

FUUSN Board of Trustees
Tuesday, December 12, 2017
Children's Chapel, 7:30 PM

<p>Staff Erin Splaine, Minister Rowan VanNess, DLRE</p> <p>Board Cathy Morocco, Chair Eric Haas, Vice Chair Amalia Basch, Youth, absent Brian Burba Josie Greene Chris Krebs Leah Lakomski, Youth Brooke Foucault Welles</p> <p>Clerk Kit Ryan</p>	<p>Visitors Laurel Farnsworth, Operations Dan Brody Financial Oversight Urban Larson Board of Investments</p>
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Highlights of the Meeting

- 1. The Board unanimously approved two new policies on Uses of the Endowment, proposed jointly by the FOC and BOI.**
- 2. The Board unanimously approved a Charter to establish a Governance Institutional Memory Committee.**
- 3. Based on outcomes of the October Finance Summit, the Board has begun collaborative approaches for this year's Annual Budget Drive and long-term Stewardship Planning.**

Invocation / Chalice Lighting/Reading Of The Board Covenant: 7:32pm

Handout: Revised covenant by Chris Krebs

Staff Updates

Rowan VanNess

- A busy time for Religious Education [RE], and staff is working hard. Dani Patrick, the youth coordinator who joined us two months ago, is working out very well. Beth Walton has taken on production of the RE newsletter, an online publication that is sent weekly to parents of children enrolled in RE programs.

- Our Whole Lives [OWL] sexuality education: Orientation for fifth-graders went well. The orientation for the new first- grade expansion program will be in January; more families have signed up than can be accommodated by the present teachers.
- Planning for Christmas Eve pageant is under way.
- Youth are showing up in greater numbers than in previous years[for instance, to work as assistant teachers for younger children]. Rowan attributes this to the energy of the present and previous Youth Coordinators [both, confusingly named Dani].
- The Adult Faith Development [AFD] group met last month and plan to launch their first project in January. They will establish a place after service twice a month for congregants to drop in and be heard. The desire for this opportunity for listening was identified in the AFD Task Force survey. If the initiative seems successful, activities will build from there.
- With all these efforts, Rowan faces an ongoing challenge in supporting the diversity of needs for FUUSN children, youth, and adults in RE, including providing for childcare so that adults are able to participate.
- Brian observed that his sons get a lot out of RE/Youth programs, especially in acting as assistant teachers. Leah, herself a youth assistant teacher, appreciates the training she was given—including ongoing input to maintain involvement—and likes having the responsibility and the opportunity to communicate with the younger children.

Erin Splaine

- Music Sunday was very successful. In addition to great music, the congregation raised \$4,000 for the Refugee Immigration Ministry [RIM] via the special collection.
- Preparing the four services planned for the day before Christmas: the three usual Christmas Eve observances plus a service in the morning, because it is on a Sunday this year. Details will be posted online and in the newsletter.
- John Nichols will preach in January.
- Erin is pondering how to address the #MeToo movement. She plans three drop-in conversations in January to discuss the matter, managed by facilitators with different gender identifications.
- Various great projects have been undertaken, suggesting the need for work at the strategic planning level in order to sustain the work.
- Sam is working on the Realm database and has had good feedback from members of the Operations [Ops] Council and the Annual Budget Drive [ABD] team. He plans to roll out the Member Directory to the congregation in mid-January, and will show the database off at an upcoming Coffee Hour.

Board Members' Updates

Safe Congregations: Brooke

The Safe Congregation team has met once; the next meeting is scheduled for 13 December. She has seen a lot of Facebook traffic: a sermon Erin gave recently, which touched on political and social issues, sparked conversations. People have used the page to seek skills or

expertise from within the community, which duplicates a frequent use of the General email list. Sam Foster is hoping that these requests can be addressed in the Realm database.

Operations Council Report. Eric

Topics discussed included a request by Pine Village Preschool for additional building security measures. The insurance agent conducted a walk-around inspection, then increased the assessed value of the building. Fran Clancy and Judy Curby conducted an online safety training that reduced the insurance premium by \$3,500.

