

# The Community Church of Chapel Hill

## UNITARIAN UNIVERSALIST

106 Purefoy Road, Chapel Hill, NC 27514 • 919-942-2050 • c3huu.org

### BOARD OF TRUSTEES

#### Meeting Minutes

#### December 12, 2017

<b>Members:</b>	Lilie Bonzani Barb Chapman Andy Hencke	Dan Hill Dave Klibanow (absent) Bill Poteat	Bill Rote Jenny Warnasch Steve Warshaw, chair
<b>Ex Officio:</b>	Thom Belote	Bonnie Nelson	Andrew Wright
<b>Guests:</b>	Russ Bowen M. Hulett J. Scheer	R. Gibson A. Reiney	M. Hirsch B. Rodriguez

#### **Welcome (7:00)**

S. Warshaw called the meeting to order.

**Chalice Lighting/Reading** – B. Poteat lit the chalice and opened the Board of Trustees (BoT) meeting by sharing a reading by Mary Oliver.

#### **Check-in**

#### **Sanctuary and Immigrant Support Group Report (7:09)**

T. Belote referenced the [attached] letter distributed to the BoT in advance of the meeting. The Sanctuary and Immigrant Support Group (Group) is at a place of decision. They cannot move forward without a vote from the congregation approving the Community Church of Chapel Hill, Unitarian Universalist (C3HUU) as a Church of Sanctuary. Therefore they are requesting to hold a Congregational Meeting in February 2018. They have cleared with the Stewardship Committee that establishing this would not impinge on their campaign. M. Hulett noted that they would probably do a meeting before their Congregational Meeting to provide information and build interest and excitement. J. Scheer told the BoT that the Group had visited a sanctuary church in Raleigh. R. Gibson said that the Group is poised to table and felt that becoming a sanctuary church empowers people to -do- something. B. Rote mentioned that the Worship Associates Ministry has asked T. Belote to engage a guest minister on being a sanctuary church.

R. Bowen asked about the purpose of the February Congregational Meeting -- as to whether it would be informational or a presentation of a formal proposal. M. Hulett replied that a proposal would be presented. S. Warshaw noted that the Building Project Team has a great strategy for information sharing and one the Group might want to emulate. B. Nelson asked why the Group needed congregational approval for C3HUU to become a sanctuary church. B. Poteat

said that a decision by the BoT or a vote by the Congregation was required for any decision that changed the strategic direction of the church. [Note: see section from the Board Policy Book below.]

B. Rote made the following motion:

That the Board call a congregational meeting on February 4, 2018 with an alternate date of February 11, 2018, in the event of inclement weather, for the purpose of holding a vote of the congregation to decide whether the Community Church of Chapel Hill should become a Sanctuary Church.

Discussion ensued. B. Rote amended his motion to read “an agreed upon date in February with a second date held as an alternative”.

A. Hencke seconded the amended motion.

Discussion ensued. T. Belote echoed B. Poteat answer that a stance of the church on an issue of significance required the BoT or congregational approval, and the the Group was requesting a congregational vote to help inspire and information the congregation.

A vote on B. Rote’s motion was taken.

All in favor with none opposing.

J. Warnasch will coordinate the date of the February 2018 Congregational Meeting.

### **Board Policy Book**

4.1.6. Church Sponsorship

Date Adopted: March 13, 2012

Date Last Amended: October 13, 2015

The use of the name of the church as an official sponsor of an activity or position on an issue must serve the mission of the church and shall be allowed only by decision of either the Board of Trustees or by vote of the congregation. Members may nonetheless share our Unitarian Universalist values with the world and identify themselves as members of The Community Church of Chapel Hill Unitarian Universalist. Use of the church’s banner requires approval of the Minister or Board President, who will consider its consistency with the church’s mission, strategic plan, and legal status.

### **Misconceptions about RE Parents (7:22)**

M. Hirsch addressed some misconceptions about RE (Religious Education) parents. She noted that the leaders of the church, such as the BoT, are responsible for carrying the stories about the church. She listed some inaccurate stereotypes of RE parents and provided examples countering those perspectives. She further explained why those perspectives exist. She asked that the BoT help provide the correct narrative whenever possible.

### **Building Project Team (aka the Task Force) Report**

**1/7 Congregational Meeting (7:39)** – P. Smith spoke about the agenda for the January 2018 Congregational Meeting. She noted that the Task Force would coordinate with T. Belote, J. Warnasch, and Mark Ewert (consultant) prior to the meeting. The Task Force’s intention is for no vote to be taken at the meeting. The meeting is to be a celebration and they will work with T. Belote and Glenn Mehrbach (C3HUU Music Director) on music for the meeting.

