

# The Community Church of Chapel Hill

## UNITARIAN UNIVERSALIST

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### BOARD OF TRUSTEES

#### Meeting Minutes

February 6, 2017

<b>Attending:</b>	Lilie Bonzani Barb Chapman 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>	Congregants		

1. **Welcome** – S. Warshaw called the meeting to order at 7:00 pm.

**Chalice Lighting/Reading** – D. Hill lit the chalice. L. Bonzani opened the meeting with a reading.

S. Warshaw welcomed the members of congregation in attendance.

2. **Approval of Tonight's Agenda** – S. Warshaw provided a copy of the proposed agenda in advance of the meeting.

D. Klibanow made a motion to approve.

D. Hill seconded the motion.

All in favor with none opposing.

3. **January Minutes** – Minutes from the January meeting were distributed in advance of the meeting. A correction to the attendees list was made.

J. Warnasch made a motion to approve, as amended.

D. Klibanow seconded the motion.

All in favor with none opposing.

4. **Congregational Meeting Minutes** – Minutes from the January Congregational meeting were distributed in advance of the meeting. The minutes are to be affirmed by the BoT as approval would have to come from the Congregation.

B. Rote made a motion to affirm.

D. Hill seconded the motion.

All in favor with none opposing.

- 5. Congregational Meeting Debrief** – S. Warshaw asked the members of the board to share their comments about the Congregational Meeting, including lessons learned.
- B. Rote: it's not clear to the Congregation about what we are doing and how we are doing it
- D. Klibanow: process-wise, there were issues with the straw vote versus an actual vote
- B. Poteat: concerned about knowledge of governance in the Congregation. T. Belote commented that few have a need to know about it, the Bylaws, and the Board Policy Book and the areas of responsibility and accountability. B. Poteat replied that Board should consider some innovative ways to inform the Congregation. D. Klibanow suggested starting the Congregational Meetings with a brief recap of the roles.

Question: is this the part of the meeting that Congregants could ask questions and speak. S. Warshaw said that after all Board members had debriefed and there were no questions, then he would open the meeting to questions and comments from any Congregants.

- 6. Timeline Options** – S. Warshaw recapped the two options given at the Congregational Meeting: start the Capital Campaign in 2017 as has been the plan for several years or start the capital campaign in 2018. He stated that there is an assumption that a capital campaign should run concurrent with the Annual Pledge Drive.
- 7. Input from Congregation/M. Ewert** – S. Warshaw noted that he had received emails with questions and comments about capital campaign and that on 1/13/17, he had had a phone call with Mark Ewert, the church's financial consultant. S. Warshaw related a summary of his phone conversation with M. Ewert. He said that there were 2 negatives about not running the capital campaign concurrent with the Annual Pledge Drive. First there is the issue of donor fatigue and that the congregation feels as if they are always being asked for money, and secondly, it can reduce the amount of money pledged to the Annual Pledge Drive. One advantage to running the capital campaign concurrent with the Annual Pledge Drive is that you are only asking for money once and givers give out of different pockets so there is not a negative impact on funds raised.

S. Warshaw noted that in the discussion since the Congregational Meeting on 1/29/17, two additional suggestions for running the capital campaign had been suggested: have the Annual Pledge Drive in the springs of 2017 and 2018 and have the capital campaign in the fall of 2017; or to have the Annual Pledge Drive in the spring of 2017, begin a capital campaign this year focusing on the loan and Jones building renovation later this year and continue through the spring of 2018.

S. Warshaw then read excerpts from messages sent by congregants to the Board President. The messages pertained to several topics, including the timing of the capital campaign; raising funds in 2017 to replace the Preschool rental income and begin repairs/renovations in the Jones Building; retaining certain features from the "Vision Plan"; dividing the campaign into debt retirement and construction; and "keeping faith"

with the congregation members who voted to begin the capital campaign in 2017.

