

Special Congregational Meeting Called by Petition
April 10, 2009

This meeting was called by a petition by 10% of the congregation as provided for in the by-laws. The topic for discussion as defined in the petition was the 2008-2009 budget. A total of 44 voting members attended. A total of 49 was needed to constitute a quorum.

Michael Richardson, Treasurer, presented the 2008-2009 budget to actual figures through March showing a \$32,000 pledge income shortfall.

Scott May, Chair of the Finance Committee, presented a color graph of the budget to actual figures and explained that the finance committee was trying to build more than one budget to bring to the congregation to vote on for 2009-2010.

Andie Arthur, Chair of the Fundraising Task Force, gave a short presentation on the potential "lottery" fundraiser. The committee is not certain it has the commitment of the congregation. A question was asked about the consequences if we fell short of selling all the tickets. The committee felt comfortable with a disclaimer on the tickets stipulating that in the event all the tickets were not sold, the prize money would be adjusted accordingly.

Ila Klion, Board President, made the announcement that at the recommendation of the New Space Task Force, the decision was made not to move the congregation's office from its current location at this time. A new, 1 year lease was signed with the provision that we must tell the landlord in October whether we will be renewing next April. The task force continues to look for worship space and asked to continue past its current charge period to continue to look for office and worship space.

Michael then answered written questions from the attendees:

Pam Schrimsher-. Why are we down \$32,000 in annual giving and is any of this likely to come in?

We hope so. We are behind \$32,000 and this number matches the amount that has been verified as pledge decreases by our Congregational Administrator, Mitsy Kirkland, who monitors the pledges and speaks to the congregants about their pledges and their plans regarding their pledges. Michael said he feels that barring any new turn of events in the economy before the end of June, that this number is a good estimate.

2. Karen Dickson - What is our reserve fund invested in and who decided what to invest it in?

A diverse, conservative portfolio managed by Northstar. Northstar serves as our advisor for what we invest in. The Finance Committee can consult with Northstar .

3. Steve Mourer – What funds/companies does Northstar invest in? What are the costs? Are there any incentive monies paid to Northstar?

Northstar is now paid $\frac{3}{4}$ of 1% as a contracted advisory fee. Ila explained that when we received the money from the Dykes Rd sale, the money was put with Northstar who never charge us any fees. This past December Northstar notified the Board that it could no longer waive all fees as many of its expenses were based on total dollars invested and our investment was sizeable enough to make a difference. They did offer to charge a discounted fee. The Board considered the conflict of interest issue and researched several comparable investment firms and found their fees to be higher, (almost double). Northstar included a letter detailing strict company policies to avoid any conflicts of interest by its employees who are also members of the congregation. After consulting with the Finance Committee, the Board signed the contract with Northstar.

Steve Tepper, a Northstar employee, offered to answer questions about the Northstar – River of Grass investment relationship. He explained that Northstar does not sell any commissionable products and the congregation was welcome to review their website at www.northstarplanners.com. The River of Grass Reserve Fund is invested in no load, low fee, institutional mutual funds of a 20% stocks, 80% bonds mix. Last year, in the bad economic times, our fund only lost 7%.

4. Marga Cothran – What amount is expected to be taken out of the Reserve Fund to meet this year's operating expenses other than the \$81,175 shortfall that we approved? Based on the estimated budget figures presented, unless other income comes in, we believe the figure shown of \$42,000 is realistic.

5. Karen Gonzalez – How does the plate reduction correlate to our attendance? What has our attendance trend been?
Karen Morris answered that she has the attendance figures but not at the meeting.

Questions from the floor:

Riley Cothran – Thinks it should be called the “Building Fund”, not the “Reserve Account” and is concerned about dipping into the capital.

Jane Gross – How does the Board look at 2009?
The current Board is looking forward to the Finance Committee's presentation of several different budgets for 2009. There will be a new Board in place for 2009.

Leana Bresnahan- What is happening with Annual Giving?
Ila explained that we currently have no chairperson and that the Board was planning to simply send a letter to all congregants asking for their pledge response. The Finance Committee then decided they wanted to mount an abbreviated Annual Giving campaign. Please expect to hear something soon from the Finance Committee.

