

ELECTRONIC/ONLINE COPY – PART I

Unitarian Universalist Church of Arlington Board of Trustees Meeting Minutes May 16, 2017

Attendees: Board of Trustees (Warren Wright, Chair; Steve Brannon, Vice-Chair, John Bohman, Chad Ohlandt, Paula Bendl Smith, Kristen Patterson, Andrea Ryon, Al Himes, Janice Morris); Betsey Lyon (Secretary); Peter Vitaliano (Treasurer), Aaron McEmrys (Senior Minister), Tamara Srader, (Chief Administrative Officer); Allen Keiswetter, Growth Group Chair; and Sara Fiske, Sarah Yue, Lynn Mladineo, and Eric Siddle, Handbell Choir members.

7:00 Open, Call to Order, Visitor Comment Period, Chalice Lighting, and Check-in

Handbell choir representatives opened the meeting with a request that their program funding be modestly increased for 2017-2018, with full appreciation for necessary budget restrictions. They described the importance of the three handbell choirs to the UUCA music program, and its value in outreach to the greater DC-area music community. The Board thanked the group for taking time to discuss their program.

Warren Wright opened the meeting with a reading by composer and Rabbi Shlomo Carlebach.

Consent Agenda. Paula Bendl Smith moved to accept the Consent Agenda. Janice Morris seconded the motion. PASSED.

[Minutes of 18 April 2017 Board Meeting.](#)

- Cost of living adjustment increase for Rev. Aaron at 2% for fiscal year 2017-2018, consistent with all staff raises.
- Resolution naming Rev. Linda Minister Emerita. ATTACHMENT 1.
- Resolution against May 13, 2017 White Nationalist Rally in Charlottesville, VA.
ATTACHMENT 2.

Treasurer's Report. ATTACHMENT 3. Peter Vitaliano highlighted the Treasurer's Report, noting the mortgage-construction loan refinancing was complete and the first payment on the new mortgage had been made in May.

Emerging Opportunities. ATTACHMENT 4. Rev. Aaron highlighted key points in his written report, including plans to address Rev. Linda's duties during the upcoming transition year after her departure, especially in the areas of social action and pastoral care. He noted that a new social justice and service coordinator position will be created, and he shared a paper about lay led pastoral care ministries. He also envisions that church members with ministerial credentials may provide assistance during the transition.

Monitoring Reports

4.5 Protection of Assets. ATTACHMENT 5. John Bowman moved to accept Monitoring Report on Policy 4.5. Andrea Ryon seconded the motion. PASSED.

4.6 Financial Planning and Budgeting. ATTACHMENT 6. The Board opted to review wording of 4.6.2 before accepting this Monitoring Report.

4.7 Financial Condition. ATTACHMENT 7. Andrea Ryon moved to accept the Monitoring Report for Policy 4.7. Chad Ohlandt seconded the motion. PASSED.

Board members asked the Executive for an update on staff compliance with the Strategic Plan by September 1.

2017-18 Final Budget Review and Congregational Feedback. ATTACHMENT 8. Rev Aaron and Tamara presented the final UUCA 2017-2018 operational budget to the Board. They noted that funding for the overall music program will increase, with the new music director joining us in July to a restored 100% position, but with funding for the handbell choirs remaining flat. The Board also discussed an important commitment to aligning staff salaries at the mid-point for positions, as identified under [UUA guidelines](#). Rev. Aaron said the church is almost there. The board agreed that sharing staff salaries can be damaging to staff morale, the reason that the best-managed churches do *not* do so. In general, the Board also agreed that it is more important that congregants know that compensation is fair and in line with other congregations our size than knowing exact salaries. However, recognizing that executive salaries commonly are shared with stakeholders, it was noted that the FY 2018 2% cost-of-living adjustment to Rev. Aaron's salary would raise it to \$146,680. The board voted to recommend the budget to the congregation for their consideration at the Annual Meeting on Sunday June 4, at 11:30 am.

