

First Unitarian Church of Oakland Board of Trustees Meeting Minutes

November 16, 2021, 6:45 - 9:00pm

Our Mission

We, the members of the First Unitarian Church of Oakland, unite to build a beloved community within and beyond our walls. Guided by individual conscience and wisdom from many sources, we gather in worship and service to nourish the spirit, work for justice, and celebrate the divine in all.

– Adopted by the congregation on March 18, 2019

Present: Kathy Radez, Debby Kaplan, Claudia Morgan, Meri Lane, Dan Wright, Rev. Theresa Ninán Soto, Daisy Quan, Lucia Savage Absent: Guests: Noemi de Guzman (CoWSM); Sarah Letson (CoWSM); Dennis Rowcliffe (Process Monitor)	
Meeting Chair: Kathy Radez Timekeeper: Debby Kaplan Process Monitor: Dennis Rowcliffe	RACI chart: Dan Wright Readings: Lucia Savage Communications Facilitator: Daisy Quan
Board Officers 2021-2022: <ul style="list-style-type: none"> • President: Kathy Radez • Vice President: Dan Wright • Treasurer: Debby Kaplan • Secretary: Meri Lane 	Board Partners and Champions 2021-22 <ul style="list-style-type: none"> • Program Council: Daisy Quan • Policy Review and Revision: Lucia Savage • Nominating Committee: Kathy Radez • Software Transition: Dan Wright • Stewardship: Dan Wright

Approx. Start	Approx. Time	Item	Name
6:45	15 min	Open Comment Period All members and friends welcome. 3 minutes per speaker. Secretary reads aloud comments sent via email.	<i>Kathy</i>
Noemi de Guzman: In less than a month, we will have a congregational meeting during which Noemi hopes that UUOakland will join a historic number of congregations in passing the 8th principle. She thanks the board for supporting the congregational meeting and especially those on the task force who are organizing the meeting.			
7:00	2 min	Chalice Lighting and Reading	<i>Lucia</i>
From <i>Braiding Sweetgrass</i>			
7:02	2 min	Welcome and Preview of Meeting Agenda and Process	<i>Kathy</i>

		<ul style="list-style-type: none"> - Introductions - Meeting roles and process - Goals for tonight 	
7:05	3 min.	<p>Consent Agenda: action and reporting actions taken since previous meeting</p> <ul style="list-style-type: none"> - Actions taken since previous meeting: <ul style="list-style-type: none"> - Approved <u>minutes of Oct. 26 Board Meeting</u> via Basecamp - Reports Received: <ul style="list-style-type: none"> - On Agenda: <ul style="list-style-type: none"> - <u>November 2021 Minister's Report</u> - <u>MFC Evaluator Form of Application for Renewal of Preliminary Fellowship</u> - <u>Proposed Resolution to Appoint Subcommittee</u> - <u>2021 & Projected 2022 budget w/ Sept. YTD Actuals 11.13.21 w/ 6% draw option</u> - <u>November 2021 Financial Health & Clarity Report</u> - Not on Agenda: <ul style="list-style-type: none"> - <u>CoWSM CHARTER 2021 1020 Working Draft</u> <p>Board member(s):</p> <ul style="list-style-type: none"> • May "pull" a doc from consent agenda if they believe further discussion (not already on agenda) should occur during "For the Good of the Order"; • <i>Moves to approve the consent agenda and receive October reports.</i> 	ALL
<p>Motion by Lucia to approve the consent agenda. Seconded by Meri. Motion to approve consent agenda passed unanimously with usual abstention by board president.</p>			
7:08	16 min.	<p>Minister's Report/Operations Team Report</p> <ul style="list-style-type: none"> • Update on hiring process • Update on budget process 	Rev. Soto
<p>Pastor Soto: We are working on staffing needs; narrowing down the applicants for a first round of interviews to be conducted by the hiring team. The Operations Team will join for the second round of interviews. The hiring team consists of Suzanne Van Houten, Donna Fujioka and Charlotte Dickson.</p> <p>The Operations Team needs a better connection with the Finance Team for communication and managing responsibility for issues that no one appears to own. Rev. Soto has been trying to arrange a meeting with them, but has so far been unable to schedule a time that works for everyone. The board as the vision holders can help by holding the vision of what we're doing, emphasizing that a meeting is essential to serve our mission. Debby commits to do whatever she can to help schedule this meeting.</p>			

