

**Unitarian Universalist Church of Arlington**  
**Board of Trustees Meeting Minutes**

**July 17, 2018**

**Attendees:**

Board of Trustees: Al Himes – Chair, Linda Battaglini, Emily Goodin, Janice Morris, Hieu Nguyen, Chad Ohlandt, Andrea Ryon, Art Stevens, Warren Wright

Officers: Peter Vitaliano – Treasurer

Guests: Rev. Beth Miller, Acting Executive Director Tamara Srader, Rev. Terasa Cooley

**Open, Call to Order, Chalice Lighting, and Check-in**

Board Chair Al Himes called meeting to order at 7:35 pm.

**Consent Agenda**

The Board Chair asked for consideration and acceptance of the consent agenda. Hieu Nguyen amended the motion to remove committee assignments, Linda Battaglini moved to pass remaining consent agenda items. Motion PASSED unanimously.

Minutes of June 19 meeting <http://www.uucava.org/wp-content/uploads/2018/09/2018-05-15-BOT-minutesFINAL.pdf>

On a procedural note, the Board Chair suggested indicating using name tags to indicate the desire to speak rather than holding up hands or interrupting.

As part of the consent agenda, the Board discussed the role of Vice Chairman in order to understand the process of choosing that role given that the Policy Manual does not clarify the method of appointing a Vice Chair. The Board discussed the importance of the position for additional capacity and to clarify the process when the Chair is unavailable. Warren Wright added the discretion of the Chair is to choose the Vice Chair, but the Board could revise that process if it would like.

The Board also discussed that selection as Vice Chairman did not equate to a determination or expectation that the Vice Chair would necessarily ascend to the Chair. The discussion also clarified that the Board Chair does not expressly have any additional authorities relative to other Board members, and a Vice Chair would have a standing delegation of activities and limited authorities.

Some Board Members expressed concerns around the Vice Chair being a designated “next” Board Chair, as well as transparency of the process, with a desire to have an official process similar to selection of Board Chair.

A Board member suggested a process could be written by the next meeting by the Governance Committee. Another indicated the Chair Designee and the Vice Chair are the same role. The Board also discussed whether these types of small changes should instead be addressed through the larger question of the congregation's role in electing the Board Chair as part of the overall governance review.

The Board Chair discussed the Vice Chair role as part of an executive committee to aid in managing accountability between the staff and the Board so that the relationship is not one on one between the senior minister and the Board, with two individuals from staff and two more from the Board to complete that process.

Emily Goodin moved to nominate Andrea Ryon as Assistant Chair rather than Vice Chair to remove any implication of elevated authority. Janice Morris seconded and amended to refer to the matter to the Policy Governance Committee. Motion PASSED (8 yeas, 1 nay).

### **Share-The-Plate Update**

Tamara Srader, Acting Executive Director, presented Share-The-Plate update noting space and in-kind are not included, next year, she is going to add in these additional items. Annie Parker, UUCA's Administrative Event and Facilities Coordinator, is tracking use of the space in a way it has never been calculated in the past, to fully reflect the support the church provides our partner groups.

A Board member asked about Share-The-Plate payment timing, Tamara noted that other than VOICE, checks went out in April, and most groups received three checks after a change in payment formula.

Last quarter the UUCA share goal was met, next year Share-The-Plate groups will get quarterly checks. A Board member noted rental rates of forgone rent vs. negotiated rates for longer term, and expressed gratitude for tracking the free space utilized by identified groups. It was asked whether hard costs could be added as well, and Tamara noted the report added water expenses and gas and others are being tracked more closely to identify the value provided.

Tamara commended Annie for meeting UUCA's revenue number for the year.

Tamara is seeking FY 2020 volunteers for a Share-The-Plate team, but only two responses followed a *Connections* article. She may wait for fall to ask again.

### **Board Policies and Procedures for 2018-2019 Discussion (ATTACHMENT 1)**

Al Himes, Board Chair, initiated discussion of temporary Board policy changes for FY 2019 operations as a trial balloon for changes the Board may test, or issues that need more clarity in terms of Board operations and oversight. In particular, there are some issues that could be inconsistent with Allyship issues and efforts on anti-racism that require more urgent review.