The Board continued its April meeting discussion about the Executive's plan to share the Sunday collection plate with organization-partners, who receive our donations and partner with us on work that fulfills our mission. The change shifts the "Give the Plate" model UUCA adopted in recent years to "Share the Plate," where the offering will be divided between the partner organization and UUCA, so that we can cover church resource costs for the program. Importantly, this partner approach will strengthen our alliances and our community impact. Plans are to share the plate with no more than 12 organizations each year. This will allow us to focus on each partner for a month or so, including time during worship services to learn more about the organization. As part of the new partnership approach, all organizations will need to provide their latest IRS 990 showing revenues less than \$1 million for the previous year.

Steve Brannon moved to accept the final draft budget for presentation to the congregation at the June 4 annual meeting. Chad Ohlandt seconded the motion. PASSED.

Transition Plan and Search Process in 2017-18. Adding to his Emerging Opportunities report, Rev. Aaron said he would share with the Board detailed staff transition plans for reassigning Rev. Linda's considerable duties.

The Board will announce Annual Meeting absentee ballot procedures in *Connections*.

9:50 p.m. Adjourn.

Unitarian Universalist Church of Arlington Minister Emerita Resolution

Whereas, the title Minister Emeritus or Minister Emerita is granted to lift up and honor long and exemplary service and spiritual leadership by a minister for and on behalf of a congregation;

Whereas, due to our congregational polity, and more directly because the primary beneficiaries of her loyalty, steadfastness, and dedication have been the members and friends of the Unitarian Universalist Church of Arlington, the decision to bestow this title is reserved with our congregation;

Whereas, in deepest gratitude for the generosity of her spirit and her unselfish devotion to every one connected with the life of the Unitarian Universalist Church Arlington over her sixteen years of ministry at the Church;

Whereas, in recognition of her commitment to the children and youth of the Unitarian Universalist Church of Arlington who grew up in the very successful religious education program she had charge over for so many years;

Whereas, to thank her for her vital national leadership on behalf of all UU ministers as president of the Unitarian Universalist Minister's Association (UUMA);

Whereas, so that all will know the big role she thrived in by taking UUCA out into the larger community as Minister of Faith in Action, and for her success in assisting the development and growth of Virginians Organized for Interfaith Community Engagement (VOICE), and for the network of connections she made for the Church throughout Northern

Virginia in befriending more political and religious leaders than anyone can count;

Whereas, because she has always been attentive to organizing and reorganizing pastoral care at the Church, and because of her willingness at almost any time to drop whatever she was doing to go visit a member in need of spiritual and personal support;

Whereas, to give a belated but well earned thank you for all of the small things in Church life that she just took care of day in and day out;

Now therefore,

Be it resolved that Rev. Dr. Linda Olson Peebles be granted the title Minister Emerita, Effective July 1, 2017;

Be it also resolved, that this designation shall be announced to the Unitarian Universalist Association, published in the *UU World*, and otherwise communicated to the greater Unitarian Universalist community.

