

**Unity Church - Unitarian
Board of Trustees Meeting
November 14, 2015 9:00 a.m. – 12:15 p.m.
Unity Church - Unitarian Library**

Attendees

Board of Trustees (BOT) Members: Stuart Alger, Ginny Allen, Mark Foster, Hal Freshley, Rich Hamer, Steve Harper, Peggy Lin, Deborah Carter McCoy, Angela Newhouse

Executive Team (ET) Members: Rob Eller-Isaacs, Barbara Hubbard

Others: Estelle Brouwer, Justin Cummins, Shay MacKay, Laura Park

Opening

Peggy Lin offered an opening reading and a focus question.

Review of the Past

Approval of October Minutes

Hal Freshley made a motion to approve the draft minutes of the October 2015 BOT meeting. Stu Alger seconded the motion. There was a brief discussion about the long-term note; since the October meeting, it has been clarified that the decision to defer commencement of the long-term note is not required to be submitted to the congregation for a vote. After this discussion, the motion passed unanimously.

ET Monitoring Reports

Rob Eller-Isaacs gave a verbal report to the BOT on trends and coordinated efforts in the church. The report focused on:

- Unity's leadership in the larger Unitarian Universalist movement, including:
 - The Shelter Rock transition team is coming to town in December to meet with BOT members and ET members as they discern their next steps in the search they will be conducting following their senior minister's retirement.
 - Unity Consulting is sponsoring Twin Cities Trustee Day on January 16, 2016 for trustees of the four Twin Cities UU congregations. BOT members are asked to RSVP to Laura Park by November 30.
 - KP Hong and Lauren Wyeth (Director of Children, Family and Youth Ministries at First Universalist in Minneapolis) are planning a Teachers' Academy for spring 2016, to which RE teachers will be invited;
- Unity's racial justice work, including:
 - The staff team now coordinating racial justice work (members of which are Shay, Lisa, Drew and Rob) is addressing proposals by the ARLT, including a deep dive into the budget to analyze how we invest in racial justice work.
 - The ARLT's expressed goal for the upcoming search for new senior leadership, which the ARLT believes should focus on candidates who hold racial justice at the heart of their work. Rob indicated that the BOT, ARLT and ET need to work together to explore this goal;
- It is challenging for Unity (and other churches around the country) to rely solely or largely on pledge income to fund program and operations:

- No “venture capital” means that we can’t fund new initiatives;
- It is difficult for ET, staff, and the membership to invest significant energy into the annual pledge drive and end up “treading water”;
- The ET has concluded that business and growth planning is needed, which will involve seeking volunteer support from people who are experts in this field, and which will also involve finding better ways to tell our story to attract new members.
- Living within our means in 2016 will include appealing to the City of St. Paul regarding installation of a sprinkler system in the sanctuary, and continuing to discuss the terms of the long-term construction note with Western Bank and Bremer Bank.

Following this report, Mark Foster made a motion to accept it as indicating the ET’s compliance with limitation II.H. (Communication and Counsel to the Board). Deborah Carter McCoy seconded the motion. The motion passed unanimously.

Deborah Carter McCoy made a motion to accept the report on Financial Condition and Staff Changes as compliant with limitations. Steve Harper seconded the motion. The motion passed unanimously.

Hal Freshley made a motion to accept the report on Policy I.B. (Ends Statements/Ends Interpretation) as compliant with limitations. Mark Foster seconded the motion. There was a brief discussion about the purpose of this report, which is to present the ET’s interpretation of the ends. In the future, this report will be further supported by measurement tools that the ET is implementing, including a data form that staff will complete following most program offerings. After this discussion, the motion passed unanimously.

The BOT reviewed Report IV.C. (Membership) and noted that it was filed.

Angela Newhouse made a motion to accept the report on Policy II.D. (Financial Planning) as compliant with limitations. Rich Hamer seconded the motion. The motion passed unanimously.

Creation of the Future

December 2015 Meeting

The chair announced that the December 16, 2015 meeting will be held at 6:00 p.m. at Deborah Carter McCoy’s home (795 Holly Avenue). More information about the evening will be forthcoming.

Planning for the Annual Meeting

The chair reminded BOT members that we are responsible for cooking the pancake breakfast and asked for volunteers to be at church at 7:00 a.m. on November 21. The chair reviewed the meeting agenda and roles.

Budget Update

Barbara Hubbard provided an update on the 2016 budget, including:

- Actions the ET took to communicate and humanely handle elimination of the office manager position;

- Several congregation members have reached out to Barbara for more budget information; and
- Communication of the budget information during this Sunday's services.

Policy Sub-Team Report

Hal Freshley made a motion to accept changes to Unity Church-Unitarian Governing Policies as presented by the Policy Sub-Team. Stuart Alger seconded the motion. There was a robust discussion of the policy changes, including:

Policy I.D. (The Vision for Unity Church-Unitarian), which currently reads "Under review." will be removed, and Policies I.E. (Moral Ownership) and I.F. (Primary, Secondary, and Tertiary Stakeholders) are renumbered as I.D. and I.E. respectively. The BOT believed that the church needs a vision, but that it is not a matter of board policy. Instead, it is a matter for the ET to determine, and should be developed in connection with the 2016 growth and business planning initiatives.

