

# East Shore Unitarian Church

## Meeting of the Board of Trustees,

### November 2017

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## Preparation Notes and Agenda

### Preparation Notes

Review all items of the consent agenda, be prepared to vote to approve all, or move a piece to the regular agenda if discussion is needed (Please alert Jack in advance!).

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

Board Host: Ryam

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 2.3All

7:45 Holly House Task Force RFP progress Jason

7:55 Search Nominating Committee proposal Elaine

8:00 Open Board position All

8:15 Executive Session Elaine & Jack

8:58 Closing Words and Adjourn Ryam

**Minutes of Last Board Meeting**

**ESUC Board of Trustees**

Minutes - Draft

October 17, 2017

<b>Minutes, Leadership Reports, Consent Agenda:</b>	<b>Com. + Board Liaison Reports Consent Agenda:</b>
<b>October Board Agenda + Upcoming Events</b>	Personnel Liaison Report – Jerry Bushnell
<b>Minutes of Last Board Meeting – September 19 and Open Action Items</b>	Policy & Governance Com. Work Plan Progress Chart – submitted by Tom Doe
<b>Board President's Report – Jack Slowriver, No report this month, Jack was in Malawi, Africa</b>	ES Social Justice Ministry Teams Aug Report
<b>Finance – Treasurer’s Report – Ryam Hill</b>	ES Social Justice Ministry Teams Sep Report
<b>Interim Minister Report-Rev Elaine Peresluha &amp; Membership + Communications Report</b>	
<b>Director, Finance &amp; Operations–Jason Puracal App A&amp;B – Sum Income Statement, BS FY17 Appendix C Financial Analysis / Charts,</b>	
<b>Director, Lifelong Learning – Aisha Hauser Revised Dir, Lifelong Learning Job Description</b>	<b>Discussion Agenda</b> – 26 committee and task force charters

East Shore Unitarian Church  
Board of Trustees Meeting Agenda  
October 17, 2017

Board Host: Dave Baumgart

6:45 Social Gathering

7:00 Opening Words, Chalice Lighting Elaine

7:05 Check In/ Guest introductions All

7:15 Discussion of Treasurer Report Endowment Charter considerations Jason, Ryam

7:30 Discussion of All Charters All

7:45 Approval of Consent Agenda All

8:00 Executive Session: Aisha’s proposal Aisha, Elaine, Jason

### Upcoming Events for Your Calendar

- November Exec Council – Nov 7
- November Board Packet items due Wednesday, November 15: email to Ryam Hill
- November Beacon Board Buzz due Wednesday, November 15 by Ryam: email to Nicole Duff
- November Board Meeting Nov 21; Ryam is host.
- Sunday Svc Announcement 10/22 + 29 Elaine, 11/5 + 11/12 Uzma, 11/19 xxx, 11/26 xxx

**Opening Words** – Dave reflected on the wisdom of the Personnel Com, Finance Com, and the Board – all at the urging of Rev. Elaine back in 2015, to enroll our church staff in traditional medical insurance– instead of the staff depending on the Affordable Health Care Act (ACA) insurance policies.

**Check-in** - The board of Trustees includes David Baumgart (secretary), Paul Buehrens , Jerry Bushnell, Uzma Butte, Tom Doe (absent), 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** – There were no visitors.

**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). David moved and Marcy seconded that the Consent Agenda should be approved. Motion Passed.

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

- Approve Personnel Committee Draft Charter and Personnel Manual Updates: submitted by Jerry
  - Paydays (only direct deposit)
  - Health Insurance
- Financial Stewardship approved the revised 5 Year Strategic Plan – see DFO Report
- David Baumgart proposes that we name Ryam (and future Treasurers) as the Assistant Secretary - then she would have the ability to update the Chase Bank signature card when the secretary or president is not immediately available.
- Request approval for a new member of the Holly House Development Task Force: Lee Dorigan.

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

We need a Board member to deliver the **Sunday Service Announcements on Nov 19 and 26.**

### Discussion of Endowment Charter considerations – led by Ryam Hill

We began the discussion by noting that this charter calls for a congregational vote if a distribution is proposed that exceeds the normal annual amount. The board feels that this requirement should be documented in the bylaws regarding congregational business meetings – rather than within a committee charter. Reference Article VIII, Congregational Meetings, Sections A and B. We agreed to modify this bylaw to include endowment fund distributions.

Secondly – it was discussed that the board should have jurisdiction over setting the minimum dollar amounts for the Endowment Fund and annual distribution amounts based, in part, on the guidance of the Endowment committee.