P. Smith noted that M. Ewert’s fundraising plan says that 1:1 meetings raise more funds,

versus the cottage meeting approach (which was the current plan). Therefore, the Task Force is now going to take a hybrid approach, adding some 1:1 meetings, along with holding cottage meetings. Trained stewards will be asked to directly engage with two people,

A. Hencke said that the January 2018 meeting is to engage and prepare the congregation for the capital campaign; whereas the June 2018 meeting will be when a critical decision will be made on moving forward and taking on the construction loan. He added that the BoT should have a long-term vision for the project.

P. Smith returned to the topic of the agenda and said that they hoped that the songs would energize the congregation to say “let’s do this!”

R. Bowen asked what was happening between now and the start of the annual pledge drive/capital campaign? P. Smith replied that they are having informational meetings, setting up the cottage meetings, and working with the the communication Task Force.

S. Warshaw asked for confirmation that the Stewards will be asking for pledges for both the Capital Campaign and the Annual Pledge Drive. P. Smith confirmed that that would be the case.

H. Hencke said that he appreciated R. Bowen’s question. He added that any questions should be brought to him or P. Smith.

**Contingencies (7:49)** – A. Hencke addressed a question by B. Poteat to the Task Force on planning for contingencies -- the “what may happen” issues. He explained that the Task Force has been focused on two questions: money (as related to income and expenses) and time. He added that they recognize congregational health as another important contingency issue. The Task Force plans to have a high level contingency plan in place prior to the June 2018 Congregational Meeting so the Task Force can adjust to money concerns. And they will have the capability to do the same as situations arise after the meeting. In a follow-up comment, A. Hencke noted that congregational health is the concern and focus of the BoT. He added that after the June 2018 meeting, the Building Task Force Team will be asking the BoT to detect and manage potential contingency issues. In particular, there are two areas: any significant congregational dynamic/health type of issue which may affect pledge fulfillment and any macro economic situation which may affect pledge fulfillment,

A. Hencke further added that after the June congregational meeting, the capital campaign will be basically complete. The Task Force team will be much more focused on the physical building activities. B. Poteat said that after the last building project, the capital campaign ended but that there was (and is) an ongoing need for additional funding. He suggested that the Task Force needs a contingency to look for additional funding after the capital campaign ends. P. Smith said that M. Ewert says that a capital campaign has to come to an end. B. Poteat replied that the church must have the ability to raise capital funds as needed.

### **Additional Agenda Items (7:58)**

**Congregational Meeting Agenda** - B. Chapman inquired about the voting materials needed for the grant request to the Endowment Committee. S. Warshaw confirmed that the standard Congregational Meeting procedure would be followed. B. Chapman said that she will be responsible for setting up the tables for votes. P. Smith added that J. Warnasch will handle creating the agenda.

**BoT members responsibilities for the Congregational Meeting** – L. Bonzani asked what

responsibilities individual BoT members had for the meeting. J. Warnasch said that currently the agenda calls for the presentation by the Capital Campaign Task Force, then the Endowment Committee presentation, and then a discussion regarding the Endowment Fund grant vote run by the Board. She asked if the Task Force is expecting for there to be questions asked. T. Belote said that they were expecting questions and would be ready to reply. J. Warnasch then said that she would distribute the agenda and a call for sign-ups via email.

**Basketball Parking in Support of the Capital Campaign** - J. Warnash said that the poll she previously distributed showed that February 3, 2018 was the best date for the BoT to handle the basketball parking.

### **Consent Agenda (8:03)**

S. Warshaw asked if there were any questions about the Consent Agenda. B. Nelson distributed print copies of the minutes from the Bot Meeting Closed Session on November 11, 2017. Upon review, the copies were collected. J. Warnasch will put one archival copy in a binder in the minister's office. A. Wright noted the addition of \$5K to the Build Project Task Force for drawings. There being no further questions, changes, or discussion, S. Warshaw called for a motion to approve the Consent Agenda.

B. Chapman made a motion to approve the Consent Agenda.

B. Rote seconded the motion.

All in favor with none opposing.

### **Endowment Committee**

**Concern about the Disposition of Stella's Gift (8:06)** – T. Belote spoke with C. Cole about the disposition of the gift from S. Lyon's estate. They are planning to speak with the Endowment Committee about the gift at the Endowment Committee meeting on December 18, 2017. J. Warnasch noted that at the last BoT meeting the consensus was that the gift had been handled according to the policy in place at the time that the gift was received. B. Poteat noted that the new policy allows for donor wishes to be considered in the disposition of the gift. B. Chapman said that she was concerned about a known bequest going to the Endowment Committee when there has been no communication to indicate that it is intended for the endowment fund. S. Warshaw confirmed that in this case, the BoT had followed the approved policy. He asked that B. Chapman, BoT Liaison to the Endowment Committee, report back to the BoT on the outcome of the Endowment Committee meeting.

