

University Christian Church

Board of Stewards Meeting

November 18, 2014

UNAPPROVED MINUTES

Stewards Present:

Mark Alland	Eldon Irving
Phyllis Allen	Sandi Kennedy
Michelle Allred	Carol Jane Lawrence
Carolyn Critz	Gay McKeever
Lori Gallagher	Monty Phillips
Brian Gibson	Sean Strange
Heather Harris	Carol Wilkerson
Don Houk	Jake Yarbrough

Ex-Officio Member Present:

Rev. Larry Thomas – Senior Minister
Rev. Ellen Lewis – Associate Minister

A meeting of the Board of Stewards of University Christian Church was called to order at 6:34 p.m. by the Chair, Sandi Kennedy. Carol Wilkerson offered the opening prayer.

Listening to UCC Members – No one signed in to speak to the Board.

Approval of Minutes - The minutes of the October board meeting were reviewed. Jake Yarbrough made a motion to approve the minutes with the correction that he was in attendance at the meeting. Phyllis Allen seconded the motion. All approved.

Assignments for Calls to New Members – Board members agreed to contact the new members.

Staff Report – Rev. Cyndy Twedell appeared on behalf of the staff as Rev. Thomas and Rev. Lewis were on vacation. She added events to list provided on the Agenda. Funerals for Larry White, Holt Hickman, and Norman Hoover have been conducted this week. We have received many generous contributions to Thanksgiving baskets. She attended the Faith Business Forum breakfast planned by Larry before he left on vacation.

She announced that Caroline Hamilton Arnold was ordained at her home church in Lewisville. Rev. Russ Boyd attended. Cyndy gave thanks to the volunteers who have assisted at the many weddings and funerals. Carol Jane Lawrence, Carol Ehlmann. Sally Tomlinson.

Deacons Report - Lori Gallagher reported that there were 24 deacons in attendance at the recent meeting. At the meeting she addressed the need for ushers and greeters at the services. She will have a meeting with deacon leaders to help make sure there are enough people during Advent.

Report from Elders – Chair Eldon Irving announced that Roxanne Penix will begin organizing the Elders doing communion during worship services. Shepherding program continues to be successful. Elders will conclude the study of *Eating and Drinking at the Welcome Table*. The next book study will be by Marjorie Suchocki entitled *In God's Presence: Theological Reflections on Prayer*.

Building & Grounds Report – James Chaffin, Chair of Building & Grounds Committee read the Mission of the committee: The Building & Grounds Committee supports the ministries of UCC by maintaining and managing the real property of the congregation in a financially and environmentally proper manner. He then provided a Powerpoint presentation depicting the recent completed projects.

Back balcony carpet replaced
Wood floors on the third floor and flooring in front of Arches
New tree in the courtyard
Recycling program (4 bins) with service from provider
New refrigerator in Soul Food Kitchen
New dishwasher
Refreshed elevator
New soundboard in Walker Hall (waiting for sound board in the Sanctuary)
Audio/Visual in selected classrooms
Upgraded computers (ongoing)
New Sanctuary sound system
New LED lighting for bell tower
New contracts for cell tower (AT&T) and parking lot lease

Active Projects

- New lighting in the sanctuary (LED lighting) for house lights in the Sanctuary
- Work on north Sanctuary steps (rebuilt from ground up) with very similar style tile
- Windows for replacement (need to have competitive bids)
- Extensive roof repairs
- Door replacements (Chapel, Tower, Rogers/Cantey Street)

The committee is undertaking the renovation of the chapel wing to be used for meetings, receptions and small worship services. They will remove shelving which could be placed in other rooms or donated to Habitat for Humanity. The carpet will be removed and wood flooring will be installed. The plan is to keep the fireplace and hutch, restore the walls and add audio visual. They also would like to renovate the women's bathroom, and rework the powder and the kitchen which is in really bad condition. The Architectural Committee discussed the possibility of a caterer's kitchen. Eventually, the plan is to also renovate the men's restroom, remove carpet in the hallway to match the rest of the church. They

believe they could raise money through sale of old fixtures, or donate them. Cost at this moment is unknown. He will submit an update the first of the year.