Thirdly – we noted that the Endowment Fund also includes a capital reserve fund that could potentially be tapped for short term loans for capital improvements, in lieu of the normal annual distributions over 2 or 3

years. The distribution for this purpose would also be governed by Article VIII, Sections A and B bylaws regarding congregational business meetings.

### **Discussion of All Charters – “Charter City”**

The Board is in the midst of a review of all charters which may be rewritten, based on the new charter template that has been proposed by the Policy & Governance Com. Refer to Appendix 2, below, the Charter Tracking Table, for the list of all charters and status. A total of 26 charters were included in the October Board Packet, ref: Document 2 of 2.

We discussed the apparent effectiveness of the **new charter template** – providing an orderly way to view each committee’s functions, purpose, leadership, members, and financial characteristics. We also mentioned 5 related “rules of the road:”

- 1) The std questions posed in the template should remain in the text of the charter – making it easier for the reader to find the various sections of the charter.
- 2) Each charter is a dynamic living document and many will be revised on an annual basis.
- 3) It was suggested that we write a board policy that suggests that if any committee chooses to create written minutes, then those minutes should be archived. Written minutes would be required of board standing committees which will be included in that same board policy.
- 4) The Policy & Governance committee will be asked to review all the charters, beginning with the Board Standing Committees. At a minimum, all the Board Standing com’s charters should be reviewed by the January Board meeting. P&G should flag charter issues that are found to conflict with policies.
- 5) For each of the received proposed charters, Jason will send out an announcement thanking the committees for their draft charters and informing them of the review process.

It was noted that there is a group of Community Groups, under Elaine’s supervision, for which the board was reluctant to require a formal charter. Many of these groups operate informally. Elaine stated that she could write an overall charter that would apply to all the Community Groups, in such a way that the individual group would not need its own charter. Similarly, there is a group of Affinity Groups, also under Elaine – for which she could also write an overall charter. This would negate the requirement for each affinity group to write its own charter. Jason and Ryam both made the points that these general overview charters should:

- identify the leadership of each group, and
- remind the members that they are all part of East Shore.

Marcy moved to accept the consent agenda, as well as the above decisions relating to the various charters received in the October Packet, and Lee seconded. The vote for approval was unanimous.

### **Bequest Received for Education**

Jason: We received a check in the mail as a donation to East Shore. The letter attached specifies the use of the funds as such:

- *“The sum of Five Thousand Dollars (\$5,000) to the EAST SHORE UNITARIAN CHURCH, Bellevue, Washington, for such educational and/or building purposes as its Board of Trustees may determine;”*

We discussed the fact that the Right Relations education was short on funding by more than \$5,000 and several board members spoke in support of applying this timely donation to the Right Relations education. Ryam: So moved, Jason seconded. The motion was approved, unanimously.

### **Annual Evaluations for DLL and DFO**

We created two subcommittees of the board to perform annual evaluations as follows:

- DLL evaluation Subcommittee – Jack, Gerry, Paul, and Lee

- DFO evaluation Subcommittee – Ryam, Uzma, Marcy, and Dave

**Executive Session: Aisha’s proposal to work part time.**

The board approved Aisha’s proposal to reduce her weekly hours to 30 hours, effective Nov 1.

**Closing Words and Adjourn**

Dave’s closing reflection focused on The Blue Zones, by Dan Buettner. Dave stated he has subscribed to the 9 general principals of the Blue Zones for the past 9 years and found them to provide significant benefit to his overall happiness, wellness, and fitness:

- 1) **Move Naturally** and remain physically active within a sustainable environment,
- 2) Follow a **Purpose** in life,
- 3) **Downshift** – take action to shed stress,
- 4) **80% Rule** – when you are eating, Stop! When your stomach is 80% full,
- 5) **Plant Slant** – Reduce your intake of meats, especially red meats, while increasing your intake of beans, lentils, poultry, and fish,
- 6) **Wine @ 5** – Kick back and relax, after a hard day’s work – enjoy a glass of wine (Dave prefers wed wine),
- 7) **Know your Tribe** – Focus on social circles that share your values + morals; supporting healthy behaviors,
- 8) **Community** – Attending faith-based services 4 times a month adds 4 to 14 years to life expectancy,
- 9) **Love and Be Loved** – cherish your loved ones, give and receive love from those you hold precious.

Our board meeting ended at 9:10pm. Our next board meeting is November 21, 2017. Please review these draft minutes and send corrections or additions to Dave as appropriate.

