



May 14, 2020

Tapestry Board of Trustees Meeting Minutes

Attendees: Julia Rampone, Rev. Kent Doss, Connie Pursell, Christine Krueger, Janet Lusk, Dave Weber, Jon Eckhardt, Paul Bonfanti, Jim Bucklin

Guests: none

Absent: none

The Board Meeting was held via Zoom, called to order at 7:01pm by Julia Rampone. Julia provided opening words by Nikita Gill (writer/poet, Belfast) regarding “surviving anything. This was followed by check-in.

Agenda and Approval of Minutes

Minutes of the April meeting were approved with changes. Connie made notes of changes to be made. Minutes were approved as amended. There were no changes to the agenda and it was approved as submitted. M/S/P

Business Themes:

Finance:

Julia, Loans and Grants

- The Spirit Level Foundation has denied our grant request of \$10,000 for a patio this year. However, the Spirit Level Foundation will be offering a no-strings-attached grant to all Southern California congregations. We can expect to receive our portion in June, which will be about \$5 thousand.
- We applied to Wells Fargo for a PPP loan. \$27,950.00 was deposited directly into our operating account. We will need to document the use of these monies per published guidelines in order to receive loan forgiveness.
- We have submitted an application for an EIDL loan, and an immediate grant of \$10,000. No response has been received yet.

VP Finance – Paul Bonfanti

Also see Paul's report previously sent by email, as **Attachment A1**.

The PPP loan will make a difference; we are required use it over the next 8 weeks for payroll expenses and mortgage. It won't reflect on the next FY budget, but it will ease cash flow issues for the remainder of this fiscal year. As a result of this, we will not have to access operating reserves as much. This will give us a better balance entering the new FY.

Next year we won't have a balanced budget unless we make some strategic moves or changes. Revenue is likely to be down and there is a decrease in pledges. We have a decrease in rental income. The overall decrease in revenues will be about \$50,000 as a result. There are not many places to trim or reduce.

Solutions and comments

1. Cut costs. The committees spent \$4,300 last year; they have asked for \$9,800.00 for the new FY. This seems high.

Regarding our \$15,000.00 fair share dues to the UUA and PWR – perhaps we can reduce this and only pay a portion.

We will look closely at our big items, which are Music, Ways and Means (they also generate income), and Worship Committee Speaker Expenses.

2. We can vote at the annual meeting to reallocate restricted funds from our capital account to cover operating expenses.
3. We can possibly borrow from FOCD; to do so we would have to provide a detailed plan as to how we would repay. We would propose waiting one year and then paying back \$500 per month without interest.

We voted to pay \$5,000 of the \$15,400 due to the UUA for Fair Share for FY2019-2020. M/S/P However, we don't want to do that two years in a row. The next year's payment is budgeted to be paid in May of 2021.

Treasurer's Report:

Dave's report was previously sent by email. Refer to **Attachment A2**. He provided these additional comments:

- March was a good month. April is not so good. We are \$7,000 short.
- We originally expected an excess due to the service auction which was cancelled.
- If the next two months are similar, we'll have another \$10,000 shortage each month. May is already looking better.
- We will spend the \$27,950 (PPP loan amount) immediately on payroll expenses.

Minister/Rev. Kent:

See Rev. Kent's previous email report, **Attachment C**. He made these additional comments:

- We received the report from the Fullerton (CSF) business students, originally requested by the Comprehensive Planning Committee (CPC). Two notable findings were that we need to better utilize technology, including our presence on social media, and also provide more "job descriptions" (e.g. for such roles as ushers and greeters). The CPC will make the full set of recommendations available for the Annual Meeting on June 14. The complete document of their findings is filed in the Tapestry Google docs.
- Kent will attend General Assembly which will be online this year.
- Karen Nichols is the new chair of the Membership Committee.

- DeBennville Pines wants a contract from us for the annual retreat in October. Julia will sign the contract. If the camp is cancelled because of the corona virus, Tapestry will not have any financial liability.
- Rev. Kent will arrange for pastoral coverage for his sabbatical time in July/August.

