Management Board Minutes – January 22, 2019

Management Board Members in Attendance

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<thead>
<tr>
<th>Name</th>
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<tbody>
<tr>
<td>Amanda Peterson Beadle</td>
<td>Noel Bravo</td>
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<tr>
<td>Leigh Carter <em>via conference call</em></td>
<td>Matt Hansen</td>
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<td>Nick Jessee</td>
<td>Doug Steele</td>
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<td>Tracy Collins</td>
<td>Gwen Williamson</td>
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Sam Kilpatrick on vacation.

Staff and Observers in Attendance

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<tr>
<td>Ginger Gaines-Cirelli, Senior Pastor</td>
<td>Barbara Cambridge, Lay Reporter</td>
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<td>Elder Witt Wellborn, Lay Reporter</td>
<td>Paul Hazen, MPII</td>
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The meeting was called to order at 7:07 p.m. by Gwen Williamson, Chair of the Board. Nick opened with a prayer. We shared Joys and Concerns.

Consent Agenda

Board Resolution.
The Management Board adopted the December 2018 Meeting Minutes, with the following edit (Barbara was a lay observer last time). All approved.

Treasurers Report
Report is below.

Highlights:
- We want the debt to be in the forefront of the Board’s mind in any decision we make, and five recommendations are listed in the report of the Subcommittee on Foundry Debt:
  - Endorsed paying no more than the minimum monthly payment on loan
  - Endorsed not to conduct a new capital campaign for debt reduction, but instead seek more creative ways to fundraise, especially those events which might bring in people from the neighborhood and not just draw on Foundry members for revenue
Endorsed benefit concert/organ recital Fall of 2019 (Sam to talk to Stanley)
  o Endorsed building loan payments into future operating budgets
  o Endorsed moving Board-designated funds for debt service to separate bank account
  o Endorsed seeking Board permission in January to approach Sandy Spring Bank about extending maturity date on current loan.

**Board Resolution.**
The Board grants permission to approach Sandy Spring Bank about extending the maturity date on current loan. Matt moved. Tracy seconded. All approved.

2018 EOY preliminary deficit is $-206,303, $79,000 higher than our projects. This figure will change during the course of the audit for 2018.

We want to lift up the following work of Julie:

*My goal is to have W2’s completed by January 15, 2019 and the 1099’s completed by January 25, 2019, if not sooner.*

Since FC is sharing EOY data, the minutes include the narrative plus the financial statement summary:
Treasurer’s Report

Date of last Finance Committee meeting: 11/27/18
In attendance: Matt Hansen, Bryant Johnson, Lani Willbanks, Julie Hansen, Dylan Rassier, Leigh Carter, Bill Ellett
Date of next meeting: 1/29/19, 6:00PM (No meeting in December)

2018 Status:
- December Income & Expenses:
  - MTD operating income was $356,226 and expenses were $242,779 giving a MTD net of $113,447.
- 2018 Income & Expenses:
  - YTD operating income is $2,371,281 and expenses are $2,577,584 giving a YTD net of ($206,303).

2019 Status:
- As of January 12th, our Stewardship Campaign for 2019 has received commitments from 345 giving units for a total of $1,692,465 this is less than 2018 pledges by $33,297.
- 134 giving units who pledged in 2018 have not yet pledged for 2019 – their pledges account for $300,415
- Budget working group has met once and has a second meeting on the calendar in February

Mission Possible Finance Matters:
- Loan balance: $2,879,024
- $361,917 cash on hand
- $300,000 was transferred from the Operating account in December

Board Designated Funds: Year-end data not yet available
Documents for board approval: Report from Debt Subcommittee

Motions for the board: The Debt Subcommittee is seeking Board permission to approach Sandy Spring Bank about extending the maturity date on our current loan.