Unitarian Universalist Church of Arlington
White Nationalist Rally Resolution

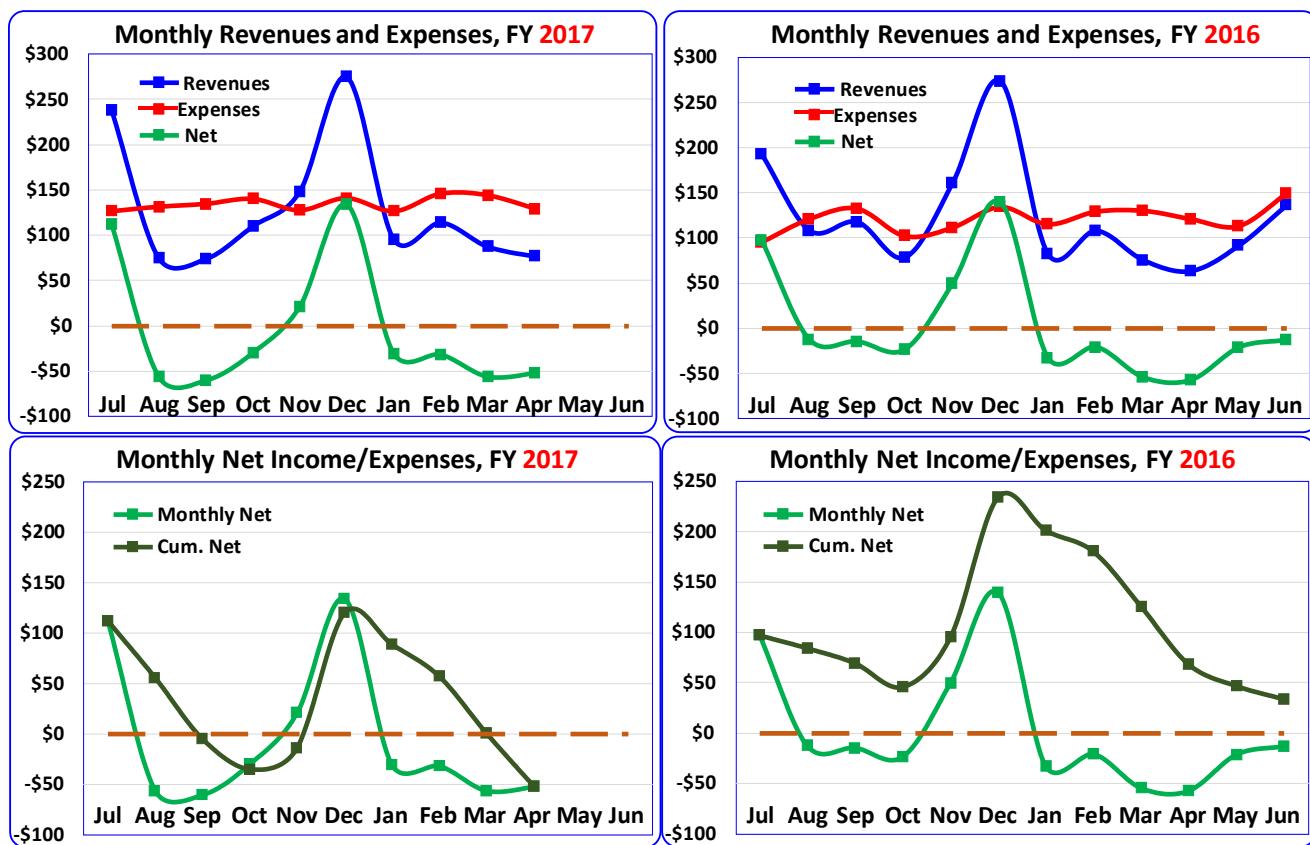
The Unitarian Universalist Church of Arlington, Virginia condemns the racism and white supremacy displayed by the torch-wielding rally by alt right white nationalists on May 13, 2017 in Charlottesville, Virginia. We stand in solidarity with many faith communities united in rejecting such intimidation and hate.

Report of the Treasurer
UUCA Board of Trustees
May 16, 2017

Year-to-Date Operating Results

Total expenses during April were \$129 thousand, which was \$9 thousand less than the \$138 thousand pro-rata share of the FY 2017 expenditure budget for the 30-day month of April. Total year-to-date expenses during the first ten months of the current fiscal year, July-April, were \$1,345 thousand. This was \$154 thousand more than year-to-date expenses during the first ten months of Fiscal Year 2016, but \$49 thousand less than the \$1,394 thousand pro-rata share of the FY 2017 expenditure budget for the first ten months of the year.

Total revenues during the month of April were \$77 thousand, and total revenues for FY 2017 to date, July-April, were \$1,293 thousand. This was \$34 thousand more than year-to-date revenues during the first ten months of Fiscal Year 2016, but \$81 thousand less than the \$1,373 thousand pro-rata share of the FY 2017 expenditure budget for the first ten months of the year.



