

# ESUC Board of Trustees

Minutes

September 20, 2016

<b>Minutes, Leadership Reports, Consent Agenda:</b>	<b>Com. + Board Liaison Reports Consent Agenda:</b>
September Board Agenda and Upcoming Events	Auction Com. Fund a Need – David Baumgart – Please refer to page 2 of the minutes, below.
Minutes of Last Board Meeting – August 16	Holly House Taskforce – Jack Slowriver – Please refer to page 3, below, as well as the President’s Report
Open Action Items	Endowment Committee – Kristi Brennan– Please refer to page 4, below.
Board President's Report – Jack Slowriver	Ministerial Search Com. – Jack Slowriver’s President’s Report
Finance - Treasurer Report – Ryam Hill	Personnel Com. – Connie Hirnle
Interim Minister Report – Rev. Elaine Peresluha	
Director, Finance & Operations–Jason Puracal and BFS Summary – Jessie Zhao	
Director of Religious Education – Aisha Hauser	

## Agenda

### East Shore Unitarian Church Board of Trustees September 20, 2016

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**Board Host: Tom - Thank you! October’s host is Reed.**

6:45	Social Gathering	
7:00	Opening Words, Chalice Lighting	Tom
7:05	Check In/ Guest introductions	All
7:10	Approval of Consent Agenda	All
7:20	Search Committee Discussion	All
7:35	Review Fund-a-Need proposals and vote	Ann R.
7:50	HHTF update and discussion	Bob
8:10	Chart of Accounts and vote on Search Committee Account	All
8:25	Review of Policies needed	All
8:45	Debrief September 18 <sup>th</sup> leadership workshop	Jack & Elaine
8:55	Closing words and adjourn	Tom

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## Upcoming Events for Your Calendar

- October Board Packet items due Wednesday, Oct 12: all
- November Beacon Board Buzz due Wednesday, Oct 12: Ryam
- October Board Meeting (Tuesday, 10/18) Host: Reed

**Opening Words** – Jack welcomed the board members. Tom provided the opening reflection.

**Check-in** – The Board of Trustees includes Kristi Brennan, (absent) David Baumgart (secretary), (absent) Reed Cundiff, Tom Doe, Ryam Hill, (absent) Marilyn Mayers, Connie Hirnle (VP), Marcy Langrock, Catherine Ramsey (Sep Recording Secretary), and Jack Slowriver (president). There is currently one open Board position. Connie will miss the Board meeting in Oct. The Board also includes our interim minister, Rev. Elaine Peresluha as well as Jason Puracal – Director of Finance & Operations and Aisha Hauser – Director of Religious Education.

Called to order at 7:00 PM. Present, in addition to the board, were the following:

Staff: Aisha Hauser, Jason Puracal, Elaine Peresluha

Holly House Task Force: Bob Weiss, Lee Dorigan

Auction Committee: Anne Rittenhouse

Social Justice: Anne Fletcher

## Consent Agenda Approval

A motion to approve the consent agenda was made by Ryam and seconded by Marcy. Tom proposed a friendly amendment to break any policy items out of the consent agenda for a separate vote. He feels we are voting on too many things at once, and should be giving more thought to policy changes, and that we should consider putting this permanently in our policies. Ryam responded that we can choose to pull any item out of the consent agenda on a case by case basis.

The consent agenda was passed after removal of policy items from the list.

After discussion, Jack proposed and Tom seconded accepting the four policy changes except for the removal of “Carver language” typified by the “Thou Shalt Not Fail” phrases. The four policies being changed included:

- 2.9 Transparency of Financial Activity and Spending
- 2.10 Financial Planning and Budgeting
- 2.11 Financial Condition and Activity
- 2.14 Acceptance of Restricted Gifts

Jason’s September DFO report, copied into Appendix 1, below, lists the proposed changes. The motion passed.