**Endowment Committee Obligations to the Board (8:18)** – B. Chapman will inform the Endowment Committee as to their obligations for reporting to the BoT. A. Wright added that he will help with and/or provide financial reports, if needed.

### **Policy Discussion**

**Productivity of Board Meetings (8:22)** – B. Chapman led the BoT through an exercise on the priorities and productivity of past BoT meetings. By using the agendas from past meetings, the time allocated to each type of topic was charted and the distribution was discussed. This was followed by a discussion as to the purpose of the BoT meetings and how the time should be allocated. There was general agreement that the BoT should attempt to balance focus on current issues with the need to plan for long-term goals. S. Warshaw asked the BoT members to

remember the time spent on committee work outside of and in preparation for the BoT meetings. B. Rote concurred with this point. B. Chapman said that she would welcome any additional thoughts and will present a summary at a future BoT meeting

### **Enhancing Linkages with Congregation**

Due to time constraints, S. Warsaw requested to move this agenda item to the January meeting.

**Presidential Comments (8:42)** - S. Warsaw noted that he did not follow policy when going into a Closed Session at the last BoT meeting. For this he apologized but felt that the issue required the exception. He then shared thoughts on his past year as BoT president, including his excitement over the upcoming building project. He thanked the BoT for working with him. T. Belote thanked S. Warsaw for agreeing to be president and for his leadership.

### **Closing (8:56)**

**Process Observations** - B. Poteat said that he liked the BoT processes. He felt that they were a bit free-wheeling but allowed for good work and ample discussion to revisit all points.

B. Chapman expressed appreciation to B. Poteat for his years of service to the BoT, as well as for the time given by B. Rote and D. Hill.

**Action Items** - B. Nelson listed the action items from the minutes taken: J. Warnasch will coordinate the schedule for the special Congregational Meeting in February 2018 to address the issue of becoming a church of sanctuary. B. Chapman will coordinate the set-up for voting for the Congregational Meeting in January 2018. J. Warnasch will distribute the agenda and BoT member assignments for the Congregational Meeting in January 2018. B. Chapman will inform the Endowment Committee as to their responsibilities in reporting to the BoT and will report back to the BoT on the issue of the Capital Campaign requesting the S. Lyons gift from the Endowment Committee. J. Warnasch will file copies of the minutes from BoT Closed Sessions in a binder in the minister's office.

**Closing Words** - B. Poteat closed the meeting with a farewell poem and extinguished the chalice.

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### **ATTACHMENTS:**

**Board Agenda (Proposed, Revised)**

**November Minutes (Open Session Only)**

**Minister's Monthly Report**

**Letter from the The Sanctuary and Immigrant Support Group**

**Amended Resolution to Implement the Endowment Fund, June 2014**

**BOARD AGENDA (Proposed, Revised)  
December 12, 2017, Straley Room**

<u>ITEM</u>	<u>RESPONSIBLE PERSON</u>	<u>END TIME</u>
<b><u>Welcome</u></b>		
Chalice Lighting/Reading	Bill P.	7:04
Check-in	Steve	7:10
<b><u>Sanctuary and Immigrant Support Group Report</u></b>	Thom	7:20
<b><u>Misconceptions about RE Parents</u></b>	Marion, Jenny	7:30
<b><u>Building Project Team Report</u></b>	Andy, Paige	7:55
Contingencies		
1/7 Congregational Meeting Agenda		
<b><u>Additional Agenda Items</u></b>	Steve	8:00
<b><u>Consent Agenda</u></b>		8:05
Approval of Agenda	Steve	
Approval of Minutes from 11/14 Meeting	Steve	
Minister's Monthly Report	Thom	
<b><u>Bldg Pjt Expenditure – Approval Needed</u></b>	Andrew	
<b><u>Endowment Committee</u></b>		8:20
Concern about Disposition of Stella's Gift	Thom	
Endowment Committee Obligations to Board	Barb	
<b><u>Policy Discussion</u></b>		8:50
Productivity of Board Meetings	Barb	
Enhancing Linkage with Congregation	Steve	
Top choices from October meeting:		
o Keep a "Board Book" for the congregation to leave questions, comments and concerns (or online Q&A online or Comment option on the BoT webpage) – most important to follow up on any comments made		
o [Monthly WTW announcement during services]		
o Regular evaluation of our own performance		
<b><u>Closing</u></b>		9:00
Process Observations	Bill P	
Action Items	Bonnie	
Closing Words	Bill P.	