The Board discussed the “speak with one voice” approach, and the importance of minority opinions while functioning as a team. Members expressed concerns about whether it might undermine Board decisions if dissenting views are presented outside of meetings as well as the value to transparency and connection with the congregation when dissenting viewpoints are presented. The Chair proposed a more thorough review and discussion on this topic at the Board retreat.

A Board member added male as a descriptor to 3.3 and felt this was important enough to go through at board retreat and create covenant around. Another added that 3.43 for Senior Minister monitoring also should be carefully reviewed for accuracy.

Retreat scheduling – Rev. Kate Walker wants to come and do an exit interview evaluating Rev. McEmreys to assist search committee. Rev. Cooley highlighted that one answer is not helpful and multiple board members voiced concerns regarding legal liability to the Board of individual statements.

Members discussed the benefits of transparency, and sharing more information with the search committee and perhaps with UUCA’s attorney. Discussion of legal disclosures followed.

Rev. Cooley discussed the length and frequency of Board retreats, and a Board member suggested using the retreat for exploration and how to best utilize board meetings to make actual decisions.

### **Targeted Ministry Program Evaluation (ATTACHMENT 2)**

Rev. Miller presented the targeted ministry program evaluation, the Board had no questions. A Board member recommended sharing the evaluation with the Search Committee. Art Smith thanked Rev. Miller for her service. Warren Wright moved to approve the targeted evaluation, Hieu Nguyen seconded the motion, which PASSED unanimously.

**Meeting adjourned at 9:17pm**

## CONSENT AGENDA ITEMS

### **Draft 2018-19 Board Calendar Items**

- Review of Governance Recommendations
- Review of Audit
- Review of Executive Performance Review Template
- Executive Performance Review
- Visionary Reports from Program Staff
- Short and Longer Term Vision Development
- Budget Review
- Board Covenantal Relationship Development
- Board Retreat

## TEMP. SR. MINISTER'S FINAL BOARD UPDATE

The Rev. Beth Miller

7/17/18

- In addition to Wendy Jessup and Lila Herndon Vizzard from the Interim Minister Search Committee, I've recruited Diane Ullius, Bill Fogarty, and Ron Teeter to serve on Rev. Terasa's Transition Team. Approval will be on your consent agenda at this meeting.
- I've successfully recruited three new Worship Associates: Irv Lachow, Zoe Lachow, and John Zeray. The Team wants one more WA and I have an invitation out but haven't gotten a response yet.
- The 8th Principle Task Force retreat on July 8th went well and they now have a strategy, people assigned to various tasks, and a general timeline. We talked about the need to coordinate with the other initiatives that will need congregational participation (Interim work, governance, and input for the search committee) so as not to overtax the congregation's time. My concern is that these are all big and important things, but if there are too many meetings, consultations, etc. asked of the congregation too close together, people will feel overwhelmed and withdraw. It would be good to have some general overall coordination of these events.
- Lee Ann and I are interviewing candidates for the Youth and Young Adult Coordinator position later this week and hope to have someone in place by the beginning of August so Elisabeth can orient them before she leaves on August 12.
- As reported last month, I'll be on vacation next week and back for my last day with you on July 29. I leave to return to MA on July 30.
- It has been an honor and a joy to serve you these six months. You are a strong and vital congregation and you are in good ministerial hands with Rev. Terasa as your Interim Senior Minister. I will miss you.

