

First Unitarian Church
Agenda Board Meeting January 7, 2026 6 – 9 pm

Board (only) Deepening 6:00-7:00 pm

Board Meeting – 7:00-9:00 pm

Join Zoom Meeting:

<https://us02web.zoom.us/j/82930223125?pwd=TDdrckx1T0lSTG1KT3BFWGx5MmQyZz09>

Meeting ID: 829 3022 3125

Passcode: 398649

Pre-Board Meeting:

6:15-7:00 Mission as part of Strategic Planning, led by Rev. Alison

(BLT organizes February's time)

Board Convenes

7:00 Opening: Reading, Chalice Lighting, Read Covenant (below)

Determine quorum, identify process evaluator, accept agenda

7:10 Introduction and Congregant Comment Time (Roger reads introduction, if necessary)

7:20 Acceptance of December minutes

7:22 Review of Board Goals for 2025-2026 (see below)

7:25 Committee & Task Force Presentations:

Finance?

Governance: Annual Report/Evaluation of the Ministries, Harriet

Communications?

BLT?

Administration Transition Task Force, Roger & Rev. Alison

- 7:35 Foundation Board Presentation
- 7:45 Executive Team Updates
- 8:00 Budget Priorities
- 8:20 Discussion of the PBG documents provided and process for moving ahead (from the BOC meeting minutes):

Board discussion of the three documents on Policy-Based Governance that Kathryn handed out at the November Board meeting. Notes from this discussion would then go to the Governance committee to have a general discussion comparing our by-laws and policies with what has come out of the board discussion. Then a Task Force might be set that will include at least one Gov Comm member, one ET member, and those from the congregation who have PBG experience, or at least non-profit (or ideally church) governance experience to recommend where we go from there.

Rev. Alison suggested having an expert like David Pyle or Dan Hotchkiss talk with our Board and ET, perhaps in a couple of sessions outside of Board meeting time. (Some of Dan's work is online to watch.)

- 8:45 Process Evaluation
- 8:50 Closing Reading
- 8:55 Adjournment

BOARD COVENANT

We covenant to:

1. Uphold the spiritual nature of our work by regularly engaging in spiritual deepening.
2. Demonstrate our leadership and commitment to the church by our example.
3. Listen with an open, nonjudgmental mind and heart.
4. Treat our time on the board as an opportunity to make an important gift to our church.
5. Communicate openly and appreciate others enthusiastically.
6. Practice respect and care for each other.
7. Work toward repair when harm is done.
8. Act for the good of the church and the community.
9. Acknowledge and understand the true history of the church we inherit, and together build a future that embodies our Unitarian Universalist values.
10. Cultivate relationships within the congregation.
11. Discuss and disagree with curiosity, expressing ourselves as clearly, honestly, and lovingly as possible to further the goal of building understanding.
12. Speak openly with the congregation, respecting the confidentiality of board conversations

We pledge to observe these promises, to do our best to trust that others are also observing them, and to be forgiving when we inevitably make mistakes. We accept the accountability implied in these promises.

Process Evaluation Guidelines

- Everyone has a chance to contribute to the conversation in a timely manner, without prejudice.
- We keep an open mind and open heart to new ideas.
- We acknowledge when harm is done and offer an appropriate response.
- As elected representatives, we act in the best interest of the congregation.

Congregant Comment Period Introduction

We hold this time in our meeting to hear the joys and concerns, the hopes, the dreams, and opinions of our congregants as they relate to our church and our actions. We have just read our covenant and want to remind speakers that we are all here together in covenant. Among the things we hold at First Unitarian Church is the inherent worth and dignity of all people.

Keeping this in mind, we would love to hear from you.

Board goals for 2025-2026 year.

Approved 10/8/2025

Strengthen trust within our community with better communications.

Lead: Communications Committee

Strengthen our affirmation and promotion of the 8th Principle.

Lead: Board Liberation Team Committee

Assist the Executive Team to launch and lead a strategic planning process that will build sustainability for the church's future.

Lead: Strategic Planning Task Force

Review and update our governance policies and practices to match our current and future realities and needs.