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### BOARD OF TRUSTEES

#### Meeting Minutes

#### November 14, 2017

<b>Members:</b>	Lilie Bonzani Barb Chapman Andy Hencke (absent)	Dan Hill Dave Klibanow Bill Poteat	Bill Rote Jenny Warnasch Steve Warshaw, chair
<b>Ex Officio:</b>	Thom Belote	Bonnie Nelson	Andrew Wright
<b>Guests:</b>	Russ Bowen	Cathy Cole	Paige Smith

#### Welcome

S. Warshaw called the meeting to order.

**Chalice Lighting/Reading** – T. Belote lit the chalice and D. Klibanow opened the Board of Trustees (BoT) meeting by sharing a reading.

#### **Check-in**

#### Consent Agenda

**Approval of Tonight's Agenda** – S. Warshaw sent out an agenda in advance of the meeting. New issues necessitated a revised version and he provided copies to attendees.

#### Building Project Team (aka the Task Force) Report

C. Cole requested that the BoT move to a closed session. She explained that the Task Force had sensitive information on fundraising that they wanted to share.

B. Rote made a motion to move to a closed session.

D. Klibanow seconded the motion.

All in favor with none opposing.

D. Klibanow made a motion to return to an open meeting.

B. Rote seconded the motion.

All in favor with none opposing.

#### Consent Agenda (continued)

S. Warshaw asked if there were any questions about the Consent Agenda. He noted the addition of the Endowment Grant Proposal. B. Poteat requested that the BoT address the Endowment requirements to the BoT at the December BoT meeting.

- B. Chapman made a motion to approve the Consent Agenda.
  - J. Warnasch seconded the motion.
  - S. Warshaw asked if there was any discussion. There being none, he called for a vote.
- All in favor with none opposing.

### **Planning Documents**

**Strategic Management Plan (SMP)** – T. Belote shared the Strategic Management Plan in advance of the meeting. He added that the Strategic Management Ministry was in agreement with the plan and believed that the church’s activities were in line with the plan.

[Note: from T. Belote’s November 8, 2017 message to the Board related to the SMC's review of the Strat Plan:

Finally, earlier this month I met with Dan Hill and Dawn Adams of the Strategic Management Team. Here is a report from our meeting with the Annual Report attached.

The Strategy Management Team (Dan Hill, Dawn Adams, Thom Belote) met on Thursday, October 19. At the meeting we reviewed the draft of the annual report compiled by Steve Warshaw and Thom Belote in light of the strategic plan document for 2016-2019. It was our feeling that our ministries, programs, and committees are making good progress towards the goals outlined in the strategic plan. We also discussed the strategic plan and whether we felt it was still setting a good direction for our ministries and groups. We felt that the strategic plan continued to be relevant and that no changes to it are required at this time.]

- D. Hill made a motion to approve the agenda SMP as presented.
  - B. Poteat seconded the motion.
- All in favor with none opposing.

**Annual Report** – T. Belote shared the proposed Annual Report in advance of the meeting. A discussion of distribution and placement occurred. S. Warshaw called for a motion to approve the Annual Report as presented.

- J. Warnasch made a motion to approve.
  - D. Hill seconded the motion.
  - S. Warshaw asked if there was any further discussion. There being none, he called for a vote.
- All in favor with none opposing.

### **Maintenance Needs**

**Expected Maintenance Needs 2016-2030** – T. Belote shared the latest developments with the sewer line to the Manse. The current plan calls for the line to go through UNC property. UNC has instructed the Church to request easement permission from the state of North Carolina. This development extends the timeline to July/August of 2018. B. Poteat noted that the delay in payment is better for the budget. T. Belote said that the \$25K is needed now for more pressing needs, including the Jones Building roof. In addition, the current budget is \$40K short. A. Wright indicated that operating reserves are in the negative, although the Church has \$200K-\$300K in cash liquidity. T. Belote said that there are several options to cover the shortfall: include the amount in the Capital Campaign, take it out of liquidity, request it from the Endowment, or



some mix of those strategies. B. Poteat informed the BoT that the Finance Committee believes the shortfall to be negative and serious news. B. Chapman asked about the definition of large and small capital expenses. T. Belote indicated that B. Kosiba includes maintenance under \$10K as small expenses and large capital are larger Building expenses. It was clarified that the term “Small Capital” is not a header but a grouping of several lower cost maintenance items.

B. Poteat returned to the topic of the sewer line and suggested that B. Kosiba consult with the engineering firm engaged by the Building Task Force, as they are familiar with working with UNC. Another suggestion was to talk with our North Carolina legislators for assistance. S. Warshaw requested an update on the the Manse sewer line for the December BoT meeting.

**Maintenance Plan** – S. Warshaw called for a motion to approve the Long Range Maintenance Plan.

B. Poteat make a motion to approve the plan.

L. Bonzani seconded the motion.

All in favor with none opposing.