Diane Diaz – Is no congregational vote necessary before dipping into the Reserve Fund to make up the budget shortfall?

The congregation approved the budget and we are within the approved budget. The shortfall is in pledge income but the expenses were approved. This is uncharted territory for River of Grass as we have historically always met our budgeted pledge income mark. We have contracted expenses which must be paid. Our only choices are to go to the Reserve Fund or take out a loan. No congregational vote is needed to authorize the payments of our congregationally approved budgeted expenses.

Pam Schrimsher – We need to draft a realistic budget this year. We need to budget more than 10% for unexpected expenses as they will always arise.

Karen Dickson – could the Board take more from the fund without a congregational vote? Yes. Michael pointed out that in prior years we took LESS than the approved budgeted amount.

Steve Tepper – Suggested maybe we should separate line items on the financials and break out “pledge amount in arrears” from “additional funds from new members” to get a truer representation of the figures.

Scott May – Announced the Finance Committee’s plan to conduct open forums for congregants to give their input into the 2009-2010 budget. These forums will be held at least the next two Sundays between services at the school and if more time is needed, they will schedule it.

Someone asked that the Capital Campaign be explained. Ila said that if everyone had paid the amount they had pledged to the Capital Campaign, we would have had \$376,000, but people stopped paying their pledges and we did not have that amount. We sold the Dykes Road property for \$750,000 (it was bought and sold using the funds from the Capital Campaign). The Board offered congregants their pledge monies back, (by a certain deadline), and many people took advantage of that offer. The remaining \$685,000 was put in an account with Northstar.

The congregation decided not to put the funds in a “Capital Account” but rather into a “Reserve Fund”. The past two years the congregation has voted to use this fund to cover operating expenses.

Andy Perez – Could people live with setting aside a set portion of the money for a building and the rest for emergency use, especially for those people in need in the congregation?

Grant Basham – The congregation voted to put the funds into a Reserve Fund. There were no mis-steps by any in leadership. The congregation voted to do that.

Andi Arthur – What were the petitioners who called this meeting hoping to accomplish today?

Riley Cothran – Our intent was we wanted to preserve the “Building Fund”.

Leana Bresnahan – Will there only be one budget presented for congregational vote at the annual meeting?

Steve Tepper answered that at least one other time we were presented more than one budget. Ila also answered that when budgets were drafted, we had to anticipate the interest levels on our funds and hoped we would not have to dip into the reserves but the vote was clearly that we could dip into the reserves if we had to.

Gary Gonzalez – Asked that we all remember that the current economic downturn is not a permanent reality, that historically, the market has always come back considerably higher after severe downturns.

Pam Schrimsher asked a question. The answer was that we cannot vote on an issue from the floor at the annual meeting. Any issue for vote needs to be submitted and mailed out to the congregation in the meeting agenda 14 days before the meeting which will be on May 17th, 2009.

Monica Dyer and Marga Cothran – There does not have to be a congregational vote to take the extra \$42,000 if needed?

No.

Paul McCrum asked about a building and wondered why we were limiting our search to the west.

Everyone is urged to contact Kathy Jens-Rochow if they have a potential worship or office space they would like checked out.

Andy Perez – We are a church already, with or without a building.

Marti Pratt – our charter says “Western Broward” and there is already a UU church in east Broward.

Diane Diaz – asked for clarification on the leases.

The office lease was up April 30th. We were supposed to sign a 2 year lease but the landlord agreed to a 1 year lease providing we let him know by the end of October whether we planned to renew in April 2010. This gives the New Space Taskforce time to continue looking for less expensive and better configured office space.

The lease at Central park is up at the end of June. The New Space Taskforce eagerly welcomes any leads.

Karen Dickson – Do our staff Letters of Agreement coincide with our fiscal year?

Our staffs' Letters of Agreement are NOT yearly contracts. They are automatic revolving documents that assume that the parties will continue in ministry together. If the congregation wishes to alter any portion of the Letter of Agreement then we need to enter into formal renegotiations with that staff member. If the congregation chooses to cut a staff position, or change the position's hours to a point that is unacceptable to that staff member then there is a 90 day Notice of separation provision in the Letters of Agreement.

