



Channing Memorial Church

Governing Board 2006 – 2007

The Year of Decision!



Meeting Agenda
November 14th, 2006, 7 – 9 PM, Channing House

“The Bauhaus strives to bring together all creative effort into one whole, to reunify all the disciplines of practical art – sculpture, painting, handicrafts, and the crafts – as inseparable components of a new architecture. The ultimate, if distant, aim of the Bauhaus is the unified work of art – the great structure – in which there is no distinction between the monumental and decorative art.”

Walter Gropius, Program of the Staatliches Bauhaus in Weimar, April, 1919

- I. Check-in (15 min.)
- II. Chalice Lighting and Spiritual Reflection (5 min.) *Barbra Nowicki*
- III. Appointment of Process Observer (1 min.) *Tom Beall*
- IV. Approval of Minutes (4 min.) *Lissa Fernandez*
- V. Discussion of Current Business
 - a. Minister’s Report (5 min.) *Rev. Amy Freedman*
 - b. Treasurer’s Report (15 min.) *Dave Banister*
 - 1. Vote to switch payroll vendors from “Paychex” to Devin A Detweiler, CPA.
 - 2. Vote to move funds from the Arthur Barrows Money market at Bank Newport, paying 2.5% yield to Smith Barney with a 5% yield.
 - c. Property Committee Report. *Dennis Greene*
Richard Webb
 - 1. Urgent Property Repair Projects – Funding Options (15 min.)
 - 2. Sea Rangers Rent for Next Year (5 min.)
 - d. Social Justice Committee Update (15 min.) *Nancy Caswell*
Don Mallinson
 - e. Finance Committee Report – Tax Credits Update (5 min.) *Richard Webb*
- VI. Planning Discussion (30 min.) *Board Members*
 - a. Year of Decision Update and Next Steps (15 min.) *Holly Grosvenor*
 - b. Channing Professional Staff Needs Survey (15 min.) *Tom Beall*
Maryellen Doherty
- VII. Evaluation of Meeting and Adjournment (5 min.) *Process Observer*

Upcoming Events:

- I. Global Warming Presentations and Discussion – Channing House 15 November
- II. Thanksgiving Dinner – Parish Hall 19 November
- III. Gilded Age Masters & Famous Newporters – Sanctuary 03 December
- IV. Next Board Meeting – Channing House 11 December

Minutes of the Governing Board Meeting October 10, 2006

Attendance: Tom Beall, Barbara Nowicki, Lissa Fernandez, Holly Grosvenor, Rev. Amy Bowden Freedman, Bill Hawkins, Maryellen Doherty, Barbara Russell-Willett, Dave Banister, Rachel Balaban, Richard Webb, Marsha Francis

Approval of Minutes: Holly moved that the minutes from the September meeting be approved. Barbara Russell-Willett seconded the motion which passed.

Discussion of Current Business

Minister's Report: Amy reported that an office administrator has been hired. Krista Lewis will fill this position until June at a rate of \$12.00 per hour. The commitment still exists to establish an hourly rate of \$14.00 per hour for a 20 hour work week when we hire a replacement for Krista in June. Amy briefly discussed the progress she has made in planning for her upcoming sabbatical which include renting an apartment in Mexico for one month.

Treasurer's Report: Dave reported that things are moving smoothly along in relation to the budget. One area of concern is that the property repairs budget has almost been spent at this early point in the budgeting cycle. The proper procedure for dealing with new pledges was discussed. If a pledge is to be made for the current fiscal year, the individual should speak to the Pledge Secretary. If the pledge is for the next fiscal year, the individual should speak to the Canvass Chairperson.

Channing House Tax Credits: Richard reported that \$47,599 is anticipated in historic tax credits for the work that was completed on Channing House. The question of what to do with the tax credits was discussed. It was suggested that the credits be divided into smaller units and offered to church members at a discount of 5%, hopefully by year end. It was suggested that the Finance Committee appoint one of its members to take the lead with this and communicate recommendations to the Board. Richard moved that, "We pursue selling the historic tax credits once they are received to members of the congregation no later than 31 December 2006 at a 5% discount with this endeavor to be coordinated by the Finance Committee." Rachel seconded the motion which passed.

Other Committee Reports

RE: Rachel reported that attendance seems low for Sunday morning religious education classes. Outreach calls may be made.

Property: Barbara RW reported that bids have been received for the updated fire alarm system. Since the bids were not submitted in the identical format, it is challenging to compare. Barbara will ask the lower bidder to bid the proposal that was submitted by the higher bidder. This will allow for more direct comparison of the two proposals. The lease conversation with our tenant for the Sea Rangers Parish Hall rental will begin in January. By the November 2006 meeting, the Finance and Property Committees will have evaluated Sea Ranger's rent to determine the fair market value that will be requested in the next lease. This will be done with input from the rental manager.

