

First Unitarian Universalist Society of San Francisco
Regular Board Meeting
August 18, 2009

Present

Board Members

Matt Fuller, Moderator
Claire Weber, Vice Moderator
Thad Smith, Treasurer
Jane Park, Secretary
Ben Bear
Laura Gilmore

Stephen Schwichow
Judith Stoddard
Don Williams
Bill Wise

Staff

Nancy Evans, Executive Director

Call to order. The meeting was called to order by Moderator Matt Fuller at 7 o'clock. Matt announced that Greg would not attend.

Opening. Claire read from Lao Tsu "Go to the people..."

Agenda review. Matt announced the following notes and changes to the agenda:

- New Business Item 4 (Rites of Passage Officiants) will be tabled until the September meeting, when Greg can be present for the discussion
- New Business Item 7 (Resolution related to Senior Minister's focus on preaching) would be discussed, but not voted on tonight
- An additional Old Business item (#5), update on Larry Peers Project, would be added.

Consent agenda. The minutes of the July 21, 2009 meeting were accepted with minor revisions.

Policy Review

1. Principles of Governance

The Board briefly discussed the "Principles of Governance" document, included in the packet. Aside from minor edits, the overall reaction to the document was positive. Comments included appreciation for the direct acknowledgement of conflict; and recognition that keeping to our roles as Board members with respect to staff can be challenging, especially when we are wearing "other hats." A question was also raised as to how we can get input from all members, including those who are not comfortable speaking in public. Some discussion followed, with acknowledgement that this remains an area for improvement.

2. The Community Minister Policy was distributed without discussion.

Reports

1. Senior Minister's report. Greg submitted his written report for June and July. Matt had invited Board members to ask question via email for Greg, earlier in the day and no responses were received.

2. Executive Director's report. Nancy submitted her written report for July. Nancy responded to Board members' questions. She clarified that UPMIFA (the Uniform Prudent Management of Institutional Funds Act) refers to new federal regulations that loosen some requirements related to endowment funds (e.g., one can draw 5% from a fund that is "under water"; if an endowment has lingered untouched, it can be "re-purposed," if certain procedures are followed). She clarified the church's workers comp policy now covers all the appropriate people and performed well on a recent audit. Regarding the July break-in, Nancy described efforts to follow up on the alarm's failure with ADT and described a few camera changes that would be instituted. Also the waste disposal meeting went with a dozen people in attendance.

Financial reports (agenda items 2a-g). The Board reviewed the year-end reports for Fiscal Year 08-09. Nancy reviewed her written highlights, stating that the church is doing "remarkably well," given the economy. Income and expenses were very close to forecast amounts; the receipt of significant bequests offset the decline in the church's investments and allowed us to reduce a long-standing deficit carried in the operating budget to \$6,458.

During the Board's review of the balance sheet, Jane suggested that the Board needs to clarify how it calculates the amount of unrestricted funded needed to meet the "six-month operating reserves" bylaw passed in May. The current balance of \$590,00 is very close to six months of operating reserves. The Board might consider subtracting the amount by which the Building Endowment Fund is underwater (\$229,000). The Board agreed this needed to be addressed. Matt noted that this is the first year that the Board has received a balance sheet report with comparison to previous years and thanked Nancy for making this happen.

In reviewing the Budget to Actuals, Nancy attributed much of the success in meeting budgeted income to good forecasting, and thanked the Board for not being over-optimistic on income projections. She also noted there has been no use of contingency for three years. She also stated that the net income figure of \$2,321 is slightly high as it includes restricted grant income; net those funds, "real" net income is closer to \$200.

Claire stated that she is encouraged by higher than expected pledging among new members. She attributed some of this to Rev. Greg's approach during the "Invitation to Membership." It is impressive that the recent "generous donors" gatherings include recent members.

Nancy responded to Board members' questions. She estimated that pledges made to date are about \$41,000 below what would have been projected, reflecting some members' changed economic circumstances. She has received communication from some members who anticipate reducing their pledge. Among the religious groups that meet here, the Buddhists, a participating organization, pay \$275 per week, funds that go directly to Adult Religious Education; the Lutherans contribute \$200 Sunday, as does the Sunday Afternoon Fellowship. On behalf of the Board, Matt thanked Nancy for her phenomenal job managing the budget. The Buddhists, a participating organization, contribute \$275 per week, and in addition 100% of the registration fees from their Beginning and Intermediate Mediation classes go to Adult Religious Education program income.

