



Management Board Minutes – June 26, 2018

Management Board Members in Attendance

| | |
|------------------------|------------------|
| Amanda Peterson Beadle | Noel Bravo |
| Nick Jessee | Matt Hansen |
| Doug Steele | Sam Kilpatrick |
| Gwen Williamson | Samantha Sweeney |

Staff and Observers in Attendance

| | |
|--------------------------------------|--|
| Ginger Gaines-Cirelli, Senior Pastor | Jan Lawrence, LGBTQ Advocacy Team and Reconciling Ministries Network |
| Mark Schoeff, SCMT representative | Ann Brown Birkell, LGBTQ Advocacy Team |

Report from LBGTO Advocacy Team

Reported submitted on Constantly Changing Landscape. Jan reported on the legislative strategy for the 2019 and 2020 special and general conference meetings. She said that Foundry had drafted legislation used at the previous two general conferences, and that for the 2019 special conference the LGBTQ Advocacy Team was recommending that the Board endorse Foundry's follow the RMN's working legislative recommendation: to submit no legislative proposals in advance but to have at the ready proposed amendments to the One Church Plan as well as graceful exit options.

Ann explained that Foundry members had worked on legislative amendments that would make the Book of Discipline more inclusive generally and specifically with respect to LGBTQ persons, which she said would likely form the basis of progressive efforts at the 2020 general

conference and beyond. She said that the LGBTQ Advocacy Team's overall strategy had always been to defer to and support the RMN's strategy.

Jan provided additional updates on upcoming events and key dates. Board members were encouraged to attend the convocation meetings at the end of July and the special conference in February 2019.

Board Resolution. Following the meeting, in closed session, the Board approved a resolution endorsing the approach of following RMN strategy on legislative submissions for the 2019 special conference approved without dissent.

Pastor Ginger then provided an update on the June 15, 2018 letter delivered to Bishop Easterling in response to the late May ruling on T.C. Morrow and another candidate in the BWC.

Consent Agenda

- Adoption of the May 2018 Board meeting minutes and June 2018 Church Conference minutes;

Board Resolution. May 2018 Board minutes approved with revision from the Senior Pastor and the Treasurer, such that the language regarding the debt-reduction proposal reads as follows:

The Finance Committee recommends to the Board that it designate half of all future building-use income (except wedding fees), until further notice, for debt reduction and debt service and to consider the other half of such revenue to be for the general operating budget already adopted by the Board for the ongoing mission and ministry of Foundry Church. In the event that Foundry Church is free of all debts, half of the revenue here defined shall be deposited into the Strategic Investment Fund.

Facilities and Operations Committee

Committee Report and MPII Report submitted. The lease with the DJCCC has been signed, and the YMCA has begun its summer programs held at Foundry. Thomas Daniels has now fully resigned from Foundry due to health reasons. A part-time employee has been retained through PMM to fill in on a temporary basis. Heavy rains led to flooding and then mold in parts of the building. Insurance is being used to cover repair costs.

The Nominating Committee

The church conference for Board elections was successfully held on June 24th.

Audit Committee

Preparations for the 2017 are still underway. Certain lenders require an annual audit by June 30 each year; Sam has spoken with the lenders who understand the delay in Foundry's 2017 audit.

Governance Committee

Report submitted.

- Work on policy papers and Safe Sanctuaries Policy continues.
- Discussion of draft Finance Committee charter work and goal of the Finance Committee taking on a more strategic role.
- Draft of corporate authority policy in circulation.

Treasurer's Report / Finance Committee

Report submitted, and copied below. Matt notes significant cash flow issues.

Matt described the proposal to transfer \$165,000 from the operating reserves to the operating account a portion of the amount "owed" to the Mission

Possible. A total of \$338,605 was owed to Mission Possible prior to the transfer.

Board Resolution. Board Resolution. Board approved a transfer of up to \$165,000 (not to exceed projected operating loss from 2017) from Operating Reserves to the General Operating account to improve cash flow - with a follow up priority given to transfer MP gifts to their correct accounts.

