



Management Board Minutes – December 12, 2018

Management Board Members in Attendance

Amanda Peterson Beadle	Noel Bravo
Leigh Carter	Matt Hansen
Nick Jessee	Doug Steele <i>via conference call</i>
Sam Kilpatrick	Gwen Williamson
Tracy Collins	

Staff and Observers in Attendance

Ginger Gaines-Cirelli, Senior Pastor	Barbara Cambridge, Lay Reporter
Elder Witt Wellborn, Lay Reporter	Lani Willbanks, Church Business Administrator

The meeting was called to order at 7:07 p.m. by Gwen Williamson, Chair of the Board. Tracy opened with a prayer. We shared Joys and Concerns.

Consent Agenda

Board Resolution.

The Management Board adopted the October 2018 Meeting Minutes. All approved. Doug Steele offered a small edit, which was incorporated:
Correction to the October meeting minutes - I wasn't in attendance. I was at a work event. The comments on NomCom were probably made by Ginger.

Treasurers Report

Report is below.

Highlights:

- The committee met in November, but will not meet in December. The report presented is for ten months only, and our best months are November and December.
- Kelly Johnson will be joining the Finance Committee.
- The net cash flow number now included does not include MPII. Sam noticed that if MPII “due to/from’s” is not included, this deficit may be less. Matt will check on this.
- Update given on Stewardship. There are a good 60 to 70 pledges from last year that we have not heard from. People are following up, and Ginger has sent a follow-up e-mail. We will most likely do another before EOY. Terry and Tara will do final Stewardship talk this Sunday.
- Advent appeal doing well. \$8,000 to GF is included in the budget.
- The Subcommittee on Debt will come speak to us in January.
- The Finance Committee has proposed two motions:

1. *The Finance Committee advances and endorses a proposal from the Subcommittee on Church Debt to segregate into a new and separate bank account those funds currently being set aside each month from building -use income for future debt service/reduction.*
2. *The Finance Committee recommends that the Foundry Board not approve the 2019 budget as currently proposed--with a \$555K * projected deficit. The Committee is uncomfortable with the significant increases in staff requests for funds in each expense category (i.e., program, operating, human resources) based on current projections for 2019 revenue. The Committee recommends that the Board reject the requested net increases in each expense category (i.e., program (\$87K), operating (\$145K), human resources (\$149K) unless additional reliable sources of projected revenue are identified as a result of 2018 actual results (that would increase historic revenue) and the 2019 stewardship campaign (that would increase future projected revenue) to offset the increases in staff requests. Since the budget is a planning document for the Foundry staff, Board, and committees, the Finance Committee would be most comfortable with a projected deficit in the 2019 budget not to exceed \$90K, which reflects a pattern of decreases in deficits in previous years' budgets.*

*This recommendation is informed by the Committee's ongoing discussions and attention to 1) our debt and possible refinancing; 2) evolving economic conditions that may affect future pledge fulfillments, interest rates, etc .; 3) accumulating past annual deficits and impact on net assets; and 4) withdrawals/depletion of reserves. **Board***

Board Resolution.

On proposed motion 1. Approved without dissent.

Board Resolution.

Amended motion regarding FC Proposal 2 was presented.

Form of the budget is conditionally approved as proposed, with the understanding that staff may not act on certain "open" line items to be identified by the Management Board; A **working group will be formed** by the Management Board to address "open" line items and present a final budget to the Board for ratification at its February meeting, using stewardship results and building use increase data as of January 26, 2019. Board members will **continue to commit to contributing** to year-end stewardship outreach efforts.

Matt moves on amended motion. Amanda seconds. All approved.

"Open items" become the "To-Do" list for the newly appointed working group.

- Stewardship results and building use income remain in contention, and we need hard data.
- Communications needs another hard look.
- Salary increases and bonuses will be part of the work of the working group.

The Working Group will consist of:

- Tracy from Personnel.
- Nick from Facilities.
- Matt and one other member of Finance.
- Ginger and Lani from staff.

- Amanda from MB.
- ExOfficio...Gwen will come and take notes for Amanda.

Because of short timeline, the work of the Working Group can begin earlier than January 26 using “if/then” scenarios.

Ginger wanted to add to the minutes the following insights: There is actually an increase in levels of giving compared to this time last year and EOY income estimates. It is understandable that people saw October numbers and were concerned, but Ginger wants to “lift up” the general trend of giving fearlessly. She is feeling encouraged.

