

## **BUF Board of Trustees Meeting (virtual, via Zoom)**

September 23, 2021

Attendees: Drew Betz (Vice-President), Daria Haynes, Alex Gilman, Sarah Pearson, Lew Phinney, Melissa Swift, Paul Beckel (Ex-Officio)

Not present (excused): John Stewart (Secretary), Henry Ohana

Other participants: Barbara ten Hove, Kathy Wahto, Sky Hedman (Treasurer)

Minutes by Melissa Swift

Chalice lighting 7:03 pm.

### **Introduction of Barbara ten Hove.** Paul.

- Sabbatical team in place (Daria, Steffany Raynes, Su Livingston, Elie Friedlob) whose role is to be a sounding board for Barbara and communicate with congregation
- Barbara will only be quarter time, so we should be prepared to step up.....also OK if this is a year that we don't get as much done....she's very experienced, but also new to this team

### **Personal check-ins.**

### **Approval of last meeting minutes.**

Minutes from 8/31/21 meeting were approved by email on 9/16/21.

### **Administrative Council Report.** Kathy Wahto (Admin). Full report attached below.

- Completed a whole year of working during a pandemic - Kathy and Sue both worked from the BUF building as well as from home.
- Tried to run as lean as they could, but still needed to keep building secure and viable. Reduced expenses by about \$85K. Helped with PPP grant.
- In 2021, new level of activity (pipe breaking, etc)
- Endowment is very healthy.
- Goals - new photo directory using Breeze by Nov (published before Christmas); hybrid meetings and services
- New editor for MWU (Patricia Conover)
- Internal financial review by volunteers - need to establish a revolving group, so there is always someone available to do this work.
- Administrative Council and Financial Oversight Committee work closely together.
- Outsourced Payroll in July - saves money and staff time!
- Submitting for another Federal credit (\$33K - \$38K) - reduces payroll taxes that we owe, and might pay a lump sum at the end.
- Safety and security - have done some work, and established some goals.

- Back of the building has been attractive to transients while the social hall is not getting regular use. Added No Trespassing signs, etc.

Question about how Kathy's combined job (Admin plus Bookkeeper) is going - she is satisfied and feels it is working well, but we do still need a Buildings and Grounds committee.

**Treasurer's Report.** Sky. Full report attached below.

We did a good job on the budget, pledge income is 92% of what we budgeted.

Discussion / Q&A about Endowment committee suggestions for how to use the ~\$22K.

***Melissa moved to endorse the Financial Oversight Committee's recommendation to use the \$20,206 endowment fund money to support the HVAC system upgrade project.***

Sarah seconded. Motion passed (5 yes votes, 1 no vote).

*Action Item:* Daria and Sky (and maybe John?) will work on researching companies and getting bids for a future capital needs assessment.

**Minister's Report.** Paul.

How should Cov of Beloved Community fit within the org structure? Still being determined.

Proposed accountability process...looks hard, but also valuable.

**Covid Task Force Report.** Paul. Summary of survey responses attached below.

175 survey submissions. Responses were mixed. About half of the respondents said they would only attend in-person services if they knew everyone was vaccinated. A small number said they would NOT attend in-person services if vaccination was required. Also, the Covid Task Force did not have consensus around the questions related to re-opening.

Kevin Allen-Schmid requested via email that we hold an in-person service on Oct 31, because the choir has a big Phantom of the Opera number planned and it would be nice to have an audience (and masking could be fun and Halloween themed).

Board feels that clear leadership is required.

***Alex moves that we reopen BUF on Oct 31st, per Kevin Allen-Schmid's request, under conditions of masking and vaccination, with the details of enforcement left up to the Covid Task Force.***

Seconded, motion passed unanimously.

**Anti-Racism Training.** Drew.

Proposed for January, Drew will check on specific dates.

