



Board of Trustees
First Unitarian Universalist Church of San Antonio
May 15, 2024

Present: Heather Hedquist, Deb Loya, Polly Noël, Betty Burgner, Mike Brand, Ruth Bujanda-Moore, Carol Bertsch, Debu Dasgupta, Rev. Mark Skrabacz, Rev. Nell Newton

Guests: Donna Pereira, Martha Cooley, Mary Barad

A quorum was established, and Heather called the meeting to order at 6:32 p.m. Ruth gave the opening words. Mike read the Covenant, Debu read the Values, Betty read the Mission, and Polly read the Ends.

Debu was assigned Process Observer and Betty, Timekeeper.

Board members and guests checked in.

Interim Search Committee Report

Martha and Mary presented the report of the Interim Search Committee. They thanked the Board for its trust and for the opportunity to serve the church. Rev. Dr. Xolani Kacela accepted their offer to serve as the Interim Minister. He was the committee's first choice and our church was his first choice. Rev. Kacela, or "XK" is a trained Interim Minister who also has experience as a U.S. Air Force Chaplain. He has a PhD in Divinity as well as an MBA and BBA. He has a strong understanding of governance and the Dan Hotchkiss ministry model. Heather thanked the committee for their work and Mary and Martha left the meeting.

Consent Agenda

The Consent Agenda was approved with the note that Deb had not received financials from the bookkeeper as of the meeting.

- Previous Board Minutes (Carol)
- President's Report (Heather)
- V. President's Report (Polly)
- Treasurer's Report (Deb)
- Minister's Report (Rev. Mark)



- Coordinating Council Meeting (Rev. Mark)
- COSM Meeting (Rev. Mark and Heather)
- LDC Report (Debu)
- Trust Fund for the Endowment Report (Ruth)
- CREF Report (Mike)
- Stewardship Report (Betty)
- Financial Report (Deb)
- Capital Campaign Report (Polly)
- Digital Communications Manager Report (Mary via Heather)
- Interim Search Committee (via Heather)
- Attendance reports (Polly)
- DLRE Search (Rev. Nell)

Financial Health

Deb reported that the April P& L Statement and the Balance Sheet have not yet been received since we are meeting on the 15th.

As of the end of April, our Operating Account balance was **\$86,225.38** keeping us in compliance with Policy 4.9

Our Savings Account balance as of April 30th was **\$580,161.45**. On May 9, 2024, we fully paid off the fencing project!

From Breeze (versus the budget P&L statement), at **91%** of the church year behind us, we have **89%** of our pledge income in (\$442,430.) Some good news on our sticky points...the Cell Tower revenue is in! However, there was a misallocation of the Cell Tower Consulting Fee to the revenue line that has to be corrected to give us an accurate figure on revenue and accurate expenditure on the expense side. But at least that revenue check was deposited! So, while we know our non-pledge revenue number is up, the ERC (\$27,000 on the budget), remains an IRS thorn in our side and will come in next fiscal year rather than this year.

Dealing with Deficits



The following line items in our budget are overspent as of 3-31-24, as previously reported. Updates will be provided when the P&L for April is received.

| | | | |
|-----|-----------------------|---------|---------------------|
| 504 | Credit Card/Bank Fees | 130.92% | over by \$772.97 |
| 524 | Worker's Comp Ins | 104.43% | over by \$49.75 |
| 547 | Minister's Prof. Exp | 119.6% | over by \$979.80 |
| 553 | DLRE Health Ins | 621.07% | over by \$4,168.56* |
| 591 | HVAC Maintenance | 136.06% | over by \$1,803.12 |
| 820 | Grounds Committee | 110.75% | over by \$107.45 |

What the budget does not address, because the expenditures were made outside of the budget lines, is the contributions to pensions and health insurance issues that are a main subject of this month's agenda.

Minister's Discretionary Fund Annual Report

Rev. Mark reported that the Minister's Discretionary Fund in 2023-2024 distributed six grants totaling \$3,910. He noted that last year the Fund distributed 15 grants totaling \$8,700. Rev. Mark described our grants as generous regarding housing, utilities, medical, and food needs.