Lead: Governance Committee

Attend to the Board's fiduciary responsibilities for finances and building maintenance.

Lead: Finance Committee

First Unitarian Church of Portland Board of Trustees Meeting Minutes
Wednesday, December 3, 2025

Board Attendees: Leslie Pohl-Kosbau, Julia Griffiths, Roger Tobin, Linda Craig, Roger Robinson, Saranna Weller-Filz, Harriet Shaklee, Bob Bonner, David Livermore.

ET Attendees: Alison Miller, Tom Disrud, Kathryn Estey.

Board/ET members absent: None.

Non-board/ET attendees: Scott Eliasoff (nominating committee), Josh Reckord (online)

Board roles: Process Observer – Linda

7:05 pm Chalice Lighting/Reading

Saranna read Santa is Real by Mary Anne Redmacher

Read Board Covenant

Quorum determination

- A quorum of the board is present

Review Agenda

- There were no changes to the agenda

Congregant Comment Period

- There were no congregant comments

Consent Agenda

- The consent agenda included
 - November board meeting minutes
 - Approval of Jennifer Springsteen's ordination at First Unitarian Church on June 13th.
- There was a question about the budget for Jennifer's ordination.
- Leslie moved to accept the consent agenda, Bob seconded. The consent agenda was approved without changes.

Board Committee Reports

- Communications committee by Julia

- The committee proposes to have our upcoming forums on the second Sunday of the month because there is already childcare on these Sundays. There was agreement to have February, March and April Board forums on the following Sundays—February 8th, March 8th, April 12th, and the annual forum on May 17th.
- Governance committee report from Linda
 - Teri Martin and Lauren McNeil are the cochairs of the new committee on right relations
- Finance committee report from Bob
 - The finance committee approved a roof maintenance contract.

7:18 pm Executive Team Report

From Alison

- The AFD is \$1,221,690.45. We also received \$4,883 in online donations and cash on Celebration Sunday. There is presently a \$247,000 gap. Tomorrow, we have a meeting to reflect on whether we will consider a match. There is a desire to get close to the \$1,475,000 goal. We are also still thinking about the onboarding/pledging journey for new members. There is still work to be done.
- We have heard back on the disallowed ERTC money. After we heard that some of the ERTC money was disallowed, we submitted appeal paperwork. We just heard that the appeal was approved, and we received an additional \$171,317.43. We are reflecting on how we can use the ERTC money sustainably. We have now received a total of ~\$500k in ERTC money.
- Kamal Sunuwar, our lead sexton, is going to retire on December 23rd. There will be a celebration of Kamal on December 21st after the Sunday service.
- The auction is coming up in the spring. We are currently deciding where the money raised by the auction will be spent.
- The music director position has been posted. Garrett's input is that if the new music director is not a keyboardist, then the music director is not necessarily a FT position.
- The SWOT analysis is moving through different program groups, staff, etc. Once the SWOT analysis is completed, we will move toward Mission and 5-year Vision work.
- From Tom. To heat the Channing room, you have to heat both sanctuaries. This is costly and has a huge environmental impact. In the future, we may ask groups not to meet in the Channing room during the heating season to help the church budget and the environment.

Questions

- What do we know about pledges that have not been fulfilled? There is a lot of learning and evaluation still to be done. There are about 200 sustainers that we have not heard from yet. Every year there are people who forget they are sustainers, and there are also some sustainers who leave the church.
- What is the auction money being considered for? There are many needs right now. We need ~\$85k for the HVAC system and ~\$40k for the roof. The finance committee, the Board, and the auction team will be conferring and determining where the money will be best spent.
- What is happening with the needle exchange task force? Alison, Roger R, Chris Tanner, Bob Bonner, and Jenn Thomas (staff member) are on the task force. A meeting is scheduled for the week of December 8th. We are evaluating renewal of Outside In's contract. About 3 years ago, Outside In changed their support model. We will be having conversations around Outside In's current model. We are also mindful about communicating with our neighbors.
- 175 people gathered today at the ICE facility in witness and protest. Three churches participated—First Unitarian, Havurah Shalom, and First United Methodist church. The protest was hosted by Together Labs. Probably 100 of the 175 people attending were from First Unitarian. During the time of witnessing, there was a bus load of people that left the facility likely headed to the Tacoma ICE facility. These protests will be regularly held twice a month with different congregations acting as hosts each time.

