

Membership/Volunteer Coordinator Info Packet For the 5/15/11 Congregational Meeting

To achieve our mission and ends and grow into the radically hospitable congregation we aspire to be, your board of trustees is recommending approval of the second of two votes to fund the membership/volunteer coordinator position. The following are documents with more information:

Document 1: The Proposal and Motion (pages 2-3)

Document 2: Frequently Asked Questions (pages 4-8)

Document 3: “Does the Ends Justify the Means” by Stephan Windsor (pages 9-10)

Document 4: Letter from the Board of Trustees to the Congregation (pages 11-12)
(Appendices pages 13-20)

Proposal: Funding a Membership/Volunteer Coordinator

For the 5/15/2011 Congregational Meeting

Summary

Your board of trustees recommends the hire of a membership/volunteer coordinator as a critical part of living our mission and ends (goal).

Why a Membership/Volunteer Coordinator?

There are many reasons for hiring a membership/volunteer coordinator. The church identified this need at least a decade ago. We have simply reached the limits of what we can do in membership and volunteer support without having staff support. For at least a decade, the church has gained 100 new members and lost 100 members every year.

With a membership/volunteer coordinator, we can effectively achieve important church ends such as:

- being a radically hospitable community
- ensuring that members and their families feel supported in times of joy and need
- helping members find connection with one another in fellowship
- having people fully engaged and generous with their time, treasure, and talent
- more fully witnessing to justice in our personal lives and beyond

If we want to flourish, we should take note that every large, flourishing UU church has such a position on staff.

Effective support for membership and volunteers doesn't just enhance church life and member satisfaction; it also impacts the bottom line. Members who feel strongly engaged with the church are more likely to give generously. Based on the experiences of other churches, we believe that this position will more than pay for itself.

How will the church pay for this investment?

Your board of trustees recommends that the congregation approve the use of the congregation's savings. With \$250,000 in savings, and a net worth well over \$2,000,000, the congregation can easily make this investment in its own future. The investment of \$40,000 during the first year, \$20,000 in the second year, and \$10,000 in the third year should provide ample time for the volunteer/member coordinator position to prove successful and to enhance pledge income well above its cost.

When?

Funds would become available in May 2011. We could potentially hire the membership/volunteer coordinator shortly afterwards.

Brief Job Description

The Membership/Volunteer Coordinator will collaborate with volunteers and staff to help the church achieve its mission and ends.

The position has the following core responsibilities:

- promote radical hospitality and the welcoming of guests
- facilitating the path to membership process
- assist new members to find connection within the church
- enhance the commitment and satisfaction of members in the life of the congregation

Specific duties will include:

- Supporting and enhancing the work of mission-critical committees (though not replacing or displacing current volunteers)
- Working with the membership committee to strengthen the path to membership process
- Enhancing processes to get new members involved in the life of the church
- Creating and maintaining processes to match willing volunteers with volunteer opportunities
- Recruiting, organizing, and training volunteers for high-priority church needs, including social action, worship, religious education, and operations
- Ensuring thorough and appropriate follow through with guests

The Motion

The congregation of First Unitarian Universalist Church of Austin hereby approves the use of \$70,000, over three years, from the Memorial Savings Fund for the purpose of hiring a membership/volunteer coordinator.

This motion supersedes any current policy restrictions.

The funds may be spent as follows: \$40,000 during the first twelve months of employment, \$20,000 during the second twelve months, and \$10,000 during the third twelve months.

All effort over the next three years shall be made by the leadership of the church to replace the \$70,000 from the Memorial Savings Fund.

This motion will become effective upon the approval by two-thirds of those members casting votes at both the December 2010 and May 2011 congregational meetings.

Questions, Comments, or Concerns?

Your board would like to hear your questions, comments, or concerns. Please direct them to your President, Eric Stimmel (president@austinuu.org).

FAQ – Membership/Volunteer Coordinator For the May 15, 2011 Congregational Meeting

Is a volunteer/membership coordinator the best way to address retention, our desire for radical hospitality, and sense of community?