Here is the report as of October 2018:

January to October 2018

Headings and Account	MTD Actual	YTD Actual	YTD Budget	% of YTD Budget Used	Variance from Budget	Annual Budget	YTD Actual Last Year
Revenues							
Contribution Income	\$180,951	\$1,511,167	\$1,471,465	103%	\$39,702	\$1,977,000	\$1,407,974
Appeal Income	\$0	\$6,455	\$11,333	57%	(\$4,879)	\$16,000	\$7,405
General Income	\$4,668	\$45,776	\$5,917	774%	\$39,860	\$7,100	\$21,787
Transfers Restricted	\$234,483	\$234,483	\$234,483	100%	\$0	\$281,380	\$184,132
Total Revenues	\$420,102	\$1,797,881	\$1,723,198	104%	\$74,683	\$2,281,480	\$1,621,298
Expenses							
<u>Programs</u>							
Worship	\$1,812	\$28,169	\$15,417	183%	(\$12,752)	\$18,500	\$20,522
Music	\$1,621	\$13,556	\$13,817	98%	\$261	\$16,381	\$7,985
Family Ministries	\$5,937	\$30,316	\$37,481	81%	\$7,165	\$42,977	\$32,928
Hospitality	\$2,791	\$22,052	\$18,833	117%	(\$3,219)	\$22,600	\$24,936
Care	\$0	\$1,218	\$1,667	73%	\$449	\$2,000	\$330
Advocacy	\$3,150	\$36,412	\$33,917	107%	(\$2,496)	\$35,500	\$14,800
Service Ministries	\$18,334	\$56,552	\$70,467	80%	\$13,915	\$83,750	\$44,708
Connecting Ministries	\$4,454	\$20,701	\$20,208	102%	(\$493)	\$24,250	\$19,580
Emerging Ministries	\$0	\$0	\$2,500	0%	\$2,500	\$3,000	\$0
Total Programs	\$38,100	\$208,977	\$214,307	98%	\$5,330	\$248,958	\$165,788
<u>Operations</u>							
Apportionments	\$22,805	\$228,083	\$228,053	100%	(\$30)	\$273,663	\$193,802
Building Support	\$19,456	\$249,071	\$174,317	143%	(\$74,754)	\$209,180	\$224,442
Communications	\$6,720	\$55,514	\$37,500	148%	(\$18,014)	\$45,000	\$7,756
Supportive Services	\$17,175	\$183,365	\$149,933	122%	(\$33,432)	\$182,710	\$142,396
Stewardship	\$3,526	\$28,965	\$34,167	85%	\$5,202	\$41,000	\$37,746
Utilities	\$13,285	\$108,452	\$87,167	124%	(\$21,286)	\$104,600	\$89,280
Total Operations	\$82,967	\$853,450	\$711,136	120%	(\$142,314)	\$856,153	\$695,424
<u>Human Resources</u>							
Appointed Clergy	\$39,601	\$435,995	\$415,630	105%	(\$20,366)	\$484,390	\$517,267
Program Staff	\$8,074	\$89,085	\$117,346	76%	\$28,261	\$140,816	\$62,529
Music Staff	\$20,906	\$143,169	\$153,747	93%	\$10,578	\$184,496	\$142,422
Operations Staff	\$29,132	\$278,730	\$304,518	92%	\$25,788	\$367,501	\$195,192
HR Support	\$7,952	\$94,576	\$105,100	90%	\$10,524	\$126,121	\$57,539
Total Human Resources	\$105,665	\$1,041,555	\$1,096,341	95%	\$54,786	\$1,303,324	\$974,948
Total Expenses	\$226,731	\$2,103,982	\$2,021,784	104%	(\$82,198)	\$2,408,435	\$1,836,160
Net Total	\$193,371	(\$306,100)	(\$298,586)	0%	(\$7,514)	(\$126,955)	(\$214,862)

Staff Clergy Report

Report submitted.

Highlights:

- Working for Advent and Christmas Excellence.
- Team-building.
- 2019 planning.
- Ben will be out on paternity leave, but in El Salvador a week.
- Caring for people during this time of year.
- Ginger worked on salary plan with Susan Beaumont.
- Late, breaking, news. Worship attendance in report was wrong, and has been updated.
- Nut policy. Call at December 30th re: audit report. Can we approve this policy at that time?
- Evaluation of appointed clergy for the BW Conference was due December 1.

Audit Committee

Nick Thompson (our auditor) was going to be here tonight to talk to us, but Sam wanted us all to have a chance to look at the report first. The report was only sent last night. Report needs to get to bank by EOY. December 30th there will be a face-to-face meeting of Board, etc. with Nick. A time to ask questions. Management letter will come a bit later. Nick will talk to staff before he finalizes the letter, which will reflect: Finding, Recommendation, Management's response.

Sam highlighted...

