

Approved Minutes
UU Rowe Center
Board of Trustees Meeting
Sunday, November 23, 2014

Board Members Present:

Albert Mussad, President; Cathy Perkins, Vice President; Kerri Florian, Treasurer; Cynthia Bolling, Clerk; Gail Epstein, Salena Migeot, Joan Lager, Members-At-Large

Also Present:

Felicity Pickett, Executive Director, Katha Kerr, Andy Kerr, Rowe Stewards; Hal Reed, Betsey Miller

The meeting was called to order at 9:16 a.m.

Check-In (*Albert*)

Approval of Oct. 26, 2014 minutes (*Cynthia*)

Albert made a **motion** to accept the minutes as amended. Salena seconded. The motion passed 7 to 0.

Executive Director's Report (*Felicity Pickett*)

The Ralph Nader Program was a great success. This was the first time he conducted this kind of presentation. He says he'll be back to do it again. Congratulations to Arthur Samuelson, our Director of Programming, for getting Ralph here.

The Head of Housekeeping has been notified that her position was cut from the FY 2014-2015 budget. She will be here through the end of December.

The Water Challenge website is up and the mailing is at the printer's and should go out this week.

We received a \$10,000 grant from the Unitarian Universalist Funding Program for start-up costs for the Spiritual Guidance Program. We were encouraged to submit another proposal in the spring, since the UU Fund didn't give us the full amount we requested.

Albert talked with someone at the Massachusetts Attorney General's office about our request to waive filing the Form PC and audits for the fiscal years prior to 2013/2014. They will not make a determination about our requests until we submit four years of back PC forms. We are getting mixed messages from the staff members. One person said we shouldn't have to go back four years—and we shouldn't, given that the new regulations didn't go into effect until

2012. The other said the AGO won't consider our request for a waiver of the audit unless we submit four years of back PC forms. We have asked our accountant to complete the forms.

We are grateful to Katha and Andy Kerr for donating and installing the emergency signs and lighting for the new guest house.

—Felicity Pickett, Executive Director

Discussion

Felicity said we have put more money into the contracted housekeeping budget this year to cover the duties of the Head of Housekeeping for the rest of the fiscal year.

Felicity handed out conference center enrollment statistics showing totals for fiscal years 2010-2014, plus September and October of 2014. Even with the cancellation of two popular programs, there was an impressive rise in the number of people attending programs this past September and October. Felicity said that we are beginning to see the result of the marketing and programming changes we put in place several years ago. She pointed out that of those attending, about 80% come for leader and 5% come for topic. Program attendance is constrained by the maximum number of people in the dining room (90 people). In the winter months, we can provide housing for 75 people.

Albert commented that our goal is to grow new programs over time by encouraging younger conference leaders and younger people to come to Rowe as programs that have been staples start to wane or get cancelled because the leaders are experiencing health issues.

Strategic Plan Update (*Felicity*)

Programming Goal: Identify, nurture, and develop programming that furthers our organization mission/values, enhances existing communities, creates new communities, and impact the larger world

Programming Objective #2: Develop new models of adult education

Action #2: *Develop and Implement Spiritual Direction Certificate Program*

The Certificate Program in Spiritual Guidance directly addresses the goal of finding new streams of revenue so that we can remain a viable organization. We have hired a Director, Chelsea Wakefield, and we have received a grant for \$10,000 for start-up funds from the Unitarian Universalist Funding Program. The program will bring people here for two 5-day intensives and two elective weekends for two years. In addition, there are four electives, which will be chosen from Rowe's programs. Tuition is \$7,000. We will eventually try to move the program into slow enrollment months. The program is moving along as planned, with information packets going out in January to the 60 people who have expressed an interest. The program is slated for a fall 2015 start date.

Action #3: *Develop another ongoing training with Wellspring or a Rowe Lifelong Learning Group*

Arthur and I had a phone meeting with Rev. Jen Crow, who developed the Wellspring curriculum, about the possibility of bringing the Wellspring program to Rowe as a residential program. She will bring it back to her Board. She's very excited about it, as are we.