VP Operations:

See Christine's report, **Attachment B**. These items were also discussed:

- The Coordinating Council will meet on Sunday 5/17 via Zoom.
- She has received committee budgets.
- She is in the process of collecting annual committee reports.
- The Nominating Committee is working on filling openings. Jennifer Guy will be the new potluck coordinator. A new chair for the Communications Committee still needs to be identified.
- Kent will initiate a background check on incoming Treasurer, Dan Schmidt.

DRE/RECY:

Rob Nicholas sent out. See his report, **Attachment D**. Presently he is still trimming down his reworked Child Safety Policy.

Other Various Updates:

- Zoom and Zoom subscriptions – there is a subscription for Tapestry – can the committee chairs use this with instructions for their committee meetings?
- Rev. Kent has his own subscription.
- Dave Kinnear is using his own subscription for Sunday services.

Decisions:

- We will pay \$5,000 of our fair share to the UUA. M/S/P
- Julia will approach Peggy Thompson to get approval from the Leadership Team of the FOCD about borrowing from their funds, and explain our repayment proposal.

Newsletter Article/Splinters – Julia will write this for the June newsletter.

Next Board Meeting

June 11, 2020

Closing words were read by Julia:

“Ships don't sink because of the water around them; ships sink because of the water that gets in them. Don't let what's happening around you get inside you and weigh you down.” (source unknown)

The meeting was adjourned at 8:56 p.m. M/S/P

Minutes taken and transcribed by Connie Pursell, Secretary.

Attachments:

Definitions

Action Log

Attachment A1 – VP Finance Report (Paul Bonfanti)

Attachment A2 – Treasurer's Report (Dave Weber)

Attachment B – VP Operations Report (Christine Krueger)

Attachment C – Minister's Report (Rev. Kent Doss)

Attachment D – RECY Report (Rob Nicholas)

Definitions

Term	Definition
ACH	Automated clearing house - an electronic network for financial transactions
DRE	Director Religious Education
EIDL	Economic Injury Disaster Loan
FY	Fiscal year
MSP or M/S/P	Moved, seconded, passed
OWL	Our Whole Lives, age appropriate sex education for children and youth
PPP	Paycheck Protection Program
PTO	Personal Time Off
PWR	Pacific Western Region (to which Tapestry belongs)
RECY	Religious Education for Children and Youth
SOP	Standard Operating Procedure
UUA	Unitarian Universalist Association in Boston

Action Log

Date Proposed	Topic	Discussion/Action	Responsible Person	Status
3/12/20	Thank You	To Marle Chen for donating cameras.	Connie	Done
4/9/20	Thank You	To Dave K. and Dave S for setting up Zoom	Connie	
5/14/20	Follow Up with Peggy Thompson	Approach FOCD Leadership thru her re. borrowing from the FOCD funds	Julia	Done

**VP Finance Report – May, 2020
by Paul Bonfanti**

My friends,

Attached please find an early draft of a budget for the upcoming year for discussion at the board meeting. For context, the current year's budget is shown as well.

This has been discussed by a small group of Christine, Julia, Rev. Kent, Dave, and me but it is still very much up for discussion.

A few things to note:

1. This budget assumes that we will be going back to live services sometime in the late summer but also assumes that it won't be back to "normal" for quite some time. Revenue and costs are down accordingly. If things change dramatically, we may need to revisit the budget.
2. Revenue is down in a few places. Pledges and other donations are down to reflect both what we've received in pledges so far, and the more difficult financial situation the community is in. Rental income is down a lot due to COVID uncertainty. Ways and Means is also down reflecting the difficult climate.
3. There are a few new lines in revenue, including government loans and pulling from various reserves. Julia detailed some of these in her email earlier this week.

Government loans in the big one--we are hopeful that we will receive a PPP loan and maybe even an EIDL. This would be huge in moving us towards a more balanced budget. But even with that, we would need to pull from various reserves--operating, capital, or other sources. This will have other ramifications and will be a major decision for us to make--how much we want to pull, and from where.

4. Expenses have been cut about as much as we can without really hurting. If we do not get the loan or are not comfortable with drawing on reserves, we'll have to make some hard decisions about where to cut. Again, this will be part of the discussion on Thursday.

Let me know if you have any immediate questions and thoughts. I look forward to our discussion on Thursday. Thank you.

