08. Ministry reflects what the board agreed with Kit. CRE reflects the CRE committee's recommendation to increase salaries. Sandy noted that

the time to convert the construction loan (with interest paid from the building fund) to a mortgage (paid from the operating fund) would be dependent upon obtaining an occupancy permit, so the timing assumption in the budget was reasonable. Kathleen projects pledges to come in at 45600. Tom noted that the mortgage would be less with the new interest rate figure. Toyon indicated willingness to be the bookkeeper as an in-kind contribution to the church. Dave moved and Mary seconded that this offer be accepted. The motion was approved. Dave moved and Kathleen seconded that the operating budget with the changes noted, resulting in a total income of 60000, expenses of 64536, and a resulting deficit (draw on reserves) of 4536, be approved to present to the congregation for their approval at the May 27 congregational meeting; the motion carried unanimously.

INSURANCE

Builder's risk insurance is required; the cost is TBD. The board determined that the Treasurer should be the point of contact with insurance companies.

BUILDING COSTS

Roy discussed the building costs, which the board views as the basis needed for the congregation to make an informed decision about proceeding with construction. Roy stated that a metal roof was the best choice. Windows and doors will be aluminum-clad wood; the big windows are 6' wide by 12' tall. There is 5000 budgeted for the kitchen, which he views as contingency. That has to cover any cabinets and appliances. There is no specific budget for a dishwasher. He did not incorporate input from the kitchen committee looking into such details. There won't be provision for a "commercial kitchen" because it is cheaper for us to get an "event permit" from the county at 130/year.

Tom noted that the largest UUA First Home grant is 25000 so we won't get the 28000 we had assumed.

There followed a discussion of the roles of general contractor and project manager. Toyon learned that certification of a general contractor is not required if he or she is not paid. General contractor duties would be split between Eldon and Roy. Roy is willing to serve without pay, although expenses will be reimbursed. The building committee recommends to the board that this arrangement be approved and that Roy be appointed Project Manager. The board approved, noting with great appreciation the magnitude of the contribution to the building project that Roy was volunteering to make.

Kit raised the issue of whether the Jewish or Quaker communities would be willing to cooperate in the building project and contribute in exchange for use privileges; Frank, Mary, and Sandy were designated as an ad-hoc subcommittee to explore the possibility. Toyon will supply the contact information to Mary.

Dave asked what the Building Committee would recommend if the 6% (of unexpended costs) remaining contingency was not enough. The answer was: (a) do not finish the kitchen; (b) ask the congregation to donate again to the capital campaign; and (c) move into an "incomplete" (e.g. no finished flooring) building. However, Roy said, that "won't happen" because the budget is sufficient.

Sandy, Frank, Baird, and Roy left the meeting at about this time because of other commitments. The board decided to push on because this was important business and it was the last meeting before the congregational meeting.

OPERATING BUDGET PROJECTION

Tom pointed out that the operating budget projection includes 10000 of "special pledges" over the next three years that is not from an identified source. In the ensuing discussion he revealed that according to Wayne Clark our annual pledge per member is low by UUA standards. Raising this figure should become a priority. It was noted that if the congregation did not grow by 50% over the next three years, a premise in the plan, the operating budget would be insufficient to pay the mortgage. Tom expressed concern that an economic downturn was not in the assumptions, but it could happen in the decade covered by the plan. It was pointed out that an additional advantage of a mortgage from the UUA is that they are unlikely to foreclose if it is

necessary to defer some mortgage payments. The board decided that priority should be given to obtaining the loan from UUA. Dave proposed that the operating budget projection (as modified with the proposed budget and new interest rates) be circulated to the congregation and presented at the annual meeting as a board-approved projection, so that the congregation's decision would be an informed one made with "eyes open" regarding the premises and assumptions. Toyon proposed that a paper ballot be used for the building decisions so that no one felt intimidated by publicly voting differently than one's friends. Several members reiterated that this was the right time to proceed with the building project because we have momentum, having collected the funds and negotiated the loans, we need a building and the island needs what we have to offer, the move to morning services will draw more members, and even if we had eventually to dig deeper, none of us is risking homes or jobs by proceeding. No significant venture comes without some risk.

SLATE OF BOARD CANDIDATES

The Nominating Committee has presented the following slate of member candidates who have agreed to stand for election for the coming year:

President	Baird B. (new)
Secretary	Pat L. (new)
Treasurer	Paula K. (new)
Trustee	Frank A. (second year)
Trustee	Camille L. (new)
Trustee	Mary G. (second year)
Trustee	Lois C. (new)

Additional candidates may be nominated from the floor at the Annual Meeting.

Tom Buxton, Marjorie Lohrer and John Long have been nominated to serve on the next nominating committee.

GA DELEGATES

Toyan signed delegate cards for Frank and Dave as delegates for the congregation at the UUA General Assembly in Portland in June, as approved at the last board meeting. Nola A. and Mavis C. are alternates.

WRAPUP

The next meeting will begin at 6 pm on June 3 and will be the meeting at which duties are turned over to the new board. The agenda may include the following discussion topics deferred from this meeting: uncollected pledges, the outcome of the canvass, cooperating with other groups on the building, and whether to have "annual reports" on ministry, and from committees.

This meeting of the Board of Trustees was adjourned at 8:38 pm.

Respectfully submitted,
Dave C, Board Secretary