

Report to Board of Trustees

From: Committee on Financial Oversight

November 6, 2018

Our Committee wishes to update the Board about work that has been performed and developments over the past month.

Financial management

- Jan Setchko was unable to provide compensated services but recommended Monte Meyers of Shining Star Consulting to assist with catching up on our general ledger accounting and producing accurate financial statements. Principal Monte Meyers and his staff perform similar activities for 35 different not-for-profit entities in the Bay Area and beyond. He has a staff of 19 full and part-time CPAs, bookkeepers and administrative people.
- After interviewing multiple current clients and a meeting Monte with members of the CFO and Mary Muelhbach, we requested a proposal which was reviewed and approved for engagement. Expected range of costs to get caught up and prepare first accurate financial statements will be \$5-7,000. Ongoing monthly costs will be proposed after several cycles of producing monthly financial statements.
- Work commences Thursday Nov7 with focus on first getting caught up, then reviewing and regularizing financial statement preparation on a monthly basis going forward.
- We should expect them to produce the first such financial statements by the January Board meeting.
- Their work will also support the continuation of the 16-17 audit which has been on hold since the former Administrator's departure. We may have to begin on-site examination by the auditor's staff again due to the lapse of more than a year since work was first completed.
- Mary Muehlbach and Diana Strickland, bookkeeper, will be working closely with the consultant to get him the information needed. Mary is scheduled to end her Treasurer duties next summer. Ira Nelkin has volunteered to take over as Treasurer for a one year period upon Mary's departure and will work with her in the interim to get up to speed. We continue to look for other members with both financial expertise and an interest in assisting.

Insurance

- Obtained a new Worker's Comp policy that costs slightly less than the lapsed policy.
- Commenced a worker's comp audit with Diana Strickland leading.
- Reviewed the Commercial and property liability policy for which the carrier has given notice of non-renewal as of December 1. Broker has identified another carrier to insure us.

Facilities

- Conferred with B&G and identified multiple facilities tasks and operations that have been untouched or only sporadically addressed since Franklin's departure including irrigation, security systems, locks, lighting, doors, sound transmission issues, larger landscaping maintenance jobs. Some are critical to providing a better renter experience.
- These various issues will require considerable expenditures, some of which can be covered with this year's current budget but some will require additional investments. A budget will be developed and recommendations made for both near term and medium term projects that impact our ability to attract and adequately serve outside renters and increase our revenues.

Administrative Task Force coordination

- Met with Task Force twice to share observations, information and recommendations re data from other congregations and not-for-profits, identified collaborative activities and research projects
- Identified 25 peer UU congregations and a 10 organization subset with similar memberships, pledges in similar high cost urban areas
- Began interviewing church administrators and executive directors of these congregations to learn how they deliver financial administration and financial reports to their organizations and to quantify the costs as well

Facility Rental Support Group

Under the convenorship of Hilary Lorraine, the Group has:

- Inventoried AV equipment throughout the church.
- Identified knowledge gaps, missing or broken equipment and need for outside expertise to evaluate best way to restore full sound in sanctuary, social hall and Fireside Room
- Met with Lissa re her duties, needs and recommendations for coordination
- Produced and printed two new brochures for Weddings and Other Events
- Identified leading websites where UUCB needs to be represented. This will incur significant annual costs for obtaining premium positioning
- A budget for purchases, outside expertise and website will be developed and presented to the CT in November

School Tenants

- Reviewed leases and identified current and renewal issues
- Met with Directors of Good Earth and Pine Crest re providing their own custodial services. Good Earth has already engaged a temporary janitor and will work with Pine Crest to hire a common provider. They will no longer reimburse UUCB for such services when the replacement is in place. This will reduce our income by around \$1,000 per month but will

- free up Warren to focus on repair and maintenance tasks that have gone undone for months and years.
- Identified maintenance issues with Good Earth playground that need to be fixed. Will discuss issues and costs in person.

CT Meetings

As a member of the CT, David has met with other members for in-depth discussions of immediate and longer term issues including:

- Provision of and supervision of custodial and event services. Christian, Alisa and David met and formulated a preliminary plan to have Alisa provide weekday supervision of Yao and Warren with more explicit duties and expectations. Weekend supervision will continue to remain with Deborah and Christian
- Worked with Deborah to define an event host job for which she has advertised and is now examining candidates
- Identified need to evaluate costs and providers of health insurance prior to renewal