Another way of looking at this is asking how do congregations go from good to great?

The UUA calls them “breakthrough congregations” and a UUA trustee shared this with us: “A standard question I ask at every breakthrough congregation presentation at General Assembly: if you could name one thing you did differently with your resources to make the most difference in your growth, what would it be? So far I am somewhere around 7/7 for hiring a membership coordinator.”

Should this position have a different title?

The current title reflects the responsibilities that the person will have. Similar positions in other churches and non-profits have the same or similar titles. For example, earlier this year, the UU Church in Winston-Salem hired a new staff person with the title “Member/Volunteer Coordinator.”

The proposal, as approved for the first of the two votes required by the Financial Assets Management Policy (FAMP) specifically used the title “membership/volunteer coordinator.” Any change to the proposal would require starting this multiple vote process again from scratch.

The senior minister can make changes to this position’s title (or to the title of any staff person, for that matter) in the future if needed. So, if it becomes evident that the current title represents either a grave mistake or could be replaced by something better, the minister can make that change easily.

How will we measure whether or not this has been a good investment?

A church that is serious about its mission has to clearly any movement (or lack thereof) toward stated goals and objectives and regularly report those findings to the Board and congregation. We have begun to develop such criteria and measures as part of our transition to Policy Based Governance (PBG). Under PBG, the board will monitor and evaluate progress towards achieving our mission and ends. This monitoring will cover all progress towards achieving our mission and ends, including the Membership/Volunteer Coordinator’s performance.

Sean Hale, your Executive Director, has begun developing the methodology and criteria that will help demonstrate that progress.

Additionally, he is working with administrators at other large Unitarian Universalist churches on the subject of performance metrics. While several large, flourishing churches have developed in-house metrics that we might borrow or adapt, every church seems to employ different methodologies in their data collection. Hale and a team of other UU administrators seek, in the coming months, to develop a set of performance metrics and methodologies that they can share.

This way, we will be able to have meaningful conversations between churches about what concretely gets results and what doesn't.

Our performance metrics will likely include the core indicators for congregational health identified by the Lewis Center for Church Leadership such as member retention, the change in member pledging, the change in new member pledging, overall membership, and worship attendance. In addition to regularly reporting this information to the board, we expect to make it available to the congregation through such things as the newsletter and/or the packets for the congregational meetings.

What will the hiring process be?

Your Executive Team (Rev. Ed Brock and Sean Hale) have begun moving the hiring process forward with all due haste. Our ministerial candidate, Rev Meg Barnhouse, has indicated that she would like us to hire for this position as soon as possible. If at all possible, we will have a handful of final candidates to review with Meg in late May, following the congregation's vote to call her.

Executive Director Sean Hale will drive the hiring process. He will build the job description based on those from other large, flourishing churches. (The nascent UU Membership Coordinators Association has compiled a wealth of resources online at www.tinyurl.com/mempros).

I want to see a more detailed job description.

Under policy based governance, we trust staff to work out the details (drawing on member input as needed), for details such as a detailed job description for a new position. This task will be guided by a careful consideration of best practices in healthy, thriving congregations most closely resembling our own, and what can help us most fully live our mission and values. We have no desire to, or see any reason for, attempting to re-invent the wheel. The Board will be careful monitor the results of this work.

Consultation with members of the congregation will occur (and has been occurring). However, rather than the congregation reviewing, debating, and word-smithing a job description, the congregation will instead vote on the general concept and funding as described in the original proposal.

Is this a real need?

Yes.

This is a real need. It is normal to lose 10-12% of members every year (or 6-10% in an evangelical church). During the twenty years before our current transition, First UU Church of Austin lost an average of 17% per year.

Dr. Peter Steinke's work with us found that community was our single largest area in need of attention. In our Bridge to the Future sessions last year, the single most common value was "community," as illustrated in the word cloud below. A volunteer/ membership coordinator represents one of the most important things we can do to strengthen community.