- All the net asset designations. There is one category that is negative, and that's a red flag.
- In Statement of Activities, close to what we anticipated in deficit. That's a plus.

Nominating Committee

Wants to have chairs confirm with those re-upping on their committees. Nominating wants to hear back from everyone. We need to develop a healthy culture of transition. July to July.

Facilities/Mission Possible II

Report submitted.

Highlights:

Board Resolution.

Three Motions for the Board:

The Committee received a request from the Triangle Club to rent the Community Commons on April 7th, 2019 for their annual Gala. The Gala includes approximately 125 people and raises around \$5000 via a silent auction.

The Triangle Club is a non-profit organization proudly serving Washington DC's LGBTQ recovery community since 1990. Their mission is to provide a clean, safe, dependable space for those struggling with addiction to gather and hold meetings in accordance with the 12-Steps of recovery.

Due to the fundraising prohibition in the Building Use Guidelines, the Committee was asked to review this application and voted to approve it.

Motion: The Facilities Committee moves to approve the facility rental application of The Triangle Club for their Annual Gala on April 7th, 2019 including fundraising to benefit their organization. (A. Kramer; 2nd – B. Scott)

MPII Phase IV of Organ

Paul has confirmed cash flow can support this and Facilities approved.

All approved, with Doug voting no

MPII Refinish Doors (via e-mail) test

Affirming on-line vote

Governance Committee

Report submitted.

Highlights:

- Do we change our name? Sam feels strongly that “management” throws people off; Others have ideas as well...Foundry Board? Do we need the word “director” in that? Will take to Governance Comm in January.

Board Resolution.

The Governance Committee made an update and recommended the following regarding the Authority Policy.

Authority Policy: A revised draft of the authority policy is being brought before the Board to consider approving. This updated version includes feedback from the Finance Committee Chair to address concerns he had in October as well as a revised HR section from the Personnel Committee Chair.

The Committee reviewed the policy and provided input to streamline the references and acronyms, including a key at the start of the policy to clarify which person or group is being referred to by specific acronyms. The Committee did not take a vote on approving the policy in its current form because there was no meeting, but the Governance Committee Chair is bringing it to the Board again for consideration after the work to get it to this point.

The Management Board approved the policy in its current form.

Personnel Committee.

Report submitted.

Noel reported highlights:

- Evaluation process. What kind of input from the congregation do we want?
- Editing personnel handbook
- Consulting with GCORR
- Guidance provided around the budget

Draft salary increase/bonus policy will be presented for approval in January.

Submitted again for consideration. Racial Equity policy:

Resolution proposed by PC:

Foundry UMC values racial equity and justice as fundamental principles in our congregational life. Furthermore, the Management Board believes that deepening our understanding and promotion of racial equity is an important and ongoing journey for our community. As a next step in that journey, the Management Board will create a working group to engage, support, and concretize the faithful work of the Racial Justice Ministry Team with whom they will lead the management board and our community in an exploration of racial equity in Washington DC and at Foundry. The working group is formed with the express purpose of charting a course and leading the Foundry congregation in further reflection, discernment, discussion and action for racial equity and justice. This group will be formed by December 30, 2018 and will be co-led by a member of our clergy, a member of the Management Board, and a member of the laity.

Board Resolution.

Matt seconds. All approved.

Closed Session began at 9:07 p.m. and ended at 10:00 p.m.

ACTION ITEMS

- Matt will look into Sam's point that excluding MPII might skew the results of cash flow.
- If you haven't made your follow-up calls for stewardship, please do. Updates are on shared Google docs. Lani will re-send this.
- Nut policy. Call at December 30th re: audit report. Can we approve the policy at that time? Please review.
- Conference forms deadline for appointed clergy. Ginger will forward to Gwen. Ginger has talked with conference re: late submission. We've

asked for a different process, but Board will probably need to do some sort of letter regarding appointed clergy. Add this to compliance calendar.

- Sam will send draft audit report tomorrow along with date and time for call.
- Confirm all committee members are re-upping for new term and report back to NomComm.
- Send ideas for our Management Board new name to Amanda for January Gov Comm.
- Review again the authority document. It is a "living" document.
- Board meeting February 19th.
- Will District Super be able to attend February 19th? Can it be viewed as a charge conference?
- We may have to have some calls in January.
- Ginger can go ahead and submit her salary increase and bonus proposal. Everyone send feedback within a couple of days.
- Take a look at Ginger's evaluation and give feedback to Noel by next Monday. PC will deliver to Ginger by EOY. Compensation will be handled like the others.

Respectfully Submitted,

A handwritten signature in cursive script that reads "Leigh Carter". The signature is written in dark ink and is positioned below the typed name.

Leigh Carter
Secretary