



Channing Memorial Church

Governing Board 2006 – 2007

The Year of Decision!



Meeting Agenda
January 9th, 2007, 7 – 9 PM, Channing House

The same treacherous secrecy, the same fog of injustice, still hangs in the air, worse than the smoke of city chimneys...For half a century or more the enormous state has towered over us, girded with hoops of steel. The hoops are still there. There is no law.

Aleksander Solzhenitsyn, The Gulag Archipelago, closing passage.

- I. Check-in (15 min.)
- II. Chalice Lighting and Spiritual Reflection (5 min.) *Holly Grosvenor*
- III. Appointment of Process Observer (1 min.) *Tom Beall*
- IV. Approval of Minutes (4 min.) *Lissa Fernandez*
- V. Discussion of Current Business
 - a. Treasurer's Report (10 min.) *Dave Banister*
 - 1. Organ repair funding.
 - b. Finance Committee Report (15 min.) *Richard Webb*
 - 1. Tax credit update.
 - 2. 2007 – 2008 budget planning.
 - c. Property Committee Report (20 min.) *Dennis Greene*
Barbara Russell-Willett
 - 1. Further discussion on rent increases.
 - 2. Sanctuary repair issues – carpet installation.
 - 3. Donation box for Sanctuary.
 - d. Social Justice Committee Update (10 min.) *Nancy Caswell*
Don Mallinson
- VI. Planning Discussion (35 min.) *Board Members*
 - a. Year of Decision Update (10 min.) *Tom Beall*
 - b. Channing Governing Board Talking Points (15 min.) *Tom Beall*
 - c. Canvass Planning (10 min.) *Holly Grosvenor*
- VII. Evaluation of Meeting and Adjournment (5 min.) *Process Observer*

Upcoming Events:

- I. Soulful Supper / Soulful Sundown 26 January
- II. Hot Topics – Marriage Equality 31 January
- III. Channing Coffee House 02 February
- IV. Year of Decision Focus Discussion #2 03 February
- V. Next Board Meeting – Channing House 13 February

**Channing Memorial Church
Governing Board Meeting December 12, 2006**

Attendance: Dorothy Vissman, Tom Beall, Lissa Fernandez, Rev. Amy Bowden Freedman, Marsha Francis, Bill Peresta, Dennis Greene, Barbara Russell-Willett, Halcyon Westall, Kelly Bailey, Nancy Caswell, Richard Webb, Holly Grosvenor, Bill Hawkins, Barbara Nowicki, Janet Grant

Governing Board Business

Approval of Minutes – Kelly moved that the minutes be approved. Holly seconded the motion which passed.

Property Committee Report – The Property Committee is in the process of renegotiating several of our tenants' leases. The Board voted to accept the recommendations of the Property Committee and raise Sea Rangers' rent from \$1,000 to \$1,400 per month with a July 1st renewal, to increase the rent of the Channing House upstairs apartment by \$100 per month to \$1,500 with a February 1st renewal, and to increase the rent of the Parish Hall upstairs apartment by \$100 per month to \$1,200 with a February 1st renewal. These recommendations were made with input from our property management company.

Finance Committee Report – Richard reported that all of the historic tax credits have been spoken for and will be sold within the congregation. After repaying the endowment and the Margit Baum fund, a surplus of approximately \$9,000 will exist. After discussion of the recommendations of the Finance Committee, Marsha moved that, "funds that are realized from the sale of historic tax credits, after repaying the endowment fund and the Margit Baum fund, be included in the FY 07-08 budget as 'other income' and be earmarked for property repairs." Bill H. seconded the motion and it passed.

The Finance Committee also recommended that Channing move to an on-line bill paying system. This is not an automatic withdrawal system so there is no loss of control or oversight. This is a more efficient and manageable approach to bill paying. Marsha moved that, "the Board authorize the transition to electronic on-line bill paying for bills that are less than \$3,000." Kelly seconded the motion which passed. Kelly also moved that, "the profits from the sale of the Channing calendar be directed to the Friends of the Sanctuary fund." Holly seconded the motion and the motion passed.

Minister's Report – Rev. Amy brought the Board up to date on the final preparations for her three month Sabbatical. Amy is not to be contacted by church members for any reason during her Sabbatical so that it is truly an opportunity for renewal and reflection. Tom Beall will be collecting information, reports, minutes, and other communications for Amy and they will be kept for her in a binder until the conclusion of the Sabbatical.

