

Unitarian Society of New Haven
Minutes of the Meeting of the Board of Trustees
July 14, 2016

Accepted August 11, 2016

Board Members Present: Carol Cheney, Daniel Gelperin, Holly Hawkins, Russell Heinrich, Peggy Myers, Pamela Miller, Bobbi Pace

Board Members Absent: Kathy Garner, Bernice Marie-Daily, Pat Trotta

Also Present: Georgia Jennings, David Jones, Megan Lloyd Joiner

D. Gelperin called the meeting to order at 7:01 pm and P. Miller recorded the minutes. A quorum of Board Members was present, and the meeting proceeded with D. Gelperin presiding.

Gather

R. Heinrich lit the chalice. Attendees read the Board of Trustees Covenant.

Meeting Preparation for this evening

Discussion of a new MT member and an executive session were added to the agenda.

Assess the Past (Monitoring)

a. Management Team Report for past month

D. Jones presented the executive limitations report which is attached at the end of the minutes.

Dryvit work is required because of the changes that are being made to the roof. The Dryvit work will not cover the entire building. We received a higher estimate to cover a larger area. The contracted amount is slightly outside of the budgeted amount.

The cement steps will cost \$3000, not the \$2000 that had been budgeted.

It may be necessary to go back to Babbidge to replace the front doors. The original plan for replacement is not workable. MT is still investigating options.

The HVAC needs a \$5124 replacement condenser. This was recommended by Environmental Engineering, the current service provider.

USNH policy is that expenses over \$2500 would need to be approved by the board. How does this relate to the capital and operating budgets? The reserve can be used to cover this.

MOTION – D. Gelperin, to approve \$3600 for Connecticut Stucco for Dryvit repairs;

SECONDED R. Heinrich;

PASSED unanimously, with 0 opposed, 0 abstentions

MOTION – D. Gelperin, to approve single sourcing a bid for \$5124.94 from Environmental Engineering to replace the HVAC compressor, given that we have a service contract;

SECONDED B. Pace;

PASSED unanimously, with 0 opposed, 0 abstentions

Concern was expressed about expenses in the future, given our budget.

b. Ends Report

M. Lloyd Joiner presented the Ends report which is attached at the end of the minutes.

There is a desire to expand the lay ministry to spread the work among more people. Triaging is too much for M. Lloyd Joiner to handle on top of other responsibilities.

The June 24th Social Justice Council roundtable will be a start on focusing social justice efforts. The Anti-racism team is interested in a Black Lives Matter banner. This proposal will go to the SJC.

M. Lloyd Joiner wants to hear what the BoT priorities are for the year.

October 22 is the planned installation date.

BoT asked how M. Lloyd Joiner becomes involved in “Out of covenant” incidents. She refers people to the Right Relations group. People need to engage in ways that are consistent with the covenant. These issues can go through M. Lloyd Joiner but need to be sent to the Right Relations team.

c. Finance Report

D. Gelperin read an email from M. Losee, presenting the P&L statement:

We haven't finished taking pledges or paying bills for last FY. We'll keep it open until the end of July.

Income: \$617,884

Expenses: \$622,288

Balance: (\$4403) Remember - we approved a \$17,000 deficit budget so this is not bad.

G. Seaman, M. Losee, G. Jennings, and A. Baroga met with the accountant to review changes made to bring our bookkeeping closer to acceptable accounting procedures. The accountant approved and appreciated the suggested changes. This has to do with how QuickBooks has been set up for the new fiscal year. It will not be visible to the congregation except that board reports may look different going forward.

The Balance Sheet that we have been running monthly, will no longer be done monthly. The accountant informed us that it is an annual report, which they will work on when we close our books at the end of the month.

BoT asked whether pledge statements were mailed to members. Statements were only sent to members who have not completed pledge payments i.e. who have an outstanding balance for the year's pledge.

d. Replacement management team

MT has been looking for a person to replace S. Frawley. The MT may go down to 2 people when D. Jones leaves the team in December. It may be necessary to make adjustments to USNH MT policy. D. Stagg was cajoled into considering joining the team. He is concerned about the amount of time spent in meetings, but he is interested. MT roles may need to be adjusted. The chemistry of people on the MT is important. There is less need for finance skills since A. Baroga was hired. MT is serving as its own nominating committee. MT did not feel the need for BoT to find a replacement but wants BoT approval. This may change in the future. MT wants J. Ross to attend MT meetings to improve communications. This does not mean she will be a member of the MT. The MT model will continue to evolve over time.

