

ESUC Board of Trustees

Minutes draft

June 21, 2016

***update to June packet

Minutes, Leadership Reports, Consent Agenda:	Com. + Board Liaison Reports Consent Agenda:
June Board Agenda	OFD / Stewardship – Tom Doe
Upcoming Events	Endowment – Kristi Brennan
Minutes of Last Board Meeting – May 17	***Earth & Social Justice Councils – Marilyn Mayers
Open Action Items	***Beloved Multi-Racial Justice Group -Marilyn
Board President's Report – Jack Slowriver	***Climate Action Ministry - Marilyn
Finance - Treasurer Report – Ryam Hill	***Earth & SJCC - Marilyn
May 31 BFS Summary – Jessie Zhao	***Economic Justice - Marilyn
Director, Finance & Operations–Jason Puracal	***Second Sunday - Marilyn
Director of Religious Education – Aisha Hauser	***Women’s Perspective / WHW - Marilyn
Commun. & Membership Mgr – Nicole Denman	
Interim Minister’s Report – Rev. Elaine Peresluha	Interim Senior Minister’s Report – Mission & Strategic Ends – Concord - Elaine
Executive Session: 3 options for the timing of the interim minister contract / start of settled minister.	

East Shore Unitarian Church
Board of Trustees Meeting Agenda

June 21, 2016

Board Host: Jack

6:45	Social Gathering	
7:00	Opening Words, Chalice Lighting	Jack
7:05	Check In/ Guest introductions	All
7:15	Review 2015/16 Board Covenant, discuss process for 2016/17 Covenant	All
7:25	Housekeeping items: Board hosts? Who will write the Board Buzz?	All
7:30	Approval of Consent Agenda	All
7:40	Account Structures / Mortgage Re-Finance Options	Jason
8:00	Review 2016/2017 Board goals / policy based governance	All
8:45	Closing Words and Adjourn	Jack
8:45	Executive Session	Jack

Upcoming Events for Your Calendar

- July Board Meeting (Tuesday, 7/19) Host: xxx
- August Beacon Board Buzz due July 15: xxx
- Aug 5 / 6 – Board Retreat, hosted by Jack Slowriver + Rev. Elaine Peresluha

Worship Welcomer's Schedule:

6/12 Marilyn 7/10 Marilyn 8/7 Jack

6/19 Tom 7/17 Reed

6/26 Connie 7/24 Ryam

7/3 Jack 7/31 Marcy

Opening Words – Jack welcomed the board members and provided the opening reflection – reading a passage from a book titled: “xxx.”

Check-in – The Board of Trustees includes (absent) Kristi Brennan, David Baumgart (secretary), Reed Cundiff, Tom Doe, Ryam Hill (treasurer), Marilyn Mayers, (absent) Connie Hirnle (VP), (absent) Marcy Langrock, and Jack Slowriver (president). There is currently one open Board position.

The Board also includes our interim minister, Rev. Elaine Peresluha as well as Jason Puracal – Director of Finance & Operations and (absent) Aisha Hauser – Director of Religious Education. One guest also attended, Barbara Elliott, a member of the Nominating Com.

Marilyn invited members of the board to several events, emphasizing the Iftar at Northlake:

- July 1 iftar at Northlake starting at 7:15 in honor of Ramadan + the Muslim community
- *CAM supported event*: July 8 Quinault Rally & March in Hoquiam.
- *CAM supported event* July 30 “Paddle to Nisqually” in Olympia
- *CAM supported event* August—“Totem Pole Journey” led by the Lummi.

2015/16 Board Covenant

Jack passed out the board covenant and suggested we use this as our guideline until the Board Retreat on Aug 5 and 6. Elaine cautioned that we should all speak with one voice, to be respectful about official board positions, and avoid stirring up controversy, or repeating gossip. She also suggested we hold certain matters in confidence. Ryam stated that certain Personnel matters, certain aspects of contracts, and executive sessions may be held in confidence; however, all other normal board content is not confidential. Marilyn pointed out that Board meetings are public – except for executive sessions. <discussion> We all reaffirmed our willingness to abide by the board covenant, which we also affirmed during the June 5 annual meeting.