**Check in on search for consultant to help with conflict.** Drew.

- Henry contacted Whatcom Dispute Resolution Center and got more detailed information about costs and availability of facilitators. It could cost \$1,500 or more, and we might not be able to get a BIPOC facilitator because they only have one on staff (but they have a number of white facilitators who have been quite involved in anti-racism work).
- After some discussion, the Board decided that we should be able to fund this, and that we strongly prefer a BIPOC facilitator, but are OK with an ally, in the interests of resolving this issue sooner rather than later.

***Sarah moved to approve up to \$2500 to fund a facilitator/mediator from Whatcom Dispute Resolution Center, in order to address the current conflict within the congregation.***

Lew seconded. Motion passes unanimously.

**Appointment of Board-related Communications Team.**

With support of all Board members present, Sarah and Alex agreed to take on leadership roles as part of a Board Communications Team. Their goal is to act as liaisons between Board and Congregation and increase overall transparency.

**Board Retreat planning committee update.** Drew, Paul, Daria, Sarah.

5-8p on Friday evening - can we find a restaurant with enough space?

8:30am - Noon/1pm on Saturday, bring potluck breakfast stuff

Inviting 3 previous Presidents

Team building

SWOT analysis

Where are we with Board goals

- Diversity/Equity/Inclusion Goal needs work
- Health and Safety goal?
- Leadership Development goal?

**Other Business:**

Discussion of how to set up a Budget Goals and Timeline Task Force.

Coordinate by email and confirm membership at next Board meeting?

Would be useful to have someone from the Stewardship committee on it also.

**Next Meeting Date:** October 28th

Reminder of November and December meeting dates (moved because of holidays): November 18th and December 16th

**Meeting adjourned at 9:18 pm**

**Summary of Action Items:**

- Daria and Sky (and maybe John?) will work on researching companies and getting bids for a future capital needs assessment.
- Paul - before the next Board meeting, send email to Board members with details about the Budget Goals and Timeline Task Force (?) which needs volunteers.

**Attachments:** see below

<Administrative Council Report>

<Treasurer's Report>

<Covid Task Force - Survey Results>

## **Board Report (4) Administration Council 23 September 2021**

**Endowment:** Current chair is Gil Baker with three volunteers. No operational budget. The committee met four times during past 12 months.

Total endowment assets equal **\$203,587** at 31 August 2021 compared to **\$164,287** at 31 August 2020—a 24% increase.

All disbursements from Endowment are for non-operating projects.

2019-20 endowment disbursement     \$1,871    Defibrillator (installed in social hall, at bottom of stairs from Sanctuary)

2020-21 endowment disbursement     \$1,980    Streaming video equipment

2021-2022 proposed disbursement     \$20,000    in aid of Sanctuary HVAC upgrade or other prioritized capital project

### **Administration, Bookkeeping and Database and Communication Management:**

Actual Expense 2020-2021 \$14,544 compared to budget \$15,929. Current Budget \$14,910

BUF financial records, timely reporting, compliance reports, membership database, website and Zoom online meeting and streaming application, are maintained by the Administrator and Bookkeeper, with technical support from the IT team, the data management team (Brian Quick and Scott Heise) and the zoom host team (Walt Ellis, Rory McLeod and Jeff Copeland.)

Rental operations ceased during the pandemic, though the Natural Learning Center earned the approval of the Covid Task Force for re-opening upstairs in January 2021. Replaced almost \$5,000 of lost rental revenue.

**Breeze (the church database) and Zoom communication** tools have been critical during the pandemic, including service streaming, virtual church activities and meetings, virtual fundraising and donations, and during the November 2020 and May 2021 Congregational Meeting.

- Hospitality and Admin will use Breeze to publish an updated photo directory in the Fall/Winter of 2021.

- The design of hybrid small group meetings and activities is underway, to encourage and enhance attendance at BUF events for those who can't come in person.

**MidWeek Update has a new editor**, as of June 2021. Patricia Conover has volunteered to take over this publication and has made major improvements in design and content.

**Internal Financial Review:** The team of Judy Kasper, Haven Silver and Rick Krouskop reviewed accounting, bookkeeping, reporting and data security per the UUA checklist in May, 2021. Report submitted to the BOT in July, 2021 with recommendations since fully implemented.

