

ESUC Board of Trustees

Minutes

July 19, 2016

***update to July packet

Minutes, Leadership Reports, Consent Agenda:	Com. + Board Liaison Reports Consent Agenda:
July Board Agenda	Holly House Taskforce – David Baumgart
Upcoming Events	BECU Mortgage interest rate lock - Dave
Minutes of Last Board Meeting – June 21	Facilities / Grounds Com – Dave
Minutes of Annual Meeting – June 5	Auction 2016 - Dave
Open Action Items	Beloved Multi-Racial Justice Group -Marilyn Mayers
Board President's Report – Jack Slowriver	Climate Action Ministry - Marilyn
Finance - Treasurer Report – Ryam Hill	Earth & Social Justice Councils – Marilyn
BFS Summary – Jessie Zhao, Jason Puracal	Economic Justice - Marilyn
Director, Finance & Operations–Jason Puracal	Second Sunday - Marilyn
Director of Religious Education—Aisha Hauser	UU Partner Church - Marilyn
Commun. & Membership Mgr – Nicole Denman	Women’s Perspective / WHW - Marilyn
***Interim Minister Report – Rev. Elaine Peresluha	OFD / Stewardship – Tom Doe
Executive Session: 3 options for the timing of the interim minister contract / start of settled minister.	

East Shore Unitarian Church Board of Trustees

*Agenda - July 19, 2016

Board Host: Marilyn

6:45	Social Gathering	
7:00	Opening Words, Chalice Lighting	Marilyn, Connie
7:05	Check In/ Guest introductions	All
7:10	Approval of Consent Agenda	All
7:20	Board Hosts and Buzz sign up	All
7:25	FY 2015 / 16 Surplus	Jason
7:35	Mortgage refinancing options	Jason
7:45	Salmon Bake	Connie, Nicole
7:50	Sunday Worship Welcomers	Ryam, All
7:55	HHTF – Financial Planning, + Weighted Eval Criteria	Dave
8:10	Board Retreat	Elaine
8:15	Executive session	
8:55	Closing Words and Adjourn	Marilyn, Connie

* This meeting was chaired by Vice President Connie Hirnle

Upcoming Events for Your Calendar

- Aug 2 – Board Exec Com. hosted by Jack Slowriver + Rev. Elaine Peresluha
- Aug 5 / 6 – Board Retreat, hosted by Jack Slowriver + Rev. Elaine Peresluha
- August Board Packet items due Wednesday, August 10: all
- September Beacon Board Buzz due Monday, August 15: Tom Doe
- August Board Meeting (Tuesday, 8/16) Host: Marcy

Worship Welcomer's Schedule: 7/24 Ryam 7/31 Marcy

Opening Words – Connie welcomed the board members. Marilyn provided the opening reflection – reading a passage from a book titled: “Against Forgetting.”

Check-in – The Board of Trustees includes Kristi Brennan, David Baumgart (secretary), Reed Cundiff, Tom Doe, Ryam Hill, Marilyn Mayers, Connie Hirnle (VP), Marcy Langrock, and absent-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 has invited members of the board to several events:

- *CAM supported event July 30 “Paddle to Nisqually” in Olympia*
- *CAM supported event August—“Totem Pole Journey” led by the Lummi.*

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*) – Connie asked if anyone requested to move any item from the Consent Agenda to the Discussion Agenda:

Jason requested to add the FY 2015/16 Surplus to the Discussion Agenda. Dave requested that the Salmon Bake and HHTF move to Discussion Agenda.

Marilyn moved and Ryam seconded to approve the remaining consent agenda. Motion passed. This included tonight's board agenda, the June 21 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).

FY 2015 / 16 Surplus

Note: June 30 was the end of the fiscal year 2015 / 16. Jesse published a “trial” operating budget statement which was included in the July board packet. Jesse published the “final” accounting statements on Monday, July 18. *[**The two amounts, below, were revised in late July as “final final” end of year financial statements.]*

Jason confirmed that a significant surplus amounting to \$80,727.94** was calculated in the final operating budget summary which was handed out to the Board. The major components of this surplus included Parking lot income, reducing the office mgr position to halftime, the late start of the interim minister, and a few miscellaneous facilities related items.

