

Subject: Board of Trustees Chair Report
From: Mark de Solla Price, Board of Trustees Chair
To: Board of Trustees
Date: January 21, 2009

This was a busy month as Board Chair. In addition to long and at times impassioned **Personnel Committee** and **Finance Committee** Meetings, I've worked with the Strategic Planning and **Congregational Self Assessment Team** and our working group to plan and report to the Congregational **Annual Meeting**.

Before I talk about those meetings, on the agenda today, we're finally going to be able to discuss "**Transparency and Accountability**" which are really important for us to focus on, but I think those are only half of the key issues. "Transparency" is like that viewing window in an operating room. Folks can watch what is being done and make sure that it's what is supposed to be done, but they have no opportunity to participate.

"**Openness**" is the other essential part that is perhaps even more important and past due on our agenda. Openness invites collaboration and engagement. President Barack Obama "change.gov" website was a perfect example of this. He asked, "What issues are most important to you, the citizen?" The people spoke, and their most important issues are now on the agenda. In the New York City Council, the meeting agenda is publicly electronically published so that any citizen who has an opinion, facts or viewpoint, they have time to let their elected officials know before they vote on it.

Here at Community Church, we have a history of publishing at the last minute to the committee members. This encourages passive meetings without substantive congregational "citizen" input and discourages congregational "citizen" engagement and commitment outside of a core group. **We can and should strive to do better.**

One main topic of the **Personnel Committee** will be handled under discussion of new business "item 8c) Discussion of the Methodology of Supervising and Collaboration between the Business administrator and the Board of Trustees"

With the loss of Natalie Webb from the board, **we have also lost the board liaison to the Personnel Committee.** I would like to ask the board's consent to **appoint this liaison at the special board meeting on Sunday January 25 after the elections.** Usually the only agenda items for this meeting are to elect our chair, vice-chair and the two "at large" members of the Executive Committee. I think there would be a significant advantage to having all infrastructure (Finance, Personnel, Buildings & Ground) board liaisons on the Executive Committee, if at all possible. The next Personnel meeting is February 9, which is before our next board meeting on February 25.

A major topic of the Finance Committee will be handled under discussion of new business "item 8d) Discussion of Budget Modification Recommendation."

I am seriously concerned that neither the board nor the Finance Committee wants to take the very hard and painful action to close our budget deficit. With our updated projections, **we would spend something like \$300,000 more than the prudent level of draw from our investments of 4½%.** As I see it, we have five options that we should raise up to the congregation:

- 1) **Ask Members To Pledge Much More.** We'd need \$500/year per voting member **more** to close the financial gap. This would be about a 500% increase over current levels.
- 2) **Cut Programs and/or repurpose congregationally designated funds.** We're not talking about switching to powdered creamer at coffee hour or cutting 5% from program budgets – it would have to be major stuff like cutting our music program, closing the shelter, repurposing the funds that would have been spent on Doolittle or WQXR. **I think this choice would be a catastrophically bad option for us.**
- 3) **Earn more money through new business ventures.** Of course we're going to try to increase guesthouse and facilities rentals anyway, Focusing on new business plan development will take personnel resources that would otherwise be spent on church stuff and will have "costs" that impact the way we do church – for example, one idea proposed was removing the theater seats in the hall of worship and actively renting the open hall of worship space like 4th Universalist does. Another idea that was proposed in

the past was tearing down the brownstones and building something else with a development partner. **Even doing the due-diligence for this sort of option will take a lot of work and is only worth the huge effort if that's the direction that the congregation wants go in.**

- 4) Look seriously at selling assets, such as our Brownstones. This would dramatically reduce on-going income and program space, but perhaps the income from the sale would be more than the net we earn from running them.
- 5) **Agree to spend down the endowment for a few years.** At this rate, we'd probably go through most of the endowment in 15 or so years, but if it's a short-term hiccup, maybe it's a wise option to keep forward momentum.

There is also the viewpoint that **it might be wise to spend down the endowment**, if it's for the right thing. For example, if we could spend our \$12 million to build a future vital congregation with say 500+ really active voting members with families who were so engaged and involved that their annual pledges were more than our budget and our had an even greater ability to build caring, justice-making, anti-racist, diverse, spiritual community, then it would be a good stewardship choice.

The flip situation where we might save up and built our endowment to \$20 million but had a moribund congregation with 50 members and little impact might be a poor stewardship choice.

Finally, on a personal note, earlier this month I was appointed to serve on the **Unitarian Universalists for Jewish Awareness** national board of trustees. Community Church has been a congregational member of the UUJA.org for a few years, through the Doolittle fund and historically, we have been one of the ground breaking congregations in this area with one of the first UU Passover Seders, which are now commonplace.