Respectfully submitted by David Baumgart

Secretary, ESUC Board of Trustees

**OPEN ACTION ITEMS: (REVISED OCTOBER 17)**

What	Who	When / Notes
<b>Revised team charters – first drafts are due Sep 30</b>	Board, Elaine, Jason, Aisha	The Board and each SLT leader will be responsible for their respective teams (Appendix 2). 3 charters approved, 26 draft charters received, to date.  Jason to send out notice to all committee chairs about next steps in the review process.
<b>Establish Ryam as the Asst Secretary with Chase Bank</b>	Dave	Enables Ryam to make changes to the Chase Bank signature card

CLOSED ACTION ITEMS:	Who	When / Notes
<b>Refresh and publish all Policies to the Board and Congregation.</b>	Ryam, Dave, Policy Committee	In Progress – Ryam has now compiled a current document of policies.

<b>Recruit Members to HHDTF and launch their first meeting (Oct 19).</b>	Marcy, Dave, and Jason	Initial membership includes Dave, Marcy, Jason, Lee, Seth Hamilton, and Benjie Langrock
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# Appendix 1

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

## Consent Agenda from Treasurer Report

- **Section from Secretary, Dave B:**
- Background: Management of the Chase Bank signature card has always been a challenge for us, and there is often a multi-week delay to add or delete names from the card. This is because under Chase' rules, only the President or the Secretary can make such changes. David Baumgart proposes that the board identify Ryam, our beloved treasurer, as the "Assistant Secretary." By taking this action, Chase Bank would allow Ryam to fulfill the same responsibility as David, secretary of the board, to add or drop names from the signature card. It is my opinion that this does NOT require any change to our By-Laws. Eventually, we may want to document this in one of our Policies, if approved.
- The importance of this action was made clear when both Jack and David were out of the country, simultaneously, for ten days in September. This proposal has already been approved by Ryam, David, Jason, and Elaine.
  - **Ryam – Asst. Secretary - Consent Agenda** David Baumgart proposes that we name Ryam (and future Treasurers) as the Assistant Secretary - then she would have the ability to update the Chase Bank signature card when the secretary or president is not immediately available. As you all know, she is, in deed, very much the asst. secretary already, given all the work that she has done with regard to the monthly board packet, and also covering for Dave when he is not available. This would be with the caveat that she would perform these duties when the secretary is not available to perform those same duties.

## Consent Agenda from DFO Report

- Jason revised the spreadsheet that provides the quantitative analysis supporting the 5-year Strategic Financial Plan, as well as made further edits to the Financial Stewardship (FS) Committee draft Charter. See Treasurer's report for more details.

**APPENDIX 2 – CHARTER TRACKING TABLE**

Latest Update – Oct 17, 2017

<b>Board Standing Committees</b>	<b>Minister Core Teams – Elaine</b>	<b>DFO Core Teams- Jason</b>	<b>DLL Core Teams-</b>
<b>Oct-Financial Stewardship</b>	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
<b>Oct-Endowment</b>	Oct-Connections Teams	Facilities Mgr Oct-Facilities Oct-Grounds draft Oct-Memorial Garden Oct-P-Patch Flower	Adult Programs
✓ <b>Nominating</b>	Oct-Ace Media Crew - Production	Oct-Ace Media Crew - Hardware	RE Teachers
✓ <b>Personnel</b>	Oct-Archives / Library		
✓ <b>Policy &amp; Governance</b>	Covenant Circles		
<b>Oct-HHDTF 2017 draft</b>	Earth Based Celebrations		
<b>Ministerial Search TF</b>	Extended Families		
<b>Oct-Right Relations TF</b>	Oct-Lay Pastoral		
	Worship		
<b>Oct-ESJCC - Elaine</b>	<b>ESJCC - Elaine</b>	<b>Caring Community - Elaine</b>	<b>Affinity Groups - Elaine</b>
<b>ANSWER Nepal</b>	Oct-PartnerChurchKhasiHills	Grief Support Group	Coffee Klatch

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

**END OF MINUTES**

**President's Report – Jack Slowriver**

President's Report – November 2017

The Policy and Governance Committee has been hard at work. There are three items for the consent agenda and one for discussion from this committee. Items for the consent agenda are:

- 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. The ones that are 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 Charters for the Right Relations Task Force and Archives were also reviewed. The feedback for the Archives Charter is as follows: We recommend five members on a team, but they declare only four. We need to decide when five is expected and when groups can get by with fewer. In the case of Archives, this is a rather technical group that can likely operate with fewer members and does not need more to be more representative of a cross section of the church. Term limits are not listed. The draft

does not indicate how the group will communicate with the East Shore community or who on the team is authorized to approve communications on behalf of the team.