Treasurer's Summary Report, May 2020
David Weber

Income:

Pledges were already anticipated to drop in May as a result of pre-payments made in earlier months, but because of the Corona virus pandemic, they declined a bit further. Pledge income totaled only \$11.7K in April, about \$7.3K below budget expectations. These figures now include about \$0.4K in plate donations as these are now almost entirely being made by check and are being added to donor's pledges rather than being separately tabulated, so pledge income was actually \$7.7K below expectations. With Tapestry in lockdown, Spring Auction proceeds, other Ways and Means fundraising, and rental income have disappeared. The small amounts of income that appear in the Budget vs. Actual report this month are a result of Breeze payments made in March but not transferred into our bank account until April. Taken altogether, income missed budget projections this month by \$21.8K. Over half of this, \$11.5K, was a result of the absence of auction revenue. While the auction has officially just been delayed until June, it is questionable whether it can take place then if the lockdown continues and even if it can, there is a question of how much could actually be raised if there is a continuation into the summer of social distancing and the closure of public spaces and restaurants.

Okay, here's some positive news: Plate income and Generosity donations returned to pre-pandemic levels in April. We raised \$535 for our April Generosity recipient, Camp De Benneville Pines. In addition, the congregation contributed over \$1.9K to the Laguna Pantry Emergency Fund. With the addition of a match from the Robert Wood Johnson Foundation, the total contribution was almost \$2.1K.

Year-to-Date, pledge income still remains \$13.5K over budget, but I anticipate this will largely disappear in the remaining two months of the year. The Rental income budget deficit, which had finally started to drop in March, increased to \$11.0K. And with no auction income, overall revenue for the year to date is now \$10.4K below budget.

Expenditures:

There are 26 bi-weekly payrolls each year. That means that twice a year, a month contains three payrolls, adding just over \$5K to expenses. May was to be one of these with payrolls on the 1st, 15th, and 29th. However, our payroll company withdrew money from the bank a day early, on April 30th, so the excess expenses got transferred to April, adding to this month's expenses. I have altered the budget to move the third payroll from May into April.

Employee expenses were \$1.2K below the budget adjusted for the extra April payroll. Committee expenses, which had already been \$3.1K below budget at the end of February, have dried up entirely with the shutdown, and totaled zero for the second straight month. Altogether, expenses were \$1.7K below budget.

FOCD had expenditures of \$90.

Year-to-date employee expenses remain below budget. However, the \$3.5K paid out in PTO more than make up for these savings. However, committees have underspent their budgets by \$3.8K, so overall Expenditures for the fiscal year to date remain below budget by about \$3K.

Conclusions and Discussion:

The budget had called for an excess of revenue over expenditures of \$11.5K in April as a result of the auction, in preparation for large expenses anticipated in May, including our \$15.4K Fair Share payment to UUA/PWR. With the transfer of the extra payroll into April, this excess should still have been \$10.3K. However, with the revenue shortfalls and added payroll expenditure, there was instead a net loss this month of \$14.3K. This was reduced somewhat by a one-time transfer of \$4.0K of excess funds from the Scrip account into the Operating account. So the Operating account balance fell by \$10.3K, from \$33.0K at the end of March to \$22.7K at the end of April. (The \$24.6K Operating balance listed in the Financial Position Statement includes the \$1.9K collected for the Laguna Pantry, which will be paid out in early May).

We have postponed payment of our Fair Share obligation until June. However, with the pledge, fundraising, and rental shortfalls we now anticipate for May and June, payment of our full obligation would deplete our Operating fund and reserves to unacceptably low levels by the end of the current fiscal year. (We could exhaust \$30-35K of the \$59K in combined Operating funds and reserves we now have). Unless we can find another income source (such as government loans) by June, we might consider drastically reducing our Fair Share payment. That would get us through the current fiscal year in decent shape, but with an insufficient amount of reserves to cover the projected shortfall in the upcoming fiscal year. We will discuss options to handle that shortfall at the Board meeting.