## Auction Fund-a-Need

Anne Rittenhouse, speaking for the auction committee, asked the board to approve the proposal of raising money at the auction to fund the moving expenses for the incoming minister. They suggested that this fits in well with the auction’s theme of “Building Bridges to the Future.” Elaine proposed an alternative—to seed a Minister’s Discretionary Fund to be used for individual assistance for people within the congregation, in the staff, or strangers who come in off the street, at the discretion of the minister. Other churches she has led have such a fund, often supported by a designated offertory. At East Shore in the past, there was a Minister’s Discretionary Fund that was used differently—to support specific projects like the Beloved Congregation program or to invite special speakers. Connie moved and Ryam seconded the proposal to approve the auction committee’s recommendation. Marcy proposed a friendly amendment to use any funds raised over \$10,000 to go to seed a new Minister’s Discretionary

Fund. Ryam wanted to wait to start a discretionary fund until the board had established policy around such a designated fund. She also felt that the book keeping would be difficult if the money raised had to go into two different designated funds. Anne Fletcher told us that the Social Justice committee just decided to request donations to a minister's discretionary fund in the holiday (year-end) newsletter. Marcy's amendment was not seconded.

The board then voted 5 yes-2 abstentions to accept the auction committee's proposal.

### **Holly House Task Force**

Lee and Bob presented the Combined Option Papers that will be used to find out what the congregation's priorities are concerning issues around Holly House, to help in rating and deciding which of four options we should choose. We discussed the financial aspects of this decision. HHTF doesn't have any proposals for what might be done with potential income. They are not able to get firm numbers on the costs of the various projects without having a greater commitment to that specific choice. Abbey Birmingham, who is a real estate lawyer for non-profit organizations, has told HHTF the rule of thumb that a successful development requires at least 80% agreement by a congregation, and that is generally required for any project that needs financing. It is very hard to know how much we would get for property sold with restrictions as the value varies tremendously with the number and type of restrictions placed on the new owners. Question to ponder: Will the committee and the congregation be able to narrow the possibilities down to one in time for the congregational meeting in June? What happens if we can't come to a decision? Making no decision has implications for the budget as it costs money for upkeep.

### **Ministerial Search Committee**

A member of the MSC led a "cottage" meeting for the board, discussing what they might want in a future minister. This discussion is part of the search committee's data gathering effort and is not part of this report.

The Ministerial Search Committee wants its own checking account, separate from the church's, in order to have complete privacy over which candidates are being researched. A very long conversation ensued in which was discussed the importance of showing respect to the committee vs. the importance of the work Ryam and Jason have done in reorganizing and simplifying the financial records of the congregation. Ryam has stressed to many committees that have had their own accounts in the past, the importance of this financial account consolidation, and that no one is exempt. We also discussed in what way having a separate account for the MSC could provide greater security of information when the only two congregants who would have access to that information are Ryam Hill and Jack Slowriver, and the only staff members to have access, Jason and the bookkeeper, are all legally bound by a nondisclosure agreement. Tom made a motion to grant the committee its own account, Catherine seconded. Four voted in favor, three present voted opposed, then a proxy vote was entered for the absent Dave Baumgart and we were tied up. We decided that the best way to decide this difficult and delicate issue was to send a delegation to the Ministerial Search Committee comprised of Jason and Ryam (who both preferred to keep the search committee's account within the purview of the rest of the church's financial system) and Jack and Elaine who both felt that it was important to provide the private account to the search committee as a show of trust and respect since this seems to be very important to them. The delegation was tasked with finding out why having their own checking account was so important to the committee and come to a consensus how to handle this matter.

### **Restricted Funds Policy**

The board is going to ask the Financial Stewardship committee to develop a policy for what limitations we will place on the creation and disbursement of restricted funds.

**Endowment Committee members**

The Endowment Committee has identified two people that they think would be a valuable asset to the committee: Craig Nelson and Bill Culverwell. Kristi moved to approve appointment of these two to the committee, and Marcy seconded. Unanimous approval.

The Endowment Committee also wanted to begin a bequest campaign that had been derailed by Peter’s sudden departure. The campaign to sign up more donors would include town halls and other means of disseminating information to the congregation about making bequests to the church. Kristi proposed a motion to approve this campaign and Jack seconded. The motion passed, so the Endowment Committee can begin planning.

**Salmon Bake Sunday**

The board officially recognized the outstanding work by Ryam Hill in heading up this year’s salmon bake. Thank you Ryam for taking on this additional responsibility and carrying it out with aplomb and tremendous success. Thanks also to Ryam ad Elaine for arranging the lovely weather so that we could eat outside.

