

# ESUC Board of Trustees

Minutes v2

November 15, 2016

<b>Minutes, Leadership Reports, Consent Agenda:</b>	<b>Com. + Board Liaison Reports Consent Agenda:</b>
November Board Agenda+Upcoming Events	Gallery Documents – Linda Todd, Jeni Skuk
Minutes of Last Board Meeting – October 18	Finance Team and Financial Stewardship – see Ryam’s report
Open Action Items	Personnel Com. – Connie Hirnle
Board President's Report – Jack Slowriver	Summary of Earth & Social Justice Activities – Marilyn Mayers – see Elaine’s report
Finance - Treasurer Report – Ryam Hill	Holly House Taskforce – David Baumgart
Interim Minister Report – Rev. Elaine Peresluha	Grounds, Auction Com. Building a Bridge to our Future – David
Director, Finance & Operations–Jason Puracal and Appendices 1+2 BFS Summary – Jessie Zhao, Balance Sheet Analysis Director of Religious Education – Aisha Hauser	<b><u>Executive Session:</u></b> Ministerial Options Continuing Discussion with UUA Community Meeting – Proposed Homeless Shelter

## Agenda

### East Shore Unitarian Church Board of Trustees

November 15, 2016

**Board Host: Ryam – Thank you!**

6:45	Social Gathering	
7:00	Opening Words, Chalice Lighting	Ryam
7:05	Check In/ Guest introductions	All
7:10	Approval of Consent Agenda	All
7:20	Gallery Presentation	Jeni
<del>7:40</del>	Governance 101 sessions	Jack
7:50	Executive Session	
<del>8:55</del>	10:05pm Closing words and adjourn	Ryam

#### Upcoming Events for Your Calendar

- December Board Packet items due Wednesday, December 14: all
- January Beacon Board Buzz due Wednesday, December 14: Marilyn Mayers
- December Board Meeting (Tuesday, 12/20) Host: SLT

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

**Check-in** – The Board of Trustees includes David Baumgart (secretary), (absent) Reed Cundiff, (absent) Tom Doe, Lee Dorigan, Ryam Hill, Marilyn Mayers, Connie Hirnle (VP), Marcy Langrock, Catherine Ramsey, and Jack Slowriver (president). The Board also includes our interim minister, Rev. Elaine Peresluha, 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:

- Gallery Committee Leaders: Linda Todd and Jeni Skuk
- Gallery Com Members: Leslie Geller, Nancy Koenig, Janet Fogle, Dawn Dufford, April Atwood
- Gallery Com Friends: Jean Sillers, Barb Elliott, Karen Dawson, Anne Kerlee, Missy Poirier, Carol Reich, Anne Rittenhouse, Vic Bloomfield, Emily Dietrich

**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 – no items were moved to discussion.

Marcy moved and Marilyn seconded to approve the remaining consent agenda. Motion passed. This included tonight’s board agenda, the revised October 18 Board minutes, the Personnel policies regarding Sick leave and / or Vac leave, 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 is better to have such items for the Executive Council (first Tuesday, each month). Catherine noted that our Board Packet included too many acronyms in the documents. She requested that we minimize the use of acronyms so that folks who read these materials could understand it, better.

#### **Gallery Presentation – Jeni Skuk and Linda Todd**

The Gallery Committee provided 9 different documents including:

- CURRENT ISSUES of the Gallery-2-3-4.docx
- Gallery's updated Place and Contributions to our Church January 2015.docx
- East Shore Gallery Charter\_January 14, 2013.docx
- Handbook Pat & Virginia History.doc June 22, 2015.doc
- East Shore Gallery - One Page Benefits -Revised#2 2015.docx
- Gallery-Publicity-Mary Etta-11-6.doc
- Ron's visioning statement.docx
- Appendix - Google Search of UU churches with Galleries.docx
- Gallery brochure Nov. 2016 (002).pdf

All of these documents were requested to be included in the November Board Packet. They are all included in the November Board Packet section 2. David Baumgart, as secretary of the Board, has requested that these documents be included in the Gallery’s section of the East Shore Website and can be found at this hyperlink: <http://esuc.org/blog/east-shore-gallery/> Viewers of the website can also navigate to The Gallery’s page and document folder at:

- [www.esuc.org](http://www.esuc.org) and then:
- click on Events & News and then:
- click on East Shore Gallery – where you will find the documents at the bottom of their webpage.

