

## **Governing Board Meeting Minutes 26 - 27 July 2018**

Attended: Rev. Elder Rachelle Brown, Rev. Victoria Burson, Rev. Joe Cobb, Rev. Miak Siew, Dr. David Williams. Staff: Jack Hutter, Barb Crabtree

Quorum was established.

After a brief check-in, the meeting was opened with prayer by Rev. Rachelle.

### **Consent Agenda:**

2018 04-27 thru 04-29 GB F2F Meeting Minutes  
2018 05-24 GB Meeting Minutes  
2018 06-28 GB Meeting Minutes  
2018 07-09 GB Meeting Minutes  
2018 July – Moderator’s Report  
2018 June Financial Reports

The July Moderator’s Report was not available at this time. The Financial Reports were moved to the Discussion Agenda.

**Motion to accept the meeting minutes from the Consent Agenda was made by Rev, Joe Cobb**

**Motion seconded by Dr. David Williams**

**Aye: All members present**

**No: None**

**Abstain: None**

**Motion Carries**

### **Discussion Agenda:**

#### Financial Reports:

Barb Crabtree reviewed the June Financial Reports with the Governing Board. She discussed that there was a net loss of \$23,000 for June and \$226,000 year-to-date which was all because of salaries which are the biggest expense and creating the deficit. The Finance Committee has agreed that some significant cuts need to be made and that repayment of designated funds needs to be done.

There are some issues that show up on the Balance Sheet report because MCCIC (Canada) has not been able to provide reports for many months to match to the cash assessment payments they have transferred into UFMCC accounts in the United States.

The Board needs to keep an eye on the Morgan Stanley investment account. The last transaction from that account was \$85,000 transferred in April to be used for payroll and other expenses and contractual obligations.

There was a question about General Conference monies. It shows as deferred income during 2018. In 2019, the deferred income will be booked to the P&L so that the timing will align and we will not have a situation with most of the income in 2018 and most of the expense in 2019.

Barb noted that we have two primary accounts at Bank of America: one is used as a checking account and the other as a savings account. The monies in the savings account do not have checks written out of it. Expenses to be paid from designated funds in that account get transferred into the checking account so that checks can be written. She explained the difference between the two accounts and how the monies are processed. The trouble occurred when a gap in cashflow began in 2017.

At the April face to face meeting, the Governing Board approved the transfer of \$85,000 to pay urgent expenses due during early May. At the current time, the amount to be paid back is \$113,000.

General Conference is not a designated fund in the same way that other accounts are. However, registration monies received have been set aside to pay for meetings and other expenses necessary in the planning for General Conference next year and also to ensure that funds are available to pay the expenses of the conference itself.

The Governors inquired about the funds for the Academy of Spiritual Formation. There was \$10,000 which was donated to seed the Academy for Spiritual Formation which was required to secure a \$50,000 Carpenter Grant, bringing the total start-up funding for that project to \$60,000 of which \$40,000 has been used to date to pay for appropriate project expenses. In June 2017 it had \$21,000 remaining and in June 2018 there was roughly \$1. We need to pay back \$20,000. This is the first priority to repay and it will be based on cashflow. This is the only instance where cash came from outside the network of MCC donors and supporters. It was suggested that it would be helpful to spell out the process of designated funds management in layman's terms, which Barb was asked to do.

**A motion to accept the June 2018 Financial Reports was made by Dr. David Williams. The motion was seconded by Rev. Elder Rachelle Brown.**

**Aye: All members present**

**No: None**

**Motion carries.**

Resignations:

There was discussion of the resignations of Angel Collie and Rev. Jakob Hero-Shaw.

**A motion to accept the resignation of Angel Collie was made by Rev. Victoria Burson. The motion was seconded by Rev. Miak Siew**

**Aye: All present**

**No: None**

**Motion carries.**

**A motion to accept the resignation of Rev. Jakob Hero-Shaw was made by Rev. Victoria Burson. The motion was seconded by Rev. Miak Siew.**

**Aye: All present**

**No: None**

**Motion carries.**

Process and Timeline for Replacing Board Members:

There is a vacancy of one clergy and three laity on the Governing Board due to resignations. The Board can appoint candidates after an executive search and interviews. This was a good process that was previously used. The Board discussed potential names from the LEAD program, and the necessity to match skills with areas of greatest leadership need on the Board.

The meeting went into an Executive Session at 7:30 pm EDT.

Executive Session was closed at 7:56 pm EDT, and the meeting was recessed until 3:00 pm EDT on 27 July 2018.

The Governing Board reconvened on 27 July 2018 at 3:00 pm EDT.

Present: Rev. Elder Rachelle Brown, Rev. Victoria Burson, Rev. Joe Cobb, Rev. Miak Siew and Dr. David Williams. Staff present: Jack Hutter, Barbara Crabtree

Quorum established.

Joe needs to be added on the Bank of America as a check signer. Meeting minutes approving this along with a letter to Bank of America are needed.

**A motion was made by Rev. Elder Rachelle Brown to add Joseph L. Cobb as a signator to the Bank of America accounts, along with a letter confirming the continuation of Victoria Burson and David Williams as signators. The motion was seconded by Rev. Miak Siew.**

**Ayes: All present**

**No: None**

**Motion carries.**

Signature Stamps for all the check signers will need to be procured.

A discussion was held regarding communicating to the larger body of MCC. We agreed that a letter outlining direction on our current and projected financial picture is important. Miak and Joe are working on a letter to be released very soon. The communication needs to include some very clear statements about finances and the steps that are going to be implemented to address the financial issues. Communicating to staff about who will be losing their positions needs to be done also. Rachelle will

finish one-on-one conversations with every member of staff by this evening. There is also an All Staff meeting scheduled for Monday, 30 July to discuss the changes.

The Board then had general discussion on ways to more fully communicate our current realities including financial updates, announcement of recent resignations and Governing Board appointment process and the scheduling of a Webinar to assist in these efforts. We also discussed the scheduling of the Special General Conference, in collaboration with the Assessments Commission, to review the timeline and voting process.

The meeting went into Executive Session at 4:16 pm EDT and came out of Executive Session at 4:42 pm EDT.

**A motion was made by Rev. Rachelle Brown to elect Rev. Miak Siew as Vice Chair for the Governing Board. The motion was seconded by Rev. Victoria Burson.**

**Ayes: All present**

**No: none**

**Motion carries.**

**A motion was made by Rev. Joe Cobb to accept a reduction in budget expenses of \$450,000 from staff costs effective August 1. The motion was seconded by Rev. Victoria Burson. Rev. Rachelle Brown recused herself from the vote.**

**Ayes: 4**

**No: none**

**Motion carries.**

The meeting was adjourned at 4:50 pm EDT.