

BUF Board of Trustees Meeting (virtual, via Zoom)
January 27, 2022

Attendees: Drew Betz (Vice-President), Daria Haynes, Alex Gilman, Henry Ohana, Sarah Pearson, Lew Phinney, John Stewart (Secretary), Melissa Swift

Not Present (Excused):

Other participants: Sky Hedman, Treasurer; Deb Cruz; Kaitlin Davis

Minutes by John Stewart Secretary.

Chalice lighting 7:02 pm; Drew

Agenda Review/Changes:

Approval of last meeting minutes. Minutes from the 12/16/2021 meeting were approved by email on 12/28/2021.

Treasurer's Report: Sky. Summary appended below.

- Pledge income is steady,
- Rental income sagging. We budgeted full rental income beginning in January and now project that we'll be under budget by about \$10,000
- Cash on hand is about \$24,000, steady, although below our target.
- \$51,000 in Building Maintenance Reserves

COVID Task Force Report: Henry

- Discussion about continuing in-person services due to upsurge in COVID cases
 - Decided that people will self-select
 - No reports of COVID spread as a result of BUF attendance, although there have been cases within the congregation.

Denominational Affairs: Deb Cruz

- General Assembly (GA) is coming up in Portland, both in-person and online.
 - Lew is getting delegates.
 - Deb is working with a Lummi group to make a presentation at GA,
- Pacific Western Regional Conference – will be held in person and online. Paul is attending.
- Pacific Northwest District is voting Sunday (Jan 31 2022) to dissolve into the Pacific Western Region.
- Drew reported that she had been invited to and attended the Washington Congregations Presidents Group as acting president of BUF. Common discussion themes were the impact of COVID and strategies for reopening.

Community Within BUF: Kaitlin Davis

- Beloved Community Steering Committee
 - Organizational Audit to see how we're doing as far as accountability.
 - Ultimately want to be accountable to the marginalized communities
 - Jan 30 accountability event with a follow-up in May 2022.

Update on Capital Needs Assessment and Security: Sky

- **Capital Needs Assessment**
 - Subcommittee with Daria Haynes and John Stewart
 - Bids received from several vendors.
 - Selected Samdal & Associates who will charge \$4,200 to prepare the analysis, which will guide our projected needs for the Building & Maintenance Reserve.
 - **John moved and Daria seconded that the Board approve the expenditure of \$4,200 from the Building & Maintenance Reserve to engage Samdal & Associates to prepare a Capital Needs Assessment Report. Motion passed unanimously.**
- **Funding Alarm System**
 - The BUF building was recently burglarized again, this time through a window in the rear of the building, which was pried open.
 - The building is often empty, or with a very small number of people working in it. The Bellingham Police officer who responded to our burglary considered that our building very insecure.
 - Sky has worked on soliciting proposals with a task force comprised of Jim Reimer, Jed Reynolds, Kevin Allen-Schmid.
 - Proposals have been presented in 2 parts: Intrusion Alarms and Video Surveillance. The current proposal addresses purchasing/implementing Intrusion Alarms only.
 - **Security Solutions NW** presented a proposal which the task force supports, The cost of the system will be \$4,920 for purchase and installation and \$39.95/month for monitoring support.
 - The internal processes for receiving and responding to alarms still need to be designed.
 - **Law moved and Daria seconded that the Board approve the proposal from Security Solutions NW for \$4,920 for the acquisition and installation of an intrusion alarm system, to be funded from, if remaining funds are available, the Endowment Fund and from the Building & Maintenance Reserves and further that \$39.95/month be approved for maintenance from the Operating Budget.**
 - Discussion following the motion focused on the need for internal processes for receiving and responding to alarms and processes for dealing with false alarms. Alarms will come into Security Solution NW and, based upon our criteria to be designed, personnel from BUF will be contacted and/or the police will be contacted. Concerns were that BU F members and staff not be endangered in any way.
 - **Motion passed with 6 in favor and 2 abstentions.**

Budget Process Update: Sarah and John

- The current Budget Priorities list was discussed and some modifications made. Items on the list have not necessarily been vetted and the list represents a wish list.
- Kathy Wahto is preparing a budget forecast in conjunction with Sky.
- Another update will be given at the next Board meeting.

Communications Team: Alex and Sarah

- Alex and Sarah will provide updates to the congregation about Board activity for the Mid-Week Update.
 - Anti-racism training and security are examples
 - Communications will appear every other month.

Governance Team: Lew, Drew, John, Melissa

- Meeting next week with Nominating Committee
- Suggested changes to bylaws need to be sent to the Board and discussed next month.
- Drew will send Nominating Committee minutes to Board

Resolution Process Discussion: Melissa and Henry

- The Resolution Process proposed changes includes proposed bylaw changes.
- Melissa will resend link to Board members
- Expectation is that the Board will vote next month on the new process.

Calendaring:

- Social: March 19 from 11:30 – 2:00pm social and for the purpose of doing the Beloved Community/Widening the Circle Audit.

Next Meeting Date: February 24 2021

Meeting adjourned at 8:49 pm.