Education Planning Portion of the Meeting

1. All attending the meeting brainstormed and reported what their particular area of Church activity would be like if the church were to return to its status of ten years ago, remain the same as it is today, or grow to be a larger institution.
2. Methods for educating the congregation on current operational requirements and future needs of the Church were discussed. Growth and its implications were a topic of discussion. It was decided that each committee should prepare a talking paper to answer the following questions –

Growth, what is it?

Where is our Church on the growth spectrum? What does that mean and do we have the resources to do what the Congregation wants to do?

Why do we need to change?

What is realistic in terms of change and growth and how do we do this?

3. Feedback from the committees will be used by the Transition Team as they prepare for the next Congregational meeting which is scheduled for February 3, 2007.

The meeting adjourned at 9:10

Lissa Fernandez
Clerk

Treasurer's Report

Attached please find and print out for the meeting;

1. Cash flow YTD statement of revenues and expenses
2. Balance sheet for 1/1/07

Items of Note:

The finance committee will begin early work on the 07-08 budget this coming Monday evening. Richard and I will be working on a very early stage first draft.

Energy bills (Oil and Gas Heat) are running so far well below forecast. Depending on the Jan- March window, we may have an extra surplus due to lower costs.

Wedding revenues are running about \$3,000 LESS than last fiscal year at this time. Hard to say if this is a trend or just an anomaly, but we could come in below forecasted revenue.

Interest Income is likely to be well above forecast due to the high current Grant balances at Smith Barney, earning 5-5.3%.

We spent \$770 on the Organ maintenance, and I'm recommending we approve a further \$800 expenditure per Janet Grant. Our budget should support it this year.

General Sunday Donations and "other donations (Christmas etc) seem to be running ahead of full year projections as well.

I calculate a current church unrestricted cash reserves of about \$17,442. This figure assumes we balance the budget and have 0 surplus at end of June 2007 fiscal year budget wise. However, assuming we have a surplus, then the unrestricted church reserves figure would be higher than \$17,442.

All monies approved for 06-07 property repairs have been spent. There is \$1,500 left in the property supplies budget. There is \$6,155 in property repair reserves.

Respectfully submitted

Dave

After the Finance committee meeting last night, we discussed whether to include interest income from the Grant monies at Smith Barney (earning 5-5.3%) in the operating income of the church.

We decided to NOT include this income and to make sure I pro-rate the interest income each month attributable to Church money vs Grant Money.

With that in mind, our Interest Income year to date is around \$621 vs the reported \$1,280. We are probably therefore going to come in around \$1,500 for the fiscal year in interest income, which would be on budget...but NOT above budget.

I've attached the updated balance sheet with a few small changes as noted in GREEN highlight.... mostly for the records for the secretary.

Cheers
Dave

1/1/2007

ASSETS

CASH

Channing Checking	14233
Channing Money Market	<u>26138</u>
Smith Barney MM	<u>43149</u>

83520

Restricted

Margit Baum Funds	158700
Arthur Barrows Steeple Funds	112400
Smith Barney MM Grant \$\$	265800

Total Restricted Cash

536900

INVESTMENTS

Restricted Endowment Funds	104000
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NOTES RECEIVABLE

Endowment Fund Notes Receivable	51000
Baum Notes Receivable	24000

Channing House Improvements

156000

TOTAL ASSETS

955420

LIABILITIES

Retained Earnings

Property Repair Reserves	6155
Rent Deposits	3250
Sabbatical Reserves	1950
Caregiving	1132
Choir Fund	1075
Soup Kitch	2567
Publicity Fund	173
Hymnal Fund	95

Grant Funds Interest Income	660	
Steeple Fund	1000	
Friends of Sanctuary	2970	
Fellowship fund	367	
Book Sales	<u>173</u>	
Total Restricted Liabilities		<u>21567</u>
<u>Long Term Liabilities</u>		
<u>Channing House Loan (Bank Newport)</u>		121855
Channing House Other Loans		36000
<u>TOTAL LIABILITIES and LT DEBT</u>		<u>179422</u>
Retained Earnings		43976
Church Reserves		16782
<u>Restricted Funds</u>		
Margit Baum Funds	182700	
Arthur Barrows Steeple Fund	112400	
Mcbean Steeple Funds	69240	
Prince Steeple Funds	73000	
Van Beuren Funds	50000	
Champlin Funds	73000	
Endowment	<u>155000</u>	
Total Restricted Funds		<u>715340</u>
Total Liabilities and Equity		<u>955520</u>