Meeting Wrap-up

- Process Observations by Linda. Linda felt that signing thank you cards during the meeting inhibited conversation. Linda did not observe any signs of harm. No one felt different.

7:52 pm meeting adjourned.

Minutes by David Livermore, secretary of the board.

MINUTES

First Unitarian Church; Governance Committee DEC 12; 4:00 – 5:30 pm via Zoom

Attending: Committee --Roger Tobin, Harriet Shaklee, Leslie Pohl-Kosbau, David Livermore, Linda Craig, Rev. Alison Miller; Roger Robinson, Bob Bonner.

Goals for this meeting:

Move along with assigned tasks from workplan: a) Next steps Policy-based governance; b) Blueprint for Annual Report/Evaluation; c) Discuss draft on how to Petition for a Meeting; d) set January work tasks. (See task list at end of Minutes.)

1. Welcome and chalice lighting. Opening words, Harriet; check-in, your favorite thing in this season.
2. Identify note taker—Leslie volunteered.
3. Policy-based governance. Roger R proposed the following next steps:
Use 6:15 – 7:00 at the January 7 Board meeting for Board discussion of the three documents on Policy-Based Governance that Leslie handed out at the November Board meeting. Notes from this discussion would then go to the Governance committee to have a general discussion comparing our by-laws and policies with what has come out of the board discussion. Then a Task Force might be set that will include at least one Gov Comm member, one ET member, and those from the congregation who have PBG experience, or at least non-profit (or ideally church) governance experience to recommend where we go from there.

Rev. Alison suggested having an expert like David Pyle or Dan Hotchkiss talk with our Board and ET, perhaps in a couple of sessions outside of Board meeting time. (Some of Dan's work is on line to watch.)

We could use the Board discussion on Jan. 7 to frame some questions for the expert.

Follow-up. 1. Rev Alison will check with experts about their availability to do this kind of training with us. 2. Roger R. will set the Jan 7 agenda at the pre-Board meeting time for discussion on Kathryn's documents, and he will see that these documents are sent again to Board members before the meeting.

4. Blueprint for Annual Report/Evaluation of the Ministry. Harriet suggested a plan for Evaluation of the Ministries as it is outlined in the church's Bylaws.

(Article III, Section 5. The Board, the Senior Minister and the Executive Team shall annually conduct a joint evaluation of the ministry of the church in reference to the church's mission and the Ends Policies enacted by the Board. Responsibility for ensuring that this evaluation occurs rests with the Board.)

She suggested that Rev. Alison should, in her reports monthly meetings of the Board, speak to events related to Ends Policies and Church and Board goals.

We talked about Ends Policies, which are listed in the Governing Policies right after Mission, Church goals, which were set by Board action with congregational involvement about five years ago but have not been updated, and Board goals which were set this fall by Board action for the current year.

The Bylaws specify that the annual evaluation is to relate to the Mission and the Ends Policies. New church goals can come from the Strategic Planning Process.

Decision: We named Harriet to serve as liaison to the ET for purposes of hearing and recording the monthly report on Ends Policies.

There was confusion in the 2024-2025 church year about work on the Annual Report vs. the Evaluation of the Ministries. We agreed that these two documents are separate. We will talk about the Annual Report with the Communications Committee. It is not a task of Governance. Leslie feels strongly that an Annual Report should be done each year. Having a plan for this which is not too onerous will be necessary. (Leslie to work with Communications Committee on this?)

Bob sees potential for a survey of the congregation which would solicit opinions on the SWOT analysis that Board participated in in November. The Strategic Planning process needs to decide what groups we want to hear from via SWOT analysis, and Rev Alison says a broader survey of the congregation could follow gathering information from these groups. Right now, the SP committee is just the ET and Josh Reckord, but Rev. Alison says it will be expanded in the coming year.