Service Auction Update: The list of goods and services for the auction is being finalized. The auction promises to be a wonderful event.

Urgent Property Repair Projects/Carryover Funds Expenditure: A question was posed regarding how much, if any, of the property reserve fund should be spent and how much should be saved for a rainy day. After conversation, Holly moved that, “the Property Committee be authorized to expend all funds currently listed as property reserve for urgent property repairs in the current fiscal year. Any money not expended this year will go in the property repair fund for the next fiscal year.” Richard seconded the motion and it passed. The question of how to make up the difference in projected expenses for urgent property repair versus funds available in the property repair reserve was tabled and referred back to the Finance and Property Committees and Treasurer for discussion. They will determine which repairs are so urgent that they cannot be deferred and make a recommendation on how the difference will be paid. This recommendation will be discussed at our next meeting. The fire alarm and drainage issues are our top priorities for this church year.

Planning Discussion

Update on Vision Development Process: Holly discussed the approach that has been embraced by the Channing Transition Team. Changes are coming to Channing and the direction that we take must be directed by the congregation through empowering conversation. A meeting of congregational leadership will be held on October 21, 2006 in the Parish Hall. This meeting will be facilitated by team member, Maryellen Doherty. Other team members, Rev. Amy Bowden Freedman, Tom Beall, Holly Grosvenor, Bill Peresta, and Marsha Francis will assist with the meeting.

Channing Professional Staff Needs Assessment: We are looking for ways to better manage our current staff and determine what types of support would enable the Board to have more time to govern.

Master Plan: Todd Thomas will be putting together a project list which will become a prioritized list.

The meeting adjourned at 9:06

Respectfully submitted:

Lissa Fernandez

Treasurer's Report

Attaching the Profit Loss (Cash flow) statement for fiscal year to date. Nothing dramatic to report, its business as usual with regard to our budget.

A few line items of interest and two or three proposals for board vote:

- Auction proceeds around \$11,700 so far, and there is more tallying going on and accounts receivable not yet collected. Our goal was \$12,000, looks great!
- McBean foundation granted us \$75,000 towards the Pinnacle etc work. I can separately track this as a reserve account.

Items to Vote on;

1. I'm proposing we switch payroll vendors from "Paychex" to Devin A Detweiler, CPA. He has a well established practice on Aquidneck Avenue, and runs highly automated payroll for a significant number of local businesses. His costs will be about \$500 for a full year for the exact same services at Paychex, which are running about \$1,700 or more per year. In addition, we will have someone locally to better service us. I can make the change effective with Jan 1 payroll month.
2. Need board approval to move funds from the Arthur Barrows money market at Bank Newport, paying 2.5% yield to Smith Barney. Paul Steinbrenner is helping us get a 5% yield now on excess church funds, and we can move this account to a separately established account and have him cash manage it for us as well. I have the paperwork and it just needs secretary and president signatures. This would add about \$2,800 per year in extra income to the Arthur Barrows fund with no additional risk.

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11/06/06

Accrual Basis

Channing Memorial Church
Profit & Loss Budget vs. Actual
 July 1 through November 6, 2006

	Jul 1 - Nov 6, 06	Budget	\$ Over Budget
Ordinary Income/Expense			
Income			
4000 · Oper. Income			
4001 · Pledges - Cash	39,530.00	129,500.00	-89,970.00
4002 · Pledges - Stock	0.00	7,000.00	-7,000.00
4003 · Donations-Sunday Collections	2,865.38	9,000.00	-6,134.62
4004 · Donations-All Other	348.00	4,500.00	-4,152.00
4006 · Fund Raising	11,819.00	12,000.00	-181.00
4009 · Interest Income	145.26	1,500.00	-1,354.74
4013 · Late 05-06 pledges	3,735.00		
4000 · Oper. Income - Other	5,182.50		
Total 4000 · Oper. Income	63,625.14	163,500.00	-99,874.86
4010 · Endowment Income			
4011 · CCHC Mtge Interest	432.00	1,300.00	-868.00
4012 · Interest & Dividends	4,000.00	4,000.00	0.00
Total 4010 · Endowment Income	4,432.00	5,300.00	-868.00
4020 · Rental Income			
4021 · CH Apt-2nd Fl	6,000.00	18,000.00	-12,000.00
4023 · CH-Office-Correia Law Office	2,800.00	8,400.00	-5,600.00
4024 · PH-2nd Fl	4,400.00	13,200.00	-8,800.00
4025 · PH-Daycare- Nelson's Nursery Sc	4,000.00	12,000.00	-8,000.00
4026 · PH-Other Rentals	0.00	250.00	-250.00
4027 · Sanctuary-Weddings	5,750.00	15,000.00	-9,250.00
4028 · Sanctuary-Other	150.00		
4029 · Rental Vacancy Allowance	0.00	-4,300.00	4,300.00
Total 4020 · Rental Income	23,100.00	62,550.00	-39,450.00
Total Income	91,157.14	231,350.00	-140,192.86
Expense			
6000 · Admin. Exp.			
6001 · Secretary	3,246.38	10,218.00	-6,971.62
6002 · Telephone	438.63	1,320.00	-881.37
6003 · Postage	156.00	1,700.00	-1,544.00
6004 · Office Supplies	451.79	2,400.00	-1,948.21
6005 · Copier	542.76	2,150.00	-1,607.24
6006 · Fidelity Bond	0.00	110.00	-110.00
6007 · Payroll Taxes	907.87		
6008 · Payroll Expenses-Paychex	440.57	2,000.00	-1,559.43
6100 · workers comp insurance	0.00	1,200.00	-1,200.00
Total 6000 · Admin. Exp.	6,184.00	21,098.00	-14,914.00