### **Building Project Loan**

**Building Project Financial Plan** – A. Wright distributed the plan in advance of the meeting. He noted that there is a change on #8 and he would resend the plan.

[Note: information sent by A. Wright and included below.

The major changes from the draft are:

- Addition of a section called Maintenance Reserves on page 6 which describes what they are and the activity we saw during the year.

- The restricted fund expenditures for Beyond These Walls in Table 4 on page 13, and the corresponding amounts in figure 6 on page 6 have been revised from \$55k to \$44k. In the draft I had erroneously double counted some amounts as expenditures where share the plate transferred money to other funds to spend. A few other funds had immaterial changes for the same reason.

- Some footnotes added to explain things further, and other text edits to make things more clear.]

D. Hill made a motion to approve the revised Building Project Financial Plan.

B. Poteat seconded the motion.

All in favor with none opposing.

**Building Project Construction Budget & Forecast** – A. Wright distributed the documents in advance of the meeting.

**Proposal on Limiting Any New Loan [and January Congregational Meeting]** – B. Poteat initiated a discussion on limiting any new loans. He pointed out the issues resulting from doing so during the last building project. He outlined some of the financially important dates forthcoming, including: 1/19 - loss of preschool income and there will still be \$10K difference between the loan payments and preschool income (even after cutting out the payments on debt there will still be a 10k shortfall from loss of preschool income); and 1/22 - at this point all pledges will have been collected and any remaining balance of the bridge loan have to become a

long term debt. A question was raised as to the costs and debt after the last Capital Campaign.

T. Belote said that the January Congregational Meeting needs to be a pep rally and not a time of debate. The Church needs to go into the Capital Campaign with positive energy and not a fight about what should be included. It was generally agreed that any adjustments to the planned construction amount can be done at the June Congregational Meeting.

T. Belote returned to B. Poteat's comments on limiting any new loans and agreed that the Church should not take on a post-building loan.

R. Bowen asked about how earlier decisions were made. B. Chapman replied that the New Board Member Orientation will cover the history of certain BoT issues.

B. Rote circled back to T. Belote's concept of a pep rally and that a positive meeting will limit dissenting issues. B. Poteat noted that the BoT will come to the June Congregational Meeting asking the congregation to vote on a bridge loan and what is going to be built. The issue of a long-term loan can be dealt with later.

T. Belote indicated that the only other item on the meeting agenda is the Endowment Committee grant request, and that can be done at the end of the meeting. He suggested that the June Congregational Meeting can be used to present about the larger loan. B. Poteat asked if the BoT could approve the Endowment request, in lieu of the congregation. T. Belote advised that their charter seems to indicate that congregation approval is needed for spending any Endowment funds. B. Poteat suggested that the Board ask the Endowment Committee to fulfill the requirements of its "Plan of Operations" including its computation of the value of current principal. T. Belote said that this issue is specific to money being spent.

**Building Project Construction Budget & Forecast [Sidebar to Treasurer's Report] – A.** Wright brought up the Treasurer's Report, which he distributed in advance of the meeting. He noted that there was an addition to be made regarding the maintenance reserves and how they work. There was also an issue which resulted in funds being double-counted in the STP money which will be corrected in the final version to be distributed.

### **Stella Lyons Estate Gift**

A. Wright shared that a check was received from S. Lyons estate and was sent to the Endowment Fund per the policy at the time. Subsequently, C. Cole contacted Andrew and asked if a gift was received from S. Lyons estate for the Capital Campaign. S. Warshaw acknowledged a letter to the BoT from C. Cole requesting that the BoT request for the Endowment Committee to forward the funds to the Capital Campaign. A. Wright noted that the congregational administrator and he followed the policy in place at the time that the gift was received. T. Belote noted the close relationship between S. Lyons and C. Cole and that there was no record of the Endowment Committee having contacted S. Lyons. D. Klibanow asked about the old policy and if there was a precedent for this issue. B. Rote wondered what issues might be raised if the BoT was involved in this request. After additional discussion, S. Warshaw said that he did not hear anyone voicing support for requesting the Endowment Committee to forward the funds to the Capital Campaign and he would notify C. Cole that the gift will remain with the Endowment Fund.

### **Naming Church Facilities**

This topic was previously discussed at the September BoT meeting. J. Warnasch asked B.

Chapman to discuss the difference between purpose of the BoT Bylaws and the BoT Policy Book, and the issues in amending either. J. Warnasch indicated that she would prefer the naming of church facilities be a bylaws issue or to wait until there is an actual request to address this issue. T. Belote noted upon discussion with his peers, he did not find any with such a policy.

Therefore, J. Warnasch requested that no action be taken on this issue at this time.