Submitted by: Matt Hansen

Date of last Finance Committee meeting: 6/19/18

In attendance: Matt Hansen, Bryant Johnson, Dylan Rassier, Lani Willbanks, Julie Hansen, Leigh Carter, Jane Ross

Date of next meeting: 7/16/18, 6:00PM (MONDAY)

2017 Status:

- There have been delays in preparing our 2017 financial statements for the auditors. Expected completion is now August.
- Auditors have required that we book the value of all separation agreements signed in 2017 to 2017 budget.

2018 Status:

- May Income & Expenses: o MTD operating income was \$239,193 and expenses were \$224,042 giving a MTD net of **\$15,151**

- 2018 Income & Expenses: o YTD operating income is \$874,127 and expenses are \$1,050,335 giving a YTD net of **(\$176,208)**.

2019 Status:

- The Treasurer is still working with the BWC to correct our projected Apportionments for 2019.
- The Board should be aware that the Finance Committee, Audit Committee, and staff are planning a significant rework of Foundry's chart of accounts for 2019.

Staffing Update:

- The Finance Assistant position (half-time, 20 hours/week) has been in recruitment for several months.

Mission Possible Finance Matters:

- \$292,474 cash on hand
- \$338,605 is owed to MP from Operating Checking account

Board Designated Funds:

- Capital Reserves: Current balance is \$129,886 or 5.4% of 2018 Budget

- o Target minimum is 25% or \$602,109
- o MP Phase I owes \$520,000 (board vote 9/29/16 and 1/24/17) □ Half (\$260,000) is soon to be repaid based on Board vote 1/23/18

- Operating Reserves: Current balance is \$579,107 or 24% of the 2018 Budget
 - o Target minimum is 26% or \$626,193
 - o The Board budgeted to use \$41,500 in 2018

- Strategic Investment Fund: Current balance is \$54,909
 - o The Board approved \$95,000 to be used in 2018; \$61,577 still to be spent

Documents for the board:

- None from June Committee meeting

Motions for the board:

- None from June Committee meeting

| Accounts | MTD Actual | YTD Actual | YTD Budget | % of YTD Budget Used | YTD Variance from Budget | Annual Budget | YTD Budget/Actual Last Year |
|--------------------------------|------------------|------------------|------------------|----------------------|--------------------------|--------------------|-----------------------------|
| Revenues | | | | | | | |
| Contribution Income | \$166,466 | \$737,281 | \$774,442 | 95.2% | (\$37,161) | \$1,977,000 | \$4,103 |
| Special Appeal Income | \$0 | \$6,455 | \$6,667 | 96.8% | (\$212) | \$16,000 | \$702 |
| General Income | \$544 | \$2,704 | \$2,958 | 91.4% | (\$255) | \$7,100 | (\$343) |
| Income from Designated Sources | \$72,184 | \$127,687 | \$117,242 | 108.9% | \$10,446 | \$281,380 | (\$2,610) |
| Total | \$239,193 | \$874,127 | \$901,309 | 97.0% | (\$27,182) | \$2,281,480 | \$1,852 |
| Revenues | | | | | | | |
| Expenses | | | | | | | |
| Programs | | | | | | | |
| Worship | \$4,694 | \$9,411 | \$7,708 | 122.1% | (\$1,702) | \$18,500 | \$4,389 |
| Music | \$208 | \$3,030 | \$6,825 | 44.4% | \$3,795 | \$16,381 | \$2,377 |
| Family | \$393 | \$9,388 | \$17,907 | 52.4% | \$8,520 | \$42,977 | \$4,441 |
| Ministries | | | | | | | |
| Hospitality | \$6,067 | \$11,721 | \$9,417 | 124.5% | (\$2,304) | \$22,600 | (\$2,901) |
| Care | \$0 | \$33 | \$833 | 3.9% | \$801 | \$2,000 | \$681 |
| Advocacy | \$5,715 | \$26,743 | \$29,375 | 91.0% | \$2,632 | \$35,500 | \$2,606 |
| Service | \$6,348 | \$24,608 | \$37,254 | 66.1% | \$12,646 | \$83,750 | \$6,672 |
| Ministries/Benevolence | | | | | | | |
| Connecting | \$1,886 | \$9,059 | \$10,104 | 89.7% | \$1,045 | \$24,250 | \$1,404 |
| Ministries | | | | | | | |

