

## BOARD OF FINANCE AND ADMINISTRATION

### Meeting Agenda

Wednesday, August 15, 2018

#### ATTENDANCE:

Yes	No		Yes	No	
■		Annette Abel, <i>Business Administrator</i>	■		Rick Neville (2021)
■		Todd Aldrich (2019)	■		Paula Northwood, <i>Acting Senior Minister</i>
■		Jen Glaeser (2020), <i>Secretary</i>	■		Gary O'Brien (2019)
■		Jill Hennesen (2020)	■		Eric Olsen (2021), <i>Chair</i>
■		Mike McGettigan (2021)	■		John Schenk (2019)
	■	Ray Martin, <i>Deputy Treasurer</i>	■		Melinda Wellvang (2020)

**GUESTS:** Claire Colliander, Deacon & Treasurer

### ***Actions Taken:***

**Item 1. Minutes from the 5/16/18 meeting electronically approved via email.**

**Item 2. Modifications to the Alcohol Policy.** Board reviewed and approved edits to the alcohol policy that reflect the practice in effect today at PCC.

**Item 3. Modifications to the non-member Wedding Policy.** Board reviewed and approved a policy change to allow non-member weddings.

**Item 3. Financial Statements:** Board accepted the financial statements as submitted and reviewed.

### ***Opening Thought***

Eric Olsen opened the meeting, inviting the members to introduce themselves. With the exception of Ray Martin, all members were present for the kick off of this new year. Claire Colliander, member of the Deacons and Treasurer, also attended the meeting.

Mr. Olsen thanked Gary O'Brien for the sustenance and treats to power the board through the kick-off meeting.

Rev. Dr. Paula Northwood provided perspective on the year ahead with her opening thought, beginning with reflections on John 12:24.

**The verse:** Truly, truly, I say to you, unless a grain of wheat falls into the earth and dies, it remains alone; but if it dies, it bears much fruit.

**The mediation (paraphrased, with apologies to our Sr. Minister):** To die is not such a bad thing. Cells die every day: it's estimated that 300M cells die every minute of every day in our body (source: the interwebs). For new growth to happen, to appear, something has to die – this is how we stay vital. So it is and must be with our church. One of our major objectives this year is to grow! Just like a snake needs to shed its skin to grow, so must our church shed some of its past beliefs and practices to position itself for growth.

#### **Minutes Procedure**

Minute-taker submits draft to group within 10 days of meeting; members have 7 days to submit revisions (no response is treated as approval).

If any revisions, minute-taker forwards revised draft to group within 3 days for electronic approval; members have 2 days to respond (no response is treated as approval).

Minute-taker submits approved minutes in Microsoft Word format to the Ministry Assistant for Programs (Doug Freeman, dougf@plymouth.org) upon approval.

**The challenge:** Here are questions for you – What can we do to help our church grow? What represents our old skin? What remains that is life giving? What’s our passion? What’s growing in you?

## ***Electronic Approval of May 16, 2018 Meeting Minutes***

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Mr. Olsen noted that the board had approved the last set of meeting minutes via email.

### ***Change to Alcohol Policy***

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Noting that there was a new spirit afloat, Rev. Dr. Northwood circulated a policy draft with suggested edits and updates that modified outdated language and reflected actual practice of the Alcohol policy at PCC. Mr. Olsen suggested slight modification to background portion of document. Board members urged PCC to think more about the policy, the notion of change and how it may broadly support opportunity for growth. Rev. Dr. Northwood acknowledged and affirmed attention to this.

**Motion was made to approve and accept the policy with noted modifications. The motion was seconded and carried with no further discussion.**

### ***Change to Non-member Wedding Policy***

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Rev. Dr. Northwood brought to the board the recommendation that PCC open itself to non-member weddings. Current policy dictates that only members of the congregation can use the facilities for weddings. In reviewing policy, she indicated that there was no available documentation as to why this policy existed as it did. Board discussed that this presented an opportunity for outreach, community connection, and small revenue stream to church and clergy, and saw no down-side to opening the church to non-member weddings. Rev. Dr. Northwood and Annette Abel will review the opportunity, work on logistics coordination, and determine an appropriate and reasonable fee schedule to facilitate this offering.

**Motion was made to allow non-member weddings and to develop and set the appropriate fee schedule. The motion was seconded and carried with no further discussion.**

### ***Financial Report***

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In Ray Martin’s absence, Claire Colliander presented and reviewed the June financial statements with the board, starting with the Balance sheet and noting assets of nearly \$16M.

Last week the auditors, with whom Mr. Martin and Ms. Colliander met in June, were on site doing field work. They’ll return in September to present audit report and findings to the BoFA.

In reviewing the Operating statement, Ms. Colliander noted some good news regarding end of year withdrawal from investments to balance funds for the year. PCC took the 4% withdrawal plus an additional \$33K, this was lower than projected and communicated at the annual meeting in June. The difference between the projected and actual withdrawal resulted from lower than anticipated expenses and higher than projected income. The last forecast didn’t include the pledge campaign matching funds in income; and operating expenses were lower. Good news with regard to expenses is that this was actual savings versus just shifts into subsequent periods.

Ms. Colliander presented the Consolidated Income statement. She noted that this statement had been historically used and reviewed by the Trustees. For reasons unknown, we had lost sight of this tool to report on and understand activity that isn’t considered as part of operating activity. Activity in this area includes income and spending in the designated accounts (such as programs, education, flowers). Key benefits to regularly reviewing this activity are as follows: simplify reporting; transparency in income/spending activity; aligning the audit reports with the regular financials.