### **Policy Discussion**

**Hotchkiss Summary** – In advance of the meeting, B. Chapman distributed several pages from D. Hotchkiss’s book, “Governance and Ministry: Rethinking Board Leadership.” She noted the need to move from quantitative to qualitative. S. Warshaw found the chart on “Board Time Analysis Form” to be important and called for a BoT member to volunteer to monitor the BoT meetings and complete the chart. B. Chapman volunteered to do so. B. Nelson volunteered to return to adding times to the BoT minute notes. S. Warshaw noted that in reviewing the BoT agenda, he was questioning the allocation of time and topics, especially with regards to the Building Project.

[Following the meeting, B. Nelson provided B. Chapman with copies of the minutes from April, May, June, and August BoT meetings as they contain time notations. B. Chapman will use the minutes to provide a historical view of BoT meeting time spent on the categories on the Hotchkiss chart.]

### **Board Policy Objectives Checklist**

B. Poteat developed and shared an “Annual Objectives Checkoff List” with accompanying notes. He indicated that it was not meant to be prescriptive. S. Warshaw commended B. Poteat for his work on the document and stated that he wished he had had it when he became BoT President. He noted that it will be very useful for J. Warnasch, BoT president-elect, and R. Bowen, BoT vice-president candidate.

### **Possible Implementation of Actions to Enhance Linkages with Congregation**

Due to time constraints, S. Warshaw requested to move this agenda item to the December meeting.

### **Closing**

**Process Observations** - D. Klibanow noted that there were no major process issues. However, he noted that there were several last minute agenda changes and wondered if instead the agenda could have time built-in for new items.

**Action Items** - B. Nelson listed the action items from the minutes taken: B. Chapman to follow-up regarding the Endowment charter and reporting; T. Belote’s report on the Manse sewer line; A. Wright’s amendments to the Treasurer’s Report [Note: incorporated within these minutes]; S. Warshaw’s pending conversation with C. Cole; and the deferral of the linkage agenda item to the next meeting.

**Closing Words** - D. Klibanow closed the meeting with a reading and T. Belote extinguished the chalice.

**ATTACHMENTS (with separate November Minutes):**

**Board Agenda (proposed, final revised)**

**October 2017 Minutes**

**Minister's Monthly Report**

**Grant Proposal to the Endowment Committee**

**Preschool Lease Amendment**

**Annual Report**

**Expected Maintenance Needs 2018-2030**

**Building Project Financial Plan**

**Building Project Budget & Forecast**

**Memo on Limiting Any New Loan**

**Excerpt from "Governance and Ministry: Rethinking Board Leadership" by D.**

**Hotchkiss BoT Time Analysis Worksheet**

**BoT Annual Objectives, with notes**

**Treasurer's Annual Report**

**December Minister's Report**  
**Rev. Thom Belote**  
**12/12/17**

**Since Last Time (11/14/17)**

- Preached and led worship on November 19 and December 3.
- Invited Rev. Mary Ann Macklin, Senior Minister of the UU Church in Bloomington to be our guest preacher on November 26.
- The worship service on December 10 will be the Christmas Holiday Pageant, led by Glenn Mehrbach.
- Attended the church auction. A great success from a participation and income perspective. Susan & Don Blanchard did a fantastic job and have indicated a willingness to lead again next year.
- Attended social event celebrating the end of the leadership phase of the Capital Campaign.
- Attended dress rehearsal and all three nights of Oliver! Musical. Made uncredited cameo as juggler in act II.
- Attended one session of the "Let's Talk Turkey" program sponsored by Sanctuary for Dialogue.
- Met with the Sanctuary & Refugee Support Ministry.
- Attended the Greening and Chili Supper / Holiday Sing-a-long which is organized by the Worship Ministry.
- Attended Campus Ministry dinner on last day of classes.
- Attended all the standard meetings I attend each month: Worship Ministry, Caring Ministry, Executive Committee, and weekly meetings of the staff. I also met with the leaders of the Capital Campaign / Annual Pledge Drive.
- Accepted an invitation to chair the Religious Affairs Committee of the Chapel Hill/Carrboro NAACP. Am currently working with a group representing diverse faith communities to plan the annual MLK service.
- You can see some of the highlights of the past month on the Community Church In Action page on the church website:  
<http://www.c3huu.org/community-church-in-action.html>

Dear Trustees,

We are writing to request (pursuant to article 7.1 of the Church Bylaws) that the Board call a congregational meeting in February 2018 to hold a congregational vote on becoming a Sanctuary Congregation.

The Sanctuary and Refugee Support Ministry now numbers 32 people, nearly 10% of the membership of the congregation. Earlier this fall we hosted a series of information sessions to engage the congregation in thinking about offering sanctuary. Approximately 80 people took part in these sessions and the response was overwhelmingly positive. In the fall we also hosted multiple screenings of a movie about immigration and sanctuary.