| | | | | | | | |
|------------------------|------------------|--------------------|--------------------|---------------|-------------------|--------------------|-----------------|
| Emerging Ministries | \$0 | \$0 | \$1,250 | 0.0% | \$1,250 | \$3,000 | \$1,250 |
| Total | \$25,311 | \$93,992 | \$120,674 | 77.9% | \$26,682 | \$248,958 | \$20,919 |
| Programs | | | | | | | |
| Operations | | | | | | | |
| Apportionments | \$22,805 | \$114,056 | \$114,026 | 100.0% | (\$30) | \$273,663 | \$0 |
| Building Support | \$27,972 | \$125,120 | \$87,158 | 143.6% | (\$37,962) | \$209,180 | (\$19,334) |
| Communications | \$7,591 | \$16,762 | \$18,750 | 89.4% | \$1,988 | \$45,000 | \$12,346 |
| Supportive Services | \$10,380 | \$81,904 | \$69,812 | 117.3% | (\$12,092) | \$182,710 | \$17,937 |
| Stewardship | \$2,960 | \$20,802 | \$17,083 | 121.8% | (\$3,719) | \$41,000 | (\$583) |
| Utilities | \$9,258 | \$52,865 | \$43,583 | 121.3% | (\$9,282) | \$104,600 | (\$1,608) |
| Total | \$80,966 | \$411,510 | \$350,414 | 117.4% | (\$61,096) | \$856,153 | \$8,759 |
| Operations | | | | | | | |
| Human Resources | | | | | | | |
| Appointed Clergy | \$43,494 | \$216,143 | \$201,829 | 107.1% | (\$14,314) | \$484,390 | (\$1,463) |
| Program Staff | \$10,034 | \$48,010 | \$58,673 | 81.8% | \$10,663 | \$140,816 | \$11,977 |
| Music Staff | \$10,859 | \$71,226 | \$76,874 | 92.7% | \$5,647 | \$184,496 | \$1,249 |
| Operations Staff | \$30,410 | \$124,366 | \$148,791 | 83.6% | \$24,426 | \$367,501 | (\$4,926) |
| Human Resource Support | \$22,967 | \$85,087 | \$52,550 | 161.9% | (\$32,537) | \$126,121 | \$5,839 |
| Total | \$117,765 | \$544,833 | \$538,718 | 101.1% | (\$6,115) | \$1,303,324 | \$12,676 |
| Human Resources | | | | | | | |
| Total | \$224,042 | \$1,050,335 | \$1,009,806 | 104.0% | (\$40,529) | \$2,408,435 | \$42,354 |
| Expenses | | | | | | | |
| Net Total | \$15,151 | (\$176,208) | (\$108,497) | 0.0% | \$67,711 | (\$126,955) | \$44,205 |

Personnel Committee

Report submitted. Samantha reported on the Personnel Committee's performance management initiatives and efforts towards recruiting a communications staff person.

Staff/Clergy Report

Pastor Ginger presented the staff/clergy report, which was in a new format, and discussed the goals and achievements of Foundry's staff.

Joys and Concerns were shared.

Closed Session began at approximately 9:00 p.m.

ACTION ITEMS:

1. LGBTQ Advocacy - All Board members consider attending July convocation and 2019 special conference.
2. Thomas Daniels retirement -- Sam, Amanda and Ginger to coordinate celebration.
3. Protest letter to accompany apportionment payments - withholding to consider at July Board meeting.
4. Sam to ask contact about outside counsel.
5. Committee chair assignments discussed in closed session to be revised to show that Ginger is chair of the Nominating Committee.
6. Attendance report to showing comparative information versus prior years.
7. Personnel Committee and Governance Committee to take up issues identified in WP article regarding Unitarian church.
8. For August - status report on all Beaumont recommendations.

Respectfully Submitted,

Gwen Williamson
President and Secretary *Pro Tem*