

May Meeting Minutes:

Unity Church Unitarian: Meeting of the Board of Trustees May 18 , 2019

The meeting took place at Unity Church-Unitarian, 733 Portland Ave, St. Paul, MN.

Board of Trustees (BOT) members present: Jennifer Tong (chair), Jill van Koolwijk (secretary), John Steiner-Manning, Nila Gouldin, Ruth Kirkland, Clover Earl, Jackie Smith, Justin Cummins, Nancy Evert

Executive Team (ET) members present: Lisa Friedman, Barbara Hubbard, KP Hong

Guests: Laura Park, Ying Vu, Wendy Harden (SDK), Kathryn Jay

Jennifer Tong called the meeting to order at 9:00 a.m.

An opening reading by adrienne maree brown was offered by Jackie Smith.

A journaling prompt was offered by Kathryn Jay:

- When do you think about money in church and how does it make you feel?
- Where is the sacred in budget conversations? What is the relationship between the pragmatic and the holy?

Financial Review 2018 (Review) – Presentation by Wendy Harden, CPA from SDK

- Policy II.A. Constraint
- Policy II.E. Financial Condition
- Policy II.F. Asset Protection

CPA firm Schechter Dokken Kanter (SDK) performed a review of Unity's 2018 financial reports, and partner Wendy Harden presented and explained a PowerPoint summarizing the results. In the review the firm creates the standard financial reports (including Income Statement, Balance Sheet, Statement of Cash Flows, and some related reports) and assists with some accounting issues. There have been changes to a couple of non-profit standard accounting requirements and the 2018 reports conform to those requirements. SDK did not perform a full audit, which would include detailed testing of supporting documentation, and does not include an audit opinion. The Board has expressed interest in getting a full audit for 2019 in preparation for the ministerial search.

The reports encompass the full scope of Unity's financials, which is broader than the operating budget/financials the Board typically reviews on a monthly basis. It included reporting on Unity's endowments and other funds.

Discussion points included:

- Calculation of the Allowance for Doubtful Accounts: Wendy agreed to review this calculation again before issuing final reports.
- Calculation of drawdown amounts: the Trustees asked about how much would potentially be available to Unity as an annual drawdown from endowments. Barbara agreed to provide a calculation at the June Board meeting.
- In-kind contributions: The Trustees noted there is a lot of pro bono work done by our congregation. Wendy explained that for professional services (for example, legal review/advice, Laura Park's consulting support to Unity, etc.) we can include an estimate of value in our statements. The Trustees asked that where it is fairly easy and convenient to do so we'd like that information included.

Jill van Koolwijk moved to accept the Financial Review with the condition to update the Allowance for Doubtful Accounts as necessary and to add as appropriate in-kind professional services. The motion passed unanimously.

Break

Prophetic Leadership – Subcommittee Reports

Board Capacity – Ruth Kirkland

Attributes sought in new Trustees: There are three areas that came up: To be able to work closely with the other trustees. To dig deep into the workings of the church. To fill some gaps in our demographics (age, cultural and gender diversity).

Other issues that were flagged were: We are looking for people who have financial acumen and are strategic thinkers; who have experience with technology, other boards, change in organizations, collaboration and continuity; who have a non-anxious presence in the face of transitions, who are spiritually grounded in our UU faith tradition, who know about our diverse ministries.

Evaluation – Justin Cummins

Survey Updates:

The response rate has been very good so far. Computers in the lobby during Sundays have been helpful. The board is looking to reach the benchmark of 400 responders to the congregational survey.

The staff survey is due in May. The Evaluation committee is planning to come to a staff meeting and have staff members fill out the survey right there.

Transition – John Steiner-Manning

Jen Crow will come to the next board meeting to help us with next steps in the transition process.

Barbara Hubbard mentioned that people from the congregation are interested in joining a group that plans Janne and Rob's retirement and good-byes.

Monitoring Reports – ET

Policy II.E. Financial Condition (March 2019):

Update on the operating budget shortfall of \$61,360:

Nila Gouldin moved to accept the Executive Team report as in compliance with policy II E. The motion passed unanimously.

(Discussion: Within our financial forecast, we show an operating budget shortfall of \$61,360. A breakdown of contributing factors: The fundraiser is not planned anymore to happen in 2019, but was moved to spring of 2020. There are shortfalls in income from the Children's Musical due to a weather cancellation and a lower number of planned weddings at Unity.

On the flip side, additional pledges have already been included into our forecast. There will be savings in salaries when there isn't a Hallman Intern next year and our facilities manager Bill Lowell has gone into semi-retirement and is now part time. Karen Hering will step into the role of Pastoral Care Facilitator and pick up duties that the Hallman Intern has done, such as Wellspring Wednesday.

Because the gap is a manageable amount and because it has been identified fairly early in the year, the Trustees suggested that rather than doing a separate appeal to the congregation, we could use our allowed annual drawdown on investments to fill the gap. During the discussion with Wendy Harden it was estimated this could be about \$50K. According to policy an annual drawdown is available to Unity but since the 2008 financial crisis we haven't taken those funds. In addition the ET agreed to closely manage expenses to ensure the gap does not increase.

There are suggestions of changing the structure of how pledges are being received (e.g. auto payments, texting payment, a payment kiosk. There are also concerns that in a ministerial transition, it is typical to lose about 10-15% of membership. We are hoping that Lisa Friedman can provide some membership forecasts.)

Policy II.D. Financial Planning

Policy II. H. Communication and Counsel to the Board:

Justin Cummins moved to accept the Executive Team report as in compliance with policy II. D. and policy II. H. (Communication and Counsel to the Board). The motions passed unanimously.

(Discussion: Team Dynamics will offer an intercultural capacity building workshop dedicated to our multicultural end. A 4-hour training for 150+ participants is scheduled for September 7th with focus especially on worship, education, and welcome/outreach. As preparation for that event, a planning team consisting of the Beloved Community Staff Team plus leaders in strategic ministry areas engaged in multiculturalism)will gather to collaborate with Team Dynamics in early August.)

Policy II. B. Staff Changes:

Nancy Evert moved to accept the Executive Team report as in compliance with policy II. B. (Staff Changes). The motion passed unanimously.

(Discussion: Our new music director, Ahmed Anzaldua, is being trained by Ruth Palmer in the coming weeks. His visa was approved.)

Policy I. B. Internal Report (membership)

John Steiner-Manning moved to accept the Executive Team report as in compliance with policy I. B. The motion passed unanimously.

Approval of April 2019 Meeting Minutes:

Corporate Resolution:

Nila Gouldin moved to accept the April 2019 Meeting Minutes and the Corporate Resolution with the change of putting in the secretary's name (Jill van Koolwijk). The motions passed unanimously.

Meeting evaluation

Jackie Smith offered a meeting evaluation. We, as trustees move the church's work forward – in sacred as well as pragmatic ways. Reflecting on our notes from Kathryn Jay's journaling prompts, we discussed in pairs.

Jackie Smith offered a closing reading by Brené Brown.

Jennifer Tong adjourned the meeting at 12:30 p.m.

Respectfully submitted by Jill van Koolwijk, secretary.