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01/05/07

Accrual Basis

Channing Memorial Church
Profit & Loss Budget vs. Actual
 July 1, 2006 through January 5, 2007

Ordinary Income/Expense	Jul 1, '06 - Jan 5, 07	Budget	\$ Over Budget
Income			
4000 · Oper. Income			
4001 · Pledges - Cash	68,300.00	129,500.00	-61,200.00
4002 · Pledges - Stock	14,867.32	7,000.00	7,867.32
4003 · Donations-Sunday Collections	6,285.56	9,000.00	-2,714.44
4004 · Donations-All Other	1,136.00	4,500.00	-3,362.00
4005 · Donations-Christmas	2,860.00		
4006 · Fund Raising	12,317.44	12,000.00	317.44
4009 · Interest Income	1,280.20	1,500.00	-219.80
4013 · Late 05-06 pledges	3,735.00		
4000 · Oper. Income - Other	5,282.50		
Total 4000 · Oper. Income	116,066.02	163,500.00	-47,433.98
4010 · Endowment Income			
4011 · CCHC Mtge Interest	648.00	1,300.00	-652.00
4012 · Interest & Dividends	4,000.00	4,000.00	0.00
Total 4010 · Endowment Income	4,648.00	5,300.00	-652.00
4020 · Rental Income			
4021 · CH Apt-2nd Fl	9,000.00	18,000.00	-9,000.00
4023 · CH-Office-Correia Law Office	4,200.00	8,400.00	-4,200.00
4024 · PH-2nd Fl	6,600.00	13,200.00	-6,600.00
4025 · PH-Daycare- Nelson's Nursery Sc	6,000.00	12,000.00	-6,000.00
4026 · PH-Other Rentals	0.00	250.00	-250.00
4027 · Sanctuary-Weddings	5,650.00	15,000.00	-9,150.00
4028 · Sanctuary-Other	150.00		
4029 · Rental Vacancy Allowance	0.00	-4,300.00	4,300.00
Total 4020 · Rental Income	31,600.00	62,550.00	-30,750.00
Total Income	162,514.02	231,350.00	-78,835.98
Expense			
6000 · Admin. Exp.			
6001 · Secretary	4,542.97	10,218.00	-5,675.03
6002 · Telephone	661.10	1,320.00	-658.90
6003 · Postage	702.60	1,700.00	-997.40
6004 · Office Supplies	1,088.42	2,400.00	-1,311.58
6005 · Copier	1,113.97	2,150.00	-1,036.03
6006 · Fidelity Bond	0.00	110.00	-110.00
6007 · Payroll Taxes	1,679.59		
6008 · Payroll Expenses-Paychex	629.38	2,000.00	-1,370.62
6100 · workers comp insurance	0.00	1,200.00	-1,200.00
Total 6000 · Admin. Exp.	10,418.03	21,098.00	-10,679.97

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Accrual Basis

Channing Memorial Church
Profit & Loss Budget vs. Actual
 July 1, 2006 through January 5, 2007

	Jul 1, '06 - Jan 5, 07	Budget	\$ Over Budget
6010 - Minister's Exp.			
6011 - Salary	17,306.06	35,000.00	-17,693.94
6012 - Housing Allowance	11,046.00	22,092.00	-11,046.00
6013 - Health Insurance	1,630.30	3,912.00	-2,281.70
6014 - Dental/Disability	505.44	960.00	-454.56
6015 - Profess'l Exp	2,205.21	3,500.00	-1,294.79
6016 - Minister Pension Contribution	0.00	7,436.00	-7,436.00
6017 - SUPPLIES-MINISTER-SERVICES	89.49	100.00	-10.51
6018 - Sabbatical Reserve	0.00	1,200.00	-1,200.00
6019 - Committee on Ministry	0.00	0.00	0.00
6107 - Special Services	175.00	2,000.00	-1,825.00
Total 6010 - Minister's Exp.	32,957.50	76,200.00	-43,242.50
6020 - RE			
6021 - RE Director Salary	2,770.50	10,000.00	-7,229.50
6022 - RE Supplies	345.54	1,400.00	-1,054.46
6023 - Prof'l Devel.	0.00	100.00	-100.00
6024 - Youth Group Dir.	750.00	1,500.00	-750.00
6025 - Summer Program	915.00	900.00	15.00
6026 - Youth Group Exp	0.00	500.00	-500.00
6027 - OWL/COA	200.00	1,000.00	-800.00
6029 - Childcare	525.00	900.00	-375.00
Total 6020 - RE	5,506.04	16,300.00	-10,793.96
6030 - Music			
6031 - Organist/Choir Dir Salary	6,158.80	11,210.00	-5,051.20
6032 - Special Music	825.00	1,075.00	-1,150.00
6033 - Piano Tuning	0.00	160.00	-160.00
6034 - Music Supplies	231.59	500.00	-268.41
Total 6030 - Music	7,215.39	13,845.00	-6,629.61
6040 - Committees			
6041 - Social Action	25.00	0.00	25.00
6042 - James Luther Adams	0.00	150.00	-150.00
6043 - Publicity	840.10	1,500.00	-659.90
6044 - Fellowship-Income	0.00	0.00	0.00
6045 - Fellowship-Expenses	0.00	300.00	-300.00
6046 - Membership	145.56	550.00	-404.44
6047 - Canvass	0.00	750.00	-750.00
6048 - Adult RE	105.97	200.00	-94.03
6049 - Worship	0.00	0.00	0.00
Total 6040 - Committees	1,116.63	3,450.00	-2,333.37
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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01/05/07