When you talk to flagship UU churches, almost all confirm that this sort of position plays a critical role in addressing mission-critical areas like retention, community, and hospitality. Such churches include Unity Church St. Paul, First Universalist in Minneapolis, First UU Church of San Diego, Fox Valley UU Fellowship in Wisconsin, White Bear UU Church in Minnesota, First Unitarian Society of Milwaukee, the UU Congregation of Atlanta, All Souls Church in DC, First Unitarian Church of Rochester, All Souls in Tulsa, and First Unitarian Church of Portland.

Why don't the responsibilities include more direct responsibility for generating income? Shouldn't this be called a "financial activities coordinator" or something like that?

We will certainly have our eyes on financial data like pledging rates of new and old members. We anticipate that this new staff person, together with other changes like a new senior minister and new Interim Director of Religious Education, will have a strong, though indirect, impact on income.

However, though we expect this position to generate more than enough increased income to pay for itself, neither the responsibilities nor the activities include direct fundraising. The experience of large, flourishing UU churches is that this position pays for itself because of the stronger connection, sense of community, and sense of purpose that its members feel. When people feel that, they tend to give more generously than those who experience only Sunday services.

What about the long-term funding?

Your board has recommended to the congregation that it approve funding from savings that should cover 100% of the first year, 50% of the second year, and 25% of the third year for the position from the date a person is hired. We anticipate that we will have an experience similar to the churches who have introduced this elsewhere, and that it will pay for itself before those funds run out.

All activities, whether they are new initiatives or involve just continuing the same ways we have always done things, have an inherent risk. This represents a reasonable, relatively low, risk investment based on the actual experience of many other churches, not a roll of the dice based on wild speculation or irrational hope.

However, it is possible that we will fail or that circumstances beyond our control will interfere, preventing the same success that so many other churches have had. Should that come to pass, then, just as in any difficult financial circumstance, we will have to make cuts. Funding day-to-day operations with savings is simply not sustainable in the long-term.

Shouldn't we wait until we can afford this?

Like education, funding a Volunteer/Membership Coordinator represents an investment in the future. We spend the money now in order to get the benefit in the future.

In this way it resembles a chicken and egg proposition to wait until we can "afford" it. We won't have enough money to fund the position until the person has been on the job for a couple of years and if we don't fund the position for a couple of years, then we won't have enough money to fund it.

Who will this person report to?

As with all other paid staff, your Volunteer/Membership Coordinator will report to the senior minister. Our next senior minister may have this person report directly to her or indirectly through another senior staff person such as the executive director.

How will the Memorial Savings Fund be made whole again? What is the plan to pay back this money?

The Memorial Savings Fund (MSF) is somewhat analogous to the family savings account.¹ This makes it different from taking a loan out from the bank. When a family spends part of its savings, repayment is optional while repaying a bank loan is not optional. If, for example, your family uses part of its savings to fund a family member's education, it may or may not pursue a strategy to repay that money. Likewise, the congregation may choose whether or not repayment is desired.

So the congregation, ultimately, sets the priorities of the church. Should having the MSF at a certain minimum balance represent a top or mission-critical priority, it has several options at its disposal after the last of the funds described in the proposal get spent in 2014. Options include diverting a portion of pledge income, beginning in 2015, from operations to savings. The fourth line of the motion, as amended in January, will lead us to put this sort of option in front of the congregation.

Can't our wonderful volunteers take care of this, just as they always have?

¹ The MSF has one important difference from a family savings account, though. While most families can immediately access their savings, the congregation of this church has imposed restrictions on its ability to spend it. In order for the congregation to approve itself to spend its savings, two-thirds of members at both the spring and fall meetings must vote in favor. Thus, access to the funds can take anywhere from six to twelve months.

We do have wonderful volunteers. We couldn't do what we do without them and the volunteer hours of our members and friends will always represent the life blood of this congregation. Paid staff can never effectively replace volunteers, only support, enhance, and otherwise strengthen what the volunteers do.

