

Approved Minutes
UU Rowe Center
Board of Trustees Meeting
Sunday, October 20, 2013

Board Members Present: Albert Mussad, President; Clay Conner, Vice President; Cynthia Bolling, Clerk; Katha Kerr, Cathy Perkins, Members-at-Large

Also Present: Felicity Pickett, Executive Director, Arthur Samuelson, Director of Programming, Paulette Roccio, Director of Operations, and Andy Kerr, Farmhouse Steward

The meeting was called to order at 9:20 a.m. Clay conducted check-in.

Approval of September 7, 2013 Annual Report Minutes (Cynthia Bolling, Clerk)

Cathy made a **motion** to approve the minutes. Clay seconded. The motion was passed unanimously.

Discussion

Cathy and Albert requested additions to the morning's agenda. Cathy wanted to have a short conversation about communication. Albert wanted to talk about the start of our planning for the fall development campaign. Cathy said the development committee will meet shortly about that and bring their conclusions to the board.

Felicity also said we need to put the possible purchase of a house on today's agenda; the seller is giving us a right of first refusal, but intends to list it Monday.

Directors' Reports

Executive Director (Felicity Pickett)

At Members and Friends weekend, Heather Concannon in her Sunday sermon reminded us of our larger connections to the UU world. She said:

Members and Friends, here is my charge to you. And we need to hear this, and the larger UU movement needs to hear this, have no doubt. Our challenge now is to embrace our common heritage and history and do the hard work of forging a strong identity for the future as people of faith. Because here at Rowe, we know that the spirit matters, the Rowe spirit matters, and the human spirit matters. And we know that our relationships matter, too. Our relationship to Unitarian Universalism matters, our relationships to one another matter, and our relationships to ourselves matter.

And here is the good news: The good news is that we *are* a part of a larger whole. We cannot do this—this business of being alive—alone. And indeed, we need not. We have people who share our values and our history and our vision, who desire wholeness and healing and transformation just as much as we do, who would love to join together to create sanctuary both in this space and beyond it. Will you join them? Because here is what I know to be true: we are stronger together.

I recently returned from a SUURCE (Society for UU Retreat Center Executives) weekend at Camp Unirondack, where a number of UU Center executives came together to embrace our common heritage. At the closing, I read Heather's sermon because it was so apropos to our work together that weekend. We are all creating sanctuary and our relationships to one another matter because we are stronger together. We spent the weekend working together, sharing ideas, talking about the congregations and beyond movement and exploring ways we could work collaboratively.

When we were done we committed to exploring a process to submit a common proposal to the Shelter Rock Congregation. We want this to be a symbol of how we can work collaboratively and not competitively. Shelter Rock has been very generous in giving out large grants for \$100,000 to UU centers. Each of our centers needs money for facilities and we don't want to compete with each other. We plan to move forward with the idea and see where it takes us. And that is a very exciting idea. Rather than one center getting a \$100,000 grant, we would submit one common application that would include a project from each of the centers. It is unclear as to whether Shelter Rock will agree to this but we are in the exploration stages.

We also plan to meet again next year at Star Island in September and each of the centers is invited to bring four key people, including both staff and board members. It will be from Sept 9-12, so if you are interested let me know and save that date. I came back from the weekend feeling very excited and renewed and look forward to more collaboration.

—Felicity Pickett, Executive Director

Discussion

Felicity said eight to 10 UU centers might participate in the shared grant proposal. It will target Shelter Rock's congregation, not Shelter Rock's Veatch program, which is a separate grant-making organization at Shelter Rock.

Director of Programming (*Arthur Samuelson*)

Thirty thousand copies of our new *Center Post* went into the mail the first week of October, about a month earlier than usual. In addition to the one we mailed, for the first time we created two additional editions: one that carries a UU chalice and identifies us as a UU institution, and an interactive one that people can reach through our website that will allow them to directly register for the programs that interest them. We used the UU edition for distribution to UU churches and offered one free program during November and December for any church staff member.

Attendance this year has been close to what we did last year at the same time. I say close, because registrations for the remaining program in October are not complete. Had Elizabeth Swados's program

taken place—it was postponed until April because she needed surgery—and had Layne Redmond not required a substitute because she was also ill—we most likely would be doing better than last year.

So far, we have handled 330 guests versus 340 last year. Of this year's guests, 172 were new to Rowe versus 148 last year. In other words, the percentage of newcomers this year is running 52%, close to 10% more than last year's 44%.

Of the 14 scheduled programs this year, 12 actually took place. One, Holly Near's midweek program, was cancelled and Liz Swados's was postponed. Last year, we had 13 scheduled programs during these two months. One of those did not take place because of low registration.