**Financial Oversight Committee (board committee)** Admin and bookkeeping worked closely with FOP to restructure mortgage, defer and reduce operating expense, discuss funding and budget recommendations to the board, and refine and document BUF financial priorities. And finally, FOC was a strong guide and support (along with Human Resources) for the consolidation of the two admin positions in July 2021.

**Payroll and Employee Benefits:** The 2020 PPP award of \$53,000 was forgiven. Fully documented use of funds will need to be retained indefinitely, per Federal SBA.

Payroll and payroll taxes and reporting successfully outsourced in July 2021 to OnPay. Employees are on-boarded through HR module, many useful support features including state and federal tax reporting and direct deposit payments to employees. Cost is roughly comparable to continuing with QuickBooks payroll software and will save us about 50-60 hours of bookkeeping annually.

- We are submitting for another federal program, providing for reimbursement of qualified payroll expense in the first and second quarters of 2021. Estimated reimbursement estimated \$33,000 to \$38,000 in the 2021-22 budget cycle.

**Building and Grounds:** \$3,645 Actual expense compared to budgeted \$5,117. Current 2020-21 budget is \$8,350

- We are in full compliance with Bellingham Fire Department, including elevator, fire alarm system, fire doors, fire exits, signage.  
1-Need to move Loxbox at some point to front of building, update keys.  
2-replace external dry sprinkler heads on front porch and 3-contract out 5 year maintenance of elevator system.
- HVAC improvement project for Sanctuary & building began Sept 2021; approved at July 2021 Congregational Meeting and contracted to Feller HVAC.
- Front doors and social hall doors all maintained and re-keyed. All other doors secured and function as exit doors only. Water damage from burst pipe in February 2021 remediated and repair work ongoing through October 2021. Insurance claim of \$80,000+ includes funding for a social hall replacement floor in the future.
- Replaced gas stove in kitchen with electric commercial quality unit. Planning to upgrade kitchen, including dishwasher, improving floor drain, floors and walls in newly-configured dishpit.
- Began lighting upgrade in office and conference room, replacing cans and compact fluorescents with LEDs.
- Witter closet and other storage areas de-cluttered and Witter room renovated as a small meeting room.

List of upcoming projects attached to this report.

***Design Team-subgroup of Building and Grounds***, chaired by Ginny Baker with four other members.

Consulted around several ongoing projects in the church, including signage and displays, painting options in social hall and conference room, brochure cabinet in entry, Witter closet conversion to Witter Room, BLM banner display above front entrance.

***Yard and landscape-subgroup of Building and Grounds***. Spring work party in May 2021 and fall work party planned. There is quite a lot of exterior cleaning and maintenance work to accomplish, including cleaning the dumpster enclosure, fall pruning, mulching for winter, raking leaves, power washing sidewalk and porch, and re-establishing driplines in front and back gardens. All volunteer work parties, organized by Ron Quinn.

This past year, we had frequent problems with transients and campers in back yard, leaving debris, using open flames, arguing with neighbors, etc. All parts of building and grounds signed clearly 'no trespassing.' All items and garbage promptly removed.

- Contracted gutter and exterior skylights and windows to be washed in Fall 2021.

***Safety progress to report.*** An ad-hoc safety committee in 2020 drafted a comprehensive safety and security proposal. Much formatting and editing work remains to be completed, but work stopped at the same as the pandemic lockdown. Safety work completed: defibrillator purchased and installed, volunteer and staff regular background screening, signage for exits, removal of blocking obstacles, exterior doors re-keyed.

- door electronic code access to be re-established with all new codes assigned.
- Exterior cameras in 3 locations, motion sensor lights in back of building

***IT Team, AV Committee*** Many audio, camera and lighting improvements needed to support streaming Sunday services. Solved innumerable challenges around equipment, planning and use of software and apps. Other successes included establishing volunteer and staff-based zoom hosting, using our improved audio and streaming capacity to hold outdoor and porch events during the pandemic and improving password security in sanctuary and administration.