Financial Goal: Improve Financial Solvency

Financial Objective #3: Identify and create additional streams of income at Rowe Center

We are focusing our energy on areas that have the potential to bring in larger amounts of money rather than small projects.

Action #4. *Promote summer use of new Guest House through brochure and Web presence*

Action #5. *Promote Rowe as a place for group and personal retreats through new brochure and Web presence*

The brochures we developed are now in print and are being put out on our information desks. The following materials are available for pickup today: 2014 summer camp brochure with 2015 insert, Fall/Winter 2014-2015 catalog, Group Rentals brochure, Retreat brochure, Certificate Program in Spiritual Guidance brochure, Woodside Program brochure, and *The Center Post*.

Felicity encouraged those present to take some and to have them available to hand out when the opportunity arises. Have a packet of these in your car.

Financial Objective #2: Increase new and returning enrollees in camps and conferences

Action #6. *Visit 10 churches and talk about camp; each board member visit one church and Felicity to visit three churches*

Bring camp pamphlet to churches and announce that you are happy to answer questions about Rowe Camp. The Board can help to build enrollment for summer camps by visiting churches, talking to RE classes about summer camps, and setting up a table at coffee hour.

The Board can participate by talking to potentially interested people. Bring people in to Rowe. Spread the word.

—Felicity Pickett, Executive Director

Treasurer's Report (Kerri Florian)

October 2014 Financials

Rowe again last month has exceeded expectations and the budget. This makes doing my treasurer's report so much more delightful!

Development Income is at \$30,000, which is almost \$10,000 over the budgeted forecast and over \$12,000 from where Rowe was at last year. Income from Operations has also exceeded budget expectations by over \$36,000.

Operating expenses are currently running over budget by around 8%. The largest drivers are the following:

- *Conference center food* is currently at \$21,600, which is \$7,200 over budget.
 - Some overage is due to a monthly spread issue: food bought at the end of the month for use at the beginning of the next month. Some of this will resolve over the year.
 - Enrollment has been higher than budgeted, but we didn't budget for the increased amount of food that needed to be purchased and consumed. We'll fix this next year.
- *Transportation* is \$2,000 over budget
 - Ysaye Barnwell's conference was cancelled, and was replaced with another program, Singing with the Family. Instead of one plane fare we had to pay for three.
- *Wedding expenses* were \$1,047, which was not budgeted for.
 - Large private wedding rental, which required the rental of linens and dishware.
 - When we do the budget next year, if there is a wedding on the horizon, we should add a line for dish/linen rental.
- Salaries are over budget by \$4,600.
 - The approved budget for 2014/2015 called for the hard decision of letting one employee go in order to stay more fiscally conservative. The fall was so busy that we could not do this; the staff member has been essential in helping us get through the busy time. As things are now set to slow down, the employee will be let go and the budget will then be back on target.

Even after the expense overages, Net Income for Operations is \$77,703, which is \$22,700 over the budgeted amount of \$54,997. Last year at this time, Net Income for Operations was at \$28,423.

Development's Net Income is \$20,144, which is \$11,389 above the budgeted amount of \$8,755. The development report will cover the details of the development income.

It is heartwarming to see Rowe exceeding expectations, but with winter and historically slower times for Rowe approaching, everyone should heed the advice of the ant and prepare. It's easy to be the grasshopper and enjoy the "warmth" and surplus, but that could lead to further problems for the future. Right now it is best for Rowe to keep sticking to the budget and use any surplus revenue to try to catch up from the last few years' losses, which is the plan.

(See the September through October 2014 Profit and Loss statement and the October 31, 2014 Balance Sheet at the end of this report for financials documents that were distributed at the meeting.)

—Kerri Florian, Treasurer

Break: 11:05 – 11:15 a.m.

Development Committee Report (*Cathy Perkins, Vice President and Development Chair*)

Selena Migeot, Felicity Pickett, Evelyn Rich, Karen Judd, and I attended the midweek advanced fundraising workshop with Kim Klein October 21-24. After attending the workshop, I realized that we didn't really know what a capital campaign was. According to Kim Klein, a capital campaign is a request to give big; for something major, like in the millions. Rowe is not yet ready to conduct a capital campaign. The most important thing we can do is upgrade our donors—get customary donors to give more.