The meeting ended at 9:15 PM

Respectfully submitted by Catherine Ramsey

**OPEN ACTION ITEMS: (REVISED SEPTEMBER 20)**

<b>What</b>	<b>Who</b>	<b>When / Notes</b>
Fill the open Board Position	All	Kristi Brennan resigned in September
Ongoing - Discussion of long term timeline	Jack	Will be discussed at our board retreat?
Working with Elaine and the ITT, follow-up as appropriate on themes and suggestions from The Listening Sessions.	Tbd, Elaine	
Emergency Plan – in progress	Jason	Deferred?? Jason has begun a discussion with Chase about an emergency line of credit.

**CLOSED ACTION ITEMS:**

<b>What</b>	<b>Who</b>	<b>When / Notes</b>
Fill the open Board Position	All	Elaine Cox resigned in May – Catherine Ramsey replaced Elaine in September.
Move towards establishing a long term financial strategy – as requested by the Holly House Task Force, and others.	Board - led by Jack	June, 2017 - This is a long term goal that was discussed at the Board Retreat. The Board agrees and supports developing a strategy to be presented at the 2017 annual congregational meeting. Ref: Elaine and Jason’s September board reports.

## Appendix 1

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

### *Membership, Operating Fund Development [from Elaine's Ministerial report]*

Nicole and I have recruited two members for the OFD, now named the Operating Fund Development team to emphasize the year round role of that team. We are in conversation with two members recruiting them for the team for a total of four. The implementation of the new [ACS] database is going well. With the roll out of ACS to members in October we will be orienting ESUC members to the on line service and the organization of their personal profiles. This will include an introduction to managing their pledges on line. We will be training people to sign up for Automatic Transfer of Funds (ATF) on a renewing basis so that pledges will automatically renew at the current amount unless changed by the member.

### *Four Policy Changes [from Jason's DFO report]*

- Update to Policy 2.9: Transparency of Financial Activity and Spending. The financial activity of staff and ministry teams shall be transparent to the Board, the Staff Leadership Team, the staff and ministry teams, and the congregation. Accordingly, the Staff Leadership Team shall not: 1. Fail to be the appropriate and primary authority that controls the allocation of funds and other resources to any staff or ministry team; 2. Fail to allocate funds and other resources to Departments councils or collections of committees or collections of ministry teams at the beginning of each fiscal year from the annual Operating Budget 3. Fail to execute disbursements from the annual Operating Budget authorized by team Steering Committees within the limits of their team's charter. ~~3.~~ 4. Fail to inform the Board every quarter of how funds or other resources have actually been expended; ~~4.~~ 5. Fail to provide to the Board and congregation a yearly report of all the staff and ministry team funds spent, whether in the budget, or off the budget, or in any separate fund. (Sept 20, 2005)
- Addition to Policy 2.10: The annual budget for each fiscal year shall be conceived through a collaborative and iterative process beginning no later than January of the fiscal year prior for presentation to the congregation for approval at the annual meeting in June with prior approval of the Financial Stewardship Committee and full Board of Trustees. The Budget team shall be comprised of two members of the SLT, preferably the DFO and Minister, two members of the BOT, preferably the Treasurer and President, and two members from the Financial Stewardship Committee. The Budget team shall not fail to gain input from the heads of each Department with details from individual Staff and Ministry teams.
- Addition to Policy 2.11: the SLT shall not allow the soliciting of donations by teams and committees, unless these have been pre-approved by the Board.
- Update to Policy 2.14 Acceptance of Restricted Gifts: The Staff Leadership Team shall not accept any gift with restrictions that are contrary to this Board policy, church's vision, mission, and ministry, Ends, or UU principles. Accordingly, the Staff Leadership Team shall not fail to: 1. Limit restricted funds to only Board pre-approved restricted funds; ~~1-~~ 2. Assure all accepted gifts are in alignment with the church's vision, mission, and ministry and policy Ends; ~~2-~~ 3. Explicitly state to donors of each restricted fund and each solicitation for a restricted fund, that contributions received in excess of project needs, or after the project is completed or is otherwise inactive, may be used for the general purposes of the church. ~~Seek Board guidance and decision regarding restricted or in-kind gifts that are intended by the donor for operating or capital pledges;~~ ~~3.~~ 4. Report to the Board what fund receives the restricted gift. (May 16, 2006)