Of the 12 programs that took place, 4 were new. Last year, there was only 1 new program during this period.

I am pleased to report that of the 8 repeat programs this year, 5 brought in higher registrations than the last time they were here. Tommy Be did not do as well as Layne Redmond, for whom he was a substitute, nor did we expect he would. Clare Leslie Walker drew 2 less than last year and Ysaye Barnwell drew 6 fewer registrations. The lesson here for me is to give more attention to promoting Ysaye's program. When we ran an e-mail promotion close to her appearance, we saw an immediate rise in enrollment. Anecdotally, I heard people did not register because they just assumed there was no space, as has been true in the past.

Looking to the future, I expect that things will slow down as they usually do during November and December. We made an effort to get the *Center Post* out early enough to be able to have a positive effect on November's programs. The November programs did not have the benefit of those in September and October, which are listed in two catalogs and one *Center Post*. To revive interest in Rowe as a holiday venue, we put a two-page "ad" in *The Center Post*, promoting the three programs we have for Thanksgiving and the weekend following Christmas, as well as the one we have following New Year's Eve. We also turned it into a poster, which we put on prominent display in the farmhouse. It remains to be seen whether this effort to invest our energies heavily in making Rowe a holiday venue will be successful. It is almost certain, however, that it will take a number of years to build it to where we want it to be.

Lastly, I want to report that we have progressed in our efforts to create a camp for people in their young twenties. It is scheduled for June 9-16 and will run concurrently with Men's Wisdom Council. The focus of the program will be teaching young people life skills for sustainable lives. This will be our second new "camp" program, the grandparents' program being the first.

—Arthur Samuelson, Director of Programming

Report from the Director of Operations (Paulette Roccio)

After working with Alex over the summer it became abundantly clear that he was not a good fit for the Head of Maintenance. I made the decision to let him go, as he was still in the six-month probationary period. We have put an ad in *The Center Post* and we have begun the search for a new Head of Maintenance.

In the kitchen we have changed Reed's status to a permanent part-time position. This means he will be taking over more of the Head Chef responsibilities that I have been handling such as menu planning, food ordering and managing the kitchen interns.

We have been struggling with detections of coliform bacteria in our water supply. Coliform bacteria itself is not damaging, however it is an indicator that other types of bacteria may be in the water supply. This has been a statewide problem for public water suppliers. We have chlorinated both of our water supplies and hope that will rectify the problem. Unfortunately I have had notice from DEP that if we get one more detection in a twelve-month period we will have to install some type of sanitizing system.

Given the large weekends in the past few months, we have brought in contracted cooks to help with meal preparation. This puts us in a bit of a crunch for housing, given that often all of our private rooms are occupied. The cooks have been sleeping either in the basement in the massage room or at my home.

—Paulette Roccio, Director of Operations

Treasurer's Report (*Felicity Pickett for Kerri Florian, Treasurer*)

Hi to everyone and I am so sorry to be missing being with everyone again.

Here is my review of the September Financials:

Income from Development (Donations, etc.) is down 33%, or \$6,000 from the budgeted amount. Income from Operations (Conferences) is down only 5%, or \$6,600 from the budgeted amount. Arthur's report already did or will provide more color on those numbers.

Programming costs are over budget by around \$7,000, but general and administrative expenses are down over \$14,000, and development costs are down by over \$3,000.

September ends with an overall net income loss of \$3,258.38, which is not too shy of the budgeted goal.

Gurunam Kaur Khalsa has loaned Rowe \$10,000, which is now showing on the balance sheet under the liabilities line. The purpose is for whatever Rowe needs. The interest is being paid in program credits and is for five years with the intention of being renewed and eventually given to Rowe upon her death, unless unforeseeable circumstances arise. The loan's original intention was to help repave the road to the Rec Hall, but it was received too late, and instead it has been helping with cash flow. Felicity will, if she hasn't already, speak to the board about how the road to the rec hall needs to be repaved in order for it to be plowed this winter. One bid for \$30,000 has been received. In order to pay for this, Felicity has suggested we use three sources: \$10,000 from the endowment, the money from Gurunam's loan, and also with the board permission, up to \$10,000 from the emergency fund. I am in favor of paying for the road repaving using the three sources that Felicity has suggested. A motion will be needed here.

One last item to note was the timing of the catalog printing and copying, which differed from last year, making it look like there was a large jump in these two expenses, when in actuality they fell into August last year instead of September like they did this year.

I hope everyone enjoys this beautiful fall weekend and I promise to see you all soon.