During the presentation, Jeni and Linda stated that 30% of Gallery proceeds go to directly benefit East Shore Unitarian Church. 70% of proceeds go to the artists. They estimated that over \$50K during the past 15 years had been donated to ESUC. These donations include cash, works of art, and special projects. Please refer to the 2<sup>nd</sup> document, listed above, for more information about contributions

#### **Gallery Contributions** (Excerpt from “Gallery's updated Place and Contributions to our Church”)

*The gallery's greatest achievements are its ability to build community within the church by expanding cultural and aesthetic outreach, introducing new individuals to the church and facilitating artistic creativity and*

*spirituality though validation. In addition the gallery contributes financially with its annual pledge and periodic cash contributions. The cash gets absorbed into the operating fund but the Gallery's in-kind contributions are seen and experienced daily by all church members and visitors. Some examples are, but the presented list is not inclusive:*

- *Sanctuary and Pulpit Chairs*
- *Furniture for North and South Rooms*
- *Cedar benches and mats by North Room*
- *Art Glass installation for two sets of entry doors*
- *Wood turned Offering Plates made by a Northwest artist*
- *Wind sculpture in island of entry driveway circle*
- *Bronze Sculpture – "Arctic Mother and Cub"*
- *Chalice in Sanctuary (Used every Sunday for Worship)*

Jeni and Linda also informed the board that March 5, 2017 will be the 50<sup>th</sup> anniversary of the Gallery.

Jeni stated: "...we feel there is an elephant in the room – we are told there are rumors; but we don't know what the rumors are. We just want to know what's going on." She went on to say that she was surprised to learn that The Gallery was put under the "Facilities Umbrella."

Linda Todd presented a report to the Board which is included in the Board Packet: "CURRENT ISSUES of the Gallery-2-3-4.docx." She stated that The Gallery leaders have heard many comments including:

- The entire gallery should be "kid friendly,"
- Some folks object to having a retail operation in the sanctuary lobby,
- Some members state that The Gallery does not reflect "our UU values,"
- Some would like to see the sanctuary lobby used for different purposes and "do away" with The Gallery,
- The art in The Gallery is too expensive and elitist.

Linda stated that the members of The Gallery are concerned about these comments. The leaders of The Gallery would appreciate it if anyone who may have concerns or questions about the operation of The Gallery would come to The Gallery leaders and speak about their concerns.

Several board members asked Linda and Jeni for specifics regarding the source of information, but they chose not to provide them because they were given in confidence. Rev. Elaine stated that without specifics, that it was very difficult for the board or the Staff Leadership to address these concerns. She urged that whenever anyone is confronted with rumors that they go directly to the source and ask for specifics with the intent of open and effective communications.

Ryam pointed out that many groups would like to have space in the Sanctuary foyer. She also pointed out that there has been a concerted effort to have more consistent accounting practices. This was intended to reduce financial liabilities to the church and also to insure that the accounting practices for all our teams abide by federal and state laws.

Jack read several points from Mark Ewert's conclusions and report that were relevant to this discussion. [Jack – xxx do you want me to quote anything from Mark's report here? Xxx]

Jason expressed a significant rationale why the staff leadership had asked if The Gallery would collaborate with Facilities to maintain or enrich the overall beauty of the church campus. He stressed that this collaboration was a request and it was The Gallery's choice whether or not to collaborate with Facilities.

Rev. Elaine and Jason pointed out that it was not obvious how to fit The Gallery into the organizational structure as recommended by the Policy Governance concepts. Are they a ministry team or a fundraiser while supporting the artistic beauty of the church and the campus?

A member of the Gallery confirmed they are a fundraiser while supporting the artistic beauty of the church and the campus; and also providing economic support to many local artists.

Rev Elaine and Jack invited all the members of the Gallery to participate in the town halls and the weekend retreat in February all aimed at establishing a consensus around organization and mission. After further discussion, we agreed on the following action items:

**Next Steps:**

- Aisha, Jason, Jack, and Elaine are invited to attend a future Gallery meeting.
- We expressed a desire for the members of the Gallery to participate in the January town halls and the weekend retreat in February.
- The Board should continue to work with the SLT to clarify the Organizational structures in collaboration with our congregation and our interim minister. All of this should be clearly communicated to all members of the congregation.

At the conclusion of the 75 minute discussion there were mutual statements of gratitude that we all were communicating openly and directly.

**Governance 101 Sessions**

Rev. Elaine led a discussion about the cottage meetings scheduled in November and December. These 3 meetings are intended as a prelude to the various town halls in January which are leading up to the church retreat during the first weekend in February. The Board cottage meetings need at least two board members at each of these sessions:

- Nov 22, 7pm – Marcy, Connie – all board members are requested to attend  
[Prior to Nov 22, Jack and Elaine will invite Marcy, Connie, and Dave to a special training session.
- Dec 4, 11:30am – Dave, Connie
- Dec 11, 11:30am - Marcy, Marilyn

The schedule for town halls and the church retreat is excerpted, below, from the December Board Buzzzzzz:

