

Governing Board Meeting Minutes
27 September 2018
6:00 pm EDT

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

Quorum was established.

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

Consent Agenda:

- 2018 07-26 GB Meeting Minutes
- 201808-01 & 02 GB Meeting Minutes Virtual Vote
- 2018 08-04 thru 06 GB Meeting Minutes Virtual Vote
- 2018 08-23 GB Meeting Minutes
- 2018 July Financial Reports
- 2018 August Financial Reports
- 2018 August Moderator's Report
- 2018 September Moderator's Report

There was a brief discussion of some of the composite headings and report areas in the Moderator's Report. Rachelle explained that the wording matches her original job description. She is keeping the format of the report consistent from month to month.

David offered a brief summary review of the financial reports.

A motion to accept the Consent Agenda was made by Rev. Joe Cobb. The motion was seconded by Rev. Victoria Burson

Aye: All members present

No: None

Motion carries.

Discussion Agenda:

Board of Pensions MOU Approval: The MOU with the Board of Pensions was presented for adoption. The MOU clarifies the roles of staff, use of funds sent to UFMCC, and the accountability between both bodies.

A motion to approve the BOP MOU as presented was made by Rev. Elder Rachelle Brown. The motion was seconded by Dr. David Williams

Aye: All members present

No: None
Motion carries.

UFMCC and MCC Church of the Trinity Office Space MOU approval – sent today for signature.

A motion to approve the MCC Church of the Trinity MOU as presented was made by Rev. Elder Rachelle Brown. The motion was seconded by Rev. Victoria Burson.
Aye: All members present
No: None
Motion carries.

Lily Foundation \$418,000 Grant Granted to UFMCC:

Governors celebrated and acknowledged receipt of a Lilly Foundation Grant through the Office of Formation and Leadership Development for a new leadership mentoring program.

Special General Conference Motion regarding Assessments Report and Recommendations:

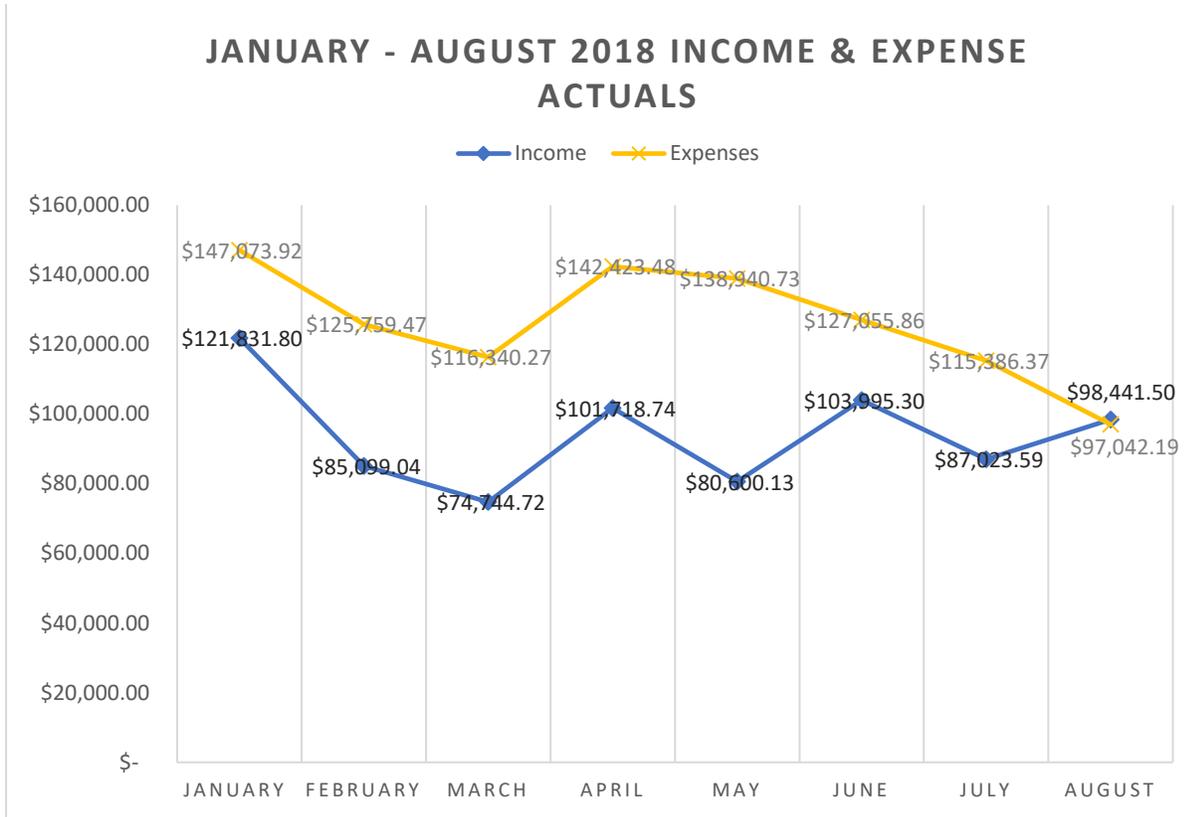
There was discussion and affirmation of the Special General Conference Motion based on the General Conference survey: "The General Conference adopt a 10% Assessment rate for Affiliated Churches, with current deductions remaining intact."