Outreach Report - Cheryl McDonald, Outreach Chair read the mission statement. The five areas of focus are hunger, homelessness, children & youth, global, environmental. Funds distributed:

40-45% to Disciple / Christian Church support (national/international)

25-35% to UCC based ministries

10-20% to local faith-based groups

0-5% to local non-faith-based

Currently UCC has committed \$50,000 per year for five years to Overseas Ministry. We are in the third year of contributing \$3,000 to Brite Scholarships and in the second year of a three year commitment to Galilee Church. Greg sked what is Page Scholarship and Cheryl explained that it is an endowment provided by Louise Page. This is a need based scholarship to college students locally. \$9500 was given this year. \$488,000 is the total budget for outreach with \$266,000 coming from contributions and a majority from endowment and restricted gifts.

Sandi asked for updates or comments from the Administrative Chairs asked. Maggie Thomas, Chair of Communications reported that she is about to formalize a social media policy for the church. This will be presented next month following approval of the budget.

Finance Report – Michelle Ingram provided the following report.

Consolidated Balance Sheet

A. Comparative cash balances as of October 31, 2014 are summarized as follows:

	10/31/2014	9/30/2014	10/31/2013	12/31/2013 (Audited)
Operating	\$379,000	\$388,000	\$246,000	\$425,000
Restricted	583,000	509,000	623,000	704,000
Capital	468,000	491,000	362,000	350,000
Endowment	29,000	13,000	30,000	15,000
Consolidated	\$1,459,000	\$1,401,000	\$1,261,000	\$1,494,000

As of October 2014 operating cash balance is positive and still up comparatively to October 2013 by \$133K. UCC Equity is also positive at \$127K which is higher than last year by \$100K. 3rd QTR investment activity has been posted. Poor market performance this quarter brings our Endowment value down under \$14M for an unrealized loss of \$331K. Also, note our last CD with Church Extension matured during September. The Investment Committee voted approval to transfer those funds of \$301K to the Brown Fund with Christian Church Foundation.

Unified Operating Income/Expense Statement (Fund 1)

- B. Pledges, Contributions & Offering (PCO Income) are currently ahead of budget YTD by \$6K. On the expense side, Youth is over budget in October due to late invoicing from Yakama Christian Mission for the CYF Mission Trip lodging. Mission trip participants were higher than originally expected during preparation of the 2014 Budget. This is a good thing! It does mean however, higher expense for subsidizing the cost for our Youth. An additional transfer from Youth reserve at year end will be made to cover any overages that may have occurred. Also, note Children's Closet is currently over budget YTD. There is a donor covering some of these additional purchases. Much of the purchases will be posted at year end as 2015 inventory and any overages of spending for 2014 will be covered by a reserve transfer from Children's Closet reserve. Net overall income is \$54K positive variance to budget.

Capital Fund Reports (Fund 3)

- C. New security cameras, bollards for the parking lot, wall paper removal on the rental property, TV, projector, camera and cables were amongst the purchases made this month from our Capital Fund. New flooring has been installed on the 3rd Floor. Income available for capital projects is \$445,309.

3rd QTR Endowment Reports (Fund 4)

- D. Market performance during 3rd QTR was down 2.4% bringing the current Endowment value to \$13,794,000. We distributed \$125,364 earned income for Ministry spending, invested \$1,975 in new gifts and received \$79,978 in mineral income this quarter. As for expenses, we paid \$1,000 for quarterly fees for Fundriver software. The Estimated Spending Report shows that UCC has no funds that are less than 95% of their original value. In addition, the only fund not yet in distribution status is the Brian & Kristie Gibson Adult Education Fund, which will begin distribution per UCC's policy once it reaches a balance of \$5,000.

University Christian Church Legacy Society Update:

Progress continues on the donor wall display. Since our last update, we have upgraded our original plan for a painted wooden cross to a high resolution color scan that can then be used for a 3D printed replica. Thanks to Brian Rosenberger for his work related connections, we now have an agreement with Direct Dimensions, in Maryland, who specializes in scanning special art pieces. This scan will provide UCC with a permanent archive of the chancel cross which will be invaluable to have in case the cross ever gets damaged in a storm or fire. Not only will it provide us with that peace of mind, but we can also use the file to print other 3D replicas for projects in years to come.

The artist will hand paint the 3D cross replica which we will then mount to the display. As noted in previous reports, the display will be installed on the wall across from the

reception desk leading to the stairs. The artist will finish the wall with faux plaster. We will also install track lighting to provide a beautiful focal point for the display. The Endowment Committee is currently working on final wording for the short inscription piece on the display beside the cross. Once the final copy has been approved, construction will begin. In January, we will start marketing the donor wall with an article in the Journal and a direct mailer. We are aiming for an end of January completion date.

Action: The budget for this project has been updated along the way as more pieces are becoming final.