Tapestry UU Congregation
STATEMENT OF FINANCIAL POSITION
As of May 1, 2020

	TOTAL
ASSETS	
Current Assets	
Bank Accounts	
1120 Operating Acct (5090)	24,587.06
1130 Scrip Account (5041)	3,123.00
1140 Minister's Discr (5058)	1,400.25
1150 Spirit Grant (5074)	0.00
1170 FOCD Account (4994)	54,140.51
1210 Growth Account (0231)	27,026.74
1220 Capital & Move (2294)	47,446.63
1225 Capital Checking	4,176.36
Total Bank Accounts	\$161,900.55
Other Current Assets	
1320 Scrip on Hand	4,454.00
1330 Deposits with Others	0.00
Total Other Current Assets	\$4,454.00
Total Current Assets	\$166,354.55
Fixed Assets	
2010 Piano	10,995.00
2020 Sound System	22,331.88
2050 Land	760,000.00
2060 Building	759,000.00
2070 Leasehold Imprvmt	724,826.71
Total Fixed Assets	\$2,277,153.59
TOTAL ASSETS	\$2,443,508.14
LIABILITIES AND EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
3113 Payroll Tax Payable	-405.83
3116 Retirement Payable	-130.10
3120 PTO Liability	0.00
3130 Camp Scholarship	1,246.00
3150 Minister Discretionary	-625.00
3210 Prepaid Pledges	0.00
3220 Prepaid Intern	0.00
3230 Prepaid Grant Funding	0.00
3310 Camp Deposits	974.79
3320 Building Use Deposit	0.00
3330 Misc Pass-Through	2,017.00
3340 WRAG Funds	481.00
Total Other Current Liabilities	\$3,557.86
Long-Term Liabilities	
3420 First Trust Deed	1,166,480.40
3430 Second Trust Deed	94,087.39
Total Long-Term Liabilities	\$1,260,567.79
Total Liabilities	\$1,264,125.65
Equity	
4110 Retained Earnings	1,185,276.03
4120 Unrestr Memorial Gifts	0.00
4140 Cash Reserves	0.00
4210 Capital Fund	0.00
Net Revenue	-5,893.54
Total Equity	\$1,179,382.49
TOTAL LIABILITIES AND EQUITY	\$2,443,508.14

**Tapestry Board Report – VP of Operations
Christine Krueger, May 2020**

- 1) Routine Tasks - I continue to check the Tapestry admin email 3x per week, answer/forward emails, follow up and liaise with others, review the Tapestry website calendar about 1x per month for errors/omissions.
- 2) New copier lease was approved by the Board
- 3) I spoke with Rob Nicholas and asked him to send me a final version of the RECY safety policy when it is available.
- 4) Coordinating Council:
 - Will meet via Zoom on May 17
 - Committee budget proposals were received in April and sent to the Board.
 - Committee annual reports are due May 15 and I will compile them into one document by June 1 for posting on the website.
- 5) New Chairpersons - I helped the Nominating Committee to find a replacement for the Treasurer position (Dan Schmid). In Breeze, Dan is listed as 'non-member inactive'. Does he need to be an active member? I'm also working on finding a Potluck and a Communications Chair
- 6) Safety Committee – I have left several messages and not heard back from the Lake Forest police but I will try again to make contact for a possible on-site building review and then liaise with this committee for next steps.

**Tapestry, Minister's Board Report, May 2020
by Rev. Kent Doss**

Wed. May 6 at the Membership Committee Meeting, Karen Nichols became the new chair of the Membership Committee. Her caveat to taking this position was that she didn't want to be responsible for potlucks or special events. We are working on writing a job description and recruiting a pot-luck coordinator. Fortunately we don't be serving any food at Tapestry for quite a while.

Our online activity continues without many glitches. You have all participated in worship on Zoom. Every Wednesday evening I lead a short check in and meditation via Zoom. On Fridays around fifteen people regularly gather to chat for the noon hour. It has taken some adjusting, but I am really pleased with the way the technology is working for us.

I have participated in a couple of conversations this month with religious leaders. There are several different approaches to leading online worship and planning other activities. The one thing that we all agree on is that Corona Virus has forced us into the 21st century. To be relevant and truly welcoming, we will have to keep up our online offerings. My goal is for us to have enough online activity for people to feel it is worth being a member of our congregation even if they access it exclusively online.

In March and May I led a sermon writing workshop. Six people participated. I anticipate three or four of them will be able to present their sermons during a Sunday morning worship service. In April I created a weekly zoom meeting for newcomers to meet me after the service. No one has used it. If that continues to be the case through the end of May, I will discontinue that meeting.