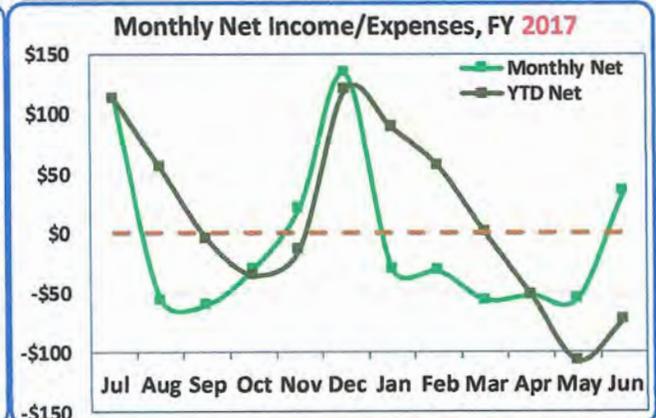
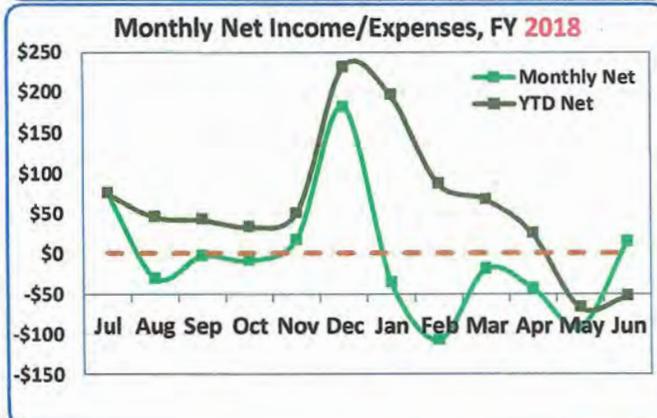
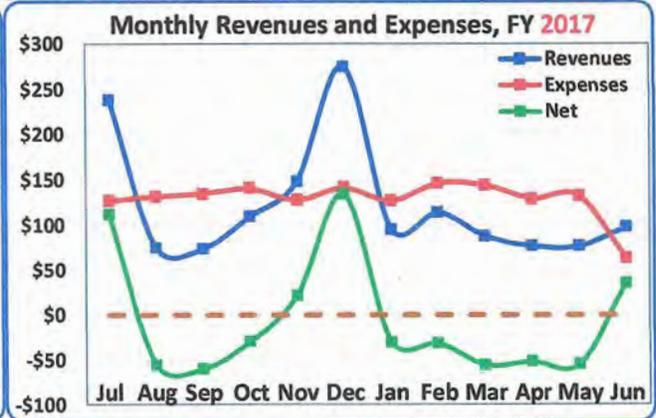
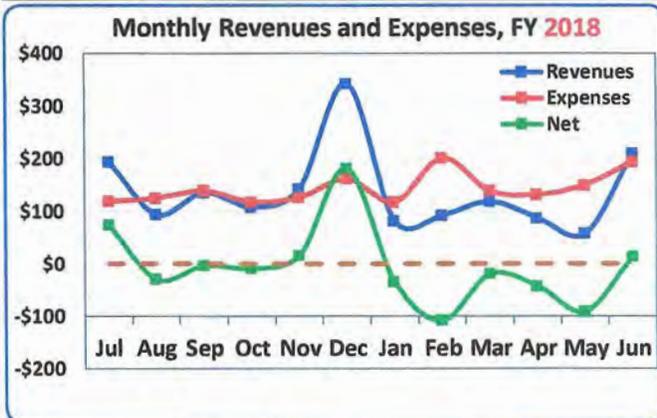
**Report of the Treasurer**  
**UUCA Board of Trustees**  
**July 17, 2018**

**Fiscal Year 2018 to-Date Operating Results – Highlights for full 12 months, July-June**

- YTD revenues were \$1,671 K: \$5 K under budget but \$204 K above last year.
- YTD expenditures were \$1,723 K: \$46 K over budget and \$184 K above last year.
- YTD net revenues over expenses were -\$52 K: -\$51 K under budget but \$21 K above last year.