5. Review of Conflict of Interest and Compensation Policies. We are gathering the information policies called for on Conflict of Interest, but we are not doing the work suggested on compensation for Insiders. David will report next month.
6. Policy on how to petition for a meeting: Roger T led discussion on his next draft of the Petition Policy. Extensive discussion followed on the percentages of voting members

required per the Bylaws for a) Signing a petition to call a special meeting (10% of voting members; 15% if purpose is to dismiss a minister; quorum for the special meeting (15% of voting members except 30% for calling or dismissing a minister). We decided to refer to other churches and UUA guidance to help with these decisions. General feeling is that these numbers are too low and should be revised.

Roger T will take discussion and any guidance found into consideration and come up with a new draft with recommendations. Everyone should reread the document and offer suggestions. Roger T and David will get together to come up with a recommended draft for the February Gov Comm meeting.

Rev. Alison to send a link to UUA suggestions for Bylaws.

7. Progress on other tasks:

- A) John Bishop's Exit Interview. Communications Committee will report to the Board.
- B) Right Relations Policy. Task force (Leslie, Linda, Kathy) will meet on January 6 bring a progress report to the Jan 9 Gov Comm meeting.
- C) Administrative Competencies. Roger R reported the Task force is underway to hire a consultant.
- D) Congregant Use of Membership Data. David to give report on current use and recommendations to Jan 9 Gov Comm meeting.
- E) Financial Policies. Bob has collected citations where financial policies are mentioned. These to be discussed with Task force of Bob, Linda, Jo Ann Foor, and Ed McClaran.

8. Closing words, Harriet. Adjourn 5:30

Notes: Leslie and Linda

January 9 agenda—4:00 – 5:30 pm:

- Policy-based governance report from Jan 7 Board meeting.
 - Evaluation of ministries. Updates. Harriet.
 - Conflict of Interest and Compensation Policies. Recommended action: David
 - Congregant Use of Membership Data. Report and next steps. David
 - Brief updates on Right Relations Policies, Administrative Competencies, Financial Policies, Petition to call a meeting.
9. Closing words. Harriet
Adjourn 5:30 pm

Present: Saranna Weller-Filz, David Livermore, Julia Griffiths

Reading

Check-in

Board Liberation Team

1. Still haven't heard from the Transformation Team.
 - a. TT said last month they need 6 hours with the Board.
 - b. Saranna asked for details on how to schedule that. Hasn't received response.
2. Saranna to put together an activity for the board to do during the 6-7 pm hour of the board meeting that focus on race, perhaps based on Beloved Conversations materials.
3. Finding a time in February to get all the groups together who address the 8th principle to chat about next steps and working in collaboration with the board.
 - a. SWOC workshop.
 - b. Zoom or on Sunday.
 - c. Propose at January board meeting.
4. Next year's holiday party for the board.
 - a. Can we arrange tables so we can really sit together, not U-shaped?
 - b. Maybe do all the social time together instead of having the meeting in the middle of it.

Communications Team

1. Website review.
 - a. Board & Gov FAQs – need to review each question/answer. Do we want to add anything? We'll each review page before next meeting where we'll decide on updates.
 - b. Board Meeting Packets – needs to be re-organized. Maybe only show current year? Create archive plan at January meeting.
 - c. Bylaws and Policies – what's happening with Safe Church Policy with introduction of Right Relations? Need to add link to Right Relations? David to report on Governance Committee work.
 - d. Goals and Vision Statement – remove old Board goals. Add intro copy that we're working toward new church goals. Until then, here's our more recent list of goals. Link to current mission and vision page. Maybe link to an opportunity to

be part of mission and vision work. If we don't have a page about that, add text to Board page about what we've done and next steps. Julia to email Alison & Josh re: how to talk about Mission/Vision work in progress.

