

Parish Council Minutes

September 23, 2014

In attendance: Bruce Weaver, Jeff Law, Chuck Cotting, Dotty Whittier, Barbara Langill, Carrie Pericola, Margaret Waugh, Kathi Martin, Debbie Cotting, and Rev. Dennis Bailey.

Moderator, Bruce Weaver convened the meeting at 7:00 P.M. Rev. Bailey offered the mediation by reflecting on the highlights of his sabbatical.

Council approved the minutes of the August 26, 2014 meeting.

Pastor Report: Rev. Bailey thanked the church for providing him with the opportunity for a wonderful sabbatical. He expressed gratitude for the warm welcome he received on his return and for the cards, notes, and fabulous coffee hour to celebrate the 40th anniversary of his ordination. He is looking forward to the stole that Barbara Langill made and members of the congregation are signing. Rev. Bailey noted that we were fortunate to have Rev. Jamie Howard as supply pastor in his absence. Since his return on Sept. 16, he has visited some of the parishioners on the Pastoral Care List, prepared and led worship, and prepared the Habitat Mission Trip slide show for the Shareholders' Dinner. Rev. Bailey is working on two baptism requests—one for October, and one for November.

Verizon Wireless: Bruce Weaver reviewed the request from Verizon Wireless to install a cell tower in our steeple. Verizon Wireless would need some space in the back of Richards Hall for equipment and a shed in the parking lot to house a generator which is needed to route 911 calls in case of a power outage. They would replace the steeple with one made of fiberglass that would look identical to the present steeple. Verizon Wireless would pay the church \$2000 per month. A motion was made and seconded to allow Verizon Wireless to put a wireless telecommunication facility at the Church property located at 5 Summer Street, Lynnfield, Massachusetts. The motion passed unanimously. A motion was made and seconded to authorize the duly elected Moderator, Bruce Weaver to execute and sign (1) the Land and Building Lease Agreement with Bell Atlantic Mobile of Massachusetts Corporation, Ltd. d/b/a Verizon Wireless, as reviewed and discussed by the Congregation, (2) the Memorandum of Land and Building Agreement with said Bell Atlantic Mobile of Massachusetts Corporation, Ltd. d/b/a Verizon Wireless, and (3) any and all such other documents in connection therewith. The motion passed unanimously. The Verizon Wireless proposal will be presented and voted upon by the congregation at the Annual Meeting on September 28, 2014.

Treasurer's Report: Jeff Law reviewed the Income Statement and Balance Sheet results for the Year Ended 6/30/14. Jeff noted that the overall deficit in the Operating Fund last year was \$24,643.85. This deficit is \$42,789.02 worse than the prior year and \$972.73 worse than budgeted. Income was \$39,710.65 worse than last year and \$6068.46 worse than budget. We continued to have solid expense management during the year. Although our expenses were \$3078.38 higher than last year (we budgeted for some items to increase), we came in \$5095.73 better than budget. The Balance Sheet shows that the Church's assets increased by \$60,919.88 to \$470,522.51. All funds except the Local Operation Fund, the Tower Day Fund, the Minister's Discretionary Fund, the Youth Group Fund, and the Music Fund increased during the year. The Local Operations Fund decreased by \$24,643.85 as a result of the Operating deficit. The Tower Day fund was down \$22,892.25. The Tower Day Fund

tends to ebb and flow with the timing of tuition receipts and fluctuations in enrollment. So, while this fund was down this year, it was up \$32,075.30 the prior year. The Minister's Discretionary Fund fell slightly as expenditures exceeded donations, and the Music Fund fell slightly mostly from the purchase of a laptop computer for the Choir Room. The Youth Group fell \$4576.64 due to the timing of payments for Mission Trips. The Investment Fund rose by \$19,552.97 as a result of gains in our Fidelity investment account. The Missions Fund increased by \$4953.73 and the Memorials Fund rose by \$3075.00 as receipts exceeded expenditures in these funds. The 1720 Founders' Fund increased by \$18,277.84 due to investment gains in the three primary funds that hold our endowment. The Organ Maintenance Fund rose by \$277.73 thanks to the Deacons' Breakfasts. We added a new fund for Women's Ministries which previously had a separate checking account. The Capital Maintenance Fund rose by \$67,070.50 thanks to the very generous donations to our Raise the Roof Campaign. We raised a total of \$94,700.50 for Capital projects during the year. We spent some of that on a new fence for Tower Day School and for the first third of the roofing project. Most of the remaining money raised for Capital projects was spent in July (FY2015) when we made the remaining 2 payments to replace the roof.