Later in the fall our group has been very active in outreach to other faith communities in the Triangle that have successfully voted to become sanctuary congregations. We have attended numerous meetings held locally at Binkley Baptist and at Church of the Reconciliation in Chapel Hill. Church of the Reconciliation has voted to become a sanctuary church and is currently finishing alterations to their building that will allow them to host someone as early as January. More importantly, after voting to become a sanctuary church they have reached out to other local faith groups and have volunteers pledged from seven other local faith groups.

We have also visited Umstead Park UCC in Raleigh which voted overwhelmingly to become a sanctuary church this fall and currently is offering sanctuary to Eliseo Jimenez. Their sanctuary efforts are being supported by six neighboring congregations and the neighborhood around the church.

We have learned from these connections that the process of becoming a sanctuary church works best when a date for a congregational decision is set in advance. This gets people to pay attention and become involved. An interminable period of discernment with no clear date for making a decision is self-defeating. We have also learned that a significant part of preparing to host a guest is forming relationships with the community and recruiting and training volunteers. We are not able to do that unless we have made the commitment to become a sanctuary congregation. We understand that we are still many months away from being able to complete the sewer project at the Manse, but there is work we can be doing now and a congregational vote is needed for us to continue to make progress.

Holding a congregational meeting in February will support the efforts of our Sanctuary and Refugee Support Ministry. For these reasons we request a congregational meeting in February to vote to become a sanctuary congregation.

Sincerely,

The Sanctuary and Refugee Support Ministry of The Community Church of Chapel Hill, UU  
Terri Brinton  
Ruth Gibson  
Margaret Herring  
Mary Hulett

Polly Johnson  
Salem McKnee  
Paul Mitchell  
Maureen O'Rourke  
Kathy Putnam  
Shannon Richards  
Doug Shier  
Joan Shier

**AMENDED RESOLUTION TO IMPLEMENT THE ENDOWMENT FUND  
JUNE 2014**

WHEREAS, stewardship involves the faithful management of all the gifts we have been given--time, talents, the natural world and money, including accumulated, inherited and appreciated resources; and

WHEREAS, we can support the mission and work of this congregation through transfers of property (cash, stocks, bonds, real estate), charitable bequests in wills, charitable remainder and other trusts, pooled income funds, charitable gift annuities, and assignment of life insurance and retirement plans; and

WHEREAS, it is the desire of the congregation to encourage, receive, and administer these gifts in a manner consistent with the loyalty and devotion expressed by the grantors and in accord with the policies of this congregation:

THEREFORE this congregation, in a special congregational meeting assembled on December 14, 2008, approved and established on the records of the congregation a new and separate fund known as THE COMMUNITY CHURCH OF CHAPEL HILL UNITARIAN UNIVERSALIST ENDOWMENT FUND, (hereafter called the "FUND");

BE IT FURTHER RESOLVED, that the purpose of this FUND is to enhance the mission of The Community Church of Chapel Hill Unitarian Universalist apart from the general operation of the congregation; that only in particular, temporary, difficult circumstances, and where integrity of gift restrictions permit, may this congregation, by action in meeting assembled, use FUND distributions for its own operating or support services;

BE IT FURTHER RESOLVED, that the PRINCIPAL of the FUND is defined as the inflation adjusted value of contributions to the FUND and that this PRINCIPAL shall remain untouched except in special circumstances as approved by a 2/3 majority vote of the members voting at a duly constituted congregational meeting;

BE IT FURTHER RESOLVED, that the Endowment Committee (hereinafter called the "COMMITTEE") is the custodian of the FUND;

BE IT FURTHER RESOLVED, that the following Plan of Operation sets forth the administration and management of the FUND.



## **PLAN OF OPERATION**

### **1. The Endowment Committee**

The Endowment Committee (“COMMITTEE”) shall consist of five (5) members, all of whom shall be voting members of The Community Church of Chapel Hill Unitarian Universalist. Except as herein limited, the term of each member shall be three (3) years.

The congregation shall elect five (5) members of the COMMITTEE. At each annual meeting, the congregation shall elect members to fill any vacancies for a term of three (3) years. No member shall serve more than two consecutive three-year terms. After a lapse of one (1) year, former COMMITTEE members may be re-elected.

The Board of the congregation, or the congregation’s Nominating Committee, shall nominate new members for the COMMITTEE and report at the annual congregational meeting in the same manner as for other offices and committees. In the event of a vacancy on the COMMITTEE, the Board shall appoint a member to fill the vacancy until the next annual meeting of the congregation, at which time the congregation shall elect a member to fulfill the term of the vacancy.