Net income/expense. The cumulative deficit of revenues under expenses during the first ten months of the current fiscal year was \$1,293 thousand – \$1,345 thousand = - \$52 thousand. The following chart shows the monthly deficit of income over expenses during the second half (third and fourth quarters) of Fiscal year 2016 and during January - April of Fiscal year 2017. These monthly net deficits were similar during January – April of both fiscal years. If the monthly net deficits during May and June of the current fiscal year also prove similar to those during last two months of Fiscal Year 2016, then Fiscal Year 2017 would end with a cumulative deficit of around \$87 thousand.

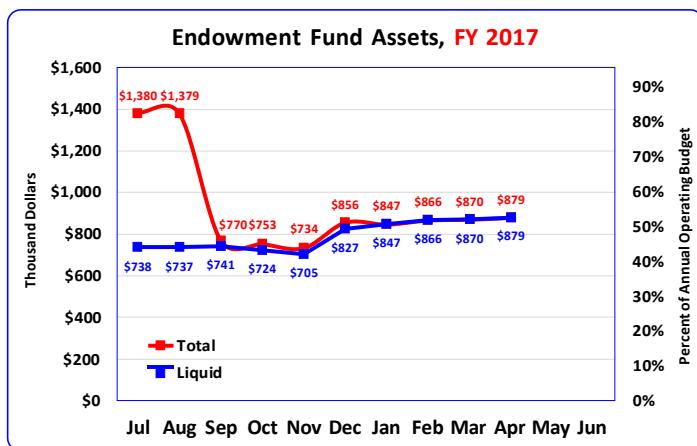
ATTACHMENT 3
UUCA Minutes May 2017

	2016	2017
Jan	-\$33	-\$31
Feb	-\$21	-\$32
Mar	-\$55	-\$57
Apr	-\$58	-\$53
May	-\$21	
Jun	-\$13	

A previously-approved draw on the Endowment Fund will be made before the end of Fiscal Year 2017 and will reduce the year's deficit on the books, but will not alter the fact that this year's revenues will have fallen below the year's expenses by a (currently projected) amount of roughly a hundred thousand dollars.

Endowment Fund

The assets of the Endowment Fund at the end of April consisted of \$879 thousand in liquid assets invested in 12 different Vanguard mutual funds. The assets of the Endowment Fund at the end of April represented 52 percent of the FY 2016-17 expense budget of \$1,674 thousand. Accordingly, the Fund was in compliance with Executive Limitation 4.8.4 as of the end of April.



Long-term Debt

The refinanced mortgage has closed, but the amounts of the outstanding principal and the monthly payment for of the refinanced loan are not yet posted on the church's financial statements for April.

The ad hoc task force of the Finance Committee that has been examining the feasibility of a new capital campaign with the objective of retiring the mortgage has not met since the previous Treasurer's report, due to travel by some of the participants.

Peter Vitaliano, Treasurer, UUCA

Emerging Opportunities

May, 2017

Faith Development

Banner Project: The work of literally hundreds of UUCAers of all ages, the banner project is a big success, both in terms of applied theology, multigenerational ministry and pedagogical success for our program. This is the only program of its kind in the UUA and we are now exploring opportunities to share the model at GA, LREDA and beyond.

Wellspring Wednesday: Spring term is underway and things are going well. One new innovation to report: I am doing a lecture series on theologically foundational Unitarian sermons. This what LeeAnn and I consider a "core" class, and since I am the only one currently capable of teaching it (and thus can not teach anything else) we are experimenting with live streaming and video-recording the sessions. We will then edit the sessions for either stand-alone web-based use or facilitated small group use that will not require me to be physically present each time. This will (we hope) allow us to expand the range of classes I can teach while also extending the reach of our programming itself beyond Wednesday evenings and beyond our church walls.

Teacher Appreciation: we will celebrate all our LRE teachers and volunteers this Sunday, Mother's Day, at both services. Board presence is strongly encouraged. It is critical to lift up our teachers, who have felt underappreciated in recent years.

Hopi: Our trip to Hopi went well, and our youth are now reflecting upon how to both strengthen our bond with our new community partner and to bring what they have learned home to plant seeds in our community, with a particular emphasis on the principles of permaculture.

After Action: although my stories for all ages are not popular at UUCA, they are used in other UU congregations around the world virtually every Sunday. This is an untapped source of potential revenue (and ministry) for the congregation, and in June we will have an intern helping us develop a process and plan for selling the book online.