Jeff then turned his remarks to the budget projections for the year ending 6/30/2015. He noted that income is projected to be \$363,545.30-down \$28,217.88 from last year. Pledges are budgeted to decrease by \$1635.74 to \$205,601.28. This projection is based on pledges received to date plus \$8000 from pledges received last year which have not yet been received this year. The budget assumes that we will receive 96% of pledges made. T-Mobile is expected to increase by \$388.70 because of the 2% inflation clause in the contract, and we have added \$10,000 for the expected signing of a contract with Verizon Wireless (5 months of payments starting when construction begins.) Tower Day has seen enrollment drop by 9 students, which at nearly \$6000 per student, will dramatically impact the expected contribution from Tower Day. Tower Day expenses have been trimmed as much as possible, but we expect to transfer no more than \$60,000 from Tower this year (versus \$85,000 in other years.) Other Local Support Income is expected to be lower because we received a large contribution in FY2014 that we cannot assume we will receive in FY2015. Other Income lines we have budgeted flat with last year. Christmas and Easter offerings will continue to contribute to the operating budget. Last year, we had an aggressive fundraising goal, and we achieved 92% of the goal. We will continue to seek new fundraising ideas, but we are holding our Fundraising budget projection at last year's level. The Expense budget reflects a 2% increase in staff salaries, a 5% rise in insurance costs, and a 5% increase in medical and dental coverage. Utilities are level-funded with last year. The Minister's and Education Director's expenses are budgeted consistent with the employee job descriptions and the Minister's Terms of Call. The Supply Minister expense will increase by \$4815 in FY2015 because we paid Rev. Howard for one month in FY2014 and two months in FY2015. The projected Income decrease of \$28,217.88 coupled with the projected Expense increase of \$13,975.81 will increase our Operating loss by \$42,193.69. Jeff noted that we cannot afford this type of loss given our very modest endowment so we will need to hold a Supplemental Pledge Drive in FY2015. With continued efforts to economize in our spending and with faith in the on-going generosity of the congregation, we hope to minimize the projected Operating loss this fiscal year.

Jeff noted that in FY2016, we expect the financial picture to be a bit better. We will not incur the \$9630 expense for a Supply Minister, we expect a full year of rent (a \$14,000 increase over FY2015) from Verizon Wireless, and

we expect to save about \$1000 in coverage for medical leave for the Music Director. Working with our new Tower Day Director, we hope to return student enrollment to previous levels, thereby adding another \$25,000 to the budget. However, the real financial challenge is Pledge income which continues to be flat or down each year while expenses continue to rise. Our Pledge income (\$205,601.28) does not come close to covering just the Salaries and Benefits portion of our budget (\$242,448.51.) Therefore, we need to rely on other sources of income to cover the balance of Salaries and Benefits plus all other expenses, including Utilities, Property expenses, mortgage, insurance, Christian Ed, Music, and Worship. Jeff cautioned that this is an unhealthy balance of funding, and we, as a congregation, need to take a hard look to determine how we will address this issue for our nearly 300 year-old church.

A motion was made and seconded to accept the FY2015 budget as presented and recommend the budget to the congregation at Annual Meeting on September 28, 2014. The motion passed unanimously.

Jeff led the discussion to complete the annual review of the Annuity Plan for the United Church of Christ as required by the IRS. No changes were made to our plan which covers ordained clergy. A motion was made and seconded to accept the Annuity Plan as presented. The motion passed unanimously.