- 8. Our Perspectives** – S. Warshaw then asked the Board members to share their perspectives on this issue.
- A. Wright: from a financial perspective and a timeline of this year versus next year, he favors the current year because there will be expenses not currently in the budget and those will have to be addressed
  - B. Poteat: education may increase donations but there are costs in delaying. He suggested a capital campaign after this year’s Annual Pledge Drive to keep the issues active and also be concurrent with next year’s Annual Pledge Drive.
  - S. Warshaw: noted that the church can make any of these options work, if all are committed to the plan -- giving more than they think and that Board and Congregation are wholeheartedly behind the plan. The plan being the middle plan and paying off a large portion, if not all, of the loan. He said that he felt that he had heard that a large number of the congregation felt as if they wanted to get moving on this and that starting in the fall falls between the two choices favored by the congregation.
  - D. Klibanow: the last capital campaign had a split congregation and was divisive because there was a lot of confusion due to communication issue about where the church was in the building plan process. Proceeding now with the Congregation not fully informed would be a problem. Education would increase engagement and create an involved, committed group.
  - J. Warnasch: uncomfortable shifting a full year. It does not seem fiscally responsible. But also uncomfortable with proceeding with a capital campaign with this year’s pledge drive. It is too rushed. Feels comfortable with both new options given.
  - B. Rote: Board had asked for a 80%-90% majority to move forward -- a hard majority. However, the Board did not stop when that majority was not reached but instead let things move forward. The Board had recommended Option 2 but didn’t have an organized strategy for what happened in the Congregational meeting. He’s on board with either current option. He wondered if we could, with this year’s pledge drive, have a “Pledge Plus” option to eliminate the loan debt or make up the revenue being lost from the Preschool leaving.
  - T. Belote: was struck by M. Ewert’s comment on our range of givers; that we would need a whole lot of people to give versus a more traditional situation where a few givers would give a lot. That being the case, we need broad support and for givers to up their best ability. People withholding or pulling back need to be reached out to for discussions. To make this all happen will take education. He also noted that there is some relationship work that needs to be done in the church. And that that will take some time too.
  - B. Chapman: remarked that we paid M. Ewert for good advice and we ought to take his advice to compromise and move ahead with addressing the renovation and the loan issue. She provided statistics on the sign-in sheets, noting how few congregants the percentages actually represented of the whole congregation:
    - 388 members listed on the sign-in sheets
    - 135 members signed in after 4 duplications were eliminated

19-20 proxies were checked off in the registration sheets after 1 duplicate was eliminated – one mark was difficult to read

Calculations based on the above numbers:

- 34.8% of the members were present at the meeting
- 39.9% of the membership was present or rep by a proxy
- Opt #1 received 96 votes or 63.2% of the 152 votes cast (according to minutes of the mtg)
- Opt #2 received 56 votes or 36.8% of the 152 votes cast (according to minutes of the mtg)
- The 96 votes for Opt #1 while 63.2% of those present at the meeting is only 24.7% of our congregational membership

She agreed that starting a “silent” launch was a good idea but that the Board needed to be careful that it not be interpreted as “secret” by the congregation. She thinks that we need to educate and cultivate the givers but also keep moving ahead with the planning. B. Chapman noted that K. Heineman does advising as her life’s work; C. Cole and P. Smith have provided good guidance; and F. Price Stern’s advice is a bonus. All recommend taking adequate time in order to have a successful campaign. Her final remarks were that before we jump into any plan, we need to have the full consensus and support of every Board member. The Board’s disarray is worrisome to the congregation – it undermines confidence in us and makes folks fearful.

- L. Bonzani: the Board made an unanimous decision and was surprised that others have changed their thoughts about how to proceed, whereas she feels even more negative about proceeding at this time. Running a capital campaign now is too rushed and she agreed with D. Klibanow’s assessment of the previous capital campaign that if people are united, it can yield a fabulous plan, but, if people are divided, then people may leave. We need to remember the history and if the Board votes to proceed with a capital campaign concurrent with this year’s Annual Pledge Drive, she will have to resign from the Board, as the time demands would be too great.
- D. Hill: has felt stressed by the two options offered at the Congregational meeting and is relieved that we are looking at other options. He hopes that we can find something that works for everyone.
- B. Nelson: is concerned that if we delay that capital campaign, the congregants will think that we are going with the Vision plan, when the Financial Feasibility Study (FSS) feedback clearly showed support for only the renovation and dealing with the loan. She also noted that M. Ewert mentioned that we have a unique donor culture and we need to plan how to work with that and not try to create something that doesn’t fit the current community.

- 9. Open Discussion** – S. Warshaw said that some members of the BoT Executive Committee had drafted a motion for how to proceed with the issue of the capital campaign. B. Poteat provided a brief description of the “draft” motion process that has been used by the Board in the past to start a discussion to help focus a decision. He presented a motion whereby the capital campaign would start later in 2017, focus on the

Jones Building renovation and address the loan, and be completed concurrent with the 2018 Annual Pledge Drive.

