

The following are highlights from the 05/12/2025 Governing Board meeting:

- **Call to order – Frances**
- **Devotional – Christy**

Members Attending:

Frances Bryniarski (Vice Chair), Jonathan Carroll-Nellenback, Wendy Featherstone, Christy Leshner (Secretary), Tim Mahan, Peter Owh, Dawn Riedy (Treasurer), Rev. Dr. Michelle Bogue-Trost (Sr. Minister)

Absent:

Chuck Hanrahan (Chair), David Strong (Church Administrator)

Guests:

Patrick Fulford (Investment Committee Chair), Bob Schuman (Investment Committee member)

Reviewed / Approved Consent Agenda

- Review/Approval of Governing Board Minutes of Mar 10, 2025
- Review/Approval of PPRC Meeting Minutes of Apr 7, 2025 *Confidential*
- Review/Approval of Finance Meeting Minutes of Feb 24, 2025
- Review/Approval of Finance Meeting Minutes of Apr 7, 2025
- Review/Approval of Property Stewardship Committee Meeting minutes of Mar 12, 2025
- Review/Approval of Sr Minister's Report of Apr 2025

Announcements – Frances

- Immigration Agency Interaction Policy – all GB members received a copy of the Immigration Agency Interactions Policy for review. Board members all acknowledged receipt and understanding of the new policy. No questions followed.
- Welcome Desk shifts – a reminder for folks on the Governing Board to sign up for open shifts for the welcome desk duties. Not all members have the link, so Christy agreed to share the link to the Google Sheet.
- Executive Session – a portion of the meeting to be conducted in executive session once the board hears from the Investment Committee's on the matter of bequests.

Retirement of David Strong – Frances

We, as a board, acknowledge the unwavering support, expertise, and skill that David has given to the church as its administrator and assistant organist. At David's request we will not have a reception, but Michelle will announce and acknowledge his retirement in an upcoming service. Board members and congregants are invited to send him a personal note of gratitude upon his retirement.

Investment Committee's Counsel Regarding Bequests – Patrick (IC Chair)

Patrick read remarks he had prepared for the Governing Board meeting on the matter of two recent bequests: Petherbridge and Fraser. A portion of the notes as they pertain to these two bequests and the IC's counsel follows:

We are here to discuss two sizable bequests - from David Petherbridge for \$156K and from Jeff Fraser for approximately \$200,000.

\$78,000 of the Petherbridge bequest needs to be moved into the General Endowment consistent with his written directions.

The other half is awaiting a decision from the GB. In his written direction on the bequest, David said that the other fifty percent "shall be used for capital improvements with the emphasis designed to make the Church property more handicapped accessible."

The IC requests that these funds be moved to the Restricted Fund and be placed in the newly created Property Stewardship Fund. We would make a 4.5% distribution or \$7K annually for the PSC to manage, consistent with David's wishes. Clearly, these funds would enable many accessibility projects each year, into perpetuity.

The fact that David specifies Capital projects is clear direction that he is thinking endowment funds vs AOP for the location of these monies.

The second bequest under consideration is from Jeff Fraser of approximately \$200,000 with \$165,000 sitting in our checking account today. His bequest noted that these funds would be used for instrumental music.

We understand that \$30,000 of the Fraser bequest is included in the 2025 AOP to give our new senior minister time, in her first year, to work through longer term solutions to our budget issues. While we do not fully agree with that action, we can support the decision trusting it is not precedent setting.

We do believe, however, the remainder of the Fraser funds should be moved into the Restricted Fund and it be named the Fraser Fund for Instrumental Music. With a 4.5% distribution, this gift would enable a \$9K annual expenditure in perpetuity to enable instrumental music at our church services under the direction of the music committee. This would be a wonderful growth in this area as Jeff wished it to be.

