

MINUTES

Board of Trustees: March 18, 2020, Virtual Meeting First Unitarian Church of Pittsburgh

Board Members Attending: Martin Schmidt, President (2020); Claus Makowka, Treasurer (2020); Lynne Porterfield (2021); Scott Smith, Vice President (2021); Eleanor Mayfield, Secretary (2021); Ebe Emmons (2022); Julie Downs (2022); Sam Hens-Greco (2022), Sarah Benson (2020).

Board Members Absent: None.

Ex Officio Members: Rev. Constance Grant, Interim Minister

Visitors: None.

Others: Kurt Summersgill, Recording Secretary

1. **CALL TO ORDER (7:06) (Martin)** Martin called the meeting to order.
2. **OPENING WORDS (Martin)** “I Bend”
3. **WELCOMING GUESTS (Martin).** None.
4. **ANNOUNCEMENTS (Martin)**
 - a. Next Board meeting (which may again be virtual) will be on April 15, 2020.
5. **CONSENT AGENDA (Martin) (handouts)**
 - a. Approval of February 19, 2020 meeting minutes. Staff performance statement corrected. Approved as amended.
 - b. Finance Committee March minutes. The committee discussed changing the church’s fiscal year from the present calendar year to July 1 to June 30 to align more closely with the programmatic year.
 - c. An updated budget was included for information.
6. **Treasurer’s report (Claus)**
 - a. Approval of 3.5% draw from the Endowment (document). The amount of the draw is based on a rolling 3-year end-of-year average. 2.5 % of the drawn amount goes into the operating budget and 1% to unappropriated small capital projects. Motion by Claus, Julie seconded. Motion carried unanimously.
 - b. Request for nominations for the Program Endowment Committees. Gretchen Aiyangar, chair of the Nominating Committee, had reported that the committee has begun the process of seeking nominations for the endowment committees.
7. **Keeping the congregation connected during the church closure (Connie, Claus, Martin)**
 - a. Plans for services (Connie). Outlined in her report. There will be a virtual live service starting this Sunday at 10:30 on YouTube, available for 24 hours, then archived. This will be shorter than a usual service. Viewership will be tracked. Initially the streamed service will not be interactive. A professional videographer was hired to help with the first streamed service and will be available to train congregation members to do it. Connie will send instructions for viewing the live-streamed service by e-mail
 - b. The Pastoral Care Team is working on making check-in calls to members, as are the covenant groups. A number of covenant groups are meeting through Zoom calls, as is the Women’s Alliance. Other groups may need some help getting Zoom accounts.
 - c. Erica will send a weekly RE lesson plan to families.

- d. Offering during virtual services? This could be done during the service by texting. Attendees could also be asked to donate electronically via the church website or to send checks by postal mail to the church office. A request may also be made for donations to the Minister's Benevolent fund.
- e. Equitable treatment of salaried and hourly staff. Salaried staff will be paid as usual. Hourly staff are another issue. Security staff payments are usually funded by income from rentals, which we will not be receiving during the church closure. Communications responsibilities continue. It was the sense of the Board that we will continue to pay hourly staff at the usual level on a month-to-month basis; we will re-evaluate the situation based on pledge income.
- f. Sources of bridge funding for the budget if congregants are unable to pay full pledges? (Claus). (document) From a cash-flow perspective, we have about \$256,000 in bank accounts (enough to cover expenses for about 6 months), From an asset perspective, assets the church can use to replace lost donations or rental income include an accumulated surplus of about \$37,000, and about \$59,000 in reserve accounts. The Donaldson Fund contains \$38,000 and the Goldsmith fund \$71,000, funds that are available at the Board's discretion. In an emergency the Board can borrow or withdraw up to 10% once every 10 years (about \$51,000) from the program endowments. A 2/3 vote of the congregation is required to draw from the Endowment, which is currently valued at about \$800,000.

8. Settled Minister Search Committee selection timetable and method (Connie) (document)

- a. The Board will meet on Saturday, March 21 from 3:00-5:00 p.m. via Zoom with our Transitions Coach, Kathy Kerns. Connie recommends that on or about March 23 a request be sent to members by email soliciting nominations for the Search Committee, with a deadline of about March 29. Board members will then contact by phone those who don't respond. Claus will help Eleanor to set up a spreadsheet to tally the nominations. A ballot will be prepared by about April 28 and the congregation will be asked to ratify the slate of nominees at the Annual Congregational Meeting on Sunday, May 17.
- b. Kathy Kerns will speak and participate in a Zoom Q and A session after the virtual service on March 22. (12:00-1:00)

9. Virtual Annual Congregational Meeting (Martin, Eleanor)

- a. An annual meeting is mandated by the By-laws, but there is no mandate that we meet in person. Can we offer the equipment needed for participation in a virtual meeting to those who do not have it? Is there anyone who does not have e-mail who will want to participate? Connie has a list of those who cannot be reached by e-mail.
- b. Annual report. Last year Joan Harvey and Eleanor prepared the report. Eleanor said that she would check with Joan whether she was willing to work on this again. Connie is willing to help as well.

10. Adjournment (8:38) Martin. Closing words: From Robin Zucker.

11. ADDENDUM: Application to U.S. Small Business Administration (SBA) Paycheck Protection Program (PPP). The Board met via Zoom on Monday, April 6, 2020, to consider this issue. Under the PPP, small 401(c)(3) nonprofits can apply for a loan to cover 2½ months of payroll expenses; churches are eligible to apply. The full loan amount can be forgiven if the funds are used to cover payroll (at least 75%) and other allowed expenses (e.g., rent, mortgage, utilities; no more than 25%), based on actual expenses in the 2½ months following loan receipt. The church is committed to continuing to pay all of its staff for the duration of the COVID-19-related closure. We have already lost rental income; it is uncertain how long that will continue, and the extent of lost pledge/donation income is not knowable at this time.

Claus moved and Martin seconded that the church apply for a SBA PPP Loan not to exceed \$65,000 (approx. 250% of average monthly payroll) to allow payroll expenses to be met, due to the loss of

rental and donation income during the COVID-19 pandemic. Should the loan not be forgiven, it would be repaid from the operating fund surplus and the Donaldson Fund. Motion carried, 7 in favor (Ebe, Eleanor, Claus, Martin, Scott, Sarah, Julie); 2 opposed (Sam, Lynne).

At Sam's request, the Board reconvened via Zoom on Wednesday, April 8 to discuss this issue further. Sam and Lynne stated their concerns regarding the ethics of participating in the PPP, including the question of church-state separation and whether the church was taking funds away from organizations in greater need.

The prevailing view of both the Board and the UUA is that the PPP complies with the First Amendment to the Constitution, specifically: "Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof..." The question of greater need is unanswerable given the uncertainties of this crisis and the unknown impact on other applicants. The Board agreed that it did not intend for the church's participation in the PPP to result in a financial windfall, and committed to donate any PPP income in excess of lost rental and giving income to other nonprofits with values and programs consistent with UU principles and covenants.

Respectfully submitted,
Kurt Summersgill, Recording Secretary
Approved by the Board: May 13, 2020
Eleanor Mayfield, Secretary