The feedback for the Right Relations Charter is as follows: This document should use the new charter template and answer all of its questions.

For overall format, the Policy and Governance Committee recommends that that the questions be kept within each charter at least until everyone gets used to the new template and that the questions or the answers be bolded for visual clarity when the charters are published.

For discussion on the agenda is the policy proposal 2.3. Please see the attachment for further detail.

Also, during the executive session, we'll be discussing our leadership response to recent congregant feedback.

## **Minister's Report – Rev. Elaine Peresluha**

### **INTERIM MINISTER BOARD REPORT**

**November 2017**

***By December 1, 2017, ESUC will have an initial 5 to 10 Year Financial Strategic Plan, developed by the Leaders of the Financial Stewardship Team in collaboration with the DFO, ESUC Board, and other ESUC leaders with the understanding that this plan will be reviewed and updated on an annual basis.***

See Jason's report. We continue collaborative development of the 5 year plan through SLT, Financial Stewardship and finance meetings. The overlap of Ryam's, Jason's and my presence at two out of three of all those team meetings effectively communicates the necessary information for consideration.

The Auction results were less than budgeted. Attendance was lower that previous years while spending of those present was up. There will be a debrief on the auction process Nov 26<sup>th</sup> to review what worked, and what needs adjustment. We will discuss how to interpret attendance and what falls within normal limits for an interim period and what can be attributed to the continued expressions of discontent addressed later in this report.

***ESUC will be prepared for a Settled Minister by the fall of 2019.***

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. Relationships were enhanced and important data was collected about people's priorities and personal information for our data base. Our intention is to continue emphasizing the collection of information and the relational priorities of the calls. We will begin the phone calls Feb 11, 2018 and complete the campaign by March 4<sup>th</sup>. We will organize an opening event and an all church celebration event for Saturday evening Mar 3<sup>rd</sup>. Chris and Amanda will attend the 1<sup>st</sup> Saturday event in December of discuss the strategy and planning.

Another aspect of preparation for the arrival of a settled minister is the continuing to strengthen the health of the congregation in managing conflict, and right relations. I have observed that the two workshops on Right Relationship and Conflict Resolution have helped educate members about healthy process for understanding and appreciating cultural differences in communication styles and offering skills to structure difficult conversations. The workshops have also motivated some unhealthy ways of communicating in their attempts to communicate directly. In other cases, members are being unusually unhealthy, not going direct in what I think is a reaction to change and a loss of control. Nicole, Aisha and I have had people directly communicate with us about their concerns reiterating a number of old conflicts that continue swirling on the edges of the congregations. Conversations with me have addressed the hiring of Tizita, my authority in decision making, attacks on the Gallery and people not feeling heard during the listening sessions, all directly related to what they view as my inability to collaborate.

I believe that in all of the instances mentioned I have listened, I have collaborated and have taken responsibilities and apologized for errors and omissions for which I am responsible for the past year or more. People do not seem to remember the multiple attempts to communicate, collaborate, apologize and correct behavior.

The continued references to past events that we have addressed in multiple ways indicates that people who are not attending meetings, worship or workshops are less interested in moving forward than passing judgments and blame. This indicates the presence of people stuck in experiences and conversations that cannot progress in a healthy relational process. The time and energy exerted by staff addressing conflicts, correcting erroneous information and communicating with members who are acting as “bridges” prevents more productive activities. It is discouraging and diminishes our creativity and resilience.

To me, all this chaos represents unmanaged anxiety in the system which requires consistent self differentiated leadership to calm it. If these conversations emphasize and continue resentment, mistrust, judgment and anger, and do not respond to stronger self differentiated leadership from the Board, East Shore is not ready to offer a healthy environment to new ministry.

What is required to strengthen health is for members of the congregation to define and sustain healthy boundaries, to communicate directly, not accept anonymous feedback, blind copies of emails, or any indirect and judgmental conversations. People need to demonstrate the desire for resolution of conflict, not the desire to increase intensity. Those motivated by emotional intensity and mistrust can prevent East Shore from moving towards health and reconciliation. Staff are not in the position to inspire trust. Members and leaders need to establish the desire for health, the expectations for healthy resolution of conflict, model appropriate boundaries and hold members accountable to a communal standard of relational behavior.