- *\*\*Cottage Meetings Dec 4 and Dec 11 (11:30am) – Overview of our Organizational Structure*
- *Sat, Jan 7, 2017 – Earth and Social Justice - what kind of impact do we want to make on our world, our communities, ourselves? (9:30am – noon)*
- *Sun, Jan 8, 2017, 11:30am – Holly House Task Force Town Hall*
- *Sat, Jan 14 – Does ESUC want to more closely reflect the population demographics of Bellevue? (9:30am)*
- *Sat, Jan 21, 2017 – What is the reason ESUC exists? What is our purpose? (9:30am – noon)*
- *Sat, Jan 28, 2017 – How do we define and achieve financial sustainability? (9:30am – noon)*
- *February 3 - 5 – All Church Retreat*
  - *Fri, Feb 3, 7pm – All Church Retreat*
  - *Sat, Feb 4, 9:30am – All Church Retreat*
  - *Sun, Feb 5, 11:30am – All Church Retreat*

*These are exciting times as we transition towards a future that is more in tune with the wishes and desires of our overall church membership. Although Rev. Elaine is our navigator – it is truly up to all of the members where we want to go, as a church community.*

**Executive Session**

The Board discussed possible options with regard to our ministerial search as well as the renewal of the interim minister's contract.

Continuing Discussion with UUA – The Board was briefed on the potential next steps.

Dave is empowered to represent East Shore at the community meeting on Nov 28 regarding the homeless shelter proposed by the City of Bellevue to be managed by Congregations for the Homeless. Dave stated that he was already planning to attend because he is a board member of Wilburton – one of the nearby communities

that are concerned about the homeless shelter. Dave stated he would express general support and advocacy for the concept of a homeless shelter as well as confidence that both CFH and Imagine Housing would be effective partners with the City of Bellevue for this proposed shelter. The board reached a general consensus on these points.

The meeting ended at 10:05 PM. Our next board meeting is December 20, 2016

Respectfully submitted by David Baumgart

Secretary, ESUC Board of Trustees

**OPEN ACTION ITEMS: (REVISED NOVEMBER 15)**

<b>What</b>	<b>Who</b>	<b>When / Notes</b>
Board hosts cottage meetings: prelude to the Jan town halls/Feb All Church retreat	Board	Nov 22, Dec 4, Dec 11
Leadership are invited to attend a future Gallery meeting.	Aisha, Jason, Jack, and Elaine	December or January?
Friendly Reminder – insure that all board sponsored town halls and cottage meetings are signed up thru facilities online form.	Jack	Double check with Diane Upton
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>
Brief staff on UUA Healthcare Insurance and facilitate enrollment.	Elaine	Enrollment begins Nov 1
Analysis and recommendation for covering incremental costs for UUA Healthcare Insurance	Jason	To be presented to the Board, Nov 15
Schedule cottage meetings to insure linkage with the East Shore Community leading to our All-Church retreat.	Jack et al	Prior to Dec 31- scheduled Nov 22, Dec 4, and Dec 11.

## Appendix 1

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

### ***Personnel policies – Approved***

Personnel policies regarding Sick leave and / or Vacation leave as documented in Connie Hirnle’s Personnel Committee Report.

### ***Monthly Accounting Reports – from ACS system – DFO Report***

Jason noted his report that now that we have discontinued the use of Shelby, the monthly accounting reports from the new ACS financial system are significantly different. Jason, Laura Rivendell, and Jessie are all working on these new reports to meet our reporting requirements.

### ***Budget Impacts – Health Insurance Options – DFO Report***

Analysis and recommendation for covering incremental costs for UUA Healthcare Insurance were included in Jason’s DFO report and are copied below:

#### **Healthcare Expense**

In response to the Board’s vote last month to offer healthcare through the UUA to Staff, I calculated the estimated cost to East Shore for covering 80% of premiums of the Bronze Plan, pro-rated for part time employees, through the end of this fiscal year. As the UUA will not provide us with actual numbers until December, I used their online calculator to estimate the total expense for the five employees who have already registered or are planning to register prior to the end of the month. The total estimated cost for this fiscal year is just over \$11k.

To determine if the healthcare cost can be covered within our approved annual budget, and because there are numerous other changes occurring in operations, I ran out updated budget projections for the rest of the current fiscal year. Using the existing knowledge we have, not including the healthcare expenses, we will have an approximate \$12k shortfall in the budget. This is due to two primary causes:

1. The total amount from pledges will be approximately \$25k lower than estimated.
2. The total amount from Facilities rental income will be approximately \$25k lower than estimated.

The first figure has about a \$5k margin of error, depending on number of new pledging units we gain over the rest of the year, and the amount each will pledge. The second figure is a result of the termination of the rental of the UUA Pacific NW District Office, and the anticipated termination of the parking lot rental as described above. This estimate does not assume we have filled either of these rental potentials.

My recommendation to the Board for paying the \$11k for the health insurance expenses is to wait and see. We are currently ahead on cash flow for the fiscal year, so there is not an urgent need to make this decision immediately. As we have the potential to rent up to 80 parking spots at \$100/spot/month, with one parking lot contract with a minimum of 39 spots for 6 months, we will cover the shortfall in the budget and the healthcare cost. Thus, we should wait until end of January to see if Facilities can secure these rental agreements. If not, the Board will still have the option to use the General Reserve Fund or the Endowment Fund, if needed.

**END OF MINUTES**