—Kerri Florian, Treasurer

(See the Financial Report at the end of this document)

Discussion

Once she read Kerri's report, Felicity conducted a more detailed review of the financials (Balance Sheet, Previous Year Comparison, September 30, 2013, and Profit & Loss Budget vs. Actual, September 2013).

Felicity said she was not alarmed at the drop in operating cash we have on hand—this has been coming for a while. The road will be paved from Searles to the Rec Hall. Our endowment fund has finally topped \$200,000, so now we can borrow up to 5%, which we can use for part of the \$30,000 cost to pave the road. We'll add Gurunam's \$10,000, and with up to \$10,000 from the emergency fund (which now has \$53,000 in it), it will be enough.

Clay made a **motion** to authorize Felicity to draw money from the following sources to repave the road this fall, from Searles to the Rec Hall: 5% from the endowment fund, \$10,000 from the earmarked loan, and up to \$10,000 from the emergency fund. We'll use Barlow Contracting for the work. The motion was passed with one abstention.

Break

Development Committee (*Cathy Perkins, Chair*)

The major development since our last board meeting is that Felicity closed out our 2013 Woodside campaign with a \$7,000 donation from Nancy Gress.

The weekend with Kim Klein was excellent! The people who attended were energized and so was Kim. Personally, it was my sixth time going through her course, and I'm still taking away new things! Here are some of the collective highlights from those of us who attended: Albert Mussad, Cynthia Bolling, Katha Kerr, former trustee and current Development Committee member Sue Baldauf, and Clay Conner.

Focus on getting over fear of asking for an amount:

- #1 reason people give: someone asked; #1 reason they keep giving: someone thanked them
- We have been handwriting thank you notes, but a thank you phone call works as well

Be sure every entry point invites a donation:

- We do that well in our publications but we should get a donor button on our website navigation bar so that there is an opportunity to donate on every page.

Believe in your cause and give a clear message:

- Move from “please, please” to “I think you would be interested” (exchange frame)
- “We believe....” “Because...” Speak from the heart

Board responsibilities:

- Be aware of Statement of Assurances for any grants
- Understand and distinguish between “restricted” and “earmarked” donations
- Get every Board member actively working on a personalized fundraising plan

- We need to do a better job orienting new and prospective board members

Gift Range Chart, Board goal of \$50,000:

#Gifts	Size	# Prospects
1-2	\$5000	4-8
2-4	\$2500	8-16
10	\$1000	20
20	\$500	40
50	\$250	100
200	\$100	200
Rest	Varies	Quite a few

Fundraising Strategies and response rates:

- In person asking 50%
- Personal phone call 25%
- Personal letter 10-15%
- Phone-a-thon 5%
- Direct mail .5-1%
- Online varies
- Special event varies

Identify top, midrange and lower donors by dollar figure

- As a group we don't really know what our profile looks like.
- Our donor pyramid looks more like an egg cooking on the pavement

Strategy for asking:

- Silence is your friend
- Act like everything they say is true
- Assume they are going to say yes

Discussion

Regarding the identification of our donors by dollar range (top, middle, and bottom), Felicity said that most of our donors were on the bottom tier. Our mid-range donors give from \$100 to \$500. Our top-

tier donors typically give more than \$1,000. The following statements about Rowe came out of the morning session with Kim Klein: Clay said, “If you have a place where you can live, learn, and grow, you can change the world.” Albert said, “We believe in nurturing the world, one person at a time.”

Camp Refresh Subcommittee (*Katha Kerr, Chair*)

Katha said she and her husband Andy finished the floors in Gilbert and Schoenfeld.

OLD BUSINESS

Mission Statement Committee (*Albert Mussad for Gail Epstein, Chair*)

Gail has agreed to continue to lead the Mission Statement Committee. Albert said the committee might like to consider incorporating what we learned from the Kim Klein workshop as well as comments we received from the annual meeting. Paulette, Felicity, and Albert had a good conversation about their visions for Rowe. Albert will type it up and bring it to the board in November.

Portfolio switchover. Julie Bader is now the portfolio manager at Morgan Stanley.

NEW BUSINESS

Purchase of Hoffman House (*Felicity*)

Felicity took Clay, Albert, Cynthia, Katha, and Andy to look over the Hoffman House. It has four upstairs bedrooms with 1.5 baths upstairs. One of the downstairs rooms could easily be made into a large bedroom. Wheelchair-accessible access to the downstairs room, which has a full bath close by, could be easily done. It comes with extensive property with a great view of the lake across the street. Everything has been renovated, including electrical, heating, roof and septic system (capacity: four bedrooms).

