

# ESUC Board of Trustees

Minutes

November 21, 2017

<b>Minutes, Leadership Reports, Consent Agenda:</b>	<b>Com. + Board Liaison Reports Consent Agenda:</b>
November Board Agenda + Upcoming Events	Personnel Liaison Report – Jerry Bushnell
Minutes of Last Board Meeting – October 17	ES Social Justice Ministry Teams Oct Report
Board President's Report – Jack Slowriver	2017 Auction Update – David Baumgart
Finance – Treasurer's Report – Ryam Hill	Proposed Revision to Board Policy 2.3
Interim Minister Report-Rev Elaine Peresluha & Membership + Communications Report	Process for Initiating + Revising Board Policies
Director, Finance & Operations–Jason Puracal App A&B – Sum Income Statement, BS FY17 Appendix C Financial Analysis / Charts,	Policy & Governance Work Plan Progress Chart
Director, Lifelong Learning – Aisha Hauser Revised Dir, Lifelong Learning Job Description	<b>Discussion Agenda</b> DFO Report, Appendix D: Holly House Property Request for Proposals - DRAFT

East Shore Unitarian Church  
Board of Trustees Meeting Agenda  
November 21, 2017

Board Host: Ryam Hill

6:45 Social Gathering

7:00 Opening Words, Chalice Lighting	Ryam
7:05 Check In/ Guest introductions	All
7:15 Approval of Consent Agenda	All
7:30 Auction update	Dave
7:35 Discussion of policy proposal 2.3	All
7:45 Holly House Task Force RFP progress	Dave and Jason
7:55 Search Nominating Committee proposal	Elaine
8:00 Open Board position	All
8:15 Executive Session	Elaine & Jack
9:00 Closing Words and Adjourn	Ryam

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Upcoming Events for Your Calendar

- December Exec Council – Dec 5
- December Board Packet items due Wednesday, Dec 13: email to Dick Jacke (Volunteer 1)
- December Beacon Board Buzz due Wednesday, Dec 13 by Tom: email to Nicole Duff
- December Board Meeting Dec 19; Tom is host.
- Sunday Svc Announcement 11/26 Tom, 12/3 Marcy, 12/10 Tom, 12/17 Jerry, 12/24 xxx, 12/31 xxx

**Opening Words** – Ryam’s reflection:

*“Whether it’s the best of times or the worst of times, it’s the only time we’ve got.”*

**Check-in** - The board of Trustees includes David Baumgart (secretary), Paul Buehrens , Jerry Bushnell, Uzma Butte, Tom Doe, Lee Dorigan, Ryam Hill (treasurer), Marcy Langrock, Jack Slowriver (president). We currently have no Vice President and have an open seat on the board. The Board also includes our interim minister, Rev. Elaine Peresluha, Jason Puracal - Director of Finance & Operations, and Aisha Hauser - Director of Life Long Learning.

**Visitors** – Connie Hirnle (chair, Nominating Com), Bill Austin (Nominating Com), Anne Martin (P&G Com), and Jeanne MacAuley

**Review of Board Agenda + Consent Agenda** - (see content of Board Packet - all Board member are expected to review the entire Board Packet prior to the Board Meeting) - Jack asked if anyone request to move items from the Consent Agenda to the Discussion Agenda - no items were moved to discussion (see list of topics below). Lee moved and Uzma seconded that the Consent Agenda should be approved. Motion Passed.

**Consent agenda major topics (see Appendix 1)**

- Approve charters - Memorial Garden, Grounds Team, East Shore Live, and Holly House Development Task Force
- P&G proposed procedure for proposing a policy change
- Bill Culverwell – nominated as member of Financial Stewardship
- Steve Lange – nominated as member of Endowment Com

**Housekeeping items: upcoming hosts, announcers, etc. (Dave)**

We need a Board member to deliver the **Sunday Service Announcements on Dec 24 and 31**.

**Auction Update** – Ref: Auction Board Liaison Report, Board Packet, Page 43

David Baumgart, Auction Com. Computer Support, reported that our annual auction, Nov 11, 2017, achieved its primary goals:

- 1) Fund raising for Operating Budget, Fund-a-Need (air conditioning for Admin Building), and Youth Tips,
- 2) Community Building through future events such as dinners, hikes, and entertainment,
- 3) Have a fun event that was enjoyable for all participants.

Dave noted that the total number of participating bidders, bid transactions, and receipts were less than the previous year; down approximately 20 to 25% from 2016. It is noted that there was also a significant reduction in the number of entries in the Auction Catalog. The rainy weather was also likely a factor. The auction debrief is scheduled for Sunday, Nov 26.