Regarding the 2022 budget, Rev. Soto has spoken with Hester Green on the Finance Team and she has agreed to hold the process of drafting a budget, but needs a partner to help. When asked about whether the board can expect a proposed budget by the December board meeting, Rev. Soto responds that they will try to be clear on what can be clear. Rev. Soto will check in with the Program Council and the Journey Toward Wholeness team on their budgetary plans based on spending last year. Daisy commits to bring up the budget during the next Program Council meeting. Meri hopes that Rev. Soto will also check with the Justice Team, whose request for funds would not affect the deficit, because there would be an offset from the Designated and Restricted Social Justice Fund.

Lucia notes that we don't have a budget policy, and there was a lack of clarity last year about how the budget works and how groups can find out what funds are available. Rev. Soto notes that, until we have a full blown budget policy, they can prepare some guidelines. Lucia offers to assist with the guidelines to align understanding and clarify the process.

Rev. Soto shared information on stewardship with the board today, although there may not have been time to review it yet.

7:24	16 min.	Stewardship	<i>Dan</i>
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The Stewardship Team is now down to just Rinda Bartley and Dan, so they will definitely need help from the board. Stewardship circles can't start without in person meetings, but something needs to happen soon because non-sustaining pledges are ending soon. So, we are currently planning a program of letters, email, and phone calls about commitments for 2022 pledges. The first priority will be persons whose pledges are ending or who need to provide financial information. We will need the board to follow up with calls to congregants who don't respond to the letters and emails.

On timing of board calls, Rinda is drafting communications now. The Finance Team will be able to provide pledge amount information to include in the individual communications (but not what payments have been made this year). Emails will go out by the end of Thanksgiving week, so a spreadsheet of the persons the board needs to call should be available around Dec. 5 with calls to occur through mid-Dec. With seven board members and Pastor Soto making calls, it should require a one to two hour commitment per person. This will help get us stewardship numbers for the budget.

Expected drop in stewardship revenue: the software transition team has reached out to set up recurring pledges in the new system and found about a 10% loss in pledging units, due to persons who have moved away or who said they were not giving. This accounts for the roughly \$356,000 stewardship projection for 2022, which happens to be the same number of projected actual stewardship for 2021. .

Board members who have agreed to provide stewardship videos should submit them as soon as possible, but no later than the end of Thanksgiving weekend.

7:40	28 min.	Financial Health & Clarity <ul style="list-style-type: none"> Discussion regarding potential deficit spending for FY2022 and board guidance for budget development 	<i>Debby</i>
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Spreadsheet numbers shared with the board have not been reconciled with bank statements. The bookkeeper has focused on cleaning up past errors and redundancies, which they say will continue to impact the accuracy of current info until they're cleaned up. The problem, according to the bookkeeper, stems from inconsistent

past procedures and work by different volunteers lacking a unified approach. Debby will meet with Shining Star to determine how much longer it will take before we can have reliable numbers. When they're done, our systems will be in better shape. There have also been repeated reports of poor quality by Shining Star itself.

The deficit is growing and is significant. The ongoing pandemic affects our rental and stewardship revenue. We also don't know where we are on pledge income in 2022, so we have to assume that there'll be another drop. We will have an unpredictable year and will have to monitor our finances.

Kathy asks that each board member individually express the level of deficit that they would be comfortable with in the 2022 budget.

Meri: supports continuing the 6% draw on the Wendte endowment of the past few years, rather than reverting to a 4.5 or 5% draw. That would decrease the projected 2022 deficit to \$72,000. Also, supports using the well recognized 3 months operating expense yardstick as the absolute minimum for prudent cash reserve instead of the 25% of cash reserve measure. Meri would feel comfortable with a maximum deficit of \$64,000, which would leave a cash reserve of 4 months of operating expenses. Also, cautions that the rental income projection of \$38,000 is squishy, and wonders what information we have to back that up, such as weddings which tend to reserve a year in advance.