The COMMITTEE shall meet at least quarterly, or more frequently as deemed by it in the best interest of the FUND. A quorum shall consist of three (3) voting members. A majority present and voting shall carry any motion or resolution except any vote to distribute funds from the FUND requires at least three (3) affirmative votes. The COMMITTEE shall elect from its membership a chairperson, financial secretary and recording secretary. The chairperson, or member designated by the chairperson, shall preside at all COMMITTEE meetings. The recording secretary shall maintain complete and accurate minutes of all meetings of the COMMITTEE and supply a copy thereof to each member of the COMMITTEE. The secretary shall also supply a copy of the minutes to the Church Board.

The financial secretary shall assist the congregation’s treasurer in maintaining complete and accurate books of accounts for the FUND and shall submit to the treasurer on behalf of the COMMITTEE written requests for checks payable from the FUND and shall sign all other necessary documents on behalf of the congregation in furtherance of the purposes of the FUND.

The books shall be reviewed annually by in the same manner as the books of the congregation. The COMMITTEE shall report on a quarterly basis to the Board and, at each annual meeting of the congregation, shall provide it a report of the administration of the FUND during the preceding year.

The COMMITTEE may request other members of the congregation to serve as advisory members. In addition the COMMITTEE, at the expense of FUND (taken from the annual distribution amount OR undistributed capital appreciation), may provide for such professional counseling on investments or legal matters as it deems to be in the best interest of the FUND.

Members of the COMMITTEE shall not be liable for any losses which may be incurred upon the investments of the assets of the FUND except to the extent that such losses shall have been caused by bad faith or gross negligence. No member shall be personally liable as long as she or he acts in

good faith and with ordinary prudence. Each member shall be liable only for his/her own willful misconduct or omissions and shall not be liable for the acts or omissions of any other member. No member shall engage in any self dealing or transactions with the FUND in which the member has direct or indirect financial interest and shall at all times refrain from any conduct in which her or his personal interests would conflict with the interest of the FUND. All assets are to be held in the name of The Community Church of Chapel Hill Unitarian Universalist Endowment Fund.

Recommendations to hold, sell, exchange, rent, lease, transfer, convert, invest, reinvest, and in all other respects to manage and control the assets of the FUND, including stocks, bonds, debentures, mortgages, notes, or other securities, as in their judgment and discretion they deem wise and prudent, are to be made by the COMMITTEE, with subsequent execution by the delegated member of the COMMITTEE. The COMMITTEE may establish any governing policies needed to guide its careful and consistent fulfillment of its responsibilities including the acceptance of gifts.

## **2. Distributions**

The COMMITTEE shall manage the FUND and make distributions from FUND in compliance with the Uniform Prudent Management of Institutional Funds (NC Gen. Stat. §§ 36(e-1 to 11)). The COMMITTEE shall abide by and keep a record of the terms and restrictions of all gifts to the FUND.

Unrestricted gifts to the FUND shall accumulate until a fair market value of \$50,000 is achieved, after which annual distributions may commence. Distributions from those amounts earned from the FUND in excess of PRINCIPAL can be made annually by the COMMITTEE. Distributions of PRINCIPAL can be made only upon a two-thirds majority vote of the members voting at a duly constituted congregational meeting.

The COMMITTEE shall establish governing policies regarding the procedures for making distributions. The COMMITTEE is responsible for determining whether to make distributions and the amount of the distribution subject to the terms and restrictions of this resolution. The COMMITTEE's recommendations regarding the amount to be distributed and recipients of the distribution will be presented to the congregation at the annual meeting or by a special congregational vote prior to the distribution date and must be approved by a majority vote. If the distribution is not approved, the amount of the distribution will remain in the FUND.

The COMMITTEE will prepare a yearly budget which will be made available to the congregation. The budget for the operational expenses of the COMMITTEE will be funded from FUND earnings.

## **3. Amending the Resolution**

BE IT FURTHER RESOLVED, that any amendment to this resolution, which will change, alter or amend the purpose for which the FUND is established shall be adopted by a two-thirds vote of the members present at an annual meeting or a special meeting called at least in part for the purpose of amending this resolution.

**4. Disposition or Transfer of FUND**

BE IT FURTHER RESOLVED that in the event that The Community Church of Chapel Hill Unitarian Universalist ceases to exist either through merger or dissolution, disposition or transfer of the FUND shall be at the discretion of the Board of Trustees in conformity with the approved congregational bylaws and in consultation with the Unitarian Universalist Association.

**ADOPTION OF AMENDED RESOLUTION**

This amended resolution, recommended by the Endowment Committee and accepted by the congregation at a legally called congregational meeting, is hereby adopted.

By \_\_\_\_\_  
President, Community Church of Chapel Hill Unitarian Universalist Board of Trustees

and \_\_\_\_\_ Secretary.

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_\_\_