**UUCA Operating Revenues, Expenses and Net Revenues**  
**Fiscal Year 2018, with Comparisons**  
*Thousand Dollars*

	Fiscal Year 2018, Actual			Fiscal Year 2018, Budget			Fiscal Year 2017, Actual		
	Revenues	Expenses	Net	Revenues	Expenses	Net	Revenues	Expenses	Net
Q1	\$425	\$383	\$42	\$419	\$419	\$0	\$387	\$392	-\$5
Q2	\$595	\$406	\$190	\$419	\$419	\$0	\$533	\$408	\$125
Q3	\$294	\$457	-\$164	\$419	\$419	\$0	\$296	\$416	-\$119
Apr	\$88	\$132	-\$43	\$140	\$140	\$0	\$77	\$129	-\$53
May	\$58	\$150	-\$92	\$140	\$140	\$0	\$76	\$132	-\$56
Jun	\$209	\$195	\$15	\$140	\$140	\$0	\$98	\$63	\$35
<b>YTD</b>	<b>\$1,671</b>	<b>\$1,723</b>	<b>-\$52</b>	<b>\$1,676</b>	<b>\$1,677</b>	<b>-\$0.7</b>	<b>\$1,467</b>	<b>\$1,540</b>	<b>-\$73</b>



## Operating Reserves

The **operating reserves** of the Church consist of:

- Funds to cover the current assets of all designated accounts, except for Memorial Gifts and Bequests,
- A general operations reserve, and
- A replacement reserve, which is restricted.

These reserves are all invested in Fidelity mutual funds, which are managed by the Executive in consultation with the Investment Committee. At the end of June, balances of these funds were as follows:

UUCA Operating Reserves - June 30						
<i>Thousand Dollars</i>						
Designated Accounts	General Operations	Restricted Replacement Reserves	Total Operating Reserves	FY 2018 Expenditure Budget		Months of Reserves
				Annual	Bimonthly	
\$262	-\$101	\$61	\$221	\$1,677	\$280	1.6

Executive Limitation 4.6.2 under Board policy requires the Executive to operate with at least two months (1/6 of the annual budget) of liquid operating reserves, unless otherwise approved by the Board. Executive Limitation 4.6.3.a) further specifies that, if the operating reserve at the end of the current fiscal year is projected to be less than 2 months of operating expenses, the following year's operating budget must be balanced. At the end of June, the operating reserves totaled 1.6 months of the FY 2017-18 annual expense budget. The operating budget for the 2018-19 fiscal year, approved by the Congregation at the June 3, 2018 annual meeting, has a deficit of \$77.5 K.

## Endowment Fund

The assets of the **Endowment Fund** at the end of June totaled \$796 K in liquid assets invested in Vanguard mutual funds, which are managed by the Executive in consultation with the Investment Committee. This was \$138 K less than the Endowment Fund's liquid assets at the end of May, one month previously, mostly due to board-approved withdrawals totaling \$135 K to cover a payment to Rev. Linda and costs by Rev. Beth. The assets of the Endowment Fund at the end of June represented 47 percent of the Fiscal Year 2017-18 expense budget of \$1,677 thousand. Executive Limitation 4.8.4 under Board policy specifies that the Executive shall not "allow the endowment balance to be less than 100% of the annual operating budget. As an exception, the Executive may plan a balance of not less than 50% to refinance the mortgage in the year 2017." Accordingly, the Fund was not in compliance with Executive Limitation 4.8.4 as of the end of June.

## Long-term Liabilities

The balance of the refinanced, single **mortgage** was \$3.113 million at the end of June. At the end of June, the Church's ratio of total liabilities to total assets was 0.41. This substantially overstates the Church's effective debt ratio because the asset values on the Church balance sheets are stated on a cost basis, which is considerably lower than the current market value of the Church's land and buildings.

Peter Vitaliano, Treasurer, UUCA

## Board Policies and Procedures 2018-19

### Discussion on Possible Revisions/Adjustments

#### 2.1.3.1

##### **Speak with One Voice**

The Board will act as a single entrusted corporate entity by speaking with one voice. While the separate abilities, judgments, and perspectives of its members will inform the determination of collective Board values and policies, individual Board members will respect and support Board decisions.

- Should Board Members feel free to comment on items which haven't had a board decision?
- Should a dissenting Board Member be able to express a trust in the board process while still acknowledging their personal views in a respectful manner?
- Does this policy seek to silence minority voices?

