

Unity Church Unitarian: Meeting of the Board of Trustees May 12, 2018

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

Board of Trustees (BOT) members present: Nila Gouldin, Nancy Everet, Justin Cummins, John Steiner-Manning, Bailey Webster, Jill Van Koolwijk, Ruth Kirkland, Jennifer Tong, Terry Linskey.

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

Others present: Laura Park, Signe Nestigen from ARLT

Justin called the meeting to order at 9:06 a.m.

Nila Gouldin offered an opening reading.

The board had a discussion and final vote on the renewed Core Values, Mission, and Ends Statements. Led by Laura Park of Unity Consulting.

Nancy moved to adopt the Mission, Values, and Ends as preliminary statements, which will be up for further discussion before we present them to the congregation. The motion was seconded by Jennifer. The motion passed unanimously.

Prophetic Leadership (Subteam updates)

Board capacity subteam: The subteam is working on the nominations process. The new BoardEffect software will be rolled out at the July meeting.

Evaluation subteam: Congregational survey is open. The response has been good so far. The subteam needs some additional help getting the word out – need help for May 20th. Volunteer and staff survey needs to go out this month, Terry is working with Barbara on that.

Financials task force: Today Wendy Harden will be here to do a presentation of our financial review. Ongoing conversation about the treasurer role, intersection with the policy subteam.

Policy subteam: Have been discussing revisions to the policies in light of the bylaws changes. Will have more to report to the board soon. Need additional discussion and thinking. There is a set of policy governance questions that warrant board discussion – planning for one of the next few board meetings. Thinking about what the policy and financials subteams have been working on. Goes to the core of policy governance and how we do things.

Transitions subteam: Had a meeting this week with Jen Crow (our transition consultant). Looking at the two options: back-to-back transition and 1-year interim. Will be conducting interviews with congregations who had relevant transitions recently. If it works for the full

board the team will have information and a recommendation at the September board meeting. Question of how we communicate about the search, and how the search team gets formed. There will be a good opportunity for linkage with the congregation. Barbara raised the question of when the board will work on what the executive structure will look like through the transition. Important for letting candidates know what their role in the church leadership will be.

Financial review by Wendy Harden of Schechter Dokken Kanter

SDK did a review, not a full audit. They don't give an opinion, which is what makes it different from an audit. They don't test the accuracy of the materials they get from Barbara. Wendy met with the financials subteam last week to make a better presentation to make it more understandable for the board.

Current ratio: measures ability to pay bills. The higher the number, the stronger the balance sheet. The ratio includes just liquid assets.

Cash: SDK tries to put it into more context. Days of cash on hand.

Net assets: accumulated earnings over the last 150 years that the church has been in operation. Currently \$5 million of the temporarily restricted is for Unity Tomorrow (church remodel). Next year the rule will change and that \$5 million will move to unrestricted. The graph will look very different.

Contributions: 2014 was an anomaly because of 3-year capital pledges. This year's contributions include 2-year pledges, which is why it's a little higher than the last couple of years.

Functional expenses: In 2016, Selma trip and Transylvania pilgrimage made the program expenses higher than this year.

Change in net assets: unrestricted is our operating budget.

We're on a very positive trajectory for paying ourselves back for the Hallman funds.

Question posed by Jennifer: When we talk about moving holdings and making decisions about finances, what is the board's role? There might need to be something added to the board policies about what the ET shall not do.

The board requested that Wendy move some line items in the endowment analysis to better reflect what was true on Dec. 31. Wendy will send the updated report to the board for acceptance.

There was a discussion about how often we should be having an audit vs. a review. The intent was to have an audit every three years. The last audit was 2011. An audit costs \$12,000, while a

review costs \$6,000. In light of the transition coming up, we may want to consider doing an audit relatively soon.

The board went into executive session with Wendy Harden.

Ruth made a motion to approve the April meeting minutes. Nancy seconded the motion. The motion passed unanimously.

Policy II.A was reported on in April – semiannual report. The financial review that Wendy just presented is also part of that policy.

Policy II.F is reflected in accepting the review.

There was discussion about Policy II.E and expected receipt of a large donation. Policy II.E is being revised based on the Hallman fund and goals around that. Nancy suggests that we could “park” the gift until the policy is revised and the board has a clear understanding of where we’re going.

Ruth moved to accept the executive team report as to membership complies with Policy I.B. Jill seconded the motion. The motion passed unanimously.

Ruth Kirkland moved to approve the ET report as in compliance with Policy II.B. Nila Gouldin seconded the motion. The motion passed unanimously.

Nancy Evert moved to approve the ET report as in compliance with Policy II.D. John Steiner-Manning seconded the motion. The motion passed unanimously.

Nancy Evert moved that the Executive Team is not in compliance with the limitations of Policy II.E (financial condition), and the board is satisfied that the plan the ET has presented will move us toward compliance. Jennifer Tong seconded the motion.

Ruth Kirkland moved to approve the ET report as in compliance with Policy II.G. Jill Van Koolwijk seconded the motion. The motion passed unanimously.

Nancy Evert moved to approve the ET report as in compliance with Policy II.H. John seconded the motion. The motion passed unanimously.

A closing reading was offered by Jennifer Tong.

Justin Cummins adjourned the meeting at 1:14 p.m.

Respectfully submitted by Bailey Webster, secretary.