In an 8/20 email to the Board, Nancy explained the \$430,000 figure on line#8300 of the Budget to Actuals. She stated, "Line #8300 near the end of the Budget to Actuals ("other funds transferred") captures movements among endowment funds during the year so that Grace can document those transactions for the audit/review. In essence, the \$430,342 was about half Gorham fund redistribution, and rest were fund transfers to the operating budget as approved by the congregation.

Old Business

1. California Pacific Medical Center (CPMC) update

There are no updates since the last meeting. The next big CPMC meeting will be held in September before the next Board meeting.

2. Intern Resolution

Matt reported on his meeting with Amy Kelly, chair of the Intern Committee members. Amy stated that this item is likely to be on the agenda for the committee's September meeting. She believes the committee is flexible about changing wording of the resolution to be acceptable to congregation. Matt and Stephen volunteered to work with the committee in organizing a Town Hall Meeting.

3. Annual Budget Drive/Beyond Sunday Challenge Update

As part of the effort to raise the last \$60,000 in this year's ABD/Beyond Sunday Challenge goal, two "generous donors" socials/dinners have been held. No results are available at this point, although a few people did return their forms. The events are socially fun. Letters are being sent to those who could not attend.

4. Up On Top MOU Update

Matt reported on his meeting Nan Parks McCarthy, UOT Executive Director and Matt Anderson, UOT Board Member. Neither expressed concerns about the revised MOU, which was approved by the Board on a preliminary basis at the June meeting. Revisions to the document include no "guarantee" of plate collection and more reciprocal language about sharing information about donors.

New Business

1. Approval of Board Subcommittees for the coming year

- a. Lay Leadership Development
- b. Culture of Generosity

The Board considered the following motion, printed in the packet:

Whereas, the board strategic plan directs it to focus on the areas of lay leadership development and creating a culture of generosity, and;

Whereas, board members discussed these items in depth at our August 2009 retreat,

Therefore be it resolved:

The Culture of Generosity Committee shall consist of Thad Smith, Bill Wise, Claire Weber, Don Williams and Judith Stoddard. It shall investigate and report back to the entire board with recommendations regarding ways to proceed and recommendations about a minimum pledge, how best to recognize large donors, and congregational

education regarding stewardship. It shall also work to recruit leaders for next year's annual budget drive and fundraising activities. The work of this committee shall not be restricted solely to items in this resolution, it shall be empowered to engage appropriately with any issue that the members feel is relevant to our continued efforts to create, recognize, and sustain a culture of generosity.

The Lay Leadership Committee shall consist of Ben Bear, Jane Park, Laura Gilmore, Stephen Schwichow, and Matt Fuller. It shall investigate and report back to the entire board with recommendations regarding how to be customize a governance relationship between the board and committees based on the particular need of that committee, next steps regarding program council, next steps regarding a congregational covenant, ways to engage the congregation around "healthy conflict" education and awareness, and continue to work on the Larry Peers consulting project. The work of this committee shall not be restricted solely to items in this resolution, it shall be empowered to engage appropriately with any issue that the members feel is relevant to our continued efforts to create, recognize, and sustain lay leadership.

Ben **moved** that the Board approve this motion. Stephen seconded the motion. The motion was approved by a unanimous vote of 9 to 0 with no opposing votes, no abstentions and the moderator not voting.

2. Retreat Review

The Board reviewed two tasks groups created at the retreat (listed below) and confirmed that volunteer teams were correctly listed.

- a. Breaking Bread, Building Community Event (Matt, Bill Ben, Jane)
- b. Board Social Events (Laura, Claire)

c. Other items:

There was a short discussion to follow up on another idea from the retreat: coffee and juice hour (or having kid-friendly snacks in the TSK room or coffee hour in the playground). After some discussion about the logistics of such an event, the Board agreed this fell outside their purview and agreed that Matt should informally ask Greg, as the Senior Executive and our link to the staff, how best to proceed with idea.

3. Town Hall Team Assignments

The Board reviewed Town Hall Team assignments, listed below. The first Town Hall, *Celebrating What We Do Well*, has been scheduled: Sept. 27, with Don, Claire, Laura, Bill as the team members. It was agreed food should be served (Ben volunteered to do lunch if no other church group wants to do a sandwich sale on that date). Board members also agreed that we needed input from beyond the Board, so the presentation reflects a broader point of view. The Team welcomed suggestions for what to focus on and who to contact for input.