The Right Relationship team and their covenanting process will mark a moment in time from which we can hold people accountable to a communal standard of behavior. IN the mean time the Board and leadership need to manage dysfunctional behaviors that minimizes hurt and intensity.

***During the period of 2017-2019, will further enhance the prevailing level of trust through the further development of skills in right relationship, and growth opportunities offered in classes, workshops, trainings, worship, and ongoing support. We will document the processes for transparency, right relationships, anti-racism, and religious tolerance in a behavioral covenant that is supported by all staff and a majority of voting members.***

In addition to the above, Nov 1-4 I attended the certification program for administering the IDI (intercultural Development Inventory) and am now a Qualified Administrator which means that East Shore can participate in IDI assessments for the cost of taking the survey online. I will be using the IDI for the Board retreat, Staff retreat and in the leadership development class this spring to establish people’s intercultural competency. Understanding the level of intercultural awareness in the congregation will help staff to communicate more effectively about anti racism work, conflict resolution and right relationships since most of those communication

areas are culturally defined and shaped. Rhonda Brown, Aisha and I are planning to offer the Harvest The Power leadership development class after the MET initiative in late March.

***By 2019, we will achieve membership growth (new members and retention) to sustain the church through increased generational and cultural diversity.***

#### Communications & Membership Metrics

##### Worship Numbers:

2017/18

October 1: 194 (multigen – Diwali)

October 8: 136 + 41 = 177

October 15: 144

October 22: 137

October 29: 130 (Samhain – multigen)

November 5: 133

2016/17

October 2: 175

October 9: 179

October 16: 194

October 23: 172

October 30: 197 (Samhain)

November 6: 198

##### Membership Numbers:

Current Membership: 451

- 17 people attended the New Member class this Sunday!
- Visitors who have filled out forms in October: 13
- Retention of visitors is up with decreased numbers of one time visitors

***East Shore social and earth justice activism provides an opportunity to publicly live out our UU principles. In fidelity to these principles, we will measure outcomes each fiscal year to ensure the resources of our community are being leveraged most effectively.***

I am continuing to work directly with the ESJCC and have attached the ministry team summaries for October to this report. The major initiatives are the Promise Land Documentary film being shown on Nov 18<sup>th</sup> and the inclusive Thanksgiving service and potluck that will follow. The Congregations for the Homeless success during

October, upcoming Climate Action initiatives and continuing conversations on race are strongly attended and appreciated.

I received direct feedback from a member that the ESJCC has expressed continued dissatisfaction with my hiring and terminating of Tizita Assefa, resentment of my continuing involvement in Earth and Social Justice and my presence at the ESJCC meetings. We will discuss this directly at the meeting on Nov. 20 to establish whether my involvement in Earth and Social Justice is adding value or diminishing their authority and undermining their initiatives.

I want to model direct communication and to help ESJCC members appreciate that indirect comments shared outside of the environment of ESJCC are hurtful and ineffective at resolving differences within the council. I also want to model that comments that are made will be addressed directly so that people appreciate that conversations and information do make their way back to staff, and take significant time to manage. My hope is to directly address, and decrease the indirect communication of inaccurate information in the hope of inspiring the direct communication of constructive feedback.

The continued prioritizing of decentering whiteness in the UUA is a source of conflict and contention at East Shore. People continue to hear examples of white supremacy and racism in the system as personal judgments and identification of people as white supremacists and racists. This makes it challenging for staff to engage in national trends, to support members of color, and discuss or implement systemic changes that can shift the distribution of power and authority. We are challenged to meet the Boards end to increase inclusivity and diversity of programming at East Shore or move towards becoming an intentionally anti racist congregation. These are trends that will need to be communicated during the search process and will significantly influence the type of minister that East Shore can attract.

***By 2019, we will develop a plan to reduce the environmental impact of our facilities and membership activities. We will also have plans for Emergency Preparedness.***

(See Jason's Report)

## **Finance - Treasurer Report – Ryam Hill**

- **Financial Stewardship Committee:**
  - The FS Committee met 11/14/17. I chaired the meeting as Claudia was out of town. The committee reviewed the progress of the Charters, updates on Endowment, the 2018-19 Budget task force, the HHTF RFP, “sponsorship” of other nonprofits, and metrics for the Five-Year Financial Strategic Plan.
  - **NEW MEMBER OF COMMITTEE NEEDING BOT APPROVAL:** 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.
- **Endowment Committee:**
  - I attended the 10/27/17 Endowment meeting. At that meeting we thanked Paul Bouchey for his many years of leadership on the committee. The upcoming chair will be Craig Nelsen. For now, the committee members will do quarterly reviews of returns and also attend, when able, the Financial Stewardship Committee meetings.
  - The Endowment Charter final version was approved. It will be used to update the Endowment investment plan. There was also discussion of how staff and the committee would track

contributions. A draft brochure is in process so we will have some educational materials to share with members about how they may contribute to the endowment fund.