- e. Governance Committee page
 - i. Remove committee membership
 - ii. Add text from bylaws/policies that say what the committees do.
 - iii. Add link to email board@ for more information.
 - f. Finance Committee page
 - i. Delete last sentence "additional information available..."
 - g. Communications Committee page
 - i. Remove survey section and links, add links from Annual Meeting and Reports page. Create Archive plan at January committee meeting.
2. Exit interviews
- a. Committee will review recent reports before January committee meeting.
 - b. Prepare report to Board for Feb meeting.
 - c. Julia to send link to recent reports to Saranna and David.
 - d. Looking ahead, in Feb/March, start preparing questions. Schedule time with Leslie and Harriet in June after last Board meeting.
 - e. Make sure this is on the annual calendar.
3. Forum prep and promotion
- a. Add to church calendar
 - b. Add to board calendar
 - c. Include in January board letter
 - d. Send blurb to program directors to include in their newsletters
 - e. Double-check dates in Board minutes
4. Next steps for both committees
- a. Communications – next meeting agenda
 - i. Create policy and practices for archiving materials.
 - ii. Review exit interviews - prepare report.
 - iii. Review FAQ page and suggest updates.
 - iv. Julia to report on conversation with Alison and Josh re: how we want to talk about Mission/Vision work. Will there be a webpage? Want us to link to it? Host some info on our pages?
 - v. March meeting: prepare for 2026 exit interviews
 - b. Communications - for BOC
 - i. Re-iterate forum dates
 - ii. Ask for input re: archiving materials

- iii. Exit interviews - Communications Committee will review recent interviews and create summary report for Board.

Justification of Alliant Systems HVAC Controller Repair Contract:

Purpose: To replace the failing HVAC 19-zone Controller system-in order to provide for efficient and reliable climate control of Buchan Building, direct web-based control and monitoring. The increased efficiency should reduce energy usage and prolong lifetime of the HVAC core.

Rationale: When Buchan was built, a “state of the art” HVAC system was installed with a Circon control system which had 19 independently controlled zones that utilized a variety of sensors to independently control each zone according to occupancy. This original Circon system never worked well with proprietary components complicated by the company headquartered in Canada. It was replaced by another system by Kite & Lightning, now UnityESG. Through a combination of factors, the system controls are no longer working reliably causing both inefficient energy use and excessive wear and tear on the HVAC system itself. –For this reason, we are now faced with the need for another HVAC control system for the Buchan Building.

Cost: The Alliant Systems contract cost is \$86,017 for installation of new wiring and Distech Controls components and initial testing. Ongoing costs include ~~a~~ \$500/yr. cloud hosting and significantly increased first year service maintenance costs to work with Jason Chapman to optimize and check the 19 zone control functions (perhaps as much as \$4500 for the first year). Alliant Systems currently has our whole heating and cooling maintenance contract which Jason has found satisfactory.

Funds: This major repair expense will come from the existing Major Repair & Equipment Reserve currently with \$165,855. Since this will lower the balance below the require \$150,000 for this reserve, the Executive team will be required to come up with a future budget that restores this reserve to \$150,000.

Justification for selection of this contract: Jason received 2 contract bids:

Alliant Systems [Distech Controller] and Northwest Control Company [Honeywell Tridium Controller]. The costs were comparable though there were significant differences in how the systems would work. A third company that installs Johnson Controls CCT HVAC controllers did not submit a proposal.

Summary: Jason favors the Alliant Systems proposal and has had a good working relation with the company under their existing maintenance contract for our whole building heating and cooling systems. A task force that included technical expertise of Joel Reitz and Dave Hoffman reviewed the proposals and agreed that Alliant Systems and the Distech HVAC Control System should be selected. Joel provided the following comparison sheet.