D. Klibanow made a motion to approve.

J. Warnasch seconded the motion.

S. Warshaw called for any questions or comments. L. Bonzani asked when in 2017 would the capital campaign start? B. Poteat answered that the dating was purposefully flexible to fit the timing of the plan for renovation and loan issues. L. Bonzani followed up with a concern that wishy-washy timing might lead to inaction. S. Warshaw replied that the Capital Campaign Task Force is overseen by the Board and the task force's role is to provide guidance on when to start.

L. Bonzani reminded the Board about M. Ewert's recommendation to run a capital campaign concurrent with the Annual Pledge Drive. T. Belote said that additional time will allow for education and targeted, deeper discussions. J. Warnasch noted that motion was written based on the P. Smith's and C. Cole's idea.

D. Klibanow said that he was concerned about the phrase, "go ahead" in the motion, as the Board should proceed with the decision process outlined in the Board By-laws and the Board Policy Book. B. Poteat responded that "go ahead" was meant to indicate a vote on how to proceed with a building loan and an affirmation of the selected building plan. L. Bonzani asked what the Board would be voting on? B. Poteat answered that it would be the written requirements.

S. Warshaw moved to include the phrase "written requirement" in the motion. After discussion, the amendment was withdrawn.

B. Chapman noted that the Board cannot get away with being vague. The motion needs to be very specific. D. Klibanow replied that the Building Plan will be presented for a vote of debt approval. L. Bonzani said that we can't raise money without a building plan. D. Hill asked for an estimated amount. B. Poteat said that the estimated target would be from the loan payoff amount and the Middle Plan, which the architect drew as a hypothetical option. L. Bonzani said that we have a drawn design and we should just do it. B. Poteat noted that there might be a variety of building plans that would fit the requirements, once the money was raised. B. Chapman asked what P. Smith and C. Cole thought about that concept.

D. Klibanow approved an amendment to the motion to include that a plan would be based on the funds raised.

T. Belote said that a building loan is tied to the building plan. No significant changes can realistically be made after the loan is secured. S. Warshaw suggested taking to the Congregation the various plans that meet the requirements. T. Belote replied that it was better to present one option that addressed both the loan and the building plan. B. Poteat said that the Task Force will have meetings to find out what the Congregation wants. D. Klibanow said that in the last capital campaign the planning meetings meant that the Board was confident that the plan would be approved. B. Poteat agreed that the Board

should have a plan before the vote. D. Klibanow suggested town hall meetings about the different plans and that the Board should socialize out the preferred plan. T. Belote reiterated that a Congregational vote should be for one plan and its loan amount.

B. Poteat rewrote the original motion to include the amendments approved by D. Klibanow. B. Poteat accepted the friendly amendments so no vote was necessary to approve the amendments.

B. Rote returned to L. Bonzani's concern about the timeline. B. Chapman asked if the Board could have P. Smith reply to the timing to educate and information the Congregation. B. Chapman said that the motion had too much information in the middle about the communication from the Task Force, so much so it detracted from the motion. She requested that the sentence be moved to the end of the motion. B. Poteat accepted the friendly amendment. L. Bonzani and B. Rote repeated their concerns about the Task Force following a timeline. S. Warshaw replied that the Board oversees the Task Force but does not dictate how it operates.

B. Chapman asked for a comparison of the motion as it was currently written to what was recommended by C. Cole, K. Heineman, F. Price Stern, and M. Ewert. S. Warshaw said that C. Cole had suggested using the Fall to cultivate the larger donors. P. Smith had sent a letter to the Board recommending a Fall start, as well.

S. Warshaw asked if there was any further discussion from the Board. There being none, he opened the meeting to comments and questions from attending Congregants.

Comment: supportive of the proposed amendment; however, three important points should be noted: some donors are ready to give now, overseeing must be meaningful oversight, and that milestones should be given and action should be taken if they're not met. Speaker noted that although he recognized the need to postpone, it means that construction will not occur until 2019. S. Warshaw confirmed that the work of the Task Force will be transparent, including monthly meetings with the Task Force chairs and specific project plans will be expected.

Comment: this is their third capital campaign. The first one was prepared during the summer and the building plan was a mystery. This caused a division within the church. The second one had voting on three plans and it was too confusing. For this current one, they had to decline being stewards because of the timing; however, a slightly delayed start will allow them to participate and that's probably true of other people too.

Comment: the Board needs to discuss how to present the new motion to those who voted at the last Congregational meeting for the options presented because otherwise, it will appear as if the Board didn't listen and is just "doing it their own way".