Discussion

The trustees who viewed the house were very impressed by the amount of care the owner had taken with it.

Concerns about costs led to the following questions:

- What is the assessed value of the building?
- Assessed value of the land?
- What are the yearly property taxes?
- What are the utility bills?
- What percentage of taxes would we be willing to pay?
- If we can get a mortgage, how much can we afford? What would that number be?

Another question concerned the number of actual conference attendees Rowe gets in a year, and how that would affect our ability to fill the rooms at the Hoffman House. Felicity noted that there are always waiting lists for private rooms, and we'd be able to charge a premium for these.

We have raised \$77,000 for the Green Guest House and \$169,000 for the Farmhouse Addition. Once Felicity gets permission from the donors, we'll have \$246,000 as a down payment we could use for the house. The house will be listed at \$425,000.

Clay made a **motion** to authorize our executive director, Felicity Pickett, to make a good faith offer of up to \$400,000 to purchase the Hoffman House. The amount offered will be based upon the contingencies listed above. Cathy seconded. The motion was passed with one abstention.

Communication (Cathy)

We need to pay attention to how we communicate. We've planned to hold this conversation with Felicity for six months, and it's a serious one.

Discussion

Albert said that different messages might get to Felicity. How do we handle that so there's only one message being sent? That should be on the November agenda.

Felicity thanked the board for the flowers the board presented to her at Members and Friends weekend.

The meeting was adjourned at 1:00 p.m.

Respectfully submitted,
Cynthia Bolling, Clerk

UU Rowe Camp and Conference Center
Balance Sheet Prev Year Comparison
As of September 30, 2013

	<u>Sep 30, 13</u>	<u>Sep 30, 12</u>	<u>\$ Change</u>	<u>% Change</u>
ASSETS				
Current Assets				
Checking/Savings				
1010 · Cash in bank - operating	27,894.02	65,432.02	-37,538.00	-57.37%
1040 · Petty Cash	770.12	729.44	40.68	5.58%
1042 · Payroll Advance	-265.93	0.00	-265.93	-100.0%
1070 · Savings & short-term investment	451,878.51	454,543.77	-2,665.26	-0.59%
Total Checking/Savings	<u>480,276.72</u>	<u>520,705.23</u>	<u>-40,428.51</u>	<u>-7.76%</u>
Accounts Receivable				
1110 · Accounts Receivable	2,984.25	5,598.41	-2,614.16	-46.7%
Total Accounts Receivable	<u>2,984.25</u>	<u>5,598.41</u>	<u>-2,614.16</u>	<u>-46.7%</u>
Other Current Assets				
1510 · Marketable securities	409,249.71	368,486.29	40,763.42	11.06%
Total Other Current Assets	<u>409,249.71</u>	<u>368,486.29</u>	<u>40,763.42</u>	<u>11.06%</u>
Total Current Assets	892,510.68	894,789.93	-2,279.25	-0.26%
Fixed Assets				
1610 · Land - Operating	51,471.00	51,471.00	0.00	0.0%
1620 · Buildings - Cost & Improvements	2,360,641.46	2,358,296.46	2,345.00	0.1%
1630 · Leasehold improvements	58,418.56	14,657.74	43,760.82	298.55%
1640 · Furniture, fixtures, & equip	47,408.95	47,387.73	21.22	0.05%
1650 · Vehicles	10,250.00	10,250.00	0.00	0.0%
1725 · Accum depr - building	-937,680.08	-879,649.88	-58,030.20	-6.6%
1745 · Accum deprec- furn,fix,equip	-47,222.55	-43,713.87	-3,508.68	-8.03%
1755 · Accum deprec - vehicles	-8,888.83	-8,502.19	-386.64	-4.55%
1800 · Investment Property	83,900.00	83,900.00	0.00	0.0%
Total Fixed Assets	<u>1,618,298.51</u>	<u>1,634,096.99</u>	<u>-15,798.48</u>	<u>-0.97%</u>
TOTAL ASSETS	<u><u>2,510,809.19</u></u>	<u><u>2,528,886.92</u></u>	<u><u>-18,077.73</u></u>	<u><u>-0.72%</u></u>
LIABILITIES & EQUITY				
Liabilities				
Current Liabilities				
Accounts Payable				
2010 · Accounts Payable	-7,226.34	1,806.65	-9,032.99	-499.99%
Total Accounts Payable	<u>-7,226.34</u>	<u>1,806.65</u>	<u>-9,032.99</u>	<u>-499.99%</u>
Other Current Liabilities				
2130 · Accrued payroll expenses	27,051.55	31,322.41	-4,270.86	-13.64%
2140 · Accrued sales taxes	-102.48	-89.56	-12.92	-14.43%
2200 · Accrued Interest	17,009.35	17,009.35	0.00	0.0%
2310 · Deferred Revenue	470.00	515.00	-45.00	-8.74%
2400 · Unexpended Insurance Proceeds	22,387.00	22,387.00	0.00	0.0%
Total Other Current Liabilities	<u>66,815.42</u>	<u>71,144.20</u>	<u>-4,328.78</u>	<u>-6.09%</u>
Total Current Liabilities	59,589.08	72,950.85	-13,361.77	-18.32%