Accrual Basis

Channing Memorial Church
Profit & Loss Budget vs. Actual
 July 1, 2006 through January 5, 2007

	Jul 1, '06 - Jan 5, 07	Budget	\$ Over Budget
6060 · Property Exp			
6061 · Sexton Salary	4,778.83	9,896.00	-5,117.17
6062 · Supplies	4,525.49	6,000.00	-1,474.51
6063 · Contracted Repairs	20,669.39	20,700.00	-30.61
6064 · Fire Alarm	305.00	425.00	-120.00
6065 · Insurance	3,224.00	6,700.00	-3,476.00
6066 · Boiler's Service Contract	174.30	400.00	-225.70
6067 · Property Taxes	2,356.12	7,000.00	-4,643.88
6069 · Advertising	0.00	100.00	-100.00
6070 · Utilities			
6071 · Electricity	1,409.25	4,000.00	-2,590.75
6072 · Water	1,035.49	2,000.00	-964.51
6073 · Gas	565.92	5,000.00	-4,434.08
6074 · Heating Oil	728.85	10,000.00	-9,271.15
Total 6070 · Utilities	3,739.51	21,000.00	-17,260.49
6075 · Property Management	1,032.00	3,000.00	-1,968.00
Total 6060 · Property Exp	40,804.64	75,221.00	-34,416.36
Total Expense	98,018.23	213,586.00	-115,567.77
Net Ordinary Income	54,495.79	17,764.00	36,731.79
Other Income/Expense			
Other Expense			
6080 · Other Expenses			
6082 · Bank Newport Loan Payments	8,146.14	16,300.00	-8,153.86
6080 · Other Expenses - Other	2,373.09		
Total 6080 · Other Expenses	10,519.23	16,300.00	-5,780.77
Total Other Expense	10,519.23	16,300.00	-5,780.77
Net Other Income	-10,519.23	-16,300.00	5,780.77
Net Income	43,976.56	1,464.00	42,512.56

JANUARY 2007
CHANNING PROPERTY COMMITTEE REPORT
TO THE GOVERNING BOARD

COMPLETED WORK TO DATE:

- 1) REPAIR OF FENCE AROUND PLAYGROUND (STORM DAMAGE)
- 2) PAINTING OF WROUGHT IRON RAILING (SANCTUARY)
- 3) HANDRAIL INSTALLATION (SANCTUARY)
- 4) SPOT REPAIR OF SANCTUARY RAIN GUTTER
- 5) SPOT REPAIR OF CHANNING HOUSE RAIN GUTTER
- 6) SITE VISIT TO EMMANUEL CHURCH TO LOOK AT STAINED GLASS REPAIR
- 7) LEAD ABATEMENT, PARISH HALL WINDOWS, EXTERIOR PAINT, INTERIOR PAINT.