Capital Campaign

Polly reported she met with a Frost Bank representative and agreed it made sense to regroup in August regarding the possibility of taking out a loan for the Kitchen/Lounge project.

Congregational Meeting

Heather requested volunteers to assist at the Congregational Meeting and tasks were divvied up.

Stewardship Charge

Betty briefly reviewed the Stewardship Charge issue. She put Dorothy's proposed Stewardship Charges – emphasizing that Stewardship is not the responsibility of the Stewardship Committee alone – in the Board Drive for review. Since we will be considering stewardship with the Interim Minister, the new charge will be put on hold and revisited with Rev. XK comes.



Transition Update

Rev. Mark reported that Rev. Xolani is excited to be coming on board. Rev. Mark and Polly will touch base regarding facilities issues.

DLRE Search Update

Ruth announced we have a new DLRE, Tim Versteeg. Tim is Canadian and getting the R-1 Visa will be involved. He has experience with all grades and with adults. He is divorced and has three college-age children.

Retirement and Health Insurance Issues

Donna Pereira joined the meeting at 7:28 pm. Donna recapped the issue: payments were made to the UUA retirement for employee voluntary contributions but no corresponding deductions were withheld from the employee paycheck. Employees affected were Rev. Nell, Rev. Mark, and Bridget.

To address the issue, Donna pulled every invoice paid to retirement and compared to payroll monies withheld. The withholding did not match the payment. Looked at every bill but some she was unable to find back up for. For example, the Empower payments were made online and no documentation separated out the amount per person; just documentation of a total amount paid.

Nonetheless, she feels confident in the retirement numbers she calculated because of the data in the balance sheet.

Later, Donna looked at the health insurance premiums. The church is supposed to withhold 20% of the health insurance premium from the employee's paycheck as their share of the cost of health insurance. This was not done correctly for Kathy. For Bridget, she was not reimbursed for health premiums paid while she was on her husband's insurance.

Donna noted the payroll service states they have back up for every payroll change made. Part of the problem is some of Kathy's terminology is incorrect; for example, the use of the word "payments" instead of "withholding." There was a lack of oversight and a lack of response regarding



payroll questions. Donna recommended enabling the finance committee to do a balance sheet analysis on a quarterly basis.

Mike inquired whether the correct amounts were sent to retirement. Donna clarified that the correct amounts were sent to TIAA but she could not confirm for Empower because there was no back up documentation. Nonetheless, Donna feels 100% confident in the retirement numbers but not 100% confidence in the health insurance numbers.

Executive Session

The Board went into executive session at 8:18 p.m.

Debu moved to resolve the retirement contribution problem by following the process laid out in the *IRS FixIt* guidance. Ruth seconded the motion.

Motion carried with one opposed and no abstentions.

Carol moved to offer Rev. Nell a salary modification during the time she is on site between June 1 and July 31 based on the Executive 1 minister, Geo 2, Church size C midpoint. Deb seconded. Motion carried.

Heather moved to forgive any amount owed to the church by Kathy McFarlane or Bridget Laflin due to church payment of the employee share of health insurance premiums and, further, to reimburse Bridget for payments she made of the employer share of health insurance premiums. Debu seconded. Motion carried.

Closing

- Process Observer: Debu reported we did fine until right before the break.
- Timekeeper: Betty commented that we got a lot done that we needed to get done.

Heather delivered the closing words. The meeting adjourned at 9:29 p.m.

Respectfully submitted
Carol Bertsch, Secretary



Upcoming Calendar Events:

- 5/19 – Congregational meeting
- 5/25 – Rev. Mark’s retirement celebration
- 5/26 – Rev. Mark’s last service (Cake to follow)
- 6/8 – LDC Bridging

Electronic Votes

On May 5 Polly moved to approve Nell's request to take vacation during the last three weeks of her contract in July. Deb seconded the motion, which carried.