

**First Unitarian Society of Milwaukee
Minutes of the Meeting of the BOARD OF TRUSTEES**

January 28, 2020

Final

Present: Mark Bishop (President), Mark Bender (Vice President), Jane Cliff (Secretary), Jeremy Koenen, Chris Aiken, Dianna Dentino, Jane Peterson, Mark Miller (recording secretary). **Absent:** Melinda Vernon. **Also Present:** Rev. Jennifer Nordstrom (Senior Minister), Jean Johnson, Noreen Gilbertsen, Trent Muller.

The meeting was called to order at 6:02 p.m. by Mark Bender.

1. Mark Bender distributed the new BOT self-assessment forms for each board member and Jennifer to complete after the meeting. This is to fulfill part of the requirements for monitoring.

2. **Consent Agenda** (Mark Bender)
 - Minutes of December 2019 BOT Mtg.
 - Dianna's absence last month was the only correction.
 - Monthly Staff Change report (none)
 - 4.6 Asset Protection Limitation Interpretation
 - BOT Grievance Process
 - Mark Bishop updated the grievance process and will put it in the admin folder once approved.

Consent Approval Moved (Jane Peterson/Jane Cliff) Passed: Unanimously

3. Monitoring Limitations 4.4 Financial Planning & Budgeting, 4.5 Financial Condition (Jean, Noreen)

- Operational expenses were at 50% at the end of December. Pledges were 56%, which is typical and is the 5-year average.
- \$21,000 was raised from Feast for Funds.
- Religious Education fees are at 73%, which is typically high since most pay their fees at the beginning of the church year.
- Adult Spiritual Development income is high for the year. \$1,000 was budgeted but \$3,800 has come in so far because of more class offerings and much higher yoga attendance.
- Investment income: apartment income is at 79%. Overall investment income is at 56%.
- Human Resources expenses are at 47%, partly due to budgeting an extra month for the DRE position that was not needed.

- Krug project expenditures are a little low at 37%.
- Total operational expenses are at 47%.
- Net income of operation expenses is \$37,000 with a budgeted deficit of \$125,000. However, we received an additional \$51,000 on investments (unrealized gains) so the deficit is at \$88,000 instead of \$125,000.
- Noreen stated that the balance sheet position is very good. We have plenty in our safety net.
- We have \$1.9 mil in total assets, which is about \$100k over last year.
- Mark Bishop asked about any unexpected expenses. Jean mentioned a broken stained glass window that will cost several thousand dollars to repair, but no other really large or unusual expenses are anticipated.
- Mark Bender asked about covering payroll. Noreen says when cash gets low we transfer it from the money market fund.

Monitoring Limitations 4.4 & 4.5 moved as being in compliance (Mark Bishop/Dianna Dentino) Passed: Unanimously

4. Investment Policy Update (Trent Muller)

- Trent provided background and overview and noted that FUSM's approach surpasses UUA guidelines.
- Mark Miller asked about socially responsible investing, as it seemed to be missing from this policy. Trent said there is another policy that covers that and FUSM chose to cover this topic in two separate policies; Mark Bishop suggested dovetailing these two policies.
- It was noted that FUSM has already divested from fossil fuel investments. Also, we invest in the UUA Common Endowment fund where the UUA works with companies to make environmentally responsible decisions.
- Jennifer said that the only policy that the board has to approve is the main investment policy. The operational policy includes the socially responsible language. Bishop feels that we should reference the operational policy within the investment policy.
- Trent says the BOT should review the investment policy annually and review the investments quarterly.
- Jennifer said that we should note whether each investment aligns with our values, which BOT can do in the future.
- Trent says that as fiduciaries we are responsible for reviewing and approving the investment policy statement.
- There was much discussion about investment managers; target allocations; taxes; investment mixes and performance; donations of

marketable securities to FUSM. Trent answered questions about specific investments.

- Bishop says that language should be added for future BOTs stating that real estate investments should be discussed between the board and the finance committee. Trent will make suggested changes and the revised investment policy will be on the consent agenda for the February 2020 BOT meeting.

Approval of the updated Investment Policy Update is deferred to February 2020 consent agenda.