More broadly, Meri is concerned that we presently have a \$650,000 church with only \$575,000 in revenue and a quarter of that revenue coming from endowments, rather than stewardship, meaning that we have a large church serving a shrinking congregation. Supports setting up a strategic planning committee in 2022 to study our long term structural challenges and best practices. This is a problem long confronting many mainstream churches in the U.S., but it's been exacerbated and accelerated by the pandemic.

Lucia: questions what efforts, such as advertising, are being done now to ramp up for rentals in 2022. Pastor Soto notes that the recent change in reopening plans did involve the loss of expected rental income.

Dan: doesn't want to include at all the 3 months of operating expenses essential cash reserve in the calculation of an allowable deficit. So, Dan would feel comfortable with a deficit of \$30,000 or 25% of the roughly \$120,000 cash reserve after subtracting 3 months of operating expenses and accounts payable. Meaning that we would need to decrease the projected \$72,000 deficit by around \$40,000 to end up with a \$30,000 deficit.

Daisy: wants to know if there are best practices regarding the proportion of income coming from endowments, rather than stewardship.

Rev. Soto says that this has been helpful.

8:08	7 min.	Break	
8:15	12 min.	Changes to policy update process	<i>Lucia</i>

Lucia: in August she provided a priority list of policies that needed updates, but the Healthy Congregations process has since supplanted attention to that policy review. She notes, however, that every policy question that's been asked of her so far has had an answer, but that most people don't know where to look or don't bother to look. The Board should make the same policies accessible to everyone. We need a policy on what groups have been asked to do and how they are monitored. We also do not have budget policy. As discussed

earlier, if Rev. Soto writes up what they understand the budget policy to be, Lucia can work it up into a policy.

Lucia notes that the question of congregants as employees is in the Personnel Manual, but the manual itself was not accessible. Lucia has since added it to the board drive, but we should decide whether to post it to the website along with our other policies. Pastor Soto suggests that, rather than direct people to a website, it would be better to receive questions live so we can address them in conversation to understand what the person needs.

Lucia: we also don't have reconciliation of policies from different times, e.g., we have multiple charters and process documents for COSM. Once CoWSM is chartered, they can sort out the multiple documents adopted by past committees.

Daisy has many questions, but asks just one about the role of the Congregational Administrator in maintaining policy documents. Lucia says that the board secretary, rather than the Congregational Administrator, should be responsible for board level documents. Rev. Soto says that the Congregational Administrator would be responsible for maintaining documents on the operational level so that they're updated and consistent.

8:27	18 min.	Ministerial evaluation <ul style="list-style-type: none"> Please see Ministerial Fellowship Committee form, included in Board packet 	<i>Meri & Kathy</i>
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Meri: Where we are now. Kathy, Meri and Rev. Soto have met and developed the outline of a plan. They welcome questions and concerns, but especially invite persons with concerns to join the subcommittee to help shape the process of ministerial evaluation. There are two processes that are distinct but overlap. For the UUA's Ministerial Fellowship Committee (MFC), the board submits a supervisory body evaluation as a part of the minister's application for renewal of preliminary fellowship, which is due Feb. 1 for a May decision by the MFC. There is also a separate process of an intra-church evaluation of the minister pursuant to our agreement with Rev. Soto using a collaboratively designed process. Kathy, Rev. Soto and Meri had a meeting where they agreed to work towards the Feb. 1 submission of the MFC supervisory body application. Once that is done, they will see what else is needed regarding ministerial evaluation, e.g., setting goals for next year, including what success would look like components, looking back on this process to see what worked and what could be improved next year, etc.

Meri: We will gather information to complete the supervisory body evaluation, starting off with listening circles of 2-5 people with written follow ups from different folks in the congregation who have better knowledge as well as written evaluations. Our hope is to get input from the people with the best knowledge. Pastor Soto will provide information on how to conduct these groups and best practices. This is an evolving process.

Kathy: wants to share that she'd been thinking about ministerial evaluation with the MFC process just as a side gig. But now understands the MFC supervisory form, which is quite comprehensive, as the process the UUA created as a tool for congregations to use for evaluation and for dialog. Meri and Kathy are confident they can get through MFC input by Feb. 1, which also leaves this board with one month to think about what comes next.