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11/06/06

Accrual Basis

Channing Memorial Church
Profit & Loss Budget vs. Actual
 July 1 through November 6, 2006

	Jul 1 - Nov 6, 06	Budget	\$ Over Budget
6010 · Minister's Exp.			
6011 · Salary	11,074.72	35,000.00	-23,925.28
6012 · Housing Allowance	7,364.00	22,092.00	-14,728.00
6013 · Health Insurance	1,304.24	3,912.00	-2,607.76
6014 · Dental/Disability	336.96	960.00	-623.04
6015 · Profess'l Exp	1,187.21	3,500.00	-2,312.79
6016 · Minister Pension Contribution	0.00	7,436.00	-7,436.00
6017 · SUPPLIES-MINISTER-SERVICES	21.29	100.00	-78.71
6018 · Sabbatical Reserve	0.00	1,200.00	-1,200.00
6019 · Committee on Ministry	0.00	0.00	0.00
6107 · Special Services	0.00	2,000.00	-2,000.00
Total 6010 · Minister's Exp.	21,288.42	76,200.00	-54,911.58
6020 · RE			
6021 · RE Director Salary	1,847.00	10,000.00	-8,153.00
6022 · RE Supplies	223.07	1,400.00	-1,176.93
6023 · Prof'l Devel.	0.00	100.00	-100.00
6024 · Youth Group Dir.	0.00	1,500.00	-1,500.00
6025 · Summer Program	915.00	900.00	15.00
6026 · Youth Group Exp	0.00	500.00	-500.00
6027 · OWL/COA	260.00	1,000.00	-740.00
6029 · Childcare	525.00	900.00	-375.00
Total 6020 · RE	3,770.07	16,300.00	-12,529.93
6030 · Music			
6031 · Organist/Choir Dir Salary	3,704.40	11,210.00	-7,505.60
6032 · Special Music	125.00	1,975.00	-1,850.00
6033 · Piano Tuning	0.00	160.00	-160.00
6034 · Music Supplies	202.85	500.00	-297.15
Total 6030 · Music	4,032.25	13,845.00	-9,812.75
6040 · Committees			
6041 · Social Action	0.00	0.00	0.00
6042 · James Luther Adams	0.00	150.00	-150.00
6043 · Publicity	587.30	1,500.00	-912.70
6044 · Fellowship-Income	0.00	0.00	0.00
6045 · Fellowship-Expenses	100.00	300.00	-200.00
6046 · Membership	0.00	550.00	-550.00
6047 · Canvass	0.00	750.00	-750.00
6048 · Adult RE	0.00	200.00	-200.00
6049 · Worship	0.00	0.00	0.00
Total 6040 · Committees	687.30	3,450.00	-2,762.70
6050 · Denominational			
6051 · UUA APF	0.00	5,000.00	-5,000.00
6052 · Ballou District	0.00	2,472.00	-2,472.00
Total 6050 · Denominational	0.00	7,472.00	-7,472.00

