

FIRST UNITARIAN CHURCH OF OAKLAND
Board of Trustees Special Meeting
January 9, 2010 – 9:16 AM to 1:01 PM
Residence of Trustee Jon Greer

Trustees Present: Giselle Ampuero, Rinda Bartley, Claire Eustace (President), Dan Goss (Vice President), Jon Greer, Noemi de Guzman (Secretary), Gail Schulz (Treasurer), and Bev Smrha

Others Present: Kathy Huff (Senior Minister and Executive Team), Charles Masten and Charla Weiss (Executive Team), Cat Ishida (Intern Minister)

Claire Eustace led the opening and chalice lighting.

Review of the Past

Senior Minister's Report – Rev. Kathy Huff brought three books to share, which reflect what has been on her mind of late: *The Power of Stories: A Guide for Leading Multiracial and Multicultural Congregations* by Jacqui Lewis, *Embracing Cultural Competency: A Roadmap for Nonprofit Capacity Builders* by Pat St. Onge et al., *One Foot Planted in the Center, the Other Dangling Off the Edge: How Intentional Leadership Can Transform Your Church* by Gordon Dragt. Realizing our vision calls for transformational adaptive leadership and persistence with the difficult work of welcoming. At Middle Collegiate Church, Gordon Dragt described how seven years had passed before their vision of a multiracial and multicultural congregation first started budding.

Here at First Unitarian, we lack the resources for a second minister. However, as a UUA identified Diversity in Ministry Congregation, we may have an opportunity to receive a UUA grant that provides the opportunity to bring Rev. Jacqueline Duhart on board for community ministry, which is consistent with our outwardly directed vision. The Trustees unanimously supported the idea. Rev. Kathy noted that we are the third congregation to have asked the UUA about the possibility of community ministry in recent weeks. We are learning that more and more ministers of color in our movement are choosing community ministry over parish ministry. Rev. Alicia Forde, who is Program Coordinator for Multicultural Congregations in the Identity-Based Ministries for the UUA, will speak at the Hamilton Hall Rededication on January 24 and is available the following morning to discuss the Diversity of Ministry Team initiative.

Consent Agenda – Noemi de Guzman moved and Giselle Ampuero seconded a motion to acknowledge action by the Steering Committee with regard to the Manse Fund. The Huff-Beittels repaid the original loan on December 20, 2009, and the church loaned the amount of the repayment to the Huff-Beittels on January 3, 2010. Passed with one abstention (Gail Schulz).

Creation of the Future

Executive Team Update – Charles Masten's last meeting with the Board of Trustees will be on January 26, when his term on the Executive Team will end. Conversations are in progress with members who were suggested for the Executive Team lay leader. Several additional members

had been identified, and Trustees were asked to let Claire Eustace know within 24 hours whether any of the names should be withdrawn.

Budget Discussion – The Executive Team reported that it was a brutal experience to prepare a balanced budget given the gaps between revenue and expenses. The Executive Team also had its earliest and best ever budget communications with the congregation, and Chris Sutherland's successful appeal on Miracle Sunday has contributed significantly to the bottom line. The 2010 budget unfortunately will impact employee hours and salaries, and in fact the budgeted salaries for the senior minister and church manager are not compliant with the levels approved by the Board. The proposed 2010 budget includes several reductions and adjustments in operating expenses and also includes a furlough for two staff members starting on February 1: The church manager for one day per week and the facilities manager for half a day per week. Rev. Kathy's salary and compensation will be reduced by 12% with \$2,000 cut from professional expenses. The church manager will no longer have professional expenses. The Executive Team presented a priority list of restorations should actual revenues exceed what are now solid projections; the Executive Team will review the budget quarterly to identify any such opportunity. It was suggested that the Board convene a study group around revenue generation. As for the current year's budget deficit, it has been reduced through higher than expected rentals, additional funding for the Hamilton Hall Restoration work, Miracle Sunday, Leadership Retreat donation, and a portion of the plate collections.

The Executive Team was thanked for their efforts to present a rational balanced budget. Concern was also expressed about the risk to our church's ability to retain and attract the high caliber professionals we rely upon, when we are not able to maintain competitive salary levels. It was recognized that we are an old urban church with lots of expenses, and we are not alone in suffering through the current economic climate. Anger was also felt about the cost of the consultants hired, which contributed to last year's deficit and carried into this year, as persons who had clamored for the consultant services left the church without contributing funds. Urgency was expressed about the need to charter a finance or development committee who can lead members of the church who are moved to address the shortfalls but don't know how. It was observed the general membership of the church will likely not experience the pain that the Board and Executive Team have felt in grappling with balancing the budget for 2010.