Rev. Soto: It is such an opportunity to dig in and get real about what do we want to do to be 2, 5 or 11% better and how do we get there. They're so excited.

Lucia asks about small circles and the initial idea of CoWSM's full body scan. How do they relate? The MFC form is primarily focused on ministerial evaluation, rather than the congregation's other aspects or as a whole. Rev. Soto: we'll get good information from that process. Rev. Soto is supportive of what Kathy, Meri and Rev. Soto agreed. You'll notice that the form changes the focus of attention; it requires us to be accountable in multiple ways. When MFC is renewed, we buy Rev Soto a cupcake. And then we plan the next thing--for example it may be worship in the MFC form and then plan a new focus area.

Dan Q: MFC form may require getting answers from others--have they already considered who is appropriate to answer questions? Will CoWSM help gather information? Kathy says they want to make sure they are hitting various viewpoints and want to partner with CoWSM to get their help. Rev. Soto has some ideas from others on how to collect congregational feedback for the MFC process.

Meri: proposes a motion to adopt a resolution to delegate board authority to a committee to perform the ministerial evaluation, because there may not be time to review the evaluation at al board meeting before it is due.

Motion by Meri that the board resolve, pursuant to Art. VI, Sec. 2(a) of our Bylaws, to create a Board Committee authorized to perform the tasks associated with completing: the Supervising Body Evaluation form relating to Rev. Soto's application for Renewal of Preliminary Fellowship with the Ministerial Fellowship Committee of the Unitarian Universalist Association; and a ministerial assessment pursuant to the Ministerial Agreement dated May 5, 2019.

The board further resolves to appoint Kathy Vermazen Radez and Meri Lane to serve on the subcommittee, with terms expiring March 22, 2022. Motion seconded by Claudia.

Discussion regarding informal sharing of evaluation with opportunities for input by board members? Yes, that is the intention. Dan expects to be asked to help and to be in the loop, but does not want to change the resolution wording.

Motion passed unanimously with usual abstention by board president.

8:45	6 min.	Congregational Meeting Update	<i>Dan</i>
Dan: Claudia and Dan are the team working to set up the Dec. 12 Congregational Meeting on the 8th Principle. Things are well in process. Roles have been covered. We still need to manage communications, e.g., Chalice Chatter and announcements. The meeting will be on zoom.			
8:51	7 min	For the Good of the Order (questions, brief planning, spontaneous items, items pulled from consent agenda) <ul style="list-style-type: none"> - <u>Monthly Board Tasks</u> for next month - Review Church Calendar for major events that deserve / need Board presence - Next BoT meeting Dec. 14, 6:45 - 9:00pm. Agenda items? - Review RACI (<u>R</u>esponsible, <u>A</u>ccountable, to be <u>C</u>onsulted, to be <u>I</u>nformed) Chart (Dan) 	<i>ALL</i>

Rev. Soto requests a thank you note to software transition team members. Kathy agrees to write it. Everyone is requested to comment on the draft CoWSM charter			
8:58	5 min	Process monitoring	<i>Dennis Rowcliffe</i>
Dennis: although difficult issues were discussed, a congenial atmosphere was maintained throughout the meeting. He observed good volunteering, transparency, and welcoming of questions. Claudia thanks Dennis for process monitoring so often, as others have fallen away. Pastor Soto will invite others into process monitoring next year. Kathy states that she didn't like the way she closed off the discussion on policy due to a concern for time.			
9:00	min.	Closing Reading and Adjournment	<i>Lucia</i>
From <i>Braiding Sweetgrass</i> .			

Ground rules:

- Phones on vibrate
- One person speaks at a time (stack process to be used)
- No side conversations
- Start on time and if a need develops to go beyond 9:00, check with the group
- Stick to the agenda: items that run long will either be tabled for the next meeting or, if agreed to by the group, to stay late or table other agenda items

Bike Rack:

- Healthy Congregations
- COWSM charter
- Timely appointment of delegates to UUA General Assembly
- Stewardship
- Software transition
- Board nominations
- Leadership development (see 2021 annual report update)