Faith in Action

Transition: much work happening in this portfolio right now as Rev. Linda and the groups she has lead work to chart their transition.

GTP: we are almost ready to begin communicating and implementing the next stages in our movement from a "philanthropic" model of giving to a "partnership" model. see supporting report for further details.

PAG: just celebrated their 10th anniversary of ministry at UUCA. PAG organizers feel very good about how everything went, and we also used this as one of many opportunities to warmly celebrate Rev. Linda's ministry among us.

Green Lens: we are still not settled on another environment-focused community partner for the coming year. Ideally we are looking for a local non-profit where UUCAers of all ages can support the partnership through hands-on work like stream cleanup, etc. If you know anyone wonderful please let us know.

Intercultural Competency

Tibet Collaboration: this July as the world marks the birthday of His Holiness the Dalai Lama, we will collaborate with International Campaign for Tibet and the Capital Area Tibetan Association to host an interfaith celebration and "teach in" focused on peacekeeping and building unity in an increasingly fractured society. In addition to the local Tibetan and Mongolian communities (most of whom live near UUCA, we will focus on using this event to deepen relationships between our "in-house" faith groups and Mayan community partners in particular).

Service Never Sleeps : We are in conversation with this outfit supporting new community partners about how we might work together to both take our LTP and other anti-racist work to the next level - AND to help extend its reach further into the community.

Sancutaries DC: This critical community partner is celebrating the "graduation" of their latest cohort of activist-artists on May 22. UUCA is the largest single funder of the Collective Program, and our presence would mean a lot to them. I know they want to thank us -and showing up is what partnership looks like after all, so I hope you will make every effort to attend the showcase . <https://www.eventbrite.com/e/sacred-arts-activism-stories-that-transform-tickets-34240052920>

Pastoral Care

Care Team: I have introduced the "Care Team" model I've used in other congregations to our existing pastoral care team. Philosophically it builds on the idea that caring for and tending to one another is an essential part of what it means to be in community. In practical terms much of this care happens informally and/or in our small groups. In addition we create 3-legged stool: 1) practical support/logistics (meals, rides, etc) 2) Care Team: diverse group of volunteer care-givers specifically trained to offer support during transition-times 3) ministerial support. This program is highly successful elsewhere and I am sure it will be useful at UUCA as well.

Small Groups

New to UUCA: we now, right NOW have EIGHT (!!!) groups full of people new to the congregation using our modified soul matters/ CoT structure to help them build connections at UUCA. We literally can not find physical space or facilitators fast enough!

Secular/ Sacred Book group : This new young adult project reads and reflects upon secular texts as SACRED texts. It is off to a wonderful start and, combined with B.P.Q. is part of our quickly growing young adult population. Attendance for these programs is routinely in the 20s - 30s, quite a jump from 3 years ago when average attendance was typically under 6.

Membership

We continue to experience record-high numbers of Inquiring Friends and other excited new visitors. We appear to be doing a good job retaining them, helping them get connected and feeling like part of the community. This is already translating into membership and we expect momentum to increase in coming months. As always our challenge is to sustain and support all these excited new people and welcome them fully into our community.

Staff

Paul and Sarah are getting married !!! The Board might consider giving a gift or other kind of appreciation to mark the occasion. A "staff" wedding is a rare and wonderful thing and we should celebrate it joyously!

Music Director: Mimi Bornstein will officially begin her work with us in July, but we are transitioning right now to help her entry be as smooth as possible. We are creating a small transition team to support her, and she will visit at least a few times before she physically completes her move.

Ministerial Intern : Christin Green will begin her internship with us in September . A seminarian at Wesley Theological School, she will work with us about 15 hrs per week for 2 years. "Volunteer" Ministers: we continue to discuss ways to leverage our "in-house" ministers as we navigate our Ministerial transition.

Social Justice Coordinator: to provide support for our faith in action ministries during our ministerial transition, we will be hiring a part-time coordinator, most likely in September. This

person will ideally be well-versed not only in traditional models of faith-based organizing, but also contemporary organizing models such as those developed by Black Lives Matter and Standing Rock.