**It Takes a Village!**

Many thanks to the 50+ volunteers who contributed their time and treasure to this event. It truly takes a Village! The updated financial results, as of Nov 23: \$54,429 in credit card sales plus an estimated \$750 in cash and checks – total receipts of approximately \$55,175. For a full detailed report, please contact the church office.

### **Discussion of Policy 2.3 Proposed Revision** – led by Jack Slowriver and Ann Fletcher

Policy 2.3 - Treatment of Members, Friends, Visitors and Congregants (ref: Board Packet, page 44)

The primary purpose of this revision was to establish the policy and process for the interaction between church staff, led by the Senior Leadership Team (SLT), and the various committees, teams, councils, task forces, etc. The P&G committee included paragraphs 2.3.1 and 2.3.2 in the Board Packet.

Jack moved and both Lee and Tom seconded that the board approve this revision to Policy 2.3. Motion passed with the caveat that the P&G Com. would make the proposed revision available to the East Shore congregation for their feedback and comment for a period of 3 weeks prior to our December meeting. If there were any significant feedback, then P&G would bring the proposed revision back to the Board for the December meeting.

### **Holly House Development Task Force (HHDTF) RFP Process Progress** – David Baumgart and Jason Puracal

Dave provided background information and context for the proposed RFP. The HHDTF is charged with the responsibility of soliciting proposals from the Seattle community for the development of the Holly House property; as approved at our June, 2017 annual meeting. The proposed RFP (ref: Board Packet, page 27) is designed to be relatively simple but appropriate for organizations who may specialize in Affordable Housing developments. The entire process has been streamlined to try and complete the selection of a proposal by mid to late March to allow the selected organization to be eligible to apply for state and federal funding during the March / April funding cycle.

Jason briefly reviewed the RFP with the board and also discussed the development of weighted criteria, as outlined in the HHDTF charter. These criteria will be used as a tool to assist in the evaluation of the various proposals we may receive. Jason also stated that the Financial Stewardship com will also support this process by providing financial analysis of each proposal. Both Dave and Jason referred to the feedback we had received from Craig Nelson about our proposed RFP. Craig is a professional Real Estate broker who specializes in both residential and commercial transactions. Craig generally approved the RFP as appropriate for our purposes. Craig advised that the HHDTF should reach out to all the organizations that specialize in affordable housing projects that we knew about in the Seattle market.

Jason also pointed out that the final selection of the winning proposal was subject to review and approval by the entire East Shore congregation. A special congregational meeting will be scheduled in April for that purpose.

Dave moved and Marcie seconded that the Board approve the proposed RFP. The motion was approved unanimously. The current members of the HHDTF are:

- David Baumgart (member of the Board and interim chair, HHDTF)
- Lee Dorigan (member of the Board, of Financial Stewardship Com, past co-chair of HH Task Force)
- Seth Hamilton (member of Beloved Racial Justice)
- Marcie Langrock (member of the Board and of Financial Stewardship Com)
- Benjie Langrock (member of the Youth Group)
- Jason Puracal (Director of Finance and Operations)

The current Professional Liaisons to the HHDTF are:

- Abbie Birmingham (Legal services specializing in Affordable Housing)
- Craig Nelson (professional Real Estate broker who specializes in both residential and commercial transactions)
- Bob Weiss (businessman, chair Facilities Com, and past co-chair of HH Task Force)

### **Search Nominating Committee Proposal** – Rev Elaine Peresluha

Elaine proposed that we employ a process whereby all members of the congregation would be interviewed to learn who they would trust to become members of the Ministerial Search Committee (MSC). Excerpt from Elaine's report:

The Membership Enhancement Team agrees with the strategy of combining the content of spring phone calls to include both nominations to the MSC and pledge conversations. We will be emailing members of financial Stewardship, Board, Membership, Lay Pastoral ministry, Outreach and Search Nominating committees to solicit the necessary 65 callers to be trained in January. We will use the One on One conversations that we tried out with 40 randomly selected members in October. The MET agreed that the conversations were effective, fun and easy to complete. Elaine outlined the following proposed timeline:

- Description of the process at the First Saturday meeting in December – Dec 2
- Training of the principles of 1 on 1 Conversations: Jan 28 or Feb 7
- The every member interviews would commence on Feb 11, for 4 weeks
- Formal gala event in the Sanctuary in mid-March to celebrate the creation of the MSC.

It was also noted that this was an opportunity to increase the utilization of the automatic debit process for donations. 50% of the household units for East Shore are currently using automatic debits. Jack then asked each member of the board to discuss their feelings about participating in the process. All members of the board as well as all of our guests who are in the leadership group agreed that they would support the process.