Procedural

Preserving Institutional Memory through Archiving

Cathy presented a revised charter from Barbara Bates and Leslie Sneddon to support institutional memory. (*Handout: Draft, FUUSN Governance Institutional Memory Committee Charter*). The charter establishes a small pilot project as a first step. The Board approved the charter unanimously. Barbara and Lesley will carry out the pilot.

Policy Development: Uses Of Endowment. Dan Brody, Chair, Financial Oversight Committee (FOC) and Urban Larson, Chair, Board of Investments (BOI)

(*Handout: Board of Investment [BOI] and Financial Oversight Committee [FOC] Proposal on Management of the Endowment to the FUUSN Board of Trustees; Updated Policy*).

This set of proposals has been a subject of ongoing discussion between the FOC, BOI and Trustees for over a year. Dan and Urban came to the Board in January of 2017 with a set of proposals for strengthening FUUSN's use of the endowment. Their purpose was to bring stronger financial practices to drawing from the endowment and to use those practices consistently. The purpose is to protect the endowment from loss caused by fluctuations in returns on investment, and ensure that the endowment continues to make a stable contribution to FUUSN's annual operating budget. The proposal included requests for:

- 1] A spending policy that set aside more money in years of strong endowment returns, to avoid the need for large reductions in spending in years of poor returns; and
- 2] A clear policy on taking loans from the endowment.

The policy still in place is overly restrictive, and as a result the Board and Finance Committee had not been adhering to it. The proposal advocates for By-Law change to *require* the Board to establish an endowment spending policy and an endowment loan policy and to direct the Financial Oversight Committee to report annually to the congregation on any exceptions or changes to these policies. The By-Law does not specify what policy is to be adopted. The proposals also included some technical actions to simplify accounting for various restricted funds in the endowment.

At the March 2017 Board meeting The Board discussed a slightly revised set of proposals [which still called for a By-Law change]. The matter was tabled, pending the more-comprehensive Financial Summit proposed and approved for the upcoming autumn. Members of the FOC and BoI, with input from Board member liaison Brian Burba, have continued to work on the set of proposals. At this December 12, 2017 meeting, they presented

a considerably more refined version—intended to accomplish the same goals. The current proposal includes:

1] A specific formula for determining the amount available for the annual budget in any given year, which takes into account previous expenditures and current performance of the investments. This method helps ensure that some minimum withdrawal is available in any given fiscal year, but will also cap the amount that can be used in good years, so that overall the endowment will continue to grow. The range of withdrawal will be 3-6%, a bit higher than the BoI is comfortable with, but any funds not used will remain in endowment.

2] A defined policy for taking a loan from the endowment for operations or capital improvement that which requires a formal motion specifying the purpose of the loan and sets a 5-year maximum term for repayment.

3] A plan for closing out some of the small restricted funds to cover appropriate expenditures, in order to simplify accounting.

4] By-laws to govern future Designated Reserve Funds which may be created by the Board for specific purposes. At present, no Board Endowment funds exist.

Except for the fourth part, none of these measures require a By-Law change, and thus can be enacted without waiting for the next Congregational meeting.

Urban and Dan think these measures will provide needed clarity for the BoI to deal with fluctuating markets and ensure that the endowment can continue to support the congregation. Barring collapse of the global economy, the endowment should balance over time, regardless of market performance.

Eric asked whether this system includes a clause to address withdrawal if a major recession caused the endowment to lose value. Dan reminded us that FUUSN's finances are managed under the state's Uniform Prudent Management of Institutional Funds Act which provides specific guidance on investment and expenditure decisions for the assets of nonprofit and charitable organizations. And Laurel, representing the Operations Council, pointed out that in unusual situations the Board, with approval from BoI and FOC, can override the policy.

After the Trustees discuss the plan, Brian moved to approve the first two parts [defining the amount available for expenditure and clarifying the loan policy]. Brooke seconded the motion, and the Board gave unanimous approval.

Urban will review Parts 3 and 4 with Gayle Smalley to assure everything is legally correct. Both Dan and Urban expressed the desire for the Board to meet with representatives of the FOC and the BoI twice a year in the future.

The Board acknowledges the hard work that Brian and the two committees have done in order to a clear plan by compromise and consensus.