Your volunteer/membership coordinator's main responsibilities include recruiting and training fresh volunteers as well as supporting current volunteers. This will engage and deepen the engagement and commitment of all members - new members and those longer-term members who have had only peripheral involvement, as well as "veteran" volunteers. It will also allow the dear people who have always said yes when we've asked them to give even more of their time, to take a rest and recharge their batteries as needed. Part of a volunteer coordinator's role is to be mindful of the possibility of "burnout" in our wonderful volunteers; we want to be the beloved community, not the exhausted community. Not so long ago, your church grew too large to sustainably recruit, train, and retain volunteers without professional support.

Many of our committed volunteers have given their time at sacrificial levels during the last two years of transition; we have a pressing need to expand and diversify our volunteer base.

More questions, comments, or concerns?

Your board would like to hear from you. Please direct questions, comments, or concerns to your President, Eric Stimmel (president@austinuu.org).

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This motion will become effective upon the approval by two-thirds of those members casting votes at both the December 2010(*sic*) and May 2011 congregational meetings.

DOES THE END JUSTIFY THE MEANS ?

In all other cases, salaries are paid from the Operating Fund and are budgeted in the normal annual budget process. Is hiring a new position in between budgets suddenly so urgent that we should “supersede any current policy restrictions”? Let’s not start down the road of back-door deficits, disregarding the yearly budget process. A Membership/Volunteer Coordinator may well be a good idea, but it’s not an emergency.

If the Board cannot wait to prioritize this new position until the next budget, there are other, less expensive ways to pay for it between now and year end. Rather than selling income producing investments to withdraw money from the Memorial Savings Fund in order to fund at most the \$20,000 that would be spent in 2011, before next year’s budget, consider the following alternatives:

- 1) As of the end of March, the (unrestricted) Operating Fund had a cash balance of over \$122,000. After setting aside \$60,000 as one month’s operating expenses reserve, there remain \$62,000 in excess reserves. The Financial Asset Management Plan (FAMP), which we all approved October 2009, allows the Board to spend up to \$10,000 on “Unanticipated Expenses”. So the Board has \$10,000 of the \$62,000 in excess Operating Fund reserves from which to draw, without needing approval from the congregation.
- 2) If a Volunteer Coordinator is a long term priority but would require a front-door deficit budget to begin, there remain sufficient excess reserves in the Operating Fund to cover another ~ \$40,000 deficit. But with a new Minister and anticipated greater membership and pledge/contribution income, it may not be necessary to have a deficit budget in order to add the Volunteer Coordinator position.
- 3) There is approximately \$130,000 in Board Restricted Funds available at the discretion of the Board, without the requirement to consult any committee or get approval from the Congregation. The Board may re-allocate these Restricted Funds any way the please. For example, recently, \$6,000 was used from the Long Range Fund to supplement the salary of the new Minister, and there still remains over \$35,000 in the Long Range Fund. So this source alone could cover the costs until the next budget, and if this position is not important enough to budget for, then why spend anything on it to begin with?

Let’s clarify what this debate is about. It is not about a Volunteer Coordinator. There is broad agreement that a VC would be good for the church, and there are appropriate ways to pay for it, same as every other position. This debate is not about amending our Financial Asset Management Plan (FAMP). There is nothing in the motion that would change a single word of the FAMP. This debate is about violating our Financial Asset Management Plan (FAMP) by improperly selling off assets in our Memorial Savings Fund (MSF).

The FAMP is our covenant for how we've agreed to manage the church finances. It's a living document, most recently reaffirmed by the Congregation in 2009. The FAMP says:

- The primary intent in managing the MSF is to have it **grow over time**
- The amount that may be transferred annually to the Operating Fund is 5.5 % of the MSF value
- Other distributions would occur only in **rare and extreme circumstances**
- In no case may the value of the MSF be reduced through withdrawals **to less than \$250,000**

The MSF provides a source of perpetual income for the operations of the church, and it has done this very well. This year alone, the 5.5 % transfer provided our operations with **\$14,394**. The market value of the Memorial Savings Fund portfolio has increased 20% over the past year, and at even half that rate it is the fastest growing, income producing asset the church owns. This is the last fund we should ever sell off, and then only in "rare and extreme circumstances." Hiring a VC outside the normal budget process is not a rare and extreme circumstance. Furthermore, the current MSF value is \$281,000, so reducing it by \$70,000 violates the \$250,000 minimum requirement.