MOTION – D. Gelperin, to approve David Stagg to join the MT for a 2 year term starting as soon as he will say yes;

SECONDED P. Myers;

PASSED unanimously, with 0 opposed, 0 abstentions

Create the Future & Learning

a. MT Interpretation of policy 1.5.2.1

The proposed MT interpretation of policy 1.5.2.1 is attached at the end of the minutes. Discussion of the topic had a hard stop at 8:15pm.

The purpose of the operating reserve is to be an emergency reserve and to cover cash flow changes. USNH may want to do an analysis of our cash flow. We need to determine what funds can be used in the operating reserve. There is no mechanism to replenish the reserve except by the budgeting process.

We currently have 25% available in the reserve. Section a. of the interpretation is how we are operating now. The operating reserve is not a line item on the budget. It is a combination of funds as described in the interpretation. It would help to update the balance sheet to show the reserve, however the balance sheet will no longer be updated monthly. The reserve is shown in the pie chart that was distributed at the June congregational meeting.

BoT members asked several questions. How does the operating reserve relate to the stewardship process? Do we have too big an emergency fund? What are the risks and types of emergencies that we may encounter? How much is needed to buffer cash flow? How much is needed for emergencies? What is the right way to look at this? What information do we need to make a decision?

This conversation will be continued at the next meeting.

b. Reports from working groups

1. Governance – D. Gelperin is the only board member remaining in this group. The group is working on a disruptive visitor and guest policy.

2. Linkage – B. Pace, R. Heinrich, H. Hawkins, and B. Marie-Daily are members of the Linkage working group. The group will focus on membership and may meet with new members. Last year their focus was on lifespan RE. Christine Dunham is the new chair of the membership committee. The group plans to meet with the committee and the Sunday morning team to discuss a vision for membership and how the two groups can work together.

3. Monitoring – P. Miller is the only board member remaining in this group. The group is recommending that the BoT finalize finance metrics to be put into practice after fiscal year end reporting has been completed.

4. Bylaws – H. Hawkins, M. Donahue, P. Miller, B. Congdon, and B. Goward are members of this working group. The group is setting up dates to meet with Congregation members to discuss proposed bylaw changes with the goal of approving the changes at the next congregational meeting. J. Ross can put the proposal on USNH.org for members to review.

c. Schedule of upcoming meetings – This item was deferred.

d. Update covenant - This item was deferred.

e. Discuss what the Board would like to accomplish in the coming year

This will be a continuing conversation. We will learn by researching how others do it. Visioning, mission and ends to be determined by the Board. Rev. Fritz Hudson was quoted, a “Mature board is to be deeply engaged in current events.”

Board members were asked: Why did you join the BoT? What do you think we might do? As an example, what should our response to Orlando be?

Responses included:

- I was asked to join the BoT. I’m apolitical. I’m interested in finding auxiliary sources of income for USNH.
- I’m interested in the transition to Policy Governance. How can it change our ability to accomplish concrete goals? I want to go deeper into longer term visions for the congregation. How we treat each other is important.
- I like building things, and am interested in policy governance, a push for action, and connection to the outside community.
- I’m a process person, and think this could be a good fit given the work between MT, the board, etc. The Nominating committee asked me to join.
- I decided to become more involved now that I’m no longer involved in other organizations. I’m interested in social justice issues.
- I had more time in my life. I like to think about organizations, and wants to help to improve functioning. I have no agenda. It is time to think about looking outward.

We understand our mission by knowing who our moral owners are. What should we do and for whom? We remind ourselves to live a good life. Is that enough? How is that useful or apparent to anyone else?

BoT members responded:

- How are we in relation with others? How are we getting better at it? How will we know if we are getting better at it? Everything goes back to Right Relations.
- We didn't even interact with other UUs until recently.
- Can we help committees or task forces to start thinking what difference are they making and for whom? Are they making progress? How do we evaluate programs? Can we do a better job of monitoring?
- We need conversations with the moral owners. Can we take one ends goal and make it concrete in some way? e.g do a common read or other common process. It is hard to settle on one area.
- If your mission is right, you have your center. We can affirm our mission or which part of our mission statement it is related to, and how we measure it. We should funnel direction and interest into our mission. I'm learning a lot from UUA sources.
- It is hard to focus on a mission. It's not what we do, it's how we do it. We don't have the culture to stick to one initiative. We need to feed people individually, not synergistically. I want renewal and connection.
- We can reach out more to the outside world and widen the circle of right relations.

To be continued...

Executive Session

MOTION – D. Gelperin, to go into executive session; **SECONDED B. Pace**;

PASSED unanimously, with 0 opposed, 0 abstentions.