We have already observed that our donor base doesn't look like the pyramid recommended by fundraising experts; in fact it looks like a pancake. We need the lower-level donors who give small amounts but give regularly, but we need to use tried and true practices to move them up to the middle, and then to the peak. That means building relationships, contacting them regularly and asking—for an amount. That last is where we tend to choke, and we've got to get over it.

People are more likely to give when they are asked (acquisition.) They're more likely to keep giving if they are asked (retention). Inviting people to give more makes them into thoughtful donors (upgrade). Thoughtful donors will weigh their perception of the importance of what we do against their ability to give, and give what they can. We do a good job with acquisition (in my opinion) and an adequate job with retention. We need to focus on the midlevel giving circle. We might want to make our donor base look more like an ant hill this year, with a big bump in the middle.

There were many highlights in the training, and some of them were a surprise, like what a proper capital campaign is. Another is to ask people to give their assets, not their income. It can be financially advantageous for some people to donate stock and avoid the capital gains tax. There were many new ideas and old ones we haven't tried. I will try to get them all in one place to share with the Board by the end of the year, along with a list of questions (about where we stand) and answers (compared to the norm or ideal).

Discussion

Kim Klein Fundraising Workshop

Cathy said a list of all the things we learned from Kim Klein, plus information from Felicity, will be circulated by the end of the year, so that we can see what steps we need to take next to build up our donor base. Specifically, in addition to the calling and asking, what else might we want to do? Cathy will invite people to comment by Jan. 15, adding what they think our next steps should be in fundraising. Then we will think about what comes next.

Other Fundraising Ideas

Kerri is thinking of new ways to fundraise besides making calls. Maybe she could ask one friend to write a song about the water project. Or we might invite people to donate things via an online auction. Maybe campers could donate by being invited to turn the last year they were in camp into dollars and cents.

Water Project Fundraising Procedures

Letters to donors are going out by next week. We should all have contacted our donors at least once before the mailing goes out.

Individual development plans go to Cathy. Please submit donor reports (cover sheets) to Cathy by December 14. Please send a thank you note to people who have pledged already or follow up with them and mention that they will probably receive a year-end fundraising letter, so they won't feel that they've been asked twice.

Cathy mentioned that this year was a first for us; she'll put together a revised instruction list on how to proceed for the next fundraising drive.

Donor Reports

Everyone who participated in the water project fundraiser was asked to report on the amount of money he or she has raised to date.

—Cathy Perkins, Development Chair

Discussion

Cathy remarked that the fundraising check-ins via email worked really well.

Old Business

Sale of Leominster Condo (Felicity)

The condo has been sold for \$40,000. Proceeds of the sale, minus expenses, go to the Iris Fund and May Tree Artist in Residence program.

Gail made a **motion** for Rowe to set up a separate investment account with Morgan Stanley for the May Tree Artist in Residence Fund, with the understanding that the current funds will be moved from our savings account into this new fund, and will include the net proceeds of the sale of the condo. Kerri seconded. The motion was carried 7 to 0.

Hoffman-Hass Fellows (Albert)

Albert is participating in the Hoffman-Hass Fellows program, which provides training for Board leaders. As part of the program, his mentor, Kelly, will join us for the February Board meeting.

Rowe Staff Appreciation (Cathy)

Cathy sent handwritten notes to Rowe's staff members, thanking them for their hard work during the last few months.

Financial Oversight Policy (Kerri)

A friend of Rowe who is an attorney suggested that we revise the Duty of Care (Section V) portion of our Financial Oversight Policy to better align with the laws of Massachusetts. Everyone read the revisions.

Kerri made a **motion** to approve the revisions to the Duty of Care section of Rowe's Financial Oversight Policy as proposed in the handout. Cathy seconded. The motion was carried 7 to 0.

New Business

Appointment of Salena Migeot, Member-at-Large, as Co-Chair of the Development Committee (Albert)

Albert announced that he has appointed Salena Migeot as Co-Chair of the Development Committee.