Policy I.E. (Primary, Secondary, and Tertiary Stakeholders) (as renumbered following removal of Policy I.D.) will be amended by:

Changing the name of Prairie Star District to MidAmerica Region, and adding "Non-member partners of members" and "Faith community partners" as secondary stakeholders. The Policy Sub-Team's other recommended changes (changing "members emeritus" to "ministers emeritus" and moving "Legacy members" from tertiary to secondary stakeholders) were not approved after discussion of what "members emeritus" and "legacy members" mean.

Policy II.D. (Financial Planning) will be amended by:

Changing II.D.3. to read: "Do not separately present a plan for capital expenditures and the means to pay for them. Capital expenditures are all repayments of debt and any building additions or equipment purchases over \$2,500." This makes the ET limitation slightly more permissive, since before this change the policy defined capital expenditures as including amounts over \$1,000.

Policy II.F. (Asset Protection) will be amended by:

Striking the current II.F.9. (which currently reads "Fail to protect intellectual property, information, and files from significant damage, excluding the work of the ministers on the Executive Team, who are the sole owners of their intellectual property.") and adding a new II.F.9, II.F.10, and II.F.11 to read as follows:

9. Shall not allow intellectual property ownership to be unclear or undocumented.
10. Shall not allow the intellectual property assets of the church to be unprotected. These assets include liturgical materials, curricula, music, and any other intellectual property developed during the tenure of staff and ministers unless otherwise specified in letters of agreement or employment contracts.
11. Shall not allow damage to physical and electronic assets.

The Policy Sub-Team reported that these changes are intended to include in policy the process to determine the ownership of intellectual property, to permit flexibility at the time the IP is developed. The 2016 Policy Sub-Team should consider adding a Board policy (to Section IV of the Policies) that requires the BOT to protect the church’s intellectual property when the BOT is negotiating a Letter of Agreement with a minister. Policy II.F. is an ET limitation, and the BOT discussed that it does not seem appropriate to require an ET member to adhere to Policy II.F., which might require the ET member to concede that his or her IP belongs to the church, and at the same time to represent the ET member’s own interests in his or her IP.

Policies III.C. – III.F. are renumbered as Policies III.D. – III.G., and a new Policy III.C. will be added to read as follows:

Policy C: Agenda Planning

1. The board will follow an annual agenda that:
 - a. Reviews Ends interpretations annually,
 - b. Continually improves board performance, and
 - c. Systematically monitors and reviews board policies.

The chart at the end of Policy IV. will be amended by adding a new monitoring report for Ends Interpretations (as indicated by underlined text below):

Policy # and Name	Method	Frequency
I.B: Ends Statements (Program Outcomes)	<u>Internal Report (Ends interpretation)</u>	<u>Annually</u>
	Internal report (membership)	Quarterly
	Direct Inspection (Congregational Survey)	Annually

Policy IV.F. (Compensation for Non-Called Executive Team Members) is removed, and Policy IV.E. (Compensation for Called Ministers) will be amended to read as follows:

Policy E: Executive Team Compensation

Unity Church-Unitarian is committed to offering fair and competitive compensation to its Executive Team, based on applicable regional and national salary and benefit information.

1. Executive Team member total compensation consists of salary, benefits, and for ordained ministers, housing allowance, as outlined in the Letters of Agreement.
2. The board will annually review each Executive Team members’ total compensation and consider COLA adjustments and merit increases relative to current financial condition.
3. The board will maintain records of Executive Team compensation adjustments.

The Policy Sub-Team recommended that next year’s Policy Sub-Team consider adding an overarching Governance Process policy at the beginning of Section III and an overarching

Board-Executive Team Relationship policy at the beginning of Section IV, in which subsequent policies can nest.

Following this discussion, the motion to accept changes to Unity Church-Unitarian Governing Policies as presented by the Policy Sub-Team, as modified by the discussion reflected in the minutes, passed unanimously.

Selection Process for ARLT and BOT Members

The ET and BOT discussed ways to help identify candidates for ARLT and BOT membership, and to grow congregational leaders. While a standing nominating committee appointed by the congregation might not be consistent with policy governance, a team of volunteers convened to help the BOT identify candidates would be. The BOT should consider how any such group would get its work done and done well, with a focus on diversity in leadership. The BOT discussed chartering a team responsible to the BOT to identify lay leadership in the church for development and recruitment into further service. Third-year BOT members might serve as members of or liaisons to this team, and the leader of this team should be a visible presence to and in the congregation.

Hal Freshley offered a closing reading. The meeting adjourned at 12:30 p.m.

Follow-Up Items

- The 2016 Policy Sub-Team should consider adding a Board policy (to Section IV of the Policies) that requires the BOT to protect the church's intellectual property when the BOT is negotiating a Letter of Agreement with a minister.
- The 2016 Policy Sub-Team should consider adding overarching policies to the beginning of Sections III and IV in which subsequent policies can nest.
- Chartering a leadership identification and development team should be a topic at the January 2016 BOT retreat.

Secretary's Note

The Communication Plan approved in principle at the September 2015 BOT meeting is included as an attachment to these minutes.

Respectfully submitted,

Peggy D. Lin

**ATTACHMENT
COMMUNICATIONS PLAN APPROVED IN PRINCIPLE
AT SEPTEMBER 2015 BOT MEETING**

[Placeholder]