There is more at stake here than hiring a Volunteer Coordinator a few months earlier or later. The motion says, "This motion supersedes any current policy restrictions." Either we live by the rules we adopt for ourselves, or we don't. Either we mean it when we say "we covenant with one another", or we don't.

Let's vote "no", we will not violate the FAMP and breach our covenant of financial management; no, we will not break into the MSF and sell it off piece by piece, year after year; and no, we will not reduce or eliminate the MSF's perpetual contributions to our operations. Let's honor our covenant of financial management. Let's protect and preserve our church.

Dear Congregant,

As we approach our important Congregational Meeting in May, the Board of Trustees has heard several questions and concerns regarding the Financial Asset Management Plan (FAMP) and the proposal to withdraw funds from the Memorial Savings Fund to fund a volunteer/membership coordinator. We appreciate that your time is valuable, so we will try to clarify the proposal and address these questions fully yet succinctly. Our responses to specific concerns about process & procedures are attached in Appendix A.

This is what we are recommending;

Those present and voting at our Congregational Meeting in January voted overwhelmingly to approve the use of a portion (\$70,000 over three years) of our Memorial Savings Fund (currently at \$280,000) for the creation of a Volunteer/Membership Coordinator position. It is with our Values, Mission and Ends in mind that we recommend a second vote of approval at our Spring Congregational Meeting.

This is why we believe it is in the best interest of the church long term;

Our biggest asset at the church is our people. Without engaged people contributing their time and talents, we cannot live out our Mission. This is a standard position in churches of our size and larger, and is vital for a church with stated ends that include radically hospitable community. We would like to start building that vibrant, thriving future, in partnership with our new settled minister, where all who wish to find community and a place to pursue personal and/or spiritual exploration feel welcomed and invited to become engaged at First UU Austin.

This is why we should do this now, rather than later:

The question has risen, "What's the hurry? Why not hire this person later?" To this we reply: now is the time to act, for a host of reasons. Our new settled minister will begin preaching at FUUCA in late August. Soon we will be launched in a new exciting era of our congregation. In her first year of her ministry there will be a substantial number of visitors, potential new members, people returning to the church and new people joining the church. There is a need to have a volunteer coordinator in place before this influx of new and returning members. To not have such a person in place will lead to missing a substantial opportunity. To have hired a volunteer coordinator, and have that person in place and working as our new settled minister begins her ministry, will fill a role that cannot be filled by any other currently existing staff or by the senior minister.

Conclusion

We, the members of the Board, firmly believe that the use of funds proposed in the motion to hire a volunteer coordinator is in the best long-term interests of the church. We are recommending to the congregation that we pass the motion a second time at our meeting in May. The position of the Board is that this is the best course of action for the congregation. We realize that there is risk involved in taking action to live out our mission and to walk in the spirit of a bold vision of our congregation's future; but we also believe that there is greater risk in becoming so risk-averse that we never reach toward our full potential as a congregation.

We are aware that people of good will can disagree, and that even well informed and conscientious people can come to very different conclusions. We also understand that the final authority for this choice rests with the congregation, and we stand ready to embrace wholehearted whatever decision is made by the congregation.

Our view is grounded in the belief that protecting and our church is more than the conservation of fiscal assets. It is also the prudent expenditure of those fiscal assets in living our mission and growing a thriving community that then can invest even more in our future. It means honoring and respecting those that gave to the church to make real differences in real people's lives.

Let us take this step to build the vision we have articulated together in our covenant and in our values, mission and ends statements.

With respect and love,

First UU Austin, Board of Trustees

Appendix A – Answers to Specific Concerns

Was the Finance Committee consulted regarding these proposals?