Monitoring Report 4.5 Protection of Assets May 2017

4.5 Protection of Assets

Policy. The Executive shall not allow the assets of the Church to be unprotected, inadequately maintained, inappropriately used, or unnecessarily risked.

Executive Interpretation:

The Executive is responsible for the overall well-being of the organization and its assets in regards to its ability to legally and safely carry out its mission.

Indicators:

Continuation of incorporated status and legal right to do business.

Nonexistent lawsuits or injuries from building negligence.

Metrics:

UUCA remains a recognized business without any encumbrances.

March 2015 – UUCA is in good standing.

May 2016 – Executive is in compliance. UUCA is in good standing.

May 2017 - Executive is in compliance. UUCA is in good standing.

Accordingly, the Executive shall not:

Policy 4.5.1 Fail to insure reasonably against theft and casualty losses, corporate liability, and personal liability of Board members, Officers, and staff;

Executive Interpretation:

Maintain adequate insurance, fire protection and lock systems

Indicators:

Adequate levels of insurance coverage, as defined and advised by a licensed insurance agent, and complete insurance package. Physical systems in place throughout the building.

Metrics:

Direct inspection of insurance policies and coverage documents. Direct

inspection of functioning fire and lock systems.

March 2015 – Insurance documents provided by Joseph White Insurance Agency filed in CAO's office. Fire system under contract with Alarm-tech for annual inspection (due this month) and lock system functioning.

May 2016 – Insurance documents provided by Joseph White Insurance Agency on file in CAO office and can be inspected by request. Fire system under contract with Alarm-tech. Lock systems are all functioning within the building and maintained by Maintenance staff.

May 2017 – Executive is in compliance. Insurance documents provided by Joseph White Insurance Agency on file in CAO office and can be inspected by request. Fire system under contract with Alarm-tech. Lock systems are all functioning within the building and maintained by Maintenance staff.

Policy 4.5.2 Expose the Church, Board of Trustees, Officers, staff or volunteers unnecessarily to claims of liability;

Executive Interpretation:

Operate business of church within the laws of the state and federal governments; maintain safe building conditions.

Indicators:

Continuation of incorporated status and legal right to do business.
Nonexistent lawsuits or injuries from building negligence.

Metrics:

Absence of pending or current lawsuits against the Church. Nonprofit incorporation status intact.

March 2015 – UUCA has not received any notification of legal action. UUCA is in good standing.

May 2016 – UUCA has not received any notification of legal action. UUCA is in good standing.

May 2017 - UUCA has not received any notification of legal action. UUCA is in good standing.

Policy 4.5.3 Risk the nonprofit status of the Church;

Executive Interpretation:

Maintain non-profit status by guarding against church staff or programming making political statements and by carefully vetting ventures resulting in unrelated business income.

Indicators:

Direct communication to all UUCA program leaders, staff, and groups regarding consequence of political statements. Oversight of revenue streams that might result in unrelated business income.

Metrics:

Continued existence with non-profit status.

March 2015 – UUCA is in good standing.

May 2016 – UUCA is in good standing.

May 2017 - UUCA is in good standing.

Policy 4.5.4 Risk the reputation of the Church as an ethical organization of high moral standards within the community and the wider UU movement (updated May 2016);

Executive Interpretation:

The Executive will ensure the staff and leaders are aware the Church has a positive reputation that needs protection. The Executive ensures his/her own role protecting the Church's reputation through interpretations established in 4.1 (Treatment of People), 4.4 (Treatment of Staff), and 4.5.9 (Purchase of goods and services).

Indicators:

Direct communication with staff, lay leaders, and congregation. Compliance with 4.1, 4.4, and 4.5.9

Metrics:

Direct observation and monitoring reports.

March 2015 – Board received monitoring report for 4.1 and 4.5 this month. 4.4 was monitored in February 2015.