Wall Display	21,868	
Name Plates (qty 210)	3,465	
Installation	1,500	<i>*estimated</i>
3D Scan	6,500	<i>Not to exceed</i>
3D Print	750	<i>*estimated</i>
Lighting	1,500	<i>*estimated</i>
Artist (supplies only for cross and wall prep)	<u>1,500</u>	<i>Not to exceed</i>
Total:	37,083	

The Endowment Committee approved a recommendation to the Board of Stewards for a budget amendment of \$10K from Capital to cover the additional costs of the donor wall project. This will bring the total project budget from \$30K to \$40K. Jake Yarbrough moved to approve recommendation, Carol Jane seconded. All approved.

2015 Endowment Distribution Rate:

The 2015 draft budget is based on flat income totals. There is currently approx. \$11K positive variance on this draft budget proposal. The impact to budget if we were to reduce it from its current 4.5% to 4.25% is \$29K. We would have to make budget reductions of \$18K to balance the budget. In addition, the Stewardship Campaign hasn't yielded extraordinary results so far, so, we could be faced with yet another reduction in income as well. The Gift Acceptance and Endowment Policy summarized states "...distributions will be made from the endowment funds at a rate equal to a 3-6% annual rate of the lesser of the twelve-quarter running average market value of each individual fund...with a maximum of 15% distribution over any twelve-quarter period. The Board of Stewards as a component of approving the annual budget, shall approve the annual distribution rate." While the Endowment Committee would like the Church to be less reliant on Endowment income to afford itself a more conservative distribution

rate to allow optimal fund growth in the future, it recognizes the current operational needs.

Based on a request from Finance Committee, the Endowment Committee approved to maintain the current annual endowment distribution rate of 4.5% for 2015.

Other Committee Business

Budget Amendments –

Please note updated amount on a Budget Amendment approved last month. Originally the Finance Committee approved a \$5,000 transfer for All Saints musicians, however, when all of the final expenses were posted, it totaled \$4,555. New budget amendments approved by Finance Committee this month include: Christmas Cantata musicians' expense of \$3,000 to be paid for by the Chancel Choir General Fund and Honorarium and travel expense of \$428.64 for the Faith Business Forum to be paid for by the Senior Minister Donor Advised Fund. No net impact to the Budget by this transfer.

General Endowment split for 2015 –

Current rate of distribution for UCC's General Endowment Fund is 60/30/10 (Operating/Capital/Outreach). If we were to reduce the operating split by 5-10%, the budget impact is \$15K-\$30K. There isn't any flexibility in the Operating budget at this time to withstand that kind of reduction from Endowment without making significant reductions to staff or programming. The Gift Acceptance and Endowment Policy summarized states the following: "Annually, the Board of Stewards will allocate the General Endowment Fund income as follows:...a minimum of 10%, but not to exceed 60%, will be spent according to the recommendation of the Finance Committee with the confirmation of the Board of Stewards...in support of ...operations, outreach and capital."

Action: Therefore, the recommendation from Finance Committee to the Board of Stewards is to approve the current split of General Endowment 60/30/10 (Operating/Capital/Outreach). A vote was taken and all approved this recommendation.

Stewardship Report:

Week 7 Comparison Results at a glance:

	2015 - Week 7		2014 - Week 7
	Difference		
# of Pledges	510	554	(44)
Total Dollar	\$1,948,096	\$1,962,786	(\$14,690)
# of New Pledges	47	29	18 - \$51,411
# of Increased Pledges	195	175	20 - \$13,694
Overall Increase	\$127,163	\$80,721	\$46,442

While the overall increase number is still ahead compared to Week 7 last year, our # of pledges and total dollar has fallen behind this week. The pledge cards are beginning to trickle in slowly now. It's important to keep reminding people that we've yet to reach our campaign goal. Every pledge matters! We are 190 pledges away from our campaign goal of 700 and \$236K from the 2014 pledge budget!

The Business Office will complete their follow up from the Calling Campaign during the coming week. Anyone who indicated to a caller their intent to turn in a pledge card and hasn't done so yet will receive a friendly reminder. This often yields numerous pledges. We'll also send out an email update prior to the Thanksgiving holiday to provide members with current campaign results.

Sandi announced that we would meet at 6 p.m. for food at the December meeting. The senior minister evaluations need to be completed and returned to her by December 2 for review at the next meeting.

There being no further business, following a closing prayer by Rev. Cyndy Twedell, the meeting was adjourned at approximately 8:38 p.m.

Respectfully submitted,

Sean Strange
Board Secretary

Thelia Chaffin
Assistant to Senior Minister