Christian Education: Barbara Langill reported that this year's 3-6 year-old class will be called A.R.K.-All Remarkable Kids. The class will be taught by Kristen DeFillippo who has her Master's Degree in Early Childhood Education and has completed classes in Special Needs. This will be a paid position. Barbara recommended that funding for the stipend be split between the C.E. budget and a Memorial Fund dedicated to Christian Education. A motion was made and seconded to transfer \$665 from the Norma Holloway Fund to the Christian Ed budget. The motion passed unanimously. The Nursery will again be staffed by Brenna Curran, our paid caregiver, and a high school volunteer. The proposed FY2015 budget contains funding to provide childcare beginning at 9:00 A.M. for parents in the choir (same as last year.) Barbara noted that children age 7 and up will participate in a program C.E. is calling SPARK-there are not enough children to run a Rotation Sensation style program. The focus of SPARK will be on Heifer International using the "Feeding 5000" curriculum from Heifer. Church School will be based on a "Serve and Learn" model; some weeks there will be a Bible lesson, other weeks the class will participate in service projects. The first youth group meeting was held on 9/14. Both groups will meet weekly and share a meal together. Three new 5th graders have registered this year. The Shareholders dinner was held on 9/21. About 60 people attended to hear mission trip participants talk about their experiences. The Habitat group asked if we could have an ongoing relationship with Habitat. The first Habitat opportunity will be Nov. 1. Barbara noted several upcoming events including the Advent Workshop on 11/30, A Night in Bethlehem on 12/6, the Heifer Marketplace on 12/7, and the Christmas Pageant on 12/21. Barbara suggested that the Gifts and Needs Survey needs more revision and discussion. A sub-committee was formed to review the document and make recommendations.

Membership: Dotty Whittier reported on several upcoming events. There will be a Wine Tasting on 11/1 from 6-9 P.M. Todd Brooks of the Reading Wine Shop will do a presentation and offer 6-8 wines, both red and white. Cost is \$15 per person. Volunteers will make pies and carrot cakes in November for the annual sale. The Membership Committee is helping with A Night in Bethlehem. Trivia Night/Silent Auction is scheduled for 2/6/15. well, and she thanked Barbara Langill and the mission trip participants who led worship on 9/7/14. Margaret is working with Marcia Stevens, Chuck Cotting, and Linda Ladd to develop a schedule of volunteers to

give rides to church to residents of Sunrise. Diaconate has funding to purchase a flat screen TV for the Fireside Room, but they are waiting for the cable connection to be set up. Deacons will prepare and serve a Halloween Breakfast on 10/26. Proceeds of the breakfast will support the Organ Maintenance Fund. Two new ushers have volunteered to help the Deacons; three more Deacons are needed. Margaret is leading the Bread and Roses group; three new people have volunteered to help prepare the meal. Dave Wallace is hoping to repair the organ within the week.

Stewardship: Carrie Pericola reported that the Stewardship Committee is meeting on 9/25 to plan the Supplemental Pledge Drive. The theme will be "Rock the Boat."

Finance: Chuck Cotting noted that a new sink has been purchased for the Pastor's bathroom; Scott DeSantis will install it. Darren Ross of DR Ross and Son Painting will remove mildew and wash the front of the building. Chuck is touch with Titan Plumbing and Heating regarding cleaning and inspecting our gas furnaces, the two gas boilers, and the Chapel air-conditioning unit in the boiler room.

Tower Day School: Bruce reported that he joined the Tower Day Board in a meeting with the new director, Leah O'Brien. Leah is using social media to publicize the school and increase enrollment. There seems to be some interest in adding a class for children who are 2.9 years old.

Fundraising: Chuck reported that 20 golfers played in the Centre Church Golf Tournament which raised about \$900 for the church. Council agreed that we need to continue our fundraising efforts to help cover the deficit. New fundraising ideas are welcome!

Annual Meeting: Since Debbie Cotting is unable to attend Annual Meeting, Carrie Pericola volunteered to take the minutes.

Nominating: Bruce noted that there continue to be several vacancies to be filled especially on Diaconate.

Other Business: Council agreed that seed money for A Night in Bethlehem, expected to be under \$200, should come from the Outreach budget.

There being no further business, Council voted to adjourn the meeting at 9:40 P.M. Rev. Bailey led a closing prayer.

Respectfully submitted,

Debbie Cotting, Recording Secretary

Next Meeting: Wednesday, October 29 Meditation: Jeff Law