Review of Board Agenda + Consent Agenda - (*see content of Board Packet – all Board members are expected to review the entire Board Packet prior to the Board Meeting*) – Jack asked if anyone requested to move any item from the Consent Agenda to the Discussion Agenda:

Jason requested to pull out the Endowment Com for discussion (Andy Voss has resigned and they need a chair).

Tom requested to pull out the OFD for discussion – facing a shortfall in pledges.

Tom moved and Marilyn seconded to approve the remaining consent agenda. Motion passed. This included tonight's board agenda, the May 17 Board minutes, and other items that are explicitly listed in Appendix 1, below. All board members are reminded that Items for the Discussion Agenda are required by the cutoff date for the board packet. It would be better to have such items for the Executive Council (first Tuesday of the month).

Endowment

Jason Puracal has attended recent meetings and stated that the current chairperson, Andy Voss has resigned. The interim chair is Paul Bouchay. The committee has approved the search for a financial advisor who would

only charge ½ of the current fees being charged. The committee has also discussed the requirement for finding an advisor who is knowledgeable about SRI (socially responsible investments).

Jason pointed out that the committee appears to be disregarding the direction expressed by the board that we should insure the advisor could guide us regarding SRI investments. Instead, it appears they are only considering advisors who meet the ½ fee requirement. Jason stated this is not appropriate in the long run, given sentiments expressed by the board and by members of the East Shore congregation. The question was raised if the Endowment Town Hall was adequate to learn the sentiments of the congregation regarding SRI.

Ryam pointed out that the Endowment Com has had the same membership for many years and is now undergoing a partial transition in its membership. Dave pointed out that choosing an advisor would require the Board to approve the new contract for that advisor.

Reed pointed out that when Andy Voss attended a Board meeting, we did not provide clear direction other than – it seems like the fee is too hard and we should consider SRI investments. It was recalled that we did suggest they get feedback from the East Shore community.

Jack will ask Kristi (BL) to go back to the Endowment Com. to ask about their timeline and request they return to the board to discuss our direction. She should also request that they consider SRI capabilities of the new advisor.

OFD

Tom Doe was the co-chair of the OFD during the past year and pointed out that we are now facing a significant shortfall in pledges. Jack asked if it was urgent or if this issue could wait until the board retreat in August? Tom replied we are \$50K short, but it was not immediately urgent; however, that is a big number. Jack pointed out that some of the revenue line-items were likely understated, such as parking revenues. <discussion>

Tom stated, we should also establish a different method for fund raising with better continuity throughout the year. Elaine agreed stating that she is discussing a different approach to fund raising with Nicole, Jason, and the transition team. Tom cautioned we have seen a drop of 10% of total pledges as well as a drop of 20% of the number of pledging units.

Account Structures / Mortgage Re-Finance Options

Jason is deferring a change in account structure to a future meeting (working with Elaine). Jason has been working in collaboration with the board subcommittee (Ryam, Tom, Reed, and Kristi) and with the Finance Com in considering various mortgage options and offers received from BECU and Chase (who holds our current mortgage).

Jason recommends that we consider the BECU offer. Chase responded by offering a reduction of 1 point in our interest rate if we sign a new 5 year contract – which includes a pre-payment penalty. Nevertheless, the BECU offer still seems to be a superior offer and encompasses many different options. It appears we could reduce our monthly mortgage expense. The board subcommittee is considering all the potential options. Finance is also reviewing the options.

Ryam: it is not clear if changing the T's and C's of the mortgage without changing the existing mortgage amount requires a congregational vote. It was generally believed that we could still take a couple months to complete the discussion without risking a significant increase in rates. <discussion of the goals for the Re-Fi – cash flow?, lowest interest rate? Lowest total interest expense? Balloon payment?>

Jack suggested that the Mortgage subcommittee come back to the board with several scenarios and more information, for the July Board Meeting.