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11/06/06

Accrual Basis

**Channing Memorial Church
Profit & Loss Budget vs. Actual
July 1 through November 6, 2006**

	Jul 1 - Nov 6, 06	Budget	\$ Over Budget
6060 · Property Exp			
6061 · Sexton Salary	3,103.59	9,896.00	-6,792.41
6062 · Supplies	2,190.34	6,000.00	-3,809.66
6063 · Contracted Repairs	18,608.09	20,700.00	-2,091.91
6064 · Fire Alarm	160.00	425.00	-265.00
6065 · Insurance	3,224.00	6,700.00	-3,476.00
6066 · Boiler's Service Contract	0.00	400.00	-400.00
6067 · Property Taxes	2,356.12	7,000.00	-4,643.88
6069 · Advertising	0.00	100.00	-100.00
6070 · Utilities			
6071 · Electricity	953.76	4,000.00	-3,046.24
6072 · Water	490.98	2,000.00	-1,509.02
6073 · Gas	153.91	5,000.00	-4,846.09
6074 · Heating Oil	153.04	10,000.00	-9,846.96
Total 6070 · Utilities	1,751.69	21,000.00	-19,248.31
6075 · Property Management	344.00	3,000.00	-2,656.00
Total 6060 · Property Exp	31,737.83	75,221.00	-43,483.17
Total Expense	67,699.87	213,586.00	-145,886.13
Net Ordinary Income	23,457.27	17,764.00	5,693.27
Other Income/Expense			
Other Expense			
6080 · Other Expenses			
6082 · Bank Newport Loan Payments	5,430.76	16,300.00	-10,869.24
6080 · Other Expenses - Other	500.00		
Total 6080 · Other Expenses	5,930.76	16,300.00	-10,369.24
Total Other Expense	5,930.76	16,300.00	-10,369.24
Net Other Income	-5,930.76	-16,300.00	10,369.24
Net Income	17,526.51	1,464.00	16,062.51

RE Committee Report to Board
November 14, 2006

- 1) RE Committee will announce our collection for Soup Kitchen holiday items starting November 26.
- 2) We will start making origami paper 'Peace Cranes' as an RE event.
- 3) We have started the 'Guest at Your Table' program.
- 4) We are looking for ideas for brightening/organizing the Ladies Parlor that is more suitable for the 3rd grade RE program, while keeping the space acceptable for use by other programs in our church at other times.
- 5) We are working on the 'Giving Tree' program—adopting a family and general gifts for teenagers in need during the holiday season.

PROPERTY COMMITTEE NOV 2006 REPORT

- MASTER PLAN INITIATIVE was discussed by Todd Thomas and Dave Pedrick, who are developing a long range plan. They are gathering input from congregational leaders and will have a broad outline soon.
- PROPERTY MANAGEMENT MEETINGS were held with Bruce Cotta and Janet Bolander of Coastal Property Mgt, Inc., to discuss rental and contract changes for 2007. Sea Rangers will be offered a lease that will put them onto a May-June cycle, instead of the Feb-Mar cycle presently. Analysis of utility costs for Parish Hall justifies a rent increase to \$1500/mo from the present \$1000/mo and will be done incrementally. Given uncertainties of Master Planning, no long term leases will be offered.
- PROPERTY COMMITTEE BUDGET concerns were eased somewhat with ability to use \$20K reserves from prior years. See ATTACHED budget proposal for fiscal 2006-7 projects that are considered critical. CPC members are working closely with Finance Committee.
- OIL SERVICE CONTRACT with Sunshine Oil, to replace Petro Oil contract, with significant savings on service contract for the oil burners. The oil price floats and Bruce Cotta gets the best price due to bulk buying. The gas burners in PH will not have a contract, but will continue to be serviced by Queern Co. as needed, time and materials costs.
- HISTORIC PRESERVATION GRANT of \$75,000 from Aletta Morris McBean Fdn. Awarded this month. Prince Foundation check for \$73,000 arrived. Dave Banister will open new accounts for each grant, to keep an account paper trail that is transparent. Have notified Willet Hauser Architectural Glass Studio to begin work in November-December.
- CHRISTMAS IN NEWPORT lecture at Channing on DEC 3 from 2-4 PM. Need volunteers for food, coffee, setup, cleanup. Dorothy Vissman will head this. Great poster done by Sam Jernigan. Plan to have copies of Channing Calendar for sale, and a Donation Box. Need Board approval?

Dennis Greene, Barbara Russell-Willett, co-chairs

2006-7 Channing Property Expense Projections (new projects)

A. Critical needs (safety, insurance compliance, fire law compliance, etc.):

Location Comment	Repair/project	\$\$
Sanctuary	Handrails, east/west stairs	3400
Sanctuary	Handrails, rear door	3100
Sanctuary, PH, CH 25% cost	Fire Alarm Plan/submission	9000
Sanct. done/unpaid	Masonry pointing, east transept	500
Site	Drainage survey/plan	2550
Site	Drive/parking/sidewalk plan	1200
Site	Install drain system	7500
Est.		
Sanct.	Roofing	2500
Sanct.	Gutter/downspout	16000
Sanct.	Carpeting aisle, entrance	2000
PH	Lead abatement/4 window jambs	800
PH	Crawlspace fan	550
PH	Gutter/downspout	10000
Sanct.	Pointing masonry, west wall	7500
	TOTAL	66,600.00

B. Less Critical:

Sanct.	Choir Lighting	1000
Sanct.	City Sewer compliance/drainage*	??

TOTAL A+B

67,600.00 plus ??

*Depending on city code, may be deferred to next year