The Governing Board will prepare for the Special General Conference Business Forum to be held on October 22, 2018, with information reviewing history and current process of assessments, current and potential impact of assessment rate, and motion for the Virtual General Conference Vote on November 7, 2018 (with a 48-hour window for voting).

The Governors expressed appreciation for the work of the Assessment Commission and completion of their report.

A motion for the General Conference to adopt a 10% Assessment rate for Affiliated Churches, with current deductions remaining intact was moved by Rev. Elder Rachelle Brown. The motion was seconded by Rev. Victoria Burson.
Aye: All members present
No: None
Motion carries.

2018 Financial Review:



Cash Flow

September update: David Williams noted that expenses are greater than income due primarily to pre-determined financial obligations including final PTO payouts from staff reductions earlier in the year.

UFMCC Bank account Cash on hand: \$22,700. Expecting \$2,000 by Oct 1.

Morgan Stanley Cash on hand: \$30,789, Investment in a mutual fund: \$30,357 (can be sold at any time): Total account market value: \$61,147

David reported that we are expecting \$270K in income by year-end, based on current income realities and firm projections. This doesn't include any additional development activity. We have begun repaying designated funds at a manageable rate. However, because September expenses are greater than income, there was discussion about drawing down the cash on hand from the Morgan Stanley account in order to fully meet September expenses and prepare us for positive cash flow in October and beyond. The Board as a whole was very reluctant to do this, with Governors Burson and Cobb noting their expressed resistance, but all saw the necessity of doing so. All agreed that when the full board is in place, it will be critical to re-establish the Development Committee to grow our cash flow base and continue repayment of designated and investment funds.

Source	October	November	December	Total
Clergy License Renewal	\$ 7,000.00	\$ 20,000.00	\$ 5,000.00	\$ 32,000.00
Assessments	\$ 63,000.00	\$ 68,000.00	\$ 73,000.00	\$ 204,000.00
Anniversary Sunday		\$ 10,000.00		\$ 10,000.00
Moderator's Circle (Dec EOY giving)	\$ 7,000.00	\$ 7,000.00	\$ 10,000.00	\$ 24,000.00
Totals	\$ 77,000.00	\$ 105,000.00	\$ 88,000.00	\$ 270,000.00

The 2018 Budget has been adjusted, and at the moment there is a deficit at year-end. This is primarily due to issues in the first half of the year. Currently projecting to end in the red by \$260K.

A motion to draw down the liquid cash of \$30,780 from the Morgan Stanley account and transfer it to the General Fund was made by Dr. David Williams. The motion was seconded by Rev. Joe Cobb.

Aye: All members present.

No: None

Motion carries.

Currently only the Moderator (and formerly the Director of Operations) is listed on the Morgan Stanley account. There was discussion about adding the Treasurer for appropriate checks and balances.

A motion to add the Governing Board Treasurer to the Morgan Stanley account was made by Rev. Elder Rachelle Brown. The motion was seconded by Rev. Victoria Burson.

Aye: Rev. Elder Rachelle Brown, Rev. Victoria Burson, Rev. Joe Cobb, Rev. Miak Siew

No: None

Dr. David Williams recused himself from the vote.

Motion carries.

Brief discussion was held regarding moving Governing Board earlier in the month, especially considering financial matters. It was agreed to consider this once new board members have been appointed.

Budget planning meetings will be set up with the General Conference team and Moderator Nominating Committee for consideration in the 2019 budget.

Proposed Administrative Costs

David Williams, along with the Finance Committee, are recommending that, for all funds managed by UFMCC there will be a 5% - 10% admin overhead that covers UFMCC costs (accounting services), included in budgeting.

Networks have an opportunity to manage their funds using a host church as a treasury clearing house. The network will submit an annual financial report which will be subjected to an audit. Each network should submit a plan for risk management and mitigation UFMCC will be the fiscal agent for all funds that impact our churches globally. This will be done with the proposed admin fee charged.

Going forward an admin fee needs to be part of grant request. Pass through funds – the cost to administer these will incur a fee. Donors need to be advised of this. If UFMCC manages funds for Networks, an administrative fee would need to be charged as well.

Development Committee Update –

50th Anniversary Sunday offering campaign is underway. We are encouraging churches to participate in the mostly U.S.-based “Giving Tuesday” at the end of November to benefit their local church. This is not a UFMCC-specific campaign, but may benefit local churches and improve assessments income.

Executive Session:

The Governing Board went into an Executive Session at 8:25 pm to regarding Governing Board Appointments for open positions. Executive Session ended at 8:35 pm.

The Governors agreed to reconvene on October 5, 10:00 am EDT to complete the Governing Board appointment process.

Meeting was closed in prayer by Dr. David Williams

Respectfully submitted,

Rev. Joe Cobb, Clerk