

**First Unitarian Society of Milwaukee  
Minutes of the Board of Trustees Meeting  
April 27, 2021**

**FINAL**

**Present:** Mark Bender, President; Jane Cliff, Vice President; Mike Hogan, Secretary; Melinda Vernon; Mark Miller; Jane Peterson; Rollie Hanson; Dianna Dentino; Ben LeFort (Recording Secretary). **Also present:** Rev. Jennifer Nordstrom (Senior Minister); Jean Johnson; Noreen Gilbertson.

**The meeting was conducted via videoconferencing (Zoom) due to COVID-19 concerns, and was called to order at 6:04 p.m. CT by Mark Bender.**

**1. Q3 Financial Update / 4.4 & 4.5 Monitoring (Jean, Noreen)**

- Pledge Income continues to come in ahead of schedule, as do Bequest Income and Other Contributions. Transfers from Fund Balance is low because Krug Bequest projects and capital maintenance have been deferred. Activity Income is very low due to COVID restrictions. Investment Income is low due to low interest rates on CDs. Apartment Income is low due to vacancies for a few months and extra maintenance, but is catching up to budget. Overall, we're at 79% of budgeted income.
- Expenses: HR is low due to some unfilled positions. Budgeted Contributions are low but that's because we usually pay much of them in Q4. Activity expenses are low because of COVID restrictions.
- Income Net of Operations is positive ~\$95K where we budgeted -\$152K, so that's very good.
- Expect the PPP loan to be forgiven in Q4; paperwork has been filed. Investments have been performing very well.
- Balance Sheet: Funds available for the BOT's safety net requirement (15% of operating expenses) are currently more than sufficient.

*Motion: Based on the evidence presented by the Senior Minister and staff, we have determined that the Senior Minister is in compliance. Mark Miller moved & Rollie Hanson seconded – approved unanimously.*

**2. First Draft of 2021-22 Budget (Reverend Jennifer)**

- Budget assumes we need to be ready to re-open in-person at beginning of church year (CY), but many activities may not be fully back in-person then. Therefore, we're budgeting to run both in-person and online Sunday services.

- Income: Budget for pledges is \$735K, using the typical 3% shrinkage instead of the 4% shrinkage we used this year because of COVID. Removed Bequest Income and Transfer from Fund Balance line items from the Regular Income categories, yet total income is budgeted to be greater than this CY. Activity Income is reduced due to the uncertainty with COVID and our ability to fully re-open for in-person activities. Feast For Funds is back in the budget. Investment Income assumes similar results as this CY, but interest income will likely be lower, so these two items essentially balance themselves out. Apartment Income is expected to be typical. Share The Plate will be 100% donated to other organizations.
- Expenses: HR Expenses reflect a 2.5% salary increase only – this is a number from the predictive model for discussion only and does not reflect any of the options Jennifer presented previously to the BOT. Health Insurance costs will go up 10% in July since the UUA did not do a significant increase in January as is typical. Overall, HR expenses go up 3% with this budget. There are some adjustments in smaller categories. Building costs are lower than this year. Net, we are budgeting a deficit of ~\$152K, similar to budget for this CY though it should be noted that this budget doesn't include the \$25K in Bequests that had been budgeted in previous years. If you add that back in (which is an historical average), you'll see that we've reduced the budget deficit by about \$25K.
- The BOT made no requests of Jean & Noreen, though the final budget is pending a decision on Compensation & Benefits (the next agenda item).

### **3. 2021-2022 Compensation & Benefits (Reverend Jennifer)**

- Hiring a Sunday morning tech does not make sense this year. There is a possibility we may hire a company to help with broadcasting and that cost would be \$5K total but \$2,500 would be paid during next fiscal year.
- Rev. Jennifer recommended an adjusted version of Option #1 that she presented at the last BOT meeting, which is designed to begin narrowing compensation gaps for several employees. This option is consistent with the 6-7% pledge increase we're seeing from the pledge drive.

*Motion: Mike Hogan moved to approve Option 1 as presented by Rev. Jennifer; Mark Miller seconded – passed unanimously.*

### **4. Review/Consent Agenda (Mark B.)**

- **Minutes of March BOT Mtg**
  - Jane submitted corrections and clarifications via Track Changes, which Mike Hogan will review and incorporate.
- **No Monthly Staff Change report this month**

- **Senior Minister Report**
  - Submitted to the BOT via Dropbox

*Motion: Rollie moved to approve the Minutes conditional on the adjustments discussed, Melinda seconded – approved unanimously*

#### **5. 4.2 Relationships with Staff, Paid & Volunteer monitoring (Mark B. / Reverend Jennifer)**

- Jennifer shared her unchanged interpretation via Dropbox and Mark Bender has communicated with the staff about this policy in recent weeks. One staff member confirmed there's nothing to report, and no other responses were received.

*Motion: Mike Hogan moved that we have evidence of compliance, Jane Peterson seconded – passed unanimously.*

#### **6. COVID Re-opening Policy (Reverend Jennifer)**

- Rev. Jennifer presented an overview of the COVID Re-Opening Team's work. The criteria for re-opening and re-closing are the COVID case incidence rate in Milwaukee County over a 7-day period, as published daily by the CDC. The team is developing scenarios for different levels of open-ness and church activity at different COVID incidence levels. The team is still working on precautions and will share them at the next BOT meeting. The communications plan for how we will announce re-opening and re-closing is in development. In their research, the team has incorporated UUA recommendations, state guidelines, CDC recommendations, etc. The policy will likely go into effect in June, but the church building will likely be closed for all activities except Memorial Services through September 2021.
- The team's goal is to communicate the policy at the Annual Meeting or shortly beforehand. The BOT will see it again at the next BOT meeting.

#### **7. Annual Meeting Agenda (Mark B)**

- A draft agenda has been prepared, and we'll have a few practices beforehand. Mark Miller offered assistance monitoring the chat and helping conduct the votes during the meeting. Ben offered help with preparation of materials and/or answering Zoom questions beforehand.

#### **8. Other Business**

- **Strategic Planning Team motion & slides**
  - The board agreed to pull this out of the Consent Agenda.

- BOT to submit suggestions/questions to Ben by Sunday 5/2 so he can pass them along to the SPT. Some initial thoughts:
  - May need to be shortened as time is limited
  - Rephrasing of the motion looks good
  - Slide 6 discussion re: the investment vehicle for the new endowment fund needs to be clarified

***Motion to adjourn the meeting at 8:15 p.m. CT (Cliff/Miller); passed unanimously.***

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