The following is a summary of the open-meeting Board discussion that followed Patrick and Bob's remarks:

The Board agreed to decide on two specific bequest requests now, while broader investment and endowment policies should be addressed by the Financial Sustainability

Task Force. Key points included clarifying donor intentions for bequests, ensuring consistent documentation, and balancing short-term budget needs with long-term sustainability. There was consensus that exceptions for larger withdrawals can occur, but should avoid setting a precedent that undermines endowment integrity. Overall, the conversation emphasized transparency with donors and safeguarding the church's financial future.

At this time, Patrick and Bob departed from the meeting and the Governing Board entered Executive Session. Discussion continued about the recommendations of the IC and the board's path forward until the following motions were brought forward.

Motion 1: Direct John Ormsbee to place half of the Petherbridge Bequest in the General Endowment, consistent with written directions, and move the remaining half (\$78,000) to the Restricted Fund and place in the newly created Property Stewardship Fund.

Outcome: Passed by vote of the Board.

Motion 2: Direct the Investment Committee to create a Fraser Instrumental Music Endowment Fund, that the Fraser Bequest be transferred into that fund, and that the disbursements be in line with the 2015 policy to restrict corpus.

Outcome: Passed by vote of the Board.

Upcoming Town Hall – Frances

Our next Town Hall will be on June 22 after the 11 AM service. The Board agreed Dawn and Tim will share the work of presenting the news about the 2025 budget update. Discussion ensued about the agenda and messaging for the Town Hall – all of which will be finalized at the June Governing Board meeting.

Dawn shared reforecast General and COC Budgets with the Governing Board in advance of the meeting. These budget reforecasts were prompted by the Finances Committee's review of first quarter income and expenses. No one had specific questions about the reforecast budget numbers. Dawn discussed the reasons for decreased General Budget Income – total pledges below budgeted target, anticipated pledge fulfilment of 97%, and learning that we are not able to use the Petherbridge Bequest for general church operations. She then explained the main driver for increased expenses – affecting both the General and COC Budgets – is higher than budgeted non-personnel Facilities & Custodial expenses. Throughout this discussion Dawn emphasized that this budget shortfall has occurred despite everyone's best efforts, and the unexpected, high first quarter Facilities & Custodial expenses for uncovered maintenance and repairs (to repair a boiler failure in the Education Wing) were just that, unexpected. Decisions about urgent spending for repairs were all appropriate; unfortunately, the budget line for uncovered maintenance and repairs was very low. David Strong and John Ormsbee pulled together a team to do a comprehensive Facilities & Custodial reforecast, and this effort is

reflected in both the General and COC budget reforecast. The Finance Committee is also working on a way to strengthen the budgeting process in this area.

The Finance Committee is working with the Financial Sustainability Task Force to develop a plan to resolve the General Budget deficit (\$243,000). This plan will include a combination of expense reductions, second ask giving, and perhaps some use of endowment funds. The Task Force has asked the Finance Committee to send a memo to all Committees and Work Areas requesting expense reductions, and this memo will be distributed shortly after the Finance Committee meeting on 5/19. The Outreach Committee will be asked to resolve the COC Budget deficit (\$18,500).

Church Administrator Search – Pastor Michelle

A search committee will be formed for David Strong's replacement. It will be made up of Michelle and other members, including representation from the PPRC and the GB. As he is the responsible staff liaison for half of the committees at the church and head of the lay staff, it is not realistic that we could delay long on filling this position or asking any other staff to take on part of his responsibilities.

Representation from the GB on the search committee will be: Chuck, Tim, and Christy.

Discussion of Charters – Dawn

It would be helpful to have committee charters, if know what is in and out of scope for each committee, posted to the church website along with the meeting minutes. Dawn will post the Finance Committee charter with the minutes as a start. Some of the committee minutes are out of date on the website, and Christy will share links to the website for committee liaisons can see where the gap is and provide current minutes.

New Business – All

None

Closing / Adjournment

- Meeting adjourned at: 7:02 PM
- GB Meeting: June 9, 2025 at 5 PM (Red Room)
- Church Conference: June 22, 2025 after 11 AM service (Sanctuary, Live Stream)

Respectfully submitted,
Christy Leshner