Jason recommended that this surplus be allocated as follows:

- \$20,834.50 goes forward as the Endowment grant to the operating budget in the new fiscal year, *[This amount had been transferred from Endowment, several months ago as an early distribution of this year's endowment grant.]*
- \$17,000 to Facilities Reserve, *[please refer to Jason's DFO report for an itemized list of Facilities projects in the new fiscal year...]*
- \$42,893.44** into the General Reserve.

During our discussion, it was noted that If the board were to require pulling back \$\$ out of the general reserve – that could be done thru board action. Reed moved and Marilyn seconded to accept Jason’s recommendations – approved unanimously.

Mortgage Options

The Board subcommittee (Reed, Ryam, Tom, and Kristi), the Finance Committee (Lee Dorigan and Claudia Hirschey), Ryam, and Jason explored several mortgage options during the past two months. The interest rate, 4.18%, is already locked in with BECU with no prepayment penalty. The rate adjusts once after 7 years based on the TCM (Treasury Constant Maturity) with no cap. This interest rate lock was approved by the board via email and during the executive com. meeting on July 5. (Please see Dave’s Board Liaison report in the July packet.)

Two options were presented by Jason and the board subcommittee:

- 1) fully amortized over ten years, or
- 2) amortized over 25 years with a balloon payment at ten years.

The subcommittee considered multiple variations on these options. [discussion]

Ryam stated that Finance Com. voted and approved the recommendation to the board for a 10 year fixed amortized mortgage with no balloon payment. This mortgage proposal from BECU included no pre-payment penalty. It was noted that this option did not require a congregational vote. During discussion, it was also noted that we could prepay the mortgage at the option of the DFO (and exec com?). We also discussed the fact that we always have the future option to re-finance the mortgage, if needed, in the future.

Tom spoke in favor of the 7 year option with extra payments – as being slightly more flexible in case we have a bad year. He noted that if we delay the payments for 1 year, it saves more \$\$ - about \$6,524, over the life of the mortgage, than the 10 year option. Tom acknowledged that the 7 year option would require a special congregational meeting.

Kristi moved that we proceed with the 10 year option, seconded by Reed. Motion approved. Kristi stated that the board should be grateful to Jason for a job well done, and to Ryam and Tom for excellent financial analysis.

Salmon Bake

Dave reminded the board that Nicole needed to know if the Board would assume responsibility to coordinate and run the annual Salmon Bake scheduled on Sunday, September 11. We discussed the various responsibilities.

Jason stated there is a budget line-item, \$1500, for the purchase of the salmon – which assumed that we would use our ovens to back the salmon and organize a potluck for the remaining food and desserts. Jason reminded us that Nicole is not available – as she will be out of town. Ryam volunteered as leader to coordinate the event. We will also need a supervisor for all the volunteer activities and positions. Reed said he is willing to prepare the salmon; and Connie is willing to bake it.

Elaine asked if a connection team could support the event. Tom stated that his extended family would probably be willing to do that. How about a strolling musician? A year of change could be more festive. Elaine spoke in favor of the board being front and center.

Sunday Morning Welcomers

Ryam stated that the Sunday morning welcome function is a great opportunity for board chair-persons to be more visible to our East Shore community. They could also be available, later, during the coffee hour, with their board liaisons to chat with interested members of our congregation.

The **2016 summer Board Retreat** is planned at Elaine’s apartment complex in North Bend, and scheduled for Friday night, August 5, and Saturday, August 6, at the clubhouse. Elaine also offered a pool party after the retreat. The complex would charge \$100 – which is quite affordable. Elaine also stated that similar plans are being made for a staff retreat later in the summer.