Generative

Welcoming Congregation [WC: Goals And Issues For Fy18, Chris Krebs, Chair

In addition to Chris, the WC implementation team includes Linda Ross, Judy Zacek, Mark Leicester, Walter Graham, Eric Haas, and Jacqui James. The team's short-term goal is to renew FUUSN's status as a Welcoming Congregation, supportive of the LGBTQ community. Until recently, the UUA had no staff member to assist congregations with the renewal process; Michael Cumberland has recently taken that role and the FUUSN WC team will be contacting him.

The team is also working on the issue of welcoming on a larger scale, considering how to foster a culture of inclusion in the congregation toward everyone. The team plans to present its full renewal plan to the Board by Fall 2018.

Some concrete events are in the works for the remainder of the church year: small group discussion around the book *Cultivating Empathy* by Nathan Walker, and a film series this spring to include *Normal*, *Trans-America*, and *Moonlight*, to be shown after Sunday services. The team also plans to invite Cindy Beale to return for another workshop.

Chris noted that the team perennially worries about its own lack of diversity and would like more congregants participating. Laurel noted that the Over-60 group—which has arisen on its own, without an initiative from the staff—has discussion groups and events and wondered if their experience could be used to improve participation. Josie suggested putting information about the WC team into the bulletin, the newsletter, and the email lists, including a solicitation for more members.

Strategic/Generative

FUUSN Stewardship. Progress on Board Support for Annual Budget Drive (ABD);
Directions for a Stewardship Council (Handout: The ABD Dream Team)

Brian gave a brief summary of the Financial Summit that took place in October. Roughly 35 people attended; all were present or past participants and stakeholders in FUUSN's financial affairs. The various committees and officers gave overviews of their functions. All participants had the opportunity to voice concerns and hopes. Then the group engaged in an exercise to create and prioritize a list of goals. Most felt that getting everyone together for discussion was very helpful.

The top priority that emerged was the creation of lasting structures to support the giving process, which would include providing each year's ABD team with institutional memory, moral support, techniques, financial information, policy development and congregation data. One part of this priority would be for the current Board to form a Stewardship Council by spring 2018, which would set long term goals and directions for the Annual Budget Drive, our Legacy program, and a near future Capital Campaign.

The second priority involves increasing congregation care and outreach, to cultivate all members' sense of involvement in a community they want to support.

The third priority is related to the first: FUUSN's leadership needs to take a more proactive role in fundraising, including clarifying the policy and processes around legacy gifts, training for stewards, voicing clear expectation of financial support to new members, and other measures.

Cathy stated that the Board is moving forward with several initiatives to address these priorities, including:

- Erin and Brian plan to summarize the outcomes of the Summit for the congregation after a service
- To begin working toward a more collaborative approach to annual fund raising, the Board, with Saul Lookner(Annual Budget Drive Chair for the past two years), is forming an Annual Budget Drive Committee to plan the budget drive for FY19. The Board has recruited Alice Nichols, Brian Gill, Saul Lookner, Gregg DiBiaso, Val Miller, and Susanne Greenish. Josie and Cathy will provide Board support.
- Josie Greene will be developing a set of goals for a long-term Stewardship Council, and will suggest possible Council members for Board consideration in a later meeting.
- Sam is working with Pat Rohan hard on making the information in the evolving congregation database useful to the ABD team.

Additional comments and suggestions followed.

- Josie commented that the summit was excellent, and that going forward we need to educate the congregation on why we need fundraising, and keep that need in the forefront year-round. Part of congregational outreach includes communicating problems and issues that arise during the ABD effort to keep the community engaged in the process.
- Cathy remarked that we should thank donors from last year and make certain the long-term, substantial donors feel appreciated. We should also be reaching out to members that have dropped away.

Generative

Continued discussion: How shall we communicate with the congregation?

Several suggestions were reiterated and expanded.

- Cathy would like members of the Board to start up monthly drop-in conversations for interested congregants to hear about our activities—for example, our evolving covenant—and to be heard.
- Brian noted that we can use Board FUUSN News column to communicate important points.
- Laurel recalled that the Green Sanctuary committee struggled with engagement and had some success with a designated table at Community Breakfast. She suggested we might consider a Board Table. Josie suggested that we could use the next Community Breakfast to communicate Finance Summit information.

Close. Meeting adjourned: 9:45PM