First Analysis of 2018 Operating Budget:
1. Revenue budget was almost exactly correct, except for JCC rental income which the Board decided not to budget because we were still in the early stages of negotiations.
2. Expenses 10% and at least $7,000 variance from board-approved budget: (threshold the Auditors look at)
   a. Worship Bulletins: $19k spent; $0 budgeted = ($19,004)
   b. Worship Equipment: $7.4k spent; $0 budgeted = ($7,352)
   c. Sunday Hospitality: $29.7k spent; $19.4k budgeted = ($10,251)
   d. Building Maintenance/Contracts: $44.5k spent; $18k budgeted = ($26,497)
   e. Building Maintenance/Repairs: $115.8k spent; $50k budgeted = ($65,761)
   f. Building Maintenance/Systems: $9.5k spent; $20k budgeted = $10,491
   g. Custodial Services: $89.2k spent; $105.6k budgeted = $16,392
   h. Graphic Design: $57.5k spent; $55k budgeted = ($2,460)
   i. Print Advertising: $5.4k spent; $15k budgeted = $9,561
   j. IT Support: $79.3k spent; $45k budgeted = ($34,280)
   k. Insurance: $26.4 spent; $37.9 budgeted = $11,495
   l. Office Furnishings: $19.4k spent; $1k budgeted = ($18,362)
   m. Electricity: $92k spent; $52k budgeted = ($39,964)
   n. Natural Gas: $15k spent; $25k budgeted = $9,972
Budget Working Group has met for the first time. Confident they can “return their homework” on time.

Management Board Meeting  January 22, 2019
Staff Clergy Report

Report submitted.

Highlights:
- Staff already looking at their planning schedule;
- Implementing nut/allergy policy;
- Creating opportunities for people to engage in our strategic priorities;
- General Conference;
- Budget and finances;
- Book reading list around racial justice;
- New staff person at welcome desk forthcoming;
- Reframe (very gently) how we talk about our services. In particular, 9 a.m. is not a “gospel” service;
- The Bishop wants to share our letter we send with our apportionment payments. It is OK with us;
- How do we manage feedback on the new website? Will we have talking points? Yes, we will;
- Scholar in Residence? The team is looking at how we roll this out in the future. More focused, etc. Discipleship team is really digging into that;
- We discussed the timing and interface between staff planning and congregational feedback through the survey. We need to go back and clarify/remember the timeline we discussed around pulling staff and congregation thinking/work together face-to-face. We calendared Saturday, April 6th from 9 to 1 for this exercise;

Board Resolution.
- The Management Board approves the “nut” policy. Tracy moved, Matt seconded. Ginger can implement details/updates.

Audit Committee

Still awaiting the Management Letter, but the audit is complete and the meeting with the auditor has taken place. We want to engage the same firm again if possible. Julie, Lani, Sam and others worked extremely hard on this, and the Board would like to recognize that enormous effort.
**Nominating Committee**

No report this month.

**Facilities/Mission Possible II**

Report will be submitted in the morning.

Highlights:
- Cyber security;
- Worship security discussed. They are working as contractors. Have they read and signed the safe sanctuary policy? We will verify this;
- Door refinishing moving forward. Received the third bid, and we went with the least expensive option, Craftsman Group. Please time it so that sanctuary doors are not gone during Easter;
- The new landscape project is complete on the north side of the church;

**Governance Committee**

Report submitted.

Highlights:
- Two new committee members are on the committee: Will Carden and Libby Noyes Palmer
- Coming back to the name of the “Management” Board. The sense of the committee is that we are in a much more stable place. Other side of transition. People feel that the Board is stable. The committee felt that the congregation would be fine with a change.

The Management Board affirms the Governance Committee’s (and Beaumont Report’s) recommendation to consider dropping “Management” from Board name and its research to check for other ideas about how to refer to the Board. Goal would be to have recommended names by May. GC moves,

Matt wants to remind us that there is work we can do to improve transparency with the congregation. What are the things you would expect a non-profit to have on their website,
and he encourages the committee to continue this thinking. Gwen also suggests a Board library on the website.

**Personnel Committee.**

No meeting, but Noel reported priorities for upcoming meeting:

- Planning cycle...Spring for the program year;
- Personnel handbook updates needed;
- What is unique to SPRC?

Closed Session began at 8:50 p.m. and ended at 9:40 p.m.

**ACTION ITEMS**

- Leigh will make the small change to the minutes of December and finalize;
- Appropriate people will approach Sandy Spring Bank about extending the maturity date on current loan;
- The 2019 Budget Working Group will meet as needed to “return their homework” on time;
- We calendared Saturday, April 6th from 9 to 1 for Staff/Board retreat;
- Awaiting Management Letter from Auditor. Check in with Sam to affirm using the same firm for next year;
- Talking points for website rollout;
- If you have ideas on Board name, let Amanda know;
- We need a more detailed expense request from Ann and the team for the General Conference. Ginger has some details from Pastor Ben she will locate. Shall this be ironed out at the meeting of Conference attendees?

Respectfully Submitted,

Leigh Carter
Secretary