Summary of Action Items:

- John moved and Daria seconded that the Board approve the expenditure of \$4,200 from the Building & Maintenance Reserve to engage Samdal & Associates to prepare a Capital Needs Assessment Report. Motion passed unanimously.
- Lew moved and Daria seconded that the Board approve the proposal from Security Solutions NW for \$4,920 for the acquisition and installation of an intrusion alarm system, to be funded from, if remaining funds are available, the Endowment Fund and from the Building & Maintenance Reserves. Further that \$39.95/month be approved for maintenance from the Operating Budget. Motion passed with 6 in favor and 2 abstentions
- Melissa will resend Resolution Process link to Board members.
- Drew will send Nominating Committee minutes to Board

Attachments: (below)

- Treasurers Report

Monthly Treasurer's Summary Report to the BUF Board of Trustees
December 2021 Financials (50% of the fiscal year)
Prepared for the January 27, 2022 Board Meeting

Overview of current and projected status:

- BUF finances support the 2021-2022 budget.
- Month of December, 2021:
 - Pledge income was 89% of budgeted amount.
 - BUF received \$1295 in rent for December, 2021.
 - Net Operating Income is \$4,013 for the month of December.
- Year to date (July – December, 2021)
 - Net Operating Income is \$14,768 year to date (July – December), which exceeds the budgeted amount of -\$1200.
- Cash on Hand for December, 2021:
 - As of December 30, 2021, BUF has a Cash On Hand of **\$24,102**.
 - BUF's Emergency Operating Reserve is \$43,474.
 - BUF's goal is to have reserves to cover three months operating expense, or \$99,722.
- **Building and Grounds Reserves increased**
 - The balance for Building and Grounds Maintenance Reserves was \$30,992.31 on December 31, 2021.
 - As a result of the Church Mutual insurance settlement, we transferred an additional \$25,302.12 to Building and Grounds Reserves. We expect an additional payment from Church Mutual of ~\$5,000.
 - The current balance of Building and Grounds Maintenance Reserves is \$56,294.43.

Issues requesting Board involvement:

- **Capital Needs Assessment**
 - Sky Hedman, John Stewart and Daria Haynes recommend Samdal & Associates (www.samdalassociates.com) to be engaged for a Capital Needs Assessment of BUF's physical building and assets.
 - The Capital Needs Assessment Report will:
 - Identify and describe the major components of BUF's property.
 - List the items of immediate repair/replacement and provide a rough order of magnitude of the costs required.

- Forecast the anticipated schedule of capital expenditures over the next 20 years and provide a rough order of magnitude in 2022 dollars of the costs required.
 - Quoted price is \$4200.
 - Samdal & Associates performed a similar assessment for Northlake UU church.
 - Jeff Samdal has extensive qualifications and experience in evaluating property.
 - Per email from Jeff Samdal, once the Project Retainer is received, the project would be scheduled to start in about 3 weeks.
 - Project Retainer is 50% of total cost (\$2100.)
 - We request approval from Board to use \$4200 from the Building and Maintenance Reserve for a Capital Needs Assessment performed by Samdal & Associate.
- **Alarm system for BUF**
 - BUF is pursuing the purchase and installation of a building alarm system.
 - The team includes Jim Reimer, Jed Reynolds, Sue Sayegh, Kevin Allen-Schmid and Sky Hedman.
 - Our goal is to increase physical security for BUF staff and volunteers as well as to protect our building and physical assets.
 - The vulnerability of BUF’s building was highlighted by a burglary on January 5, 2022.
 - We have received quotes from three alarm companies, for both an intrusion alarm system and a video surveillance system.
 - The team agreed to pursue the bid from Security Systems NW for the Intrusion Alarm system only. The cost would be \$4,920, with a monthly charge of \$39.95.
 - The team is continuing to consider possibilities for video surveillance.
 - We request approval to use \$4,920 from BUF’s Building and Maintenance Reserves for an intrusion alarm system from Security Systems NW.
- **Kitchen upgrade project:** A final proposal is being prepared to be voted on at the Congregational Meeting in May.
 - Funding would come from Endowment disbursement and Building and Maintenance Reserves.

Income and Expense	<i>Year-to-date</i>	<i>% of budget to date</i>
<i>Pledge Income</i>	\$167,513	102%
<i>Total Donations</i>	\$196,290	103%
<i>Fundraising Income</i>	\$ 13,254	100% (includes ERC in Covid Grants)
<i>Rental Income</i>	\$ 4,000	68%

Total Income Year to Date	\$231,764	109%
Total Expenses Year to Date	\$208,009	101%
YTD Op. Income minus Expense	\$ 23,755	\$16,320 above budget

Cash on Hand

	This month	% Change	Prior month	Prior month
Checking balance	\$108,820	2%	\$ 106,333	\$ 54,053
Cash assets under Board control	\$205,268	3%	\$ 199,362	\$184,076
Cash on Hand	\$255,536	6%	\$ 24,102	\$ 20,779

Funds Activity Report

Funds Activity	This month	Prior month
Total Restricted Investment Funds	\$ 55,228	\$ 55,228
Total Restricted Bank Account Funds	\$ 96,072	\$ 97,203
Total Designated Program Funds	\$ 84,887	\$ 77,810
Total in all funds	\$236,187	\$ 230,241

Fundraising Summary

Fundraising Event	Income YTD	Income Goal for year	% of Goal
Dinner Auction/Gala	\$ 0	\$ 17,500	0%
Other Fundraising	\$ 40	\$ 40	100%
Pandemic Grants & Income	\$ 0	\$ 0	0%
Total Fundraising	\$ 0	\$ 17,500	0%

Members of the Financial Oversight Committee are Sky Hedman (Treasurer), John Stewart, Frank McDonald (Assistant Treasurer), Brian Quick, Pam Ives (Assistant Treasurer), Cathy Campbell and Sue Sayegh.

Treasurer's Summary Reports and selected Financial Reports generated by Administrator are placed Administrator in BUF Workroom.

Cash On Hand reports:

Assets that are available to Board under normal operating conditions: Checking, Savings, 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