Jack's report on Board Goals and Policy Based Governance

<reference Jack's President's Report> Elaine pointed out that these are frequent topics of discussion during her listening sessions. She stated that we currently do not have current crisp mission statement. Once we adopt a clear mission statement then we can adopt an appropriate set of "Ends."

Jack agreed that our current mission and vision statements are like “milk toast.”

Marilyn asked about the timing of a new mission / vision process. Elaine envisions the entire church involved in a weekend retreat – possibly in February and has been discussing this possibility with her Transition Team. <discussion> Jack suggested we try and “crisp up” our mission statement and include a revised “Ends statement” at the board retreat. We could still have the entire church involved in a future retreat. We reached consensus on this point. Jack requested that we review the East Shore mission and “ends” statements and be prepared to list what “your ends should be.” Elaine will provide some samples at the Board retreat.

On a related topic – Elaine suggested that the Board be available to engage in discussion with the community more frequently such as every Sunday during coffee hour, and a town hall, once every quarter.

Executive Session requested by Elaine [3 options for the timing of the interim minister contract / start of settled minister]

OPEN ACTION ITEMS: (REVISED MAY 17)

What	Who	When / Notes
Review the East Shore Mission Statement and description of “The Ends”	Team	To be discussed at The Board Retreat – this is part of the mission/vision review started in 2015.
Long Term Financial Planning, Org Structure, and related action items.	Jack, Elaine	Has been referred to our Board summer retreat – August 5 and 6.
Request the Endowment Com to coordinate with the Board about SRI	Kristi, Jack	For the July Board Meeting
Prepare multiple mortgage scenarios	Budget Subcommittee	For the July Board Meeting
Fill the open Board Position	Jack	Elaine Cox resigned in May
Implement the approved budget for FY 2016 / 2017	Jason	Approved at ES annual meeting. OFD is currently tracking a \$50K shortfall in pledges. Elaine and Nicole are contacting members who have not pledged.
Prepare the draft minutes of the Annual June 5 Meeting	Dave	In progress
Ongoing - Discussion of timeline: future changes	Jack	Will be discussed at our next board meeting.
Emergency Plan – in progress	Kristi, Jason	Deferred?? Jason has begun a discussion with Chase about an emergency line of credit.

CLOSED ACTION ITEMS:

What	Who	When / Notes
By-Laws and Policy Reviews	Ryam, Beth, and others	Beth, Ryam, Jack, and Tom are leading the effort to tighten up our by-laws and policies. A major revision to the by-laws is now available for the ESUC congregation review on June 5 annual mtg.
PICSI Funds - Disposition	Jason	PICSI is now defunct – what should be the disposition of the remaining funds?

Closing Words and Adjourn – Jack provided the closing words.

Meeting adjourned: 9:10pm; next board meeting: Tuesday, July 19. As your secretary, I welcome your additions, corrections, and comments.

Respectfully Submitted, David Baumgart

Secretary, ESUC Board of Trustees

Appendix 1

The Board adopted or supported the following decisions, below, as part of the Consent Agenda Approval:

Membership Manager Nicole Denman

- **Active Members** - With the Operating Fund Drive, letters were sent to 11 members who have not given or pledged since at least 2014. None of those letters were responded to. I will have Elaine touch base with a few members, but the rest will be removed from the rolls. Elaine and I also hope to come up with an official procedure for removing members who have not pledged.
- **OFD Pledges for FY 2016/17** - As of June 13, 2016, we have heard from 364 households, of that 262 have pledged for a total of \$665,957.13. This number includes those who have told us they will not be pledging, those given a waiver from Rev. Elaine, and those OFD feels will most likely not pledge this year. Tom Doe, Elaine, and myself are working on next steps for those who have yet to respond to multiple phone calls, emails, and requests.

It is noted that during our board meeting, Tom Doe raised the question about potential board action regarding the pledge shortfall noted by the OFD of \$50K. It was concluded that we would defer action pending the results of the above effort by Nicole and Pastor Elaine – and pending the potential opportunities noted by Jason to increase the East Shore income from parking revenues.