The members were in violent agreement on the direction for financial reporting.

**Motion was made and seconded to approve and accept the financial statements as submitted. The motion carried with no further discussion.**

## ***Community Fund Discussion***

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Mr. Olsen recapped the discussions from the annual meeting in June about the Community Fund and decisions made to reduce the contributions in the upcoming budget. In the June congregational meeting, a motion was made to amend the proposed budget to restore the contribution to prior amount (10% of pledges) that resulted in much discussion with lots of energy and emotion on both sides. The motion failed to pass in a divided vote that laid bare the concern that the congregation is not in agreement about how PCC is showing up and supporting the community in which it operates.

Rev. Dr. Northwood, Ms. Colliander, Brian Siska, Mr. Olsen, and Deb Fowler have had conversations about this over the summer. Ms. Colliander brought this matter to the Deacons in their last meeting. The Deacons supported the initiation of a broad discussion and process to work on this issue. They prefer not to have another task force, but would like to see this addressed as a conversation and process between acting boards. It was suggested this conversation and process should include members from both Outreach and BoFA boards.

In progress are first efforts to establish the financial value of all the monies and programs through which PCC supports the wider community. Mr. Martin and Ms. Colliander are working with Rev. Dr. Northwood and staff on this.

In subsequent steps, BoFA and Outreach will collaborate and develop a report to illustrate the picture: noting, here's what we do, here are the financial aspects and implications of that, outline suggestions for possible ways forward.

The goal will be to produce this report in time for next budget cycle and to present to the congregation in advance of the annual meeting and ratification of the following year's budget. While in the early formative stages, the BoFA will have a role in moving this forward. Ms. Colliander notes that this efforts needs a charter to help guide the discussion, scope, and direction.

Additionally, discussion highlighted the importance of and the relevance of the commingled investment fund in this discussion. There is concern that overall there is a lack of appreciation for the importance of the endowment to the future and financial health of PCC. Coincidentally, in the last meeting of the investment committee, it was suggested that we need to create an educational piece that illustrates the impact of drawing 7.8% from the investment funds, in addition to outlining best practices for fund withdrawal. Todd Aldrich noted that this is something that Abbot Downing can assist us with, perhaps as the basis for a separate report presented to the congregation.

Mike McGettigan asked that this topic and information be shared at the upcoming leadership day so that other board and committee leaders are aware of this activity.

## ***Restricted Funds Discussion***

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Discussion of restricted funds was not directly addressed due to time constraints.

## ***Stewardship Committee***

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John Schenk provided an update: PCC's pledge goal for last year was \$1.65M, with a \$72K matching fund for new or increased pledges. As we entered July, we got closer to and exceeded the goal, particularly with the additional contributions from the Tithe160 and B2Gether events. The totals are as follows:

Pledges	Match	Tithe160	B2Gether	Total
\$1.568K	\$72K	\$17K	\$5.8K	\$1.663K

Mr. Olsen acknowledged the efforts of the committee and expressed appreciation for Mr. Schenk and Rick Neville's willingness to lead this next year.

## ***Investment Committee Update***

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Todd Aldrich provided a brief recap of current state of investment performance with Abbot Downing. He noted that overall, returns were depressed by bond performance, and that overall we should expect a 3-4% return for the 2018. He indicated that overall we are happy generally with the way Abbot Downing is handling investments for PCC, they bring a lot of added value, particularly expertise related to socially responsible investing. He noted that we should be mindful that a money manager needs 3-5 years to produce real returns. Based on our annual schedule, Abbot Downing will attend meetings in January or February to report on calendar year performance of the investments.

## ***New/Other Business***

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1. **Capital Lease for New Solar Array:** Rick Neville noted that the lease for this was on hold, and that they were waiting for an update from the provider, who had recently indicated that PCC didn't have enough roof space. Bottom line: nothing to report, more to come.
2. **AmazonSmile:** Rick Neville proposed to the board an idea for registering PCC with the AmazonSmile Foundation, as a means of generating additional income. The members discussed the proposal and agreed that it's worth pursuing. Mr. Neville will find out more information and bring that to the next meeting.

*"AmazonSmile is a website operated by Amazon with the same products, prices, and shopping features as Amazon.com. The difference is that when you shop on AmazonSmile, the AmazonSmile Foundation will donate 0.5% of the purchase price of eligible products to the charitable organization of your choice.*

*Every item available for purchase on [www.amazon.com](http://www.amazon.com) is also available on AmazonSmile ([smile.amazon.com](http://smile.amazon.com)) at the same price. You will see eligible products marked "Eligible for AmazonSmile donation" on their product detail pages." <https://smile.amazon.com/about>*

3. **Sunday Counting:** Melinda Wellvang, coordinator for this important work, underscored the expectation that if **each board member signs up for 1x a month**, we should have adequate coverage, including the additional volunteers that assist with this work each Sunday.
4. **Personnel Committee:** Rev. Dr. Northwood noted that they were working on updates to the severance policy with respect to clergy. They will be taking a draft of edits to the Deacons in a future meeting. This committee is also working on updates to the employee manual.

### **Next Meeting**

September 19th, 5:00 p.m. – Victuals and a thought to ponder courtesy of John Schenk

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*Respectfully submitted,  
Jen Glaeser, secretary*