IT operating budget for 2020-2021 for software and hardware was \$7,023 with \$5,513 in actual expense. 2021-22 budget is \$5,400.

**AV Committee** chaired for most of the year by Andrew Schoneberg who helped improve process documentation and training of volunteers, improved audio equipment and helped establish greatly- improved security of equipment. IT, AV and staff are participating in an ongoing committee to enhance building and property security, in light of the recent burglary at end of August.

**Memorial Garden:** Not currently meeting.



**Monthly Treasurer’s Summary Report to the Board of Trustees  
August 2021 Financials (16% of the fiscal year)  
Prepared for the September 23, 2021 Board Meeting**

**Overview of current and projected status:**

- **BUF finances** closely align with 2021-2022 budget.
  - Pledge income and Salary expenses are close to forecast.
- Month of August, 2021:
  - Pledge income was 92% of budgeted amount.
  - BUF received no rent for August, 2021.
  - Net Operating Income is -\$4,498 for the month of August.
- Year to date (July – August, 2021)
  - Net Operating Income is \$17,042 year to date (July – August), which is 122% of budgeted amount.
- Cash on Hand for August, 2021:
  - As of August 30, 2021, BUF has a Cash On Hand of **\$41,600**.
  - BUF’s Emergency Operating Reserve remains at \$43,374.
  - BUF’s goal is to have reserves to cover three months operating expense, or \$99,722.
- **Requests for action from Board of Trustees:**
  - Decision on distribution of the Endowment allocation.
    - *The BUF Endowment Fund has \$20,206 available from earnings from the last fiscal year. The Endowment Fund committee is suggesting several ideas for receipt of those funds:*
      1. *Improvements to HVAC system.*
      2. *Improvements in kitchen.*
      3. *Improvements to sound and video.*

**Income and Expense:**

<b>Income and Expense</b>	<i>Year-to-date</i>	<i>% of budget</i>
<i>Pledge Income</i>	\$ 73,243	121%
<i>Total Donations</i>	\$ 78,799	115%
<i>Fundraising Income</i>	\$ 40	100%
<i>Rental Income</i>	\$ 0	0%
<b>Total Income Year to Date</b>	<b>\$ 87,645</b>	<b>122%</b>
<b>Total Expenses Year to Date</b>	<b>\$ 70,603</b>	<b>102%</b>
<b>YTD Op. Income minus Expense</b>	<b>\$ 17,042</b>	<b>719%</b>

### Cash on Hand

	<b>This month</b>	<b>% Change</b>	<b>Prior month</b>	<b>Prior month</b>
Checking balance	\$ 49,335	-29%	\$69,192	\$ 57,308 (includes Insurance claim payment)
Cash assets under Board control	\$215,772	-7%	\$231,591	\$ 220,577
<b>Cash on Hand</b>	<b>\$ 41,600</b>	<b>-11%</b>	<b>\$ 46,816</b>	<b>\$ 29,644</b>

### Funds Activity Report

<b>Funds Activity</b>	<b>This month</b>	<b>Prior month</b>
Total Restricted Investment Funds	\$ 108,524	\$ 108,520
Total Restricted Bank Account Funds	\$ 95,446	\$ 95,967
Total Designated Program Funds	\$ 31,030	\$ 37,363
Total in all funds	\$ 234,998	\$ 224,607

### Fundraising Summary

<b>Fundraising Event</b>	<b>Income YTD</b>	<b>Income Goal for year</b>	<b>% of Goal</b>
Dinner Auction/Gala	\$ 0	\$ 17,500	0%
Other Fundraising	\$ 0	\$ 0	0%
Pandemic Grants & Income	\$ 0	0	0%
<b>Total Fundraising</b>	<b>\$ 0</b>	<b>\$ 17,500</b>	<b>0%</b>