UU Rowe Camp and Conference Center
Balance Sheet Prev Year Comparison
 As of September 30, 2013

	<u>Sep 30, 13</u>	<u>Sep 30, 12</u>	<u>\$ Change</u>	<u>% Change</u>
Long Term Liabilities				
2100 · curr portion of long term debt	19,355.52	19,355.52	0.00	0.0%
2730 · Consolodated Mortgage Payable	211,693.68	233,578.25	-21,884.57	-9.37%
2770 · Long-term liabilities - other	63,000.00	53,000.00	10,000.00	18.87%
2800 · Less current portion of mortgag	-19,355.52	-19,355.52	0.00	0.0%
Total Long Term Liabilities	<u>274,693.68</u>	<u>286,578.25</u>	<u>-11,884.57</u>	<u>-4.15%</u>
Total Liabilities	334,282.76	359,529.10	-25,246.34	-7.02%
Equity				
3010 · Unrestrict (retained earnings)	1,885,230.40	1,837,050.60	48,179.80	2.62%
3020 · Temporary Restricted Fund Bal	207,499.43	207,499.43	0.00	0.0%
3030 · Permanently restricted fund bal	38,798.59	38,798.59	0.00	0.0%
3100 · Prior Period Adjustments	7,028.69	6,808.69	220.00	3.23%
Net Income	<u>37,969.32</u>	<u>79,200.51</u>	<u>-41,231.19</u>	<u>-52.06%</u>
Total Equity	<u>2,176,526.43</u>	<u>2,169,357.82</u>	<u>7,168.61</u>	<u>0.33%</u>
TOTAL LIABILITIES & EQUITY	<u><u>2,510,809.19</u></u>	<u><u>2,528,886.92</u></u>	<u><u>-18,077.73</u></u>	<u><u>-0.72%</u></u>

UU Rowe Camp and Conference Center
Profit & Loss Budget vs. Actual
 September 2013

	<u>Sep 13</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>% of Budget</u>
Ordinary Income/Expense				
Income				
4 · Development	12,243.85	18,190.00	-5,946.15	67.31%
4000 · Income	0.00			
5 · Income From Operations	130,236.31	136,922.00	-6,685.69	95.12%
5800 · Special events	0.00			
Total Income	<u>142,480.16</u>	<u>155,112.00</u>	<u>-12,631.84</u>	<u>91.86%</u>
Cost of Goods Sold				
50000 · *Cost of Goods Sold	0.00			
Total COGS	<u>0.00</u>			
Gross Profit	142,480.16	155,112.00	-12,631.84	91.86%
Expense				
3 · Condense Item Adj. Expense	0.00			
6000 · Program Expenses	58,510.33	51,600.00	6,910.33	113.39%
6400 · Contracted Expenses	0.00			
7000 · General and Administrative Exp	41,749.26	56,384.27	-14,635.01	74.04%
8000 · Development Expenses	4,251.25	7,566.66	-3,315.41	56.18%
9000 · Uncategorized Expenses	0.00			
Total Expense	<u>104,510.84</u>	<u>115,550.93</u>	<u>-11,040.09</u>	<u>90.45%</u>
Net Ordinary Income	37,969.32	39,561.07	-1,591.75	95.98%
Other Income/Expense				
Other Income				
6800 · Unrealized gain (loss)	0.00	1,666.63	-1,666.63	0.0%
Total Other Income	<u>0.00</u>	<u>1,666.63</u>	<u>-1,666.63</u>	<u>0.0%</u>
Other Expense				
900001 · suspense	0.00			
Total Other Expense	<u>0.00</u>			
Net Other Income	<u>0.00</u>	<u>1,666.63</u>	<u>-1,666.63</u>	<u>0.0%</u>
Net Income	<u><u>37,969.32</u></u>	<u><u>41,227.70</u></u>	<u><u>-3,258.38</u></u>	<u><u>92.1%</u></u>