Yes, the Finance Committee was consulted for the FAMP changes. We have, to the best of our ability, worked to create a system where all parts of the church collaborate to make our mission and ends a reality. It is important to understand that the board, when working with committees - or a nominated representative - will meet with one (or more) representatives of the committee (usually the committee chair). The full board does not typically meet with full committees. The chair of the Finance Committee has met with nominated representatives of the Board to discuss the FAMP changes on several occasions. Recently proposed amendments that are being contemplated have been discussed with the Chair of the Finance Committee, acting in that role, at length on several occasions. Discussions about the FAMP and changes to the FAMP have been held on an informal basis continually since October. Over the last three months these meetings and consultations have intensified. There has been no wall between all appropriate partners in communicating this or any other motion being placed before the congregation. All four members of the Finance Committee, S Windsor, J Keohane, K McLaughlin, and S Hale were aware of the proposals.

Regarding the proposal to fund a volunteer coordinator from the MSF, there is no requirement or suggestion to consult the Finance Committee in any extant church policies. Please see Appendix B “Use of the Memorial Savings Fund” which describes the manner in which the funds may be used. The board followed the documented requirement - present a motion to the congregation. The chair of the finance committee was present and participating at the board meeting where the motion was first discussed. Subsequent to that board meeting at which the motion was first discussed there has been literally dozens of conversations over a period of months regarding this motion with the finance chair and members of the board and members of the Executive Team. The board is aware that the Chair of Finance Committee is against the proposal, but is well within its authority and according to due process to present this proposal to the congregation.

If we are not allowed to withdraw funds from the Memorial Savings Fund that would cause it to go below \$250,000, then would this proposal to fund a Volunteer Coordinator break this rule?

Using a 10.5% projected rate of return (supplied by the Chair of the Finance Committee), the proposal will not cause the Memorial Savings Fund balance to go below \$250,000. \$280,000 at 10% grows by \$28,000/year. By withdrawing funds towards the end of each year the Fund is projected to remain above \$250,000. Please note that our rate of return for the past 18 months is 20% (supplied by the Chair of the Finance Committee). See Appendix C for a detailed month-by-month projection.

Why not do more due diligence like was done with establishing an Executive Director? Why now/why rush?

Appropriate due diligence and research has been done. The biggest difference is who has done the work. The due diligence work for the Executive Director position was done by a volunteer committee, subsequently, this process took a long time in calendar terms. In the case of the Membership Coordinator position the responsibility resides with full-time employees, Ed and Sean, who make up our executive team. They have been investigating UU best practices regarding this position and discussing it with the congregation since September 2010. Several long-time members of the church have indicated that the idea of a volunteer coordinator has been discussed within the church for at least a decade.

We do not, therefore, perceive this as being either rushed or hurried. Timing, however, is important. There is a historically documented period following the calling of new settled minister where churches experience increases in visitors and new membership. We believe that having a professional Membership Coordinator on staff during this period will help us make the most of this trend. We further believe that improved retention during this period will minimize both the amount of MSF funding actually needed to seed the position and the amount of time before the revenue generated by the position can be returned to savings.

Is the FAMP is a covenant?

The FAMP is a covenant, and we are honoring the required double-vote at back-to-back congregational meetings. We are not dishonoring the FAMP or the MSF, we are following the methods proscribed in those covenants and we believe that the investment we are proposing is true to the mission of our church and the spirit in which the funds in question were donated to the church.

What about the question of spending money from the Memorial Saving Fund to cover salaries and whether the FAMP is a covenant? Would that be something we would not be allowed to do?

There is nothing in the FAMP or Memorial Savings Fund (MSF) language that prohibits using funds from savings to pay for a salary. In fact, each year when we transfer a portion of the Memorial Savings Fund to the operating budget, the majority of it goes toward salaries.

It is quite common for thriving churches, non-profits and businesses to invest in a pilot project when they believe that it is likely to be an excellent financial investment and especially when doing so also achieves a vital part of their mission.

Does a withdrawal from the Memorial Savings Fund to fund a Volunteer Coordinate fit its stated purpose?

