



**Foothills Board of Trustees
Draft Regular Meeting Minutes
May 13, 2021**

Approved 6-17-2021

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

Staff Present: Katie Watkins, Director of Finance and Operations

Potential Board Members Present: Walter Nash, Linda Kothera and Richie Nelsen

Consent Agenda

Consent agenda consisted of the April 15, 2021 board of trustees meeting minutes. **Andrea motioned to approve the April 15, 2021 board of trustees meeting minutes. Motion passed.**

Regular Board Work

General Board Work

Item #1 - Items pulled from the consent agenda

There were no items pulled from the consent agenda.

Item #2 - Policy Book revision discussion: Appendices and Handbooks

Sara reported that all four sections of the policy book had been revised except for minor changes that would be discussed at the June board meeting. She asked for clarification on whether appendices, monitoring schedule and board handbook needed to be included at the back of the policy book. After some discussion, it was decided that the actual documents within the appendices would be replaced with links to those documents. The monitoring schedule and board handbook would remain in the policy book. Sara mentioned that both the monitoring schedule and board handbook needed to be updated. Rev. Gretchen and Andrea each decided to take a section a month of the monitoring schedule, compare it to the current policies, revise as necessary and bring it to the board for final review. The board handbook processes and

procedures would be revised by each board member taking turns updating sections of the handbook as events occurred.

Item #3 - Finalizing the preparation for the May 23, 2021 Congregational Meeting

Sue began the discussion by reiterating that three votes would be called for in the meeting: a vote on adopting the 8th Principle, the resolution in support of Improved Medicare for All and a vote on the new slate of nominees for the 2021-2022 board year. Rev. Gretchen added that a communication would be going out to the congregation with a request to contact staff if accommodations were needed. Brendan volunteered to moderate the question-and-answer section of the 8th Principle discussion and Sue said she would announce his role following the 8th Principle presentation by the task force.

Monitoring

Item #1 - First quarter financial reports

Because Katie Watkins, Director of Finance and Operation, had not yet arrived at the meeting, Rev. Gretchen went on to the ministry report.

Item #2 - Ministry report

Rev. Gretchen commended the board on accomplishing the board goals that had been set for this year with a special commendation to Sara for the hard work she did on revising the policy book. She also advised the board that it was by design that Foothills was not mentioned in the vaccine equity work that had been done by organizations around town. She felt the goal of this work was to call attention to and raise money for those organizations led by people of color and that since Foothills was not one of those organizations, she chose to step away from the public eye. She did want the board to know that Foothills had been a very active participant and had served to bring many organizations together to be a part of this important work.

Rev. Gretchen acknowledged that when the church re-opened later this year, both an on-line and in-person experience would be offered. She said her goal was to produce the best of both types of services however in the current space, that would require a large investment in audio visual equipment that she was not willing to make. Once the new building was complete and services began, it would be much easier to determine the type of equipment needed to provide an excellent on-line and in-person experience “in the same service”. For the next year at least, they will remain separately produced services.

Sara requested Rev. Gretchen talk about the new round of capital campaign that had been mentioned and how the goal of \$2M was determined. Rev. Gretchen said that she was still in the planning process but at the moment, felt this amount of money would help close the gap on the current projection considering the rising costs of building supplies and would allow the building design to remain the same without increasing the loan amount. Glenn suggested other

Unitarian churches be contacted who had completed successful close the gap campaigns. Sara remembered that in 2019, the board agreed not to have a congregation wide capital campaign push for the following two years. Rev. Gretchen reiterated that she was still in the planning phase but would have more definitive information by the end of June or going into July.

Item #1 - Return to First quarter financial reports

Before going into the first quarter financial report, Katie gave the new board members an overview of the way the financials are currently being presented to the board that she hoped felt accessible to all board members. She said her desire was for all board members to be engaged in order to increase accountability. She explained that current board policy states that the financials are reviewed by the financial committee and by the executive committee and those approved financials then come to the board. She mentioned that a review of the first quarter financials showed expenses and income were healthy and that her only concern was the yearly pledged amount was less than had been budgeted. She said that an increase in the number of new donors and a push for pledges in November should be enough to increase the amount of pledges to be in line with the budget.

Annual board goal oriented work:

Item #1 - Endowment governance discussion

Sue presented the board with an overview of the occurrences within the Endowment Committee to date with Rev. Gretchen adding that the current managing policies of the Endowment Committee were revised in approximately 2014 and approved by the board. At that time, the purpose of the Endowment Committee was to enhance the mission of the church, apart from the church's general operating funds. Specifically, distributions were to be prioritized as follows:

1. Capital improvements and renovations
2. Education, youth worship and music at the church
3. Unitarian camps, conferences and schools

Rev. Gretchen also said that the Foothills endowment fund itself was part of a larger UUA common endowment fund which is currently managed by the UUA for investment purposes. She added that at that time the Endowment Committee was created, policy governance had not been enacted by the church. With the enactment of policy governance, the Endowment Committee had not been placed under either ministry or board governance. With the board's current work of revising the bylaws, Rev. Gretchen asked the board to think about whether the endowment fund needed to be considered part of ministry or board governance. Sue also asked that the board consider a structure that would allow the church to maximize the functionality of the endowment fund, and to make certain these funds were being used in alignment with our mission.

Glenn suggested the funds reside under the structure of a ministry team as ministry was most suitable in conversing with congregants about gifting Foothills in their wills and as Rev. Gretchen had mentioned, the board would be responsible for setting policies around management and

spending of the fund. Doug also felt that the day-to-day management of the funds would be under ministry with the policies on spending coming from the board. Sue felt that with the current size of the endowment fund, it would most probably be years before the fund was large enough to disperse any sizable amount of money but in the meantime, the issue would be how to grow the fund in conjunction with the other fundraising needs of the church. Rev. Gretchen added that it was possible to make the decision a two-year experiment and then have intentional commitments to come back in two years and reconsider. She also said that the main issue surrounding this fund had always been accountability and suggested that the board could set limitations and guidance through policy on how the money should be spent and that a ministry team could then be in charge of executing the distribution of funds according to those policies. She suggested the board write sample policies to present to the congregation in order to help them feel confident. She added that from an oversight perspective, ministry would be having a twice a year external audit with Glenn adding that this audit might certify the endowment amount as well.

Sue suggested that the board return to the governance committee with the following feedback and suggestion: "The board would like a bylaw written that the church shall have an endowment fund for the purpose of the long-term health of the congregation and that serves its mission and the Board of Trustees will be responsible for oversight and policy setting around the growth and use of that fund."

Item #2 - Further bylaws revision discussion: Article 6

The board discussed a variety of changes and proposed updates to the church bylaws, specifically, Article 6 (Congregational Meetings). The changes, which continue to be collaboratively developed with the Governance Committee, will go before the entire congregation for a vote tentatively scheduled for the June, 2022 annual meeting. These changes are intended to update our bylaws for the current size and governance structure of our congregation, and to ensure clear lines of authority and accountability between the board of trustees and the congregation.

Communications and check-out

Due to the annual congregational meeting taking place in 10 days on May 23, 2021, it was decided that no report from this meeting needed to go out to the congregation.

The meeting adjourned at 8:40pm.

**Minutes written and presented by
Debbie Gentry,
Board Secretary**