D. Jones and G. Jennings left the meeting at 8:52pm and the Board went into executive session. The Board came out of executive session at 8:57 pm.

Consent Agenda

a. **June 9 BoT minutes**

b. **June 5 Congregational Meeting Minutes**

MOTION – D. Gelperin, to approve the consent agenda; **SECONDED – C. Cheney**;

PASSED unanimously, with 0 opposed, and 2 abstentions.

Distribute Board duties

a. **Sign up for newsletter submissions from the Board**

Signup sheet is attached at the end of the minutes.

b. **Sign up for opening reading at Board meeting**

Signup sheet is attached at the end of the minutes.

c. **Populate standing Board working groups**

P. Myers volunteered to work with the Governance and Monitoring working groups, and suggested that they coordinate activities given that there has been some overlap in the area of policy interpretation.

C. Cheney volunteered to join the Linkage working group.

d. Nominating committee

C. Cheney volunteered for the Nominating committee.

Announcements

There were no announcements.

Thank-you's

Last year, thank you notes were sent with a package of brownies. That practice will not be continued.

A thank you will be sent to Jamie, Oscar, and David Stagg for fixing the elevator door lock:

“A potentially expensive problem was solved today with in-house expertise. The lock on our elevator seems to have been forced, bending the key and dislodging the lock. Our repair service quoted Jamie a fee estimated at close to \$1,000 to come out, inspect, return and repair. She, Oscar and David Stagg determined this was not a safety issue, simply a lock problem. Oscar was able to fix the key and David disassembled the lock, took it home and repaired then re-installed it. All this took quite a bit of time researching and repairing, but saved us quite a bit of money--for which we are very grateful. I'm sure your thanks would really be appreciated by all three. Georgia”

Meeting Summary

Action items:

BoT members are to participate in a working group.

Policy Interpretation is to be continued.

Visioning is to be continued.

Board retreat will take place on September 17 or 18. D. Gelperin will organize it. Saturday would be preferable.

Adjournment

MOTION – D. Gelperin, to adjourn; **SECONDED R. Heinrich**;

PASSED unanimously, with 0 opposed, 0 abstentions.

The meeting was adjourned at 9:14 pm.

Attachments

MT Executive Limitations report

MT Ends report

MT Interpretation of policy 1.5.2.1

Board Meeting Opening Reading Signup

Newsletter Updates Signup

UNITARIAN SOCIETY OF NEW HAVEN

EXECUTIVE LIMITATIONS MONITORING REPORT TO TRUSTEES

Management Team – July 14, 2016

We are a diverse, multi-generational faith community that
- inspires lives of compassion and generosity
- nurtures spiritual growth
- cultivates transformative connections, and
- creates a more just world

1. Recognizing

Policy 1.3: With respect to treatment of staff/volunteers, the Management Team may not act in a manner inconsistent with UU Principles or cause or allow conditions that are inhumane, unfair, or unprofessional.

The Management Team Reports that

- Georgia Jennings continues to act as de facto business manager.
- Laurel Gray will be unable to return for the membership coordinator position in the coming year. The management team will be considering how to best utilize this position and its duties in the coming year.
- Sandy Frawley has left MT and a replacement will be appointed by the board.

2. Recognizing

Policy 1.4 ...Management Team may not:

a. Recommend compensation and benefits that create obligations over a term longer than revenues can be safely projected.

b. Establish current compensation and benefits that deviate materially from the non-profit, geographic, and professional market for the skills employed

and

Policy 1.5 ...the Management Team may not...cause or allow fiscal projections that:

a. Contain too little detail to enable reasonably accurate projection of revenues and expenses, separation of capital and operational items, and disclosure of planning assumptions.

b. Deviate materially from Board-stated priorities and requirements (see Ends policies) in its allocation among competing fiscal needs.

and

Policy 1.5.1: The Management Team shall not fail to:

a. Use realistic assumptions of income and expenses when creating budgets.

b. Create an annual operating budget for congregational approval at the Annual Spring Meeting of the Society.

- c. Create an annual capital budget with the means to pay for one to present for congregational approval at the Annual Spring Meeting.*
- d. Consider multi-year financial projections and events that affect future operating income and expenditures and future capital expenditure requirements.*

and

Policy 1.5.2.2: The Management Team shall not fail to establish a capital fund for planned and unexpected facility and equipment expenses.

The Management Team reports that

- **As of June 29, 2016, we have 210 pledges in at \$444,419 About 20 pledgers from last year are still outstanding.**
- **The Council of Chairs meeting was held successfully on Wednesday, 6/29. Committee plans for the coming year were presented. Committee expenditure questions were answered, and building security was discussed. Suggestions were made to upgrade Sign-up Genius for next year and to provide consistent child care at events.**

3. Recognizing

Policy 1.7 The Management Team shall not allow the assets of the Society to be unprotected, inadequately maintained, inappropriately used, or unnecessarily risked.