### **Open Board Position – Vice President**

Bylaw Article X, Section F: *The Board of Trustees may fill vacancies in all elected offices. Members so appointed shall serve until the next annual election.*

[Background Information from the Secretary:] *The abrupt resignation of our Vice President, 4 months ago, left the board with two gaps. The most impactful gap is within our planned line of succession of Board Leadership. Traditionally, the President of the Board serves as the Vice President for the previous year, serving a kind of apprenticeship – learning about the duties and challenges of serving as an officer. Board officers meet once a month with the minister and the SLT, in the Executive Com, and thus are more intimately acquainted with all aspects of leadership of the East Shore Congregation. This has proven to be a successful way for providing a practical education and preparation for a new President. Most of the members of the board believe that the Board President should have already served as a member of the Board for at least a year.*

It is noted that the new President to be elected in June of 2018, who will succeed Jack Slowriver, will preside over the next Ministerial Search and the confirmation of our next Settled Minister; very important events in the life of East Shore. The current officers have reached the decision that we should fill this gap as soon as possible without further delay.

The second gap is the open position on the Board of Trustees. Whereas the resignation of the Vice President who is expected to serve as President in the following year is unprecedented – an opening of “Board Trustee at Large” happens more frequently – averaging at least once a year over the past 5 years. In past years, the Board Leadership working in collaboration with the Nominating Com. and the minister, has appointed a person to fill the remainder of the open term, and this person is then confirmed at the next annual congregational meeting.

During the past 3 weeks, it has become apparent that a present “Board Trustee at Large,” Uzma Butte, is willing to fill the open position of Vice President. Uzma is the only candidate from the present Board of Trustees. She provided a one page resume and stated verbally that she would be willing to serve as Vice President. Connie Hirnle (chair of Nominating Com) and Bill Austin, both members of the Nominating Com were in attendance, this evening, however, they did not provide the names of any other candidates to fill the position of Vice President or the open Board position.

*<Discussion about the process to fill the Vice President position then proceeded. During the discussion, members of the board as well as Connie and Bill spoke about what an effective process would look like.>*

During the discussion, a consensus developed that the members of the Board supported an open process to inform the East Shore congregation that we intended to fill the Vice President position at the next Board meeting in December. Paul moved and Dave seconded that we vote on filling the opening for Vice President at

the December meeting. Motion passed. We also conducted a non-binding straw poll that indicated that the majority of the members of the board supported Uzma to become our next vice president.

**Executive Session**

Our guests, for this evening were now excused, and the Board commenced an executive session to consider two significant matters.

**Closing Words and Adjourn**

Ryam’s closing reflection is attributed to Buddha:

“let us rise up and be thankful,  
 for if we didn’t learn a lot today, at least we learned a little,  
 and if we didn’t learn a little, at least we didn’t get sick,  
 and if we got sick, at least we didn’t die;  
 so, let us all be thankful.”

Our board meeting ended after 9:30pm. Our next board meeting is December 19, 2017. Please review these minutes and send corrections or additions to Dave as appropriate.

Respectfully submitted by David Baumgart, Secretary, ESUC Board of Trustees

**OPEN ACTION ITEMS: (REVISED NOVEMBER 21)**

<b>What</b>	<b>Who</b>	<b>When / Notes</b>
Communicate with the congregation our intent to fill the VP position in Dec	Exec Com	Appropriate Communication outlining the process.
Revised team charters – first drafts are due Sep 30 / P & G Committee review	Board, Elaine, Jason, Aisha	The Board and each SLT leader will be responsible for their respective teams (Appendix 2). 7 charters approved, 22 draft charters now under review. Jason to send out notice to all committee chairs about next steps in the review process.

<b>CLOSED ACTION ITEMS:</b>	<b>Who</b>	<b>When / Notes</b>
Refresh and publish all Policies to the Board and Congregation.	Ryam, Dave, Policy Committee	In Progress – Ryam has now compiled a current document of policies.
Recruit Members to HHDTF and launch their first meeting (Oct 19).	Marcy, Dave, and Jason	Initial membership includes Dave, Marcy, Jason, Lee, Seth Hamilton, and Benjie Langrock
Establish Ryam as the Asst Secretary with Chase Bank	Dave	Enables Ryam to make changes to the Chase Bank signature card

## Appendix 1

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

### Consent Agenda from President's Report

The Policy and Governance Committee has been hard at work. There are three items for the consent agenda...