HVAC system upgrade for Buchan Building Summary and Justification			
Contractor	Allient Systems	Northwest Control Company	
Brand	Distech Controls	Honeywell Tridium Niagra	Johnson Controls CCT
Market	HVAC focus, innovated, user-friendly, web-based, green building energy management	Multi system controls - fire/security/HVAC enterprise solutions	
Model	Eclipse	HON-9000 WEB Controller	
Price	\$ 86,017	\$ 85,871	no bid
Cost of ownership	\$500/yr cloud + maintenance	Multiple license fees + maintenance	
Remote access included	Yes, strong cybersecurity	No - but possible	
Graphic interface	Yes - user-friendly, intuitive, visible logic	No	
Energy Efficient focus	Yes	No	
Ethernet	CAT6 BACnet	T1L adapter (no rewire)	CAT6
Software	Free	Licensed - multiple units - ongoing	?
Ease of programming	Uses standard libraries - user enters parameters - open access	Programming libraries but without graphical user control screen - installer controls the programming - not user configurable	From Scratch - difficult
Expandability	Open integration, scalable smart building technologies	Proprietary network protocol - locked into Honeywell tools	?
Analytics	Distech exels		
Background			
The existing system is not fully functional.			
1. The air mix damper in each zone was intended to be variable, but is now either open or closed, meaning it is not efficient.			
2. The zone heaters intended to adjust air temperature for each zone is not operational.			
3. The existing control system is a hack because the original system was not working as built.			
4. The existing control system is not energy efficient nor coesive.			
5. The existing control system is difficult to control and adjust.			
6. The existing control system is expensive to maintain, requiring direct access above the ceilings for any adjustment or maintenance.			
7. The existing control system has parts availability problems and proprietary programming making maintenance difficult and expensive.			
Expectation of cost savings with:			
1. Energy savings - energy efficiency			
2. Maintenance savings - more economical to maintain (lower maintenance contract costs)			
3. Improve Control - intuitive graphical user interactive interface			
4. Improve Performance - one coherent control system (as it was designed to function)			
Summary			
The proposal from Allient using Distech products we feel is the correct choice. While doing nothing would be more inexpensive in the short term, continuing to limp along with a disfunctional system is not an option.			

Proposed Plan for Cash Management at 1st Unitarian Church Portland

RATIONALE: This year we held substantial cash (e.g., ERTC receipts) in excess of our monthly cash flow needs within Beneficial State Bank (BSB) accounts. Consequently, we failed to generate income to counteract inflation while exceeding FDIC insurance limits. In 2025, we gained experience in using CDAR and ICS accounts that provide full FDIC insurance and CD market rate interest, In December Linda Craig and I worked with Kathryn Estey to implement a plan for excess cash management using CDAR/ICS accounts.

Plan: Typically, our BSB cash balance during any month varies by ~\$130,000 (SD ~\$15,000) from a low point at the beginning of the month after payroll expenses to a maximum late in the month shortly before payroll. Thus, a monthly peak of \$300,000 would typically be associated with a minimum after payroll expenses of \$170,000 (\pm \$15,000) There are monthly variations in cash flow with both negative and positive cash flow months as well as longer term trends such as due to increased expenses (e.g., major repairs) or increases or decreases in income (e.g., rental and seasonal giving). By maintaining ~\$200,000 in an ICS account, separately FDIC insured with on demand (24hr) transfer capacity, we can retain our ability to rapidly rebalance our BSB cash after extraordinary expenses. Placing the rest of our cash in monthly staggered CDAR CDs at market rates provides both FDIC protection and annual income (~\$45,000) to counteract inflation.

New features of the CDAR accounts include automatic renewal (with advance notification should cash withdrawal at maturity be needed to rebalance ICS account). ICS account sweep with our checking account might further reduce the BSB cash to under the \$250,000 FDIC insurance limit. We have implemented this simple plan to use the ICS account to handle unexpected large cash needs and staggered CDAR CDs to provide longer term rebalancing. Robert Bonner and Linda Craig will provide monthly monitoring of the balances before CDAR maturities and projected cash needs in the next month with monthly reporting to the Finance Committee. This could improve our ability to provide more up to minute financial assessments and short-term projections.

Long term Projections: This cash management proposal seeks to create a simple-to-administer protocol that provides nearly complete FDIC protection and modest inflation protection for our excess cash. Furthermore, it lives our Unitarian values by allowing Beneficial State Bank to use all our excess cash in their program of effective community banking in underserved local communities.