May 2016 – Board will receive monitoring report for 4.1 in May 2016; 4.5 in May 2016; 4.4 was monitored in March 2015 and the next monitoring period will be determined by the Board at a later date.

May 2017 – Board monitored 4.1 and 4.5 in May 2016 and 4.4 in June 2016. Executive in compliance.

Policy 4.5.5 Allow historic assets, intellectual property, and Church records to be exposed to potential loss or significant damage;

Executive Interpretation:

Protect current and archived records (hard copy and electronic) from permanent damage/unrecoverable loss.

Indicators:

Written policy detailing consistent and reliable backup of all electronic records/files. Physical archives maintained under lock and key.

Metrics:

Direct observation of Archive Room. Up to date service agreement with professional IT Company.

March 2015 – UUCA is serviced monthly by Iteck Solutions.

May 2016 – Executive reports compliance. UUCA is serviced monthly by Iteck Solutions.

May 2017 - Executive reports compliance. UUCA is serviced monthly by Iteck Solutions. CAO is looking into ways to move to cloud based solutions in the near future to assist with electronic storage.

Policy 4.5.6 Allow Church facilities to be used by groups and individuals in ways not sanctioned by written policies;

Executive Interpretation:

Maintain and follow written policies regarding proper facility usage.

Indicators:

Existence of published policy.

Metrics:

Policy found on church's website.

March 2015 – Policy found on “Governance Docs” page of current website.

May 2016 – Policy found on “Governance Docs” page of current website.

May 2017 - Policy found on “Governance Docs” page of current website. CAO is reviewing current policy and will be publishing further guidance by the next monitoring period on use, fees, and expectations.

Policy 4.5.7 Allow groups and individuals to use the name of the Church, its banner, logo, or its website in ways not sanctioned by written policies;

Executive Interpretation:

Approve use of Church brand materials by individuals and groups and monitor materials for non-sanctioned use.

Indicators:

Direct communication to all UUCA staff, program leaders, and groups regarding the Church brand.

Metrics:

Zero instance of unauthorized use of Church banner, logo, and name.

March 2015 – All uses have been authorized. Unauthorized uses may continue due to nature of use falling outside UUCA’s control (Twitter accounts).

May 2016 – Executive reports compliance. All uses have been authorized. Unauthorized uses may exist with the continued use of Social Media and these are out of the control of the Executive.

May 2017 - Executive reports compliance. All uses have been authorized. Unauthorized uses may exist with the continued use of Social Media and these are out of the control of the Executive.

Policy 4.5.8 Receive, process, or disperse funds without documented controls sufficient to meet the Board appointed auditor's standards, other governmental standards, or regular business standards and practices; or

Executive Interpretation:

All financial transactions will follow generally accepted accounting practices.

Indicators:

Auditor's management letter will not show any deficiencies in internal control that would be considered "material weaknesses."

Metrics: Management letter from professional, outside auditor.

March 2015 – UHY provided clean audit and management letter to UUCA Board in early 2015.

May 2016 – Outside audit expected to be completed by end of calendar year 2016.

May 2017 – UHY has completed external audit and this has been approved by the board and published on UUCA's Website for review.

Policy 4.5.9 Purchase goods or services without reasonable protections against conflict of interest (rev May 2016).

Executive Interpretation:

The Executive will use his/her professional judgement and research to vet purchased goods or services in order to prevent risking the reputation and financial well-being of the Church.

Indicators:

Monthly financial statements. Disclosure of conflict of interest to Board.

Metrics:

Board agenda and minutes show financial reporting. Absence of conflict of interest evidence.

March 2015 – Board minutes posted on UUCA website. No accusations or evidence of COI reported to Executive or Board.

May 2016 – Board minutes posted on UUCA website. No accusations or evidence of COI reported to Executive or Board.

May 2017 – Two large financial transactions were posted since the last monitoring report: Parking Lot sealing and refinance of the mortgage. Three bids were obtained for each. No accusations or evidence of COI reported to Executive or Board.

THIS IS AN ELECTRONIC COPY – SEE PART II FOR THE COMPLETE REPORT

ATTACHMENT 5
UUCA Minutes May 2017