And

Policy 1.7.2: The Management Team shall not fail to assure that:

The buildings and grounds and equipment are maintained to allow continued value and use.

The Management Team Reports that:

- **Checking with our insurer reveals we are covered for embezzlement.**
- **Environmental Engineering (our current HVAC and boiler service provider) has started our oil to high efficiency gas boiler changeover with a completion date by 9/1/16.**
- **The roof replacement will require another \$3,600 for Ct Stucco to do the necessary Dryvit work up there. Leland Torrance said the price is good. Sealtite will be the roofing contractor.**
- **Repair of the front cement steps is almost completed.**
- **The chancel floor was completed by Unger's and looks marvelous!.**

- **B&G recommended that USNH not proceed with the solar option this year. We will be better suited to put it in when we redo the sanctuary roof in a few years.**
- **Replacement of the front doors and upgrading the security has proven more complicated than anticipated.**

4. Recognizing

Policy 1.8: ...The Management Team may not: Fail to advise the Board if, in the Management Team's opinion, the Board is not in compliance with its own policies on Governance Process and Board-Management Team Delegation.

UNITARIAN SOCIETY OF NEW HAVEN

MINISTER'S ENDS MONITORING REPORT TO TRUSTEES

Management Team – July 14, 2016

We are a diverse, multi-generational faith community that
- inspires lives of compassion and generosity
- nurtures spiritual growth
- cultivates transformative connections, and
- creates a more just world

AMONG

USNH is a congregation of welcome and connection, where people of all ages:

** Treat one another with respect*

The Right Relations team is working with a consultant, Joe Brummer, to expand their own knowledge of “restorative circles” in preparation for three workshop trainings for the congregation this fall. I continue to be concerned over reports of interactions that are out of covenant. We continue to focus on the covenant as a guiding document for how we choose to be together.

** Give and receive support in times of joy, sorrow and transition*

Lay Ministers currently provide support for nine members/friends on a regular basis. Support was also provided by Lay Ministry and Rev. Megan for a number of members in need over the past month. We are working to determine the best process for offering meals to members in need.

A lay ministry training will take place this fall. Work needs to be done to clarify and solidify the role of lay ministers in congregational life so that the entire team (in addition to co-chairs) can be a strong support for the minister in a system that is accustomed to more hand-on ministerial pastoral care during Marion’s tenure as Associate Minister.

** Give generously of ourselves and our resources*

** Embrace diversity*

** Engage in life-long learning*

“A taste of small group ministry” sessions will run three times during the summer. This gives members and visitors the opportunity to try out a small group session. Thanks to the Small Group Ministry Steering Committee for organizing.

WITHIN

Respecting different spiritual journeys, the people of USNH find inspiration and a safe place to

** Develop our best selves*

** Grow spiritually*

Summer Services began June 26.

Silent meditation continues throughout the summer due to the interest and organizing of those who are enjoying this time and space. The sanctuary will be open for meditation from 9:30-10:00am on Sundays. Desire has been expressed for more silence and less music/speaking. This may direct how we use the 9:00-10:00am hour in the sanctuary in the fall. As minister, I am open to however the community wishes to use this time and space to most effectively nurture shared spiritual growth.

** Live with more joy and open-heartedness*

** Experience a connection to something larger than ourselves*

** Find meaning and purpose in our lives*

** Articulate our Unitarian Universalist identity*

Lurline deVos and PJ Deak will lead a service in August on our UU General Assembly.

BEYOND

*The people of USNH, together and with our partners, act on our values in the larger world.
We:*

** Advance justice in our community and beyond*

The Social Justice Council (SJC) will hold a SJ roundtable discussion on July 24 with Rev. Megan. We continue to think together about ways to make our SJ work most effective. A number of groups are desirous of my direct involvement and support. We are working to clarify my role in SJ as well as that of the SJC.

I have been engaged with organizers from New Haven Rising and CONECT. New Haven Rising is a local organizing effort involving clergy and lay people, mostly people of color, focusing on jobs and economic justice in New Haven. CONECT is a Congregation Based Community Organizing network. There are opportunities for USNH to be involved with both congregations. This is an on-going conversation with the SJC.