The following Town Hall meetings have not been scheduled:

- Building Update (TBD/January Jane, Claire, Judith)
- Growth – TBD (Matt, Jane, Ben, Stephen)

In addition, it was confirmed that, as discussed earlier, Matt and Stephen will work with the Intern Committee about a possible Town Hall meeting to discuss the resolution.

4. Review of Rites of Passage Officiants – Tabled until September meeting

5. Approval of Table of Limits and Date for next budget

The Board considered the following motion, printed in the Board Packet:

Resolved, that the Table of Limits be updated for the FY09-FY10 church year as follows:

Grant Award Limit to remain \$10,000,

Contract Limit to remain \$75,000,

Competitive Bid threshold to remain \$25,000,

and the date to provide a balanced budget proposal shall be April 9, 2010.

During a brief discussion, it was clarified that the grant limit refers to grants that can be made by the Senior Executive (or his designee), not grants the church could apply for. Church applications for funds is addressed in another section of the governance document.

Don **moved** that the Table of Limits be approved; Claire seconded the motion. The motion was approved by a unanimous vote of 9 to 0 with no opposing votes, no abstentions and the moderator not voting.

Thad also noted that the Table incorrectly lists the Finance committee as responsible for developing an asset allocation policy. This falls under the purview of the Investment Committee. At Matt's suggestion, the Board agreed this language could be corrected. Thad can ask Investment Committee to address this.

6. Ministerial Relations Committee member change

Matt reviewed the MRC, one of three committees explicitly defined in bylaws. Members serve for 2-year terms; names are suggested by the minister and subject to Board approval. The committee currently consists of Bernice Biggs, Rob Packenham, David Jones and Liz Strand. Liz has asked to step down, to allow her to better focus on her leadership of the Membership Committee. Linda Enger is willing to serve as her replacement.

Stephen **moved** that the Board approve Linda Enger a member of the MRC, replacing Liz Strand. Judith seconded the motion. The motion was approved by a unanimous vote of 9 to 0 with no opposing votes, no abstentions and the moderator not voting.

7. Resolution affirming board support of Senior Minister's focus on preaching

This item continues a conversation begun at the retreat. Matt reiterated that the Board would not be voting on this motion at this meeting. He also noted that the "free pulpit" language needed to be added to clarify that the Board does not direct *the content* of Greg's services. A long discussion ensued. Different views were expressed about specifying the number of services (i.e., 3). Some felt it would impose too narrow a restriction on Greg, while others thought a number was needed to give Greg cover for focusing on preaching. Suggestions were offered to address this concern (e.g., adding "an average of," clarifying that he might not

preach all services where he was on the chancel). There was also concern that the motion focused narrowly on one aspect of the retreat discussion, where Greg reported on other goals and also noted that he would like to teach more. It was suggested that motion be revised to place it in the context all growth goals delegated to Greg.

In response to questions, the history and purpose of the motion were reviewed. Matt described it as, in part, a response to the concern that Greg is has too many demands on his time. The Board aims to help Greg “do what he does best,” including preaching. More specifically, Greg needs cover or back-up support (e.g., against other demands on his time and expectations for Sunday services). Claire had asked specifically that Greg’s pulpit presence be a retreat topic and Don noted that attendance is higher when Greg is in the pulpit.

There was general, although not unanimous support, for increasing Greg’s presence in the pulpit. There was concern that we might limit diversity by not addressing those whose needs are not met by Greg’s services. Furthermore, to the extent that Greg becomes the public face of the church, people will only to go him.

Thad suggested that, if we want to give Greg cover from lower-priority activities, the Board also needs a common understanding of what he is responsible for. It was suggested that the Board re-visit expectations for the minister's time at its fall retreat, potentially using an exercise from the Ministerial Models Task Force (from the interim period.)

Matt closed the discussion and thanked Board members for their thoughtful comments. The item will be tabled to “Old Business” for next month. Claire and Matt will revise the motion in response to this discussion.

Upcoming Events

Upcoming events are listed in the agenda. A few additional items were noted: still setting date for the “emerita reception” for Rev. Margot. No date has been sent for Dorothy Satir’s memorial service.

Appreciation

Miko Mosher for hosting a ABD/Beyond Sunday generous donors event. (Don Williams will write letter.)

Good and welfare.

The Rutherfords were at a ABD/Beyond Sunday generous donors event, doing okay. Marbeth Munn is back at church.

Closing. Claire read from Mark Twain “ secret of getting ahead” ...

Adjournment

Matt adjourned the meeting at 9:37.

Respectfully submitted,
Jane Park, Secretary, Board of Trustees