Comment: the motion says that the start date will be 2017. Would it be possible to say "but after the Annual Pledge Drive"? Otherwise, the words about a capital campaign

make it sounds as if we will be asking for money for eighteen months. B. Poteat agreed that saying, “during 2017, after the Annual Pledge Drive” provides more clarity.

Comment: the congregation was upset that they didn’t get to vote on each plan. The current motion excludes some features that the Congregation voted on. S. Warshaw replied that M. Ewert indicated that donors would give more if none of the sanctuary remodel was included and that there was enthusiastic support for meeting and religious education space, as well as dealing with the current building loan. L. Bonazani noted that the motion does not exclude doing other projects. B. Poteat said that two votes were taken: one for which plan was preferred and a second to authorize a FSS. The other was to vote on how to proceed given that the FSS did not support the Vision Plan and that there was instead widespread support for the requirements met by the Middle Plan and to payoff the current building loan.

Comment: the Board needs to be definite and cannot leave things open-ended. D. Hill asked what the Congregation actually voted on? S. Warshaw answered that it was to proceed now with a focus on renovation, and possibly addressing the loan.

Comment: the Board needs to be very clear and to go with one plan that makes sense to the Board and that the Board is fully behind.

Comment: very concerned about the Annual Pledge Drive. Who is responsible? Who is doing what? S. Warshaw answered that C. Cole and P. Smith are the chairs and that there are several others already on their committee.

Comment: following the process from the last capital campaign shows that an affirmative vote is important but that engagement should be the priority. Speaker agreed that the middle sentence in the motion on engagement with the Task Force was distracting from the main point. Speaker repeated that at the time of a vote the decision should be a foregone conclusion.

L. Bonzani suggested that the motion include the phrase, “the focus of this campaign”.

B. Rote accepted the friendly motion.

D. Klibanow accepted the amendment to the motion.

B. Poteat noted that the requirements have been set by the results of the FSS.

Comment: there needs to be a conversation about the choices made along the way as the plans are finalized.

**10. Vote** – B. Poteat read the amended motion in its entirety, accepting all of the friendly amendments.

D. Klibanow made a motion to approve, as amended.

B. Poteat seconded.

All in favor with none opposing.

**11. Closing**

- a. **Process Observations** – B. Chapman noted some process suggestions.
- b. **Action Items** – B. Poteat to provide a final version of the motion to B. Nelson.
- c. **Closing Words** – D. Klibanow shared a reading and S. Warshaw closed the meeting.

**Meeting adjourned at 8:56pm.**

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**Attachments:**  
**Resolution Motion**  
**Agenda**



**Motion for the Board of Trustees (passed unanimously 2/6/2017)**

**RESOLVED that,**

**The Board of Trustees will oversee a Capital Campaign to begin during 2017, after the Annual Pledge Drive, and to be completed in April 2018. The focus of this campaign is to fund expansion and renovation of the Jones Building to meet the space needs of children, youth and adult religious education as well as adult meeting space and to pay off the current church indebtedness when the note comes due in January 2019. When the Capital Campaign is completed, a plan based on these requirements and the funds raised, will be presented for a vote of approval by the Congregation.**

**During the Capital Campaign, the Building Project Task Forces will make every effort to inform and thoroughly engage the Members and Associates of the church in discussions about this project.**

**FEBRUARY 6, 2017 BOARD AGENDA (Proposed)**

<b><u>ITEM</u></b>	<b><u>RESPONSIBLE PERSON</u></b>	<b><u>END TIME</u></b>
<b>Welcome</b>		
<b>Chalice Lighting/Reading</b>	<b>Lilie</b>	<b>7:02</b>
<b><u>Approval</u></b>	<b>Steve</b>	<b>7:10</b>
<b>Tonight's Agenda</b>		
<b>Board Minutes Jan. 10</b>		
<b>Congregational Meeting Minutes Jan. 29</b>		
<b><u>Capital Campaign</u></b>		
<b>Congregational Meeting Debrief</b>	<b>All</b>	<b>7:20</b>
<b>Timeline Options</b>	<b>Steve</b>	<b>7:25</b>
<b>Input from Congregation/Mark</b>	<b>Steve</b>	<b>7:35</b>
<b>Our Perspectives</b>	<b>All</b>	<b>7:45</b>
<b>Discussion</b>	<b>All</b>	<b>8:50</b>
<b>Vote</b>	<b>All</b>	<b>8:55</b>
<b>Closing</b>		<b>9:00</b>
<b>Process Observations</b>	<b>Barb</b>	
<b>Action Items</b>	<b>Bonnie</b>	
<b>Closing Words</b>	<b>Dave</b>	