Over the much longer term (years), holding such large amounts of excess cash in CDs may fail to provide needed additional income over inflation. Developing a program to increase income from our long-term liquid assets would require much more complex future discussions of balancing risk and return with our long-term need for income.

**First Unitarian Church
Finance Committee Minutes
December 9, 2025, 4:30 pm**

Attending: Bob Bonner, Linda Craig, Leslie Pohl-Kosbau, Roger Tobin, Roger Robinson, Ed McClaran, Dave Hoffman, Tony Obst, Jo Ann Foor, Dev Dion, Joel Reitz for part of the meeting, Kathryn Estey, Erin Tafuri.

1. Welcome, Bob Bonner, Treasurer.
Chalice lighting.

2. November 11 Minutes approved. Confirmed Linda as note taker for this meeting.

3. Review of 10/31 financial statements. Kathryn and Erin.

Kathryn referred us to the Budget tab in the statements. We are 33% through the year, but pledge and non-pledge income received to date is 20-22% of budget. Pledge income is \$29K down from prior year. Total revenue so far this year is \$518K vs. \$578K last year. Loss in the Operating Budget year to date is \$94K; loss per GAAP is \$185K. *(This is not good, people. We anticipated the loss in Tenant rental income from NW Academy which is now \$45K year to date, but we need to catch up on other sources of revenue.)* (The difference between the Operating account loss and GAAP loss is mostly due to depreciation expensed for GAAP but not for Operating account and to activity in various Reserve accounts that are not budgeted.)

In preparation for a discussion on cash flow and moving cash into protected and interest-bearing accounts, we looked at the cash and investment accounts. At the end of October, we were holding \$725K in checking accounts. Only \$250K is protected by FDIC and interest earnings are very low in these accounts.

4. Cash flow planning. Bob.

Bob had prepared a spreadsheet from July 1 through early December showing the balance in checking if \$350K had moved to CDARS and \$100K had moved to the ICS money market on July 1. The spreadsheet shows that the checking account balance would have dropped below \$100K only once, that is right after October's payroll. Then, the account balance was \$88K, which would have easily been cured by temporarily moving some money from ICS money market to checking. Bob plans to prepare a policy on managing cash. Kathryn expressed appreciation for Bob's work and supports the plan for a policy. The plan will include placing CDs to mature at staggered times so that additional cash is readily available when needed.

We also talked about the small accounts that the church holds at other institutions (Franklin Templeton, On Point, and Federated (total all three accounts \$45K). The Board approved closure of these accounts last spring but closing them was held up because signers were gone or not known. The Committee requested that Kathryn and Erin complete work to get these

accounts closed and the balances moved to Beneficial. As Treasurer, Bob should be able to work with the institutions if the account signers are no longer available.

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5. Annual Fund Drive. Dave.

Dave reported that pledges for the Annual Fund Drive (AFD) are at \$1.23 million, \$237K short of the \$1.475 million goal. The Stewardship Committee is looking at next steps.

6. HVAC Contract Review. Bob.

Joel Reitz was invited to the meeting to explain the justification for the \$86K HVAC contract. Joel, Jason, Dave, and Bob have all reviewed the proposed contract but the justification for the choice of Alliant Systems has not been completed.

Joel said that there were just two possible contractors, and Alliant was chosen over Honeywell because their system has improved energy efficiency, is easier to use, and is based on open standards instead of proprietary ones. In addition to the \$86K for the initial repair, about \$4.5K extra is likely to be needed at least in the first year for fine tuning and maintenance.

Governing Policies 3.3.4 require Finance Committee approval of any contract greater than \$10K. Getting the system fixed quickly is important because winter approaches, so Bob asked that the Finance Committee approve the contract with the proviso that there is written justification sent to the Committee prior to the notice to the Board at the meeting on January 7. Linda made the motion to approve the Alliant contract pending approval by Jason, Dave, Joel and Bob of the justification. The motion was seconded and carried.

Meeting adjourned about 6 pm

Notes by Linda Craig

[Kathryn will send out the financials later]