** Develop new understanding of ourselves and others through our justice work*

** Expand our understanding and awareness of social and environmental issues*

In light of recent shootings in Baton Rouge and St. Paul, as well as the shootings in Dallas, there is renewed interest in how USNH will engage with the Black Lives Matter Movement. Black Lives of Unitarian Universalism (BLUU) is a collective of Unitarian Universalists of color organizing for Black Lives Matter within and beyond Unitarian Universalism. They, along with the UUA, have suggested that congregations open their doors to Black organizations free of charge.

There has been discussion of hanging a Black Lives Matter banner in some capacity at USNH (inside, outside, only on Sundays, during the week, etc). Lurline deVos is a resource here as chair of the SJC and having attended numerous workshops at GA on "whether and how to hang a banner." I was most struck by Lurline's report of black UUs describing the hurt that they felt over drawn out congregational debates over this statement. I, for one, would be very much in favor of hanging a banner in whatever capacity the Board, SJC and congregation determine is the most effective expression of our shared values.

** Strengthen Unitarian Universalism*

Minister's Reflections

I continue to assess the most effective ways to use my time and resources, in collaboration with the Management Team and staff, to address the fourteen areas of congregational life that are currently in my wheel house. I am working on my initial recommendations for which of these areas should be prioritized, which need to be delegated, and which may need to be put on a back burner as we move into the new congregational year. I will be seeking input from the Board regarding this prioritization

Respectfully Submitted by Rev. Megan Lloyd Joiner

1.5.2.1 Operating Reserve

The Management Team shall not fail to establish an operating reserve to cover fluctuations in cash flow. The specifications for this reserve are:

- a. The reserve shall be equal to 25% of the annual operating budget.
- b. The approved amount must be deposited in a liquid, conservative, interest or dividend earning account.
- c. The operating reserve shall be secured annually as part of the budgeting process.
 - 1) When in surplus, funds from the operating reserve can be shifted to other reserve funds, or to the operating budget, upon approval from the Board.
 - 2) When in deficit, funds must be shifted from other reserve funds, or the operating budget.

DRAFT:

The equivalent of 3 months of annual operating expenses (25% of the annual operating budget) should, on average, be held in insured bank accounts, including checking, money market and CDs, to cover regular operating expenses and urgent/emergency expenses. It is recognized that cash flows are variable over the course of the year and that there will be months where income exceeds expenses and other months where expenses exceed income. Therefore, the cash reserve may be expected to dip below the 25% number or to exceed it at different times during the year. At least once a year, in July or August following the year end closing of the budget, it shall be determined if available liquid funds are equal to 25% of the approved operating budget for the year. If there is less than this amount, a plan should be put forward for how the amount can be brought up over a reasonable timeframe. It is not envisioned that the approved operating budget would be immediately reduced to restore the 25% operating reserve.

For discussion by MT and BoT:

What monies may be counted toward the 25% operating reserve?

- a. In the most conservative interpretation, the liquid funds that are counted toward the 25% operating reserve do not include monies held in temporarily restricted funds (e.g., Emerson, McTigue, Music, Senn, Donations and Memorial Gifts, etc), the Capital Fund, and the Endowment funds.
- b. In a less conservative interpretation, the calculation of the 25% could exclude the monies being transferred from restricted funds already in the possession of USNH. For example, if the budget is \$600,000, the 25% amount would be \$150,000. If \$40,000 of income is being transferred from USNH restricted funds, then the 25% amount would be $.25 \times (600,000 - 40,000) = \$140,000$.
- c. In another less conservative interpretation, portions of temporarily restricted funds not planned for expenditure during the FY could be counted toward the 25% amount. However, in the event that the reserve falls below the 25% amount at the end of the FY, there would be the double challenge of planning for the restoration of the full 3 months reserve and making "whole" the temporarily restricted funds which had been diminished.
- d. Finally, the 25% amount itself could be revisited. Is it important to aim for having a 3 month "cushion," when USNH has other sources of funds that could be called upon at times when urgent/emergency funds

are required: the endowment, loans from members, borrowing from restricted funds. What would be the impact of reducing the 25% amount? Would it make us more willing to spend money in amounts that exceed projected income and safe withdrawals from restricted sources?

Board Meeting Opening Reading

August 11, 2016	Russell Heinrich
September 8, 2016	Carol Cheney
October 13, 2016	Tom
November 10, 2016	Bob Pace
December 8, 2016	Holly
January 12, 2016	Peggy
February 9, 2016	Don
March 9, 2016	
April 13, 2016	Bob Pace
May 11, 2016	
June 8, 2016	
July 13, 2016	

Newsletter updates

August Russell Henman

September Jim

October Peggy Myers

November Pam Kelly

December Holly

January Carol

February Bobbi

March _____

April _____

May _____

June _____

July _____