Gift Acceptance Policy (Felicity)

Rowe has never had a formal gift acceptance policy. A 10-page policy was handed out, which Felicity adapted from Star Island's policy. All agreed to table consideration of this policy until our meeting on March 1, 2015.

Upcoming Meetings

Regular Trustees' Meeting: Sunday, March 1, 2015

May or June meeting—date to be determined March 1, 2015

The meeting was adjourned at 12:54 p.m.

Respectfully submitted,

Cynthia Bolling
Clerk
UU Rowe Center

UU Rowe Camp and Conference Center
Profit & Loss Prev Year Comparison
 September through October 2014

	<u>Sep - Oct 14</u>	<u>Sep - Oct 13</u>	<u>Budget</u>
Ordinary Income/Expense			
Income			
4 · Development	30,013.84	17,900.71	20,105.00
4000 · Income	0.00	0.00	
5 · Income From Operations	270,352.32	213,774.80	233,664.80
5800 · Special events	0.00	0.00	
Total Income	<u>300,366.16</u>	<u>231,675.51</u>	<u>253,769.80</u>
Cost of Goods Sold			
50000 · *Cost of Goods Sold	0.00	0.00	
Total COGS	<u>0.00</u>	<u>0.00</u>	
Gross Profit	300,366.16	231,675.51	253,769.80
Expense			
3 · Condense Item Adj. Expense	0.00	0.00	
6000 · Program Expenses	95,441.21	87,583.10	82,047.00
6400 · Contracted Expenses	0.00	0.00	
7000 · General and Administrative Exp	97,207.18	97,768.52	96,619.84
8000 · Development Expenses	9,869.14	9,566.75	11,349.98
9000 · Uncategorized Expenses	0.00	0.00	
Total Expense	<u>202,517.53</u>	<u>194,918.37</u>	<u>190,016.82</u>
Net Ordinary Income	97,848.63	36,757.14	63,752.98
Other Income/Expense			
Other Income			
6800 · Unrealized gain (loss)	1,224.58	23,410.56	8,000.00
Total Other Income	<u>1,224.58</u>	<u>23,410.56</u>	<u>8,000.00</u>
Other Expense			
900001 · suspense	0.00	0.00	
Total Other Expense	<u>0.00</u>	<u>0.00</u>	
Net Other Income	<u>1,224.58</u>	<u>23,410.56</u>	<u>8,000.00</u>
Net Income	<u><u>99,073.21</u></u>	<u><u>60,167.70</u></u>	<u><u>71,752.98</u></u>

UU Rowe Camp and Conference Center
Balance Sheet Prev Year Comparison
As of October 31, 2014