### Projects underway and resources that will impact BUF's finances:

<b>Project</b>	<b>Financial profit or loss</b>
Employee Retention credit	~\$30,000 (unbudgeted income) available for Operating Expenses
Water damage capital project	~\$28,000 - \$30,000 (unused funds go to Building Reserves)
Endowment allocation	\$20,206 (for special projects)
AV equipment theft	(expense ~-\$1500)
Sanctuary Ventilation	-\$38,000 (use of Building Fund, then Endowment allocation, or Building Reserves)
Kitchen update	Unknown expense (use of Endowment allocation or Building Reserves)
Security upgrades	Unknown expense (possible use of Building Reserves)

1. Members of the Financial Oversight Committee are Sky Hedman, John Stewart, Frank McDonald, Brian Quick, Pam Ives and Cathy Campbell.
2. Treasurer's Summary Reports and selected Financial Reports generated by Bookkeeper are placed by bookkeeper in BUF Workroom.

\*Notes on Cash on Hand: BUF's goal remains an average of 2 month operating cash flow or \$70,000 Cash On Hand.

*Cash On Hand reports:*

*Assets that are available to Board under normal operating conditions: Checking, Savings, TIAA CD, Building Account and Accounts Receivable. (It does not include Endowment, Humanitas, A. Herrmann Social Justice Account.)*

*Equity that is subtracted from Assets are those that are not available under normal operating conditions: Restricted Funds and Designated Program Funds. Liabilities are adjusted to include only one month of the Principal payment for the mortgage.*

Financial Reports attached:

Monthly I&E Comparison  
Cash on Hand Report  
Balance Sheet Prev Year Comparison  
Funds Activity Report  
I&E YTD Annual Budget Comparison

**Survey Background :**

The survey was made available through BUF News and direct mail to over 360 BUF members and friends.

As a result of limitations of the survey design, some data is inconclusive. For example we received several comments that people were confused about how to respond to “skip this question’ . Taking these limitations in to consideration, the results here reflect those conclusions we can make with a high degree of certainty.

Please note, at the peak of ZOOM service we averaged 145 attending services.

The intention of the survey was not to determine policy, as it has been the intention of the Covid Task Force to insure as safe as possible approach to reopening.

**Summary:**

We need to be extra compassionate to peoples’ individual needs, fears, and concerns as we move to open the sanctuary for services.

- a) We will need to continue Zoom service, for those who are unable (for whatever reason) to comply with safety requirements.
- b) We need to be considerate of those who are ready to come back, by providing appropriate safety measures (e.g. compliance with state mask mandates)
- c) The most significant data is that **112 respondents are ready** to come back with some safety requirements in place.
- d) Comments included concern for the choice of those who are unvaccinated. People may elect to not return for in-person service for a variety of reasons reflecting their safety needs and concerns (including vaccination status). We are respectful of those who are unvaccinated and continue to offer a means of participating in services, via zoom.

**The Data:**

**Q1:** I will only attend Sunday in-person services in the following conditions: Everyone maintains social distance; everyone wears masks; limited attendance; all participants vaccinated; provides proof of vaccination; all of the above; Skip this question.

At **least 112 of 174** respondents said that in order to attend in person services they would need to know that:

- a) Everyone would wear masks, **and**
- b) All attendees would be vaccinated.

Of these **112, 28 respondents** would need to have all precautions in place (All of the Above); Masks, social distance, limited attendance, all vaccinated, proof of vaccination.

**Q2:** I will not attend BUF indoor service if these conditions are in place (see options in Q1) (The purpose of this question was to find out if having restrictions in place would deter attendance.)

**6 of 143 Respondents** would not attend if vaccination and evidence of vaccination were required.

- a) 137 Respondents “skipped this question”.

**Q3:** I will not be attending BUF indoor services regardless of the policy.

At **least 21 of 151** Respondents would not return regardless of safety protocols (for a wide range of reasons)

**Q4:** I am willing to volunteer to assist with Sunday indoor services:

- a) At least **78 of 140 Respondents** would not be willing to volunteer
- b) At least **43 would be willing** to assist (in some way) with in person Sunday service.