HHTF – Two Items

Strategic Financial Plan - Dave reminded the board that the co-chairs of the Holly House Task Force, Lee Dorigan and Bob Weiss, had addressed the board on April 19, recommending that the board sponsor strategic financial planning for ESUC. They stated that without a strategic financial plan, it would be more difficult for the task force to evaluate the relative strengths and weaknesses of the proposed options for what we should do with the Holly House property. In April – the ensuing discussion by the board, which included our president Beth Wilson reached consensus that we should take appropriate action. However, Dave noted that, to date, there were no definitive plans for creating a financial plan.

Ryam stated that this was a work in progress by the same board subcommittee that worked on the mortgage options – working with Lee and Claudia (Finance Com). She also reminded us that the Finance Com. has responsibility for a financial plan. The board subcommittee is available as a resource to the HHTF.

During the discussion, Tom stated that he would like to see a second minister, again. Tom stated that the board should charge the Finance Com with the parameters for financial planning. *[Ryam: BTW – Finance Com. is quite thin – we need more folks.]*

Elaine stated that at the board retreat – she will lead a discussion about a financial oversight board committee. She also stated “I recommend you get a settled minister first before you consider calling an associate minister (perhaps a hired part time minister).”

Survey about Weighted evaluation criteria. Dave also stated that the HHTF had proposed conducting a congregational survey regarding the weights to be used for the evaluation criteria. Elaine was not in favor of a congregational survey at this time – because several other surveys were already planned. Elaine suggested, instead, that the HHTF convene a town hall to discuss these weights. (Note: we could encourage the HHTF extended team to participate in such a town hall.)

Executive Session - Ministerial Transition Options

Jack and Elaine have requested that we begin planning our transition from her interim ministry to the call of a settled minister. This aligns with the planning of activities for our ministerial search committee.

OPEN ACTION ITEMS: (REVISED JULY 19)

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
Fill Board Liaison assignments	Jack	Elaine Cox + Marc Wanless’ former assignments...
Fill the open Board Position	Jack	Elaine Cox resigned in May
Update the Chase Bank signature cards	Jason, Dave	Add Elaine, Jack and drop Beth, Aisha
Ongoing - Discussion of long term timeline	Jack	Will be discussed at our board retreat?
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
Prepare multiple mortgage scenarios	Budget Subcommittee	For the July Board Meeting. [Note: the Board approved the 10 year mortgage with BECU.
Implement the approved budget for FY 2016 / 2017	Jason	Approved at ES annual meeting. OFD is currently tracking \$50K shortfall in pledges. Elaine + Nicole are contacting members who have not pledged.
Prepare the draft minutes of the Annual June 5 Meeting	Dave	In progress

Closing Words and Adjourn – Marilyn and Connie provided the closing words.

Meeting adjourned: 9:30pm; next board meeting: Tuesday, August 16. 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:

Holly House Task Force

Proposed New Member for the core team – Lee Winstrom – seeking Board approval.

Dave Baumgart recommends approval – Lee authored 2 of the option papers and is interested in the overall project.

Draft Minutes from the Annual Meeting – June 5

Included in the July packet were the annual meeting draft minutes. The Board has now approved this draft version – however, they will remain a draft version until such time that the East Shore Congregation approves the minutes. This approval will be requested at the next meeting of the congregation.

Changing our Logo

In her report to the board, Nicole Denman, Communications & Membership Mgr, indicated that her marketing team, in collaboration with Wenda Collins, is continuing to review various alternate logos for East Shore. Nicole has proposed letting the congregation vote for their choice of logos – both in print form and in digital form on our website. Nicole’s report included this information:

“I have asked Wenda Collins to design one or two additional logo designs to have the congregation vote on in the coming weeks. We will use this logo to help design our sign on the corner – with colors and fonts, but also with the new logo. The hope is to have the front sign done and installed by Labor Day weekend. We will ask the congregation to vote on the logo both with an online presence on our website, but also with a ballot box in the Sanctuary lobby. I hope to have both available in the next week or two.”

END OF MINUTES