ITEMS AWAITING BIDS/COMPLETION:

- 1) GUTTERS AND DOWNSPOUTS (RANDALL OR NASON TO PREPARE BID)
- 2) FIRE ALARM BLUEPRINTS (AWAITING CONTRACT REVISION)
- 3) DRAINAGE PLAN (OCEAN STATE PLANNERS)

OLD ISSUES:

- 1) PINNACLE/MASONRY (YSC, INC)
- 2) HIRING OF PROJECT MANAGER FOR MASONRY REPAIR
- 3) WILLET HAUSER STAINED GLASS REPAIR
- 4) HIRING OF PROJECT MANAGER FOR STAINED GLASS
- 5) ELKS' CLUB DRAINAGE

NEW ISSUES:

- 1) SMOKY FURNACE IN SANCTUARY/CHIMNEY SWEEPING (OCEAN STATE)
- 2) INSTALL WATER METER REMOTE READERS
- 3) RESEARCH OLD MINUTES RE ARCHITECTURAL INTEGRITY/SANCTUARY (2003)

2007-8 BUDGET

- 1) WORKING WITH FINANCE COMMITTEE

ITEMS NEEDING BOARD APPROVAL:

- 1) MODIFICATION OF DEVON BAILEY RENT INCREASE, OTHER TENANTS
- 2) SAFETY CARPETING OF SANCTUARY AREAS
- 3) DONATION BOX FOR SANCTUARY

Religious Education Committee Report

1. January Service Project: on Jan. 14, the RE Committee is planning to launch a fundraiser for the First UU Church of New Orleans to replace their curricula lost in Katrina. We're creating a "Giving Tree/Book" whereby people can purchase the books directly. There are app. 20 books costing about \$20 each. Any extra funds will be given to them directly to buy any supplies they deem necessary.
2. Planning for Secret Friends service is well under way.
3. Teachers: Looking for teachers in the 4-7th grade class.
4. The Children's Choir is now in full swing under Janet's direction. They'll meet after church and before the adult choir.
5. Sherri Lussier will be trained this spring to co-lead OWL with Jim Frees.
6. The Committee worked on the "Talking Points" for "The Year of Decision".

Respectfully Submitted,

Rachel Balaban

Channing Talking Points

Subject: Governing Board Position on Vision and Growth.

Issue: The Governing Board has established the goal that by June 2007, Channing Church has reached a consensus on a common vision for our ministry and our property that empowers the Congregation and its leadership to move in specific directions. The Board recognizes that the need to develop a vision stems from the Congregation's desire to grow in ministry, programs and community outreach and to solve the problem of our deteriorating buildings. Developing a vision is a means whereby the Congregation can discuss and articulate the direction and level of commitment it is willing to make (in terms of time, talent, treasure) to achieve its desires.

Discussion:

- Channing has come a long way in the last 10 years.
 - Settled minister has infused new energy and helped us greatly expand the ministry and programs of the church.
 - Growth of Congregation commitment has been manifested in increase in financial support (average of 16.8% annual increase in pledges) and increase in participation in programs: RE, social justice, property, worship, ministry, etc.
 - Congregation has begun to grapple with long-standing property deterioration issues.
 - Robust property committee leverages professional expertise in Congregation.
 - Professional surveys have provided insight into challenges and opportunities.
 - Historic grants in 2006 demonstrate potential for outside support.
- Congregation appears to want to continue the trend of growth in ministry, programs and community outreach.
 - First “Year of Decision” focus discussion results clearly indicate desire for more “maturational” and “incarnational” growth. [See Transition Team paper on growth.](#)
- Governing Board recognizes that to sustain or expand existing programs and solve property challenges, more resources are required.
 - Staff and volunteers are overstretched maintaining existing programs and infrastructure. Many leaders have expressed feelings of burnout even while it becomes more difficult to find other members to take on the challenge of replacing them.
 - Financial resources, while significantly greater than 10 years ago, are not keeping pace with needs.
 - Property maintenance costs are increasing as deferred maintenance can no longer await action.
 - Capital repairs, such as steeple, must be addressed, but it is questionable whether current body of financial contributors could raise enough funds to repair the steeple and make required capital improvements.
 - Failure to increase resource base could result in long-term diminishment of our ministry and programs as fewer people are willing to take on the work load to sustain them.
 - Failure to increase resource base could also result in further deterioration of our properties since current funding levels are not sufficient to repair and sustain them.
- The Governing Board also recognizes that growth could change some of the intimacy and bonds of fellowship that many Channing members treasure.
- Therefore, the Governing Board recognizes that Channing's long-term vision must embody a clear statement of the level of commitment the Congregation is willing to make to meet the growing needs / desires of the Congregation and solve our property challenges while fully expressing the [Seven Principles of Unitarian Universalism](#) and sustaining an environment of intimacy and fellowship that so many of us treasure.