



Foothills Board of Trustees Meeting Approved Monthly Meeting Minutes

October 15, 2020

Board Members in Attendance: Sue Sullivan, Sara Steen, Doug Powell, Andrea Delorey, Glenn Pearson, Debbie Gentry, Brendan Mahoney, Rev. Gretchen Haley (ex-officio member)

Staff Member in Attendance: Katie Watkins, Director of Finance and Operations

Online meeting convened at 6:00pm via Zoom with a virtual chalice lighting and check-in.

Consent Agenda

Sara moved to approve the Consent Agenda. This consisted of minutes from the September 17, 2020 board meeting minutes. The vote was unanimous. Motion passed.

Regular Agenda

Monitoring

Item 1 - Senior Minister's Report

Rev. Gretchen noted that this month's monitoring schedule included Section 3.2.1 Supervision and Evaluation and Section 3.2.2 Compensation and Benefits and reported that ministry was in compliance with both sections. Katie mentioned that a Human Resources (HR) group was currently reviewing HR policies for compliance and that the review should be finished in time to discuss it during the December board meeting. Rev. Gretchen noted that the current proposed amount for anti-racism work was cost prohibitive and she would be talking with Glenn and Andrea about other possible, less costly options. **The board received the Senior Minister's Report**

Item 2 - 2021 Proposed Budget Presentation

Rev. Gretchen and Katie presented the 2021 proposed budget. Rev. Gretchen noted that although other large UU churches had decided to budget only the first quarter of 2021 due to the uncertainty caused by the coronavirus, Foothills had decided to budget for the full year in order to be clear about our financial position in 2021. She noted that the church was investing heavily in building a digital presence as its default in an effort to keep the church growing, sharing her belief that churches of the future would have a large online presence. The 2021 budget assumed that a small percentage of the congregation would be returning to the church in June, 2021 and that hopefully the entire congregation would be returning by the end of 2021. Rev. Gretchen also clarified that going forward the term “share the plate” would be changed to “weekly offering”. Katie noted that a new, more sophisticated version of budget reporting was being developed that would make it easier for the board and ministry to share accountability and responsibility. She noted it would also support the significant growth the church had experienced in the last several years and any growth that occurred in the future.

At 7:30PM the board went into Executive Session to discuss personnel matters related to the budget. Executive Session ended at 7:35.

Rev. Gretchen provided a UUA Salaries Comparison chart which indicated that after this year’s mid-year salary increases, each staff member was closer to the midpoint of the UUA’s salary recommendations. She noted that her decision to invest in employee salary increases came at a time when the corona virus had just occurred and staff were working hard trying to adjust to this new environment. She felt that salary increases were one way of letting the staff know their positions were secure and considered very important. Glenn noted that Rev. Gretchen had not built in a salary increase for herself in the last several years or in 2021 even though the board had mandated such an increase. After some discussion, the board directed ministry to build into the 2021 budget a salary increase for the senior minister in the amount of \$7.5K. The board agreed that after the minister’s salary increase was added and adjusted for, the board would affirm the budget on Basecamp in time to present it at the November 15, 2020 Congregational Meeting.

Item 3 - Building Expansion Report

Rev. Gretchen reported that the building expansion team had provided a spreadsheet update with research around securing potential income for the building campaign. She mentioned the team is also in the process of confirming pledges and a timeline of when

those pledges will be paid. Rev. Gretchen noted there were several possible loans that the church might be able to secure:

- C-Pace loan of around \$800K to \$1M that represented 20% of the construction costs, an amount less than the original amount approved by the congregation
- A Community Foundation loan, a small, low interest loan with a potential of \$150K
- A UUA loan that could be utilized in the event the other funding streams did not provide the amount needed
- Potential member funded, delayed interest loans of approximately \$780K

Katie made the point that with all loans, lenders wanted to be considered “primary” which made “stacking” the loans difficult. In their report, the building expansion team thought that raising between \$7.2 and \$7.6M was possible both from a financial standpoint and in terms of achieving building priorities however there were many unknowns yet to be determined. The report also mentioned that the architect, Peter Ewers, had considered covid in the building adjustments. The team had also asked Mr. Ewers to submit a building plan based on the premise that only \$6M in pledges was available. This plan was submitted however the team was not happy with the options presented as they felt the design was fundamentally different than the original design. They did believe however, that a \$7.5M budget might work. Although no vote would be needed, ministry requested this update be provided at the November Congregational meeting. Rev. Gretchen noted that if we raised the \$7.5M, the church could begin construction. The board raised questions about the timeline for this building project and Rev. Gretchen estimated that if the final design was ready in January, 2021, construction could begin in August or September, 2021 with completion of the building anticipated by December, 2022. At the November 19, 2020 board meeting, we could consider having another congregational meeting in January to vote on moving forward.

In the interest of time, it was decided that two separate threads on basecamp would be started: to finalize the proposed 2021 budget and to assign duties for the upcoming November 15, 2020 Congregational Meeting.

OTHER WORK OF THE BOARD:

Introductory discussion of revisions to Section 2 and Section 4 of the Policy book

Sara began the discussion of revisions to Section 2 (Delegation to Staff) and Section 4 (Oversight) noting most of the changes were considering if “vision interpretation” needed to replace “mission, values and vision”. If so, ministry would need to add additional language to further develop the vision interpretation. Sue asked where a

vision interpretation might reside in the policy book with Rev. Gretchen suggesting that it could be in Sections 2 and 4 and also under "Monitoring". Sara mentioned that a few pieces of Sections 2 and 4 were related to the financial policy and Katie Watkins will work with the Financial Oversight Committee on revising these sections. Rev. Gretchen considered having the building expansion finance team expand their role in order to do some work related to oversight of the overall organization's finances although she was not sure they would agree to this request. Sara will post the revisions to Sections 2 and 4 on basecamp for review.

Check-out

Sue will be presenting what needs to be shared with the congregation at the November 15, 2020 Congregational Meeting

Adjournment

After a brief check-out of what was on each person's heart, the meeting adjourned at 8:45PM.

Minutes written and presented by
Debbie Gentry,
Board Secretary