#### 2.2.2

##### **Performance Monitoring**

The Board will monitor and evaluate Executive performance in following the Ends and Executive Limitations policies

- Should we update to reflect the proposed Executive performance review

#### 2.2.3 Annual Budget

The Board will review an annual budget prepared by the Executive, and once it has approved the budget, the Board will advocate its approval by the Congregation.

- Do we need to better define who will and how we want to develop the budget?

#### 3.3 ...

• Trust - assuming good intentions, we extend trust freely and hold it reverently, and when the going gets tough we turn to wonder.

- This was pointed out to have roots in white supremacy culture. Board member should feel free to have a commitment to check with each other on intentions.

## Targeted Ministry Program Evaluation

(We recommend a joint venture between board and TMP minister)

**Congregation:** Unitarian Universalists Church of Arlington VA

**Minister:** The Reverend Beth Miller

1. **Over what time period and time conditions (e.g., one weekend a month for six months, or six weeks daily) did this ministry happen.**

Full time, six months, February thru July, 2018

2. **What were the reason(s) for utilizing the Targeted Ministry Program?**

Sudden, unplanned loss of Senior Minister with no second minister in place; trauma in the congregation.

3. **What were the goals of the TMP for the congregation?**

To maintain a consistent pulpit presence and meaningful worship experiences.

provide pastoral care to congregation and staff.

To begin the healing process.

Supervise the Intern Minister and the Certified Lay Ministry Candidate.

4. **What actually happened during the Targeted Ministry?**

Worship: Rev. Beth preached most Sundays, watched and gave feedback on all Intern led services, met with the Worship Associates Team monthly and conducted their retreat, conducted New Member Recognition and Child Dedication.

Pastoral Care: Facilitated large and small group listening circles for congregation and for the Board, met with numerous individuals, mediated some conflicts, met regularly with the staff and was consistently present in the office, got the Lay Pastoral Care Associates Team organized, trained, and commissioned by the congregation and did followup continuing education with them, met with UUCA members at Goodwin House several times, conducted several memorial and interment services, conducted a special service of appreciation and release of the departed minister.

Supervision: Met weekly with Intern Minister and monthly with Lay Ministry Candidate. Accepted supervision of the Music Director and DRE.

Social Justice: Met with several representatives of UUCA's social justice community partners and involved congregants and attended some of their special events, created a Social Justice Sunday service with congregants to highlight UUCA partnerships, helped other staff navigate some stressed relationships with partners.

Adult Programming: Lead three New UU classes and one on the Seven Principles.

Stewardship: Helped launch and support a special campaign to make up for a shortfall in the regular stewardship campaign to allow for a contract second minister.

**5. What were the successes during the Targeted Ministry?**

We made progress in the healing process, making way for the incoming Interim Minister, and we made some progress in re-establishing trust in the professional ministry among many congregants. Congregants felt heard and accepted by the targeted minister, the Board, and the staff. There was movement from shock and chaos to a sense of "we are the church," not only because of the targeted minister, but because of mutual efforts by her and the Board, staff, and other key lay leaders.

**6. What were the learnings during the Targeted Ministry?**

On the other hand, we learned that the governance system in place prohibits (or at least discourages) congregational input and involvement and needs to be re-evaluated. That process is underway.

**7. What advice would you have for others considering the program?**

Go in with an open heart and mind and take your time figuring out what they really need. In responding, be mindful that an Interim Minister will likely follow you and try to hold them back from major changes best left to the Interim process. Be respectful of both the past and the future and know your place as neither the Interim nor their minister.

**8. What else needs to be shared?**

Only that this particular Targeted Minister felt humbled to be accepted and trusted during this time of upheaval and honored to serve in this capacity with this congregation.

**9. How were the answers here prepared?**

The Targeted Minister prepared a draft and sent it to the Board for additions and/or challenges. It was then discussed at a Board meeting. Comments were incorporated into the final document which was signed by the Board Chair and the minister.

**Person Submitting Form:** Al Hines, Board Chair, and Beth Miller, Minister