5. Director of Religious Education (Kimberlee Tomczak Carlson)

- Jennifer stated how FUSM vacancy for a DRE was written for a minister of RE, and it is now appropriate to make a title change for the position at the end of this church year from Director of RE to Minister of RE. This would not change the job description or compensation.
- Kimberlee explained what a minister brings to the church to our RE program. She feels that our program is out of date and is transforming the program by working with the RE committee using appreciative inquiry and considering the values and experiences. RE shifted this month to a theme-based curriculum. Lessons are simplified and crafted to match the volunteers that we have.
- Bishop asked how many other UU churches have a Minister of RE. FUSM would be somewhat unusual but not unheard of, according to Kimberlee.
- Kimberlee has created more divisions of class ages with flexibility depending on childrens' needs. 1st-3rd, 3rd-5th grade.
- Jeremy asked about changes in RE. Kimberlee said that all decisions about RE will go through the committee on RE.
- Jennifer said that family ministry is key to equip parents to be able to talk more with their children about topics that are being discussed and Kimberlee is making more resources available to parents.
- Jennifer said that Kimberlee is going to ask the FUSM congregation to ordain her. More information to come but the timeline is looking like fall 2020.
- Our ordination policy is from 2006. Jennifer and Dena are working with Unity consultant Laura Park to update the ordination policy, and it will be brought to BOT for vote at the February 2020 meeting.
- We can talk about a recommendation to put this on the annual FUSM congregational meeting agenda for May 2020.
- Jennifer needs to determine where this fits into our policies.

6. Monitoring Ends 1, 2, & 3 (Jennifer)

End #1

- Jennifer reviewed a table showing the attendance in various programs. This is baseline data but it's not really baseline because we haven't had, for example, anti-racism programs before.
- Partner survey is being developed by the social justice committee. The board will be given the results of the survey. Jennifer has mentioned that some boards talk directly with partners about how well they work with the church.
- Having at least 1 element representing people of color in each church service has been a goal. We have averaged 3, which significantly surpasses our own goal and that of many other UU congregations.

End #2

- Staff members have been asked to collect stories from their teams (power differences and challenging injustice...make space or claim space)
- This is an area of learning and growth for staff. There is education needed. Our baseline is understanding what the measurement is.
- Measurement C was more obvious and easier to articulate (score of 3).
- D was more difficult (score of 2.9).

End #3

- Bender asked about End #3. Jennifer said #3 represents the surveys and there's nothing to report except that they are going to do them.
- Jennifer stated that we need to be more effective at End #1 to be better at Ends #2 & #3. She thinks this is why the staff is struggling with #2 & #3, because #1 needs to be better understood and realized. End #2 won't make sense until #1 is understood but that will take years, as it should. She said that it could take 10 years to fully realize End #1. Beloved Conversations is our primary vehicle right now for furthering this.

Motion offered that Ends 1, 2, and 3 are being sufficiently monitored and appropriate attention is being given to achieving these ends (Bishop/Cliff) Passed: Unanimously

7. Youth Board Observer Update (Mark Bishop/Jeremy Koenen)

- Eau Claire has a full-voting youth board member.
- Discussion deferred until February 2020 BOT meeting.

8. Senior Minister's Report (Rev. Jennifer)

- Our Communications Manager, Cindy Lorentzen, is leaving. Bishop asked about how we will handle the workload with Cindy leaving. He wondered if we would contract someone to help. Jennifer felt that we could handle it internally and is already taking steps to distribute the workload.
- New solar panel work will be proposed; due to the limited number of area contractors doing this sort of work, staff will ask BOT for an exception.
- Kimberlee is working with a young adult on a campus ministry at Univ. of Wisconsin-Milwaukee.
- Former UUA president Bill Sinkford is coming to speak at FUSM soon.
- UUA notes Wisconsin is the most strategic state for the 2020 election.
- Lynne Jacoby reports that \$687k is a conservative estimate of pledge income but will probably be \$10k under what we budgeted.

9. Other Business

- Jane Cliff says Lois Lowry will be the Morter Lecture speaker October 3-4, 2020. We would also incorporate her into the RE program and intergenerational services. \$5k speaker fee + travel, lodging and per diem (probably no more than \$2k). This is a material difference in costs if done this year but it will be in next church year's budget.
- The board gave "soft approval" to book Ms. Lowry and asked for more details on estimated costs beyond the speaker's fee. Jane C. will provide requested information at the February 2020 BOT meeting.

The meeting adjourned at 8:05 pm (Jeremy/Jennifer) **Approved:** Unanimously

Next Meeting: February 25th, 6:00pm

Chair: Mark Bishop; **Words/Snacks:** Jane Cliff; **Minutes/Chanticleer Article:** Melinda Vernon