	<u>Oct 31, 14</u>	<u>Oct 31, 13</u>	<u>\$ Change</u>	<u>% Change</u>
ASSETS				
Current Assets				
Checking/Savings				
1010 · Cash in bank - operating	58,589.53	521.66	58,067.87	11,131.36%
1040 · Petty Cash	770.12	770.12	0.00	0.0%
1042 · Payroll Advance	-28.80	50.01	-78.81	-157.59%
1070 · Savings & short-term investment	249,143.99	461,218.51	-212,074.52	-45.98%
Total Checking/Savings	<u>308,474.84</u>	<u>462,560.30</u>	<u>-154,085.46</u>	<u>-33.31%</u>
Accounts Receivable				
1110 · Accounts Receivable	3,220.00	6,850.68	-3,630.68	-53.0%
Total Accounts Receivable	<u>3,220.00</u>	<u>6,850.68</u>	<u>-3,630.68</u>	<u>-53.0%</u>
Other Current Assets				
1299 · Undeposited Funds	0.00	-13.00	13.00	100.0%
1450 · Prepaid Expenses	4,634.29	16,592.05	-11,957.76	-72.07%
1510 · Marketable securities	360,981.62	432,680.87	-71,699.25	-16.57%
Total Other Current Assets	<u>365,615.91</u>	<u>449,259.92</u>	<u>-83,644.01</u>	<u>-18.62%</u>
Total Current Assets	<u>677,310.75</u>	<u>918,670.90</u>	<u>-241,360.15</u>	<u>-26.27%</u>
Fixed Assets				
1610 · Land - Operating	51,471.00	51,471.00	0.00	0.0%
1620 · Buildings - Cost & Improvements	2,760,094.85	2,363,296.46	396,798.39	16.79%
1630 · Leasehold improvements	102,232.21	74,052.21	28,180.00	38.05%
1640 · Furniture, fixtures, & equip	50,278.05	47,408.95	2,869.10	6.05%
1650 · Vehicles	10,250.00	10,250.00	0.00	0.0%
1725 · Accum depr - building	-1,010,078.89	-956,884.54	-53,194.35	-5.56%
1745 · Accum deprec- furn,fix,equip	-46,917.17	-43,700.88	-3,216.29	-7.36%
1755 · Accum deprec - vehicles	-9,268.86	-8,914.44	-354.42	-3.98%
1800 · Investment Property	83,900.00	83,900.00	0.00	0.0%
Total Fixed Assets	<u>1,991,961.19</u>	<u>1,620,878.76</u>	<u>371,082.43</u>	<u>22.89%</u>
TOTAL ASSETS	<u>2,669,271.94</u>	<u>2,539,549.66</u>	<u>129,722.28</u>	<u>5.11%</u>
LIABILITIES & EQUITY				
Liabilities				
Current Liabilities				
Accounts Payable				
2010 · Accounts Payable	19,715.01	1,645.63	18,069.38	1,098.02%
Total Accounts Payable	<u>19,715.01</u>	<u>1,645.63</u>	<u>18,069.38</u>	<u>1,098.02%</u>
Other Current Liabilities				
2130 · Accrued payroll expenses	8,860.51	26,442.88	-17,582.37	-66.49%
2140 · Accrued sales taxes	90.86	122.56	-31.70	-25.87%
2200 · Accrued Interest	21,808.35	21,808.35	0.00	0.0%
2310 · Deferred Revenue	770.00	770.00	0.00	0.0%
Total Other Current Liabilities	<u>31,529.72</u>	<u>49,143.79</u>	<u>-17,614.07</u>	<u>-35.84%</u>

UU Rowe Camp and Conference Center
Balance Sheet Prev Year Comparison
 As of October 31, 2014

	<u>Oct 31, 14</u>	<u>Oct 31, 13</u>	<u>\$ Change</u>	<u>% Change</u>
Total Current Liabilities	51,244.73	50,789.42	455.31	0.9%
Long Term Liabilities				
2100 · curr portion of long term debt	86,090.00	86,090.00	0.00	0.0%
2730 · Consolodated Mortgage Payable	186,505.52	209,811.21	-23,305.69	-11.11%
2731 · 312 Zoar Rd. Mortgage Payable	147,204.17	0.00	147,204.17	100.0%
2770 · Long-term liabilities - other	63,000.00	63,000.00	0.00	0.0%
2800 · Less current portion of mortgag	-86,090.00	-86,090.00	0.00	0.0%
Total Long Term Liabilities	<u>396,709.69</u>	<u>272,811.21</u>	<u>123,898.48</u>	<u>45.42%</u>
Total Liabilities	447,954.42	323,600.63	124,353.79	38.43%
Equity				
3010 · Unrestrict (retained earnings)	1,867,637.60	1,902,454.62	-34,817.02	-1.83%
3020 · Temporary Restricted Fund Bal	353,179.00	353,179.00	0.00	0.0%
3030 · Permanently restricted fund bal	57,716.00	57,716.00	0.00	0.0%
3100 · Prior Period Adjustments	-156,288.29	-157,568.29	1,280.00	0.81%
Net Income	99,073.21	60,167.70	38,905.51	64.66%
Total Equity	<u>2,221,317.52</u>	<u>2,215,949.03</u>	<u>5,368.49</u>	<u>0.24%</u>
TOTAL LIABILITIES & EQUITY	<u><u>2,669,271.94</u></u>	<u><u>2,539,549.66</u></u>	<u><u>129,722.28</u></u>	<u><u>5.11%</u></u>