Jon Greer moved and Dan Goss seconded a motion to approve the budget as presented. Passed with two abstentions (Bev Smrha and Giselle Ampuero).

Process Observations – Rinda Bartley and Charles Masten commented on the meeting. The agenda was suspended until everyone had an opportunity to process what transpired.

Board Calendar – It was proposed that the Board first focus on setting the schedule for the ends monitoring cycle, then address the monitoring of the limitations policies. A six-month cycle for each individual end would include creation of a direct investigation method by the Board, Executive Team interpretation of the end and definition of performance measures, data gathering, Executive Team report to the Board, and Board report to the congregation. As achievement of each end is performed together with the congregation, the congregation would be engaged in monitoring as well.

The process for individual end monitoring is separate from a three-year survey of the congregation proposed to be conducted jointly by the Board and Executive Team, which would serve as a baseline measure. It was proposed that Trustees, Executive Team, and church members form a multidisciplinary task group to develop the joint survey. Ann Lowne and Rick Hecht were recommended for their survey development expertise, and Rinda Bartley, Bev Smrha, Gail Schulz, and Dan Goss volunteered their participation. Questions may measure feelings about progress on the issues raised in the consultant recommendations from early 2009. Rev. Kathy will share the Unity Church survey with the group and provide input on the questions themselves, including how to ask about spiritual growth.

Trustees were asked to continue to comment on the calendar proposed by Dan Goss and Rinda Bartley.

Annual Priorities – Consistent with the Board’s lessons from the policy based governance training in November, the annual priorities are now to be considered the priorities of the Board of Trustees specifically as opposed to priorities of the church in general. Rinda Bartley will prepare a motion to revise Board policy, specifically to strike Section IV.H, for Board approval at its January 26 meeting.

Ends Refinement – Tabled to the next meeting.

Discussion Highlights and Decisions for Institutional Memory

The following points were emphasized:

- The Board President will follow up with the Committee on Ministry concerning the issues raised in their report at the last Board meeting and discussed with Dan Goss when he attended the Committee’s meeting. Jon Greer, Dan Goss, Gail Schulz, and Rev. Kathy are available as resources.
- The schedule for these quarterly meeting should allow for time to settle in before the meeting is called to order.
- While it is optional to hold quarterly Board meetings at a private home, it is preferred.
- Although the Board sets salaries for Executive Team members, every year the budget breaks down, so a better process is needed.
- The Board’s role in revenue generation was a significant focus of today’s conversations.
- The emotional content and concerns surrounding serving the vision of the church were acknowledged.
- The Board is concerned with expanding and developing a culture of generosity and will provide strategic leadership.
- It is not clear how we will count the number of ends, and there is not agreement in the number.
- The Board completed solid, positive work on calendaring our agenda.
- There is a need for a broad brush survey.
- The Board is trying very hard to generate revenue generating ideas, which is the Board’s role.
- It is important to continue to address the difficult transformational work that might spontaneously arise as well as the procedural work.
- There are different understandings of designated process observers.
- It is an impossible situation for the Board of Trustees to set salaries before knowing everything needed to balance the budget.

Next Steps

Next Meeting Agenda – Dan Goss will prepare the January 26 agenda with the following items:

- Policy change suggestions, Executive Team (perhaps a consent item)
- Clergy compensation, Rev. Kathy (schedule for end of meeting)
- Annual meeting, Rev. Kathy, 5-10 mins.
- Ends refinement, Dan Goss
- Spiritual development piece at start of meeting, Rev. Kathy (a standing item), 10 mins.
- Fund development team, Bev with Jon, Dan, Charla as Executive Team liaison, and Giselle
- Executive Team lay leader transition
- Annual priorities
- Congregational survey
- Joint communication to the congregation immediate following the January 26 meeting regarding the budget

Rededication of Hamilton Hall – Linda Propert is the volunteer lead organizer for the invitations and the reception. Tom Haw is organizing recognitions in Wendte Hall following the program. There is a separate team working with Rev. Kathy on the program for the dedication Hamilton Hall. There will be many guest musicians and visiting religious and community leaders. Rebecca Parker will introduce the collection; Rev. Kathy will consider Board feedback when determining how to apportion the collections from the rededication ceremony. Jon Greer has arranged publicity for the rededication, including a piece to be published on January 10 by *Oakland Tribune* columnist Annalee Allen, who is also with the Oakland Heritage Alliance.

Process Observations – Jon Greer and Gail Schulz commented on the meeting.

The meeting adjourned at 1:01 PM.

Respectfully submitted,

Noemi de Guzman
Secretary

Approved January 26, 2010