The relevant text from the FAMP is:

“Memorial Savings Fund: a Restricted Fund established by Resolution of the Church membership for the purpose of providing a growing foundation of financial stability for the long term financial health and continuity of the Church, **the principal and income from which may be used to supplement the annual operating budget** or for other purposes as set forth in the Resolution creating the Memorial Savings Fund and in this Policy. “ - *FAMP*

“Since the purpose of the Memorial Savings Fund is to assure the long range financial future of the church and to help the church manage and survive financial emergencies, the Church shall have policies and procedures in place to limit annual distributions to a set percentage of total reserves. Church policies and procedures shall also make clear that other distributions or loans from the Memorial Savings Fund would occur only in rare and extreme circumstances and that any such distribution or loan would require a two thirds affirmative majority vote of members present and voting at two consecutive regular scheduled meetings of the Congregation.” - *FAMP*

The board believes that the Memorial Savings Fund can be used to "supplement the annual operating budget"; that the transition period from a 32 month period of interim ministry to a new settled minister is a "rare and extreme circumstance"; and that it is reasonable, within our authority, and appropriate as fiduciary trustees to recommend this course of action. Most importantly, it is with our *Mission* and *Values* in mind that we make this proposal and ask the congregation to decide with a two-thirds vote at two regularly scheduled meetings.

Have alternate sources of funding, such as other restricted funds, been considered?

Yes, the board has kept the full financial picture of the church in mind when making this proposal. The other restricted funds of the church are restricted to specific ministries of the church (RE, Paradox Players, Social Action, etc), and the board's position is that using those funds is inappropriate for this proposal, whereas use of the Memorial Savings Fund, with full knowledge and approval by the congregation, is entirely appropriate for this proposal.

Doesn't the FAMP say "The primary intent in managing the MSF is to have it grow over time"?

Yes it does, in the section regarding how we should *manage the funds*. The full quote is "Consistent with its purpose, the primary intent in managing the Memorial Savings Fund is to have it grow over time through contributions, wise investment, and limited withdrawals". That section discusses how to manage the funds (investing guidelines, reporting requirements, etc). That section does not address the purpose or use of the funds. What that quote means, in practical terms, is that we should not park the funds in the church checking account, that the funds should be invested and that withdrawals should be limited. The board agrees that this is how the funds should be managed. But this section of the document, including the highly-selective quote above, does not speak to how the funds should be used.

The purpose of the Memorial Savings Fund is "to provide a growing foundation of financial stability for the long-term financial health and continuity of the Church". The board views this proposal as an investment in the community that *will* provide a growing foundation of financial stability. Even those most vocal against using the Memorial Savings Fund at this point in time acknowledge that there is broad agreement that a Volunteer Coordinator would be good for our church. We have a lot of visitors to our church each month. We are on the cusp of calling an exceptional minister. The front door is wide open and people are coming in. But we are failing to reach out to many of them and get them integrated into the life of the church. And so they are walking out the back door, taking their time, treasure and talents with them. Investing in a Volunteer Coordinator is the best investment we can make right now for the growth, health and continuity of our church – financially and otherwise.

Appendix B – Use of the Memorial Savings Fund

Use of the Memorial Savings Fund

1. With the approval of the Church membership at its Fall annual meeting, the Board of Trustees may budget the transfer of money from the Memorial Savings Fund into the Operations Fund of the Church for the succeeding fiscal year. However, the amount that may be transferred under this provision is limited to a maximum of 5-1/2 percent (5.5%) of the Memorial Savings Fund market value on the last business day of September preceding the fiscal year in which the transfer is to take place. An approved budget transfer of Memorial Savings Fund money into the Church Operations Fund shall be made in the Church's financial records during January of the budgeted year.
2. To expend for any purpose any amount from the Memorial Savings Fund greater than provided by Section 1 above, the approval of a majority of the Church membership attending two consecutive regularly scheduled membership meetings is required.
3. In no case may the value of the Memorial Savings Fund be reduced through withdrawals permitted by Section 2 above, to less than two hundred fifty thousand (\$250,000.00).