Upcoming

June 14 is Tapestry's Annual meeting. Board officers are already laying the groundwork. We need to get an announcement out to the congregation pretty quickly to ensure adequate attendance and to stay in compliance with bylaws.

Laura Lunn asked me this week about signing a contract and paying a deposit to secure our annual DeBenneville Pines retreat weekend in October. I have asked her for more details before signing. The big questions is can we get a refund if the camp is closed due to resurgence of the Corona Virus.

June 24-17 is General Assembly. GA is the annual business meeting of the member congregation of the Unitarian Universalist Association. It is also a large conference of workshops, special lectures, and worship services. I hadn't paid much attention because it was previously scheduled to take place in Rhode Island. Now it will be online. It is fairly accessible at \$150, and there are a lot of good learning opportunities about justice work, fundraising, and congregational leadership. I am working with Christine to do some recruitment for GA. We will need to approve delegates at our June meeting.

Starting June 11 and heading into GA, I will also attend the core programming of the UU Minister's Association "Ministry Days." The organization has proposed a significant change in our code of conduct, so it is a particularly important year for the organization.

I have finally wrapped my head around Sabbatical leave this summer. I plan on taking July and August away from Tapestry. I was reluctant to plan anything because of Corona Virus, but it seems we have come to a level place with activities occurring via zoom. It seems likely that having any number of live participants in worship won't happen until September. That is when we typically have ingathering anyway. I am working with the worship committee to make sure we are covered for those months. I will

also ensure that Rev. Rayna and or Rev. Lee Maria are available for emergency pastoral coverage. Handing off other tasks will happen bit by bit, with a goal of having plans solidified by June 15.

Notes for Leadership

I have been talking to Dave K and Dave S about the future of our worship services. It is clear that we will continue with what we have been doing for quite a while. When it seems safe to do so, we will likely move to a phase that I am calling BROADCASTING. In that phase a small group of people, probably 10 or less, will gather at Tapestry to create a broadcast of a worship service from the sanctuary. This enables better collaboration between worship associate, minister, and musicians. It also adds a lot of visual depth to the Worship experience.

The next step is what I am calling a HYBRID model. In this arrangement, we will open for a limited number of people to come participate in worship in person. The same worship service will be available also to view on the internet. There are a variety of ways to limit the number of participants, but it will have to be something formal, like last names by alphabetical order so that participants are split up by different Sundays.

I am afraid it is going to be a long time before we are able to open our doors to gatherings of 100+ people. My goal is for us to continue to provide as much personal connection as we possibly can, while staying safe and continuing to serve our members and friends online. Some information about guidelines for schools and churches has begun trickling in, but I don't yet have a clear picture of benchmarks for safety. Time will tell.

**RECY Board Report – May, 2020
by Rob Nicholas**

Announcements

New Business

Standard

2019-2020 Budget: 1100 (1777.71)

Registration Income: 885

OWL Income Online: 600

Total Earned: 1,485.00

Youth Seminar 85.00

RECY Supplies 351.99

Owl Supplies 378.35

Curriculum 175.00

Total Spent \$990.34

Remaining \$494.66

Calendar:

New Members/Visitors:

Social Action/Field Trips/Special Events:

The Past Month

- Not too much has changed regarding RE in the last month.
- I have attached the most up to date safety policy from our last RE Committee meeting to this email (more trimming to be done).
- I am still doing virtual story times with the children on Tuesdays and Thursdays at 11:30am, and the online classes on Sunday. One class at 10am before service starts and one at 11am after the TFAA. Both have been going well and I am starting to include some craft/art activities.
- I organized a virtual show and tell/talent show in April, which went well.
- I am still working with RE committee on looking to see what the best option for curriculum would be once we return to normal, obviously that would depend on when we return but we are researching the best possible options for summer and beyond.
- I am also working to figure out a good protocol/policy for classroom procedures for when we return to in-person classes and what safety measures will need to be taken into consideration. This is something that Re. Kent and I continue to monitor and discuss.
- Rev. Kent and I have been meeting with the youth to organize Youth Sunday, which is June 7.
- This coming Sunday is the RE committee meeting and we will discuss teacher appreciation gifts for the teachers of the past year we also submitted our RE budget for the coming year.