- Review and approval of process for proposing a policy change. Please see the attached document. This would be a procedure – not a change in policy. The Board should likely have a collection of procedures. This could be our first.
- Policy and Governance Work Progress Chart. This is an informational document. If you have additions or recommendations for the Policy and Governance Committee, please bring them up in our meeting.
- The Policy and Governance Committee reviewed several charters (ref: October Board Packet). The charters that are now recommended for Board approval are:
  - Memorial Garden
  - Grounds Team
  - East Shore Live (with the understanding that leadership is chosen each season)
  - Holly House Development Task Force
- The DFO's report, Appendix D, includes the current draft of the HHDTF RFP recommended for Board approval:
  - Holly House Property Request for Proposals - DRAFT

### Consent Agenda from Treasurer's Report

- Bill Culverwell who is a member of the Endowment Committee needs approval to also serve as a member of the Financial Stewardship Committee. He has been approved by the Financial Stewardship Committee and the Executive Committee of the Board.
- Steve Lange attended the Endowment Com on Oct 27, 2017, was approved and agreed to become a member of the Endowment Committee, pending Board approval.

### Consent Agenda from DFO's Report

Jason Puracal, DFO, has drafted financial metrics and recommended goals for the 5- Year Financial Strategic Plan. The metrics were reviewed by the Finance Team, and presented to the Financial Stewardship Committee. These include:

- Operating Cash Reserves (General Reserve Account- Designated Fund):
  - Six months of operating cash expenses plus current liabilities (i.e. 50% of annual budget, minus mortgage)  
This is considered a strong financial position.
- Capital Reserves (Endowment Accounts- Designated Fund):
  - 100% funded model based upon Reserve Data Analysis  
This is considered a strong financial position.
- Debt Service Reserves:
  - Six months of debt service costs (principal and interest payments)  
This is considered the minimal/baseline financial position.
  - Debt Level: Total liabilities are less than 2 times the church's unrestricted net assets.  
This is considered a strong financial position; ESUC has already achieved this goal.

- Loan-to-value Ratio: Debt is less than 65% of the current market values of the collateral property  
This is considered a strong financial position; ESUC has already achieved this goal.
- Debt Service: Annual debt service payments do not exceed 10% of the church's annual cash operating expenses  
This is considered a strong financial position; ESUC has already achieved this goal.
- Average age of accounts payable invoices: not more than 15 days  
This is considered a strong financial position; ESUC has already achieved this goal.
- Return on Assets (Economic Value)
  - TBD- while it is clear how to calculate this for a for-profit company that produces a product, I am still contemplating how we can apply this to the church.

## APPENDIX 2 – CHARTER TRACKING TABLE

Latest Update – Nov 21, 2017

<b>Board Standing Committees</b>	<b>Minister Core Teams – Elaine</b>	<b>DFO Core Teams- Jason</b>	<b>DLL Core Teams-</b>
Oct-Financial Stewardship	Membership Dev Mgr Communications Oct-Membership draft Seabeck Women's Perspective	Membership Dev Mgr Oct-Outreach – Gallery Oct-Outreach – Website OFD Oct-Auction ✓ Oct-East Shore Live	Children & Youth Chalice Players
Oct-Endowment	Oct-Connections Teams	Facilities Mgr Oct-Facilities ✓ Oct-Grounds ✓ Oct-Memorial Garden Oct-P-Patch Flower	Adult Programs
✓ Nominating	Oct-Ace Media Crew - Production	Oct-Ace Media Crew - Hardware	RE Teachers
✓ Personnel	Oct-Archives / Library		
✓ Policy & Governance	Earth Based Celebrations		
✓ Oct-HHDTF 2017	Covenant Circles		
Ministerial Search TF	Extended Families		
Oct-Right Relations TF	Oct-Lay Pastoral		

	Worship		
<b>Oct-ESJCC - Elaine</b>	<b>ESJCC - Elaine</b>	<b>Caring Community - Elaine</b>	<b>Affinity Groups - Elaine</b>
ANSWER Nepal	Oct-PartnerChurchKhasiHills	Grief Support Group	Coffee Klatch
Oct-Beloved Racial Justice	Partner Church Transylvania	Adult Children of Aging Parents	Women's Friendship Group
Climate Action	Community Relationships	Men's Support Group	4 <sup>th</sup> Saturday Bridge Group
Oct-CFH	Oct-Second Sunday	Parents of Trans Youth	Men's Breakfast Group
Oct-Crossroads Meals draft	Women Helping Women	PD Support Group	
Food Bank		Widows Flying Solo	
Good Start Back to School		Affordable Housing Support Group	
Holiday Giving Tree		Parents of Teens	
Oct-Meaningful Movies		Helping Hands	

**END OF MINUTES**