Appendix C – Memorial Savings Fund Balance Projections

The following charts show the projected balance of the Memorial Savings Fund, over time, assuming an annual growth rate of 10.5%. This rate was provided by the Chair of the Finance Committee in his projections.

The first chart assumes that the funds will be removed at the end of the year. The second assumes that the funds will be removed in even monthly increments. Both charts assume the Volunteer Coordinator will begin in Sept, and incorporate an additional transfer of 5.5% in Jan of the Sept prior balance.

In the second chart, the third-year 5.5% transfer is reduced slightly to 4.7% to keep the Memorial Savings Fund balance above \$250,000.

In both cases the Memorial Savings Fund is thus projected to remain above \$250,000.

Chart 1 – Withdrawals at the end of each year of Volunteer Coordinator Employment

Monthly Growth Rate = 1.008333333

		Feb-11	278,439
		Mar-11	280,759
		Apr-11	283,099
		May-11	285,458
		Jun-11	287,837
		Jul-11	290,236
		Aug-11	292,654
1st Year		Sep-11	295,093
		Oct-11	297,552
		Nov-11	300,032
		Dec-11	302,532
	- 5.5 %	Jan-12	288,823
		Feb-12	291,230
		Mar-12	293,657
		Apr-12	296,104
		May-12	298,571
		Jun-12	301,060
		Jul-12	303,568
2nd Year		Aug-12	266,098
		Sep-12	268,316
		Oct-12	270,552
		Nov-12	272,806
		Dec-12	275,080
	- 5.5 %	Jan-13	262,614
		Feb-13	264,803
		Mar-13	267,010
		Apr-13	269,235
		May-13	271,478
		Jun-13	273,741
		Jul-13	276,022
3rd Year		Aug-13	258,322
		Sep-13	260,475
		Oct-13	262,645
		Nov-13	264,834
		Dec-13	267,041
	- 5.5 %	Jan-14	254,940
		Feb-14	257,065
		Mar-14	259,207
		Apr-14	261,367
		May-14	263,545
		Jun-14	265,741
		Jul-14	267,956
10 K taken		Aug-14	260,189
		Sep-14	262,357

Chart 2 – Even monthly withdrawals

Monthly Growth Rate = 1.008333333

		Feb-11	278,439
		Mar-11	280,759
		Apr-11	283,099
		May-11	285,458
		Jun-11	287,837
		Jul-11	290,236
		Aug-11	292,654
		Sep-11	291,760
		Oct-11	290,858
		Nov-11	289,949
		Dec-11	289,032
- \$ 3,333		Jan-12	272,061
- \$ 3,333		Feb-12	270,995
- \$ 3,333	5.5% taken	Mar-12	269,921
- \$ 3,333		Apr-12	268,837
- \$ 3,333		May-12	267,744
- \$ 3,333		Jun-12	266,643
- \$ 3,333		Jul-12	265,532
- \$ 3,333		Aug-12	264,411
- \$ 1,666		Sep-12	264,949
- \$ 1,666		Oct-12	265,491
- \$ 1,666		Nov-12	266,037
- \$ 1,666		Dec-12	266,588
- \$ 1,666	5.5% taken	Jan-13	252,571
- \$ 1,666		Feb-13	253,010
- \$ 1,666		Mar-13	253,453
- \$ 1,666		Apr-13	253,899
- \$ 1,666		May-13	254,349
- \$ 1,666		Jun-13	254,802
- \$ 1,666		Jul-13	255,259
- \$ 1,666		Aug-13	255,721
- \$830		Sep-13	257,022
- \$830		Oct-13	258,333
- \$830		Nov-13	259,656
- \$830		Dec-13	260,990
- \$830	4.7% taken	Jan-14	250,255
- \$830		Feb-14	251,510
- \$830		Mar-14	252,776
- \$830		Apr-14	254,053
- \$830		May-14	255,340
- \$830		Jun-14	256,638
- \$830		Jul-14	257,946
- \$830		Aug-14	259,266