- **NEW MEMBER OF COMMITTEE NEEDING BOT APPROVAL:** Steve Lange attended this meeting, was approved by the Committee, and agreed to become a member of the committee, pending Board approval.
- **Finance Team:** I attended the Finance Team meeting on 11/14/17 where we reviewed the end of month reports, discussed how having Laura Rivendell, Jason and I cover the bookkeeper position was working, and dealt with handling decisions for various outside group donations during the holiday season.
- **Budget Team:** The budget team, consisting of Minister, DFO, Board President and Treasurer, Financial Stewardship Chair and one member of FS, will begin working on the 2018-19 budget in December. The first full meeting of the team will be the fourth Tuesday in January. The team will meet at least monthly through the approval of the final version of the budget by the Board in May 2018.
- **Jason's Review:** The team who volunteered to do Jason's review have gathered his self-review and input from 4 of his direct reports (staff and chairs of committees). After our in-person meeting with him, we will write up a final report in time for the December deadline.
- **Asst. Secretary:** David Baumgart went to Chase to have me also authorized to make account signer changes as "Asst. Secretary" as described in last month's report. He endured another hour and half plus process at the bank to do so. These signature card tasks take more time than seems reasonable and are one reason why we may consider changing who we do our banking with at some point in the future. BECU holds our mortgage and is a candidate for our banking, but still doesn't provide all the services we require. When/if they do, we will discuss changing banks.
- **Treasurer access to accounts:** I am creating a new list of ESUC bank and investment account access to reports that need to include the Treasurer. These reports and their access need to be kept up to date, similar to the signer cards. Usually, the DFO provides these monthly for the bookkeeper's use, but if they are away on vacation, we another person to provide them. I will be signing on to any of these which I don't already have access.
- **Vanguard Funds:** Our Vanguard funds requested proxy votes and communicated the need to achieve a quorum for the vote. In the past, these were simply not used. As treasurer, I decided we'd participate in this vote. For two of the votes. there were no real options, just the slate/statement provided. However, for the final item, there was a shareholder proposal to "institute transparent procedures to avoid holding investment in companies that, in management's judgment, substantially contribute to genocide or crimes against humanity, the most egregious violations of human rights. Such procedures may include time-limited engagement with problem companies if management believe that their behavior can be changed." Since this fund is the SRI portion of our investment, I voted Yes to this proposal.

## Director of Finance & Operations – Jason Puracal

### Consent Agenda

*BOT END 1. By December 1, 2017, ESUC will have an initial 5 to 10 Year Financial Strategic Plan, developed by the Leaders of the Financial Stewardship Committee in collaboration with the DFO, ESUC Board, and other ESUC leaders with the understanding that this plan will be reviewed and updated on an annual basis. (It is noted that this effort is well underway, led by the Financial Stewardship Team.)*

- I 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:
    - The average age of accounts payable invoices is 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.

*1.1 By December 1, 2017, East Shore will determine and document how best to utilize its Endowment for maintaining capital assets of the church's campus.*

- I attended the Endowment Subcommittee meeting in which I was able to provide clarity regarding accounting procedures for annual distribution in alignment to 5-year Financial Strategic Plan.
- The Facilities Team has drafted revisions to the Reserve Data Analysis for the expenses listed for 2018. The revisions will be discussed at the next Team meeting, and then submitted to the company contracted for the study.

*1.2. By the Annual Congregational Meeting in June 2018, ESUC will have a plan reviewed and approved by the Congregation for the development of the Holly House property that will result in proceeds to ESUC of at least \$1M.*

- I attended the first virtual meeting of the Holly House Development Task Force (HHDTF). Per the tasks assigned during the meeting, I researched and circulated RFP examples. I also drafted a RFP for the Holly House property and sent it to the rest of the Task Force for review. I then attended the first in-

person meeting of the Task Force. Please see the Secretary's/Chair of HHDTF (David's) report for further details.

- I met with a representative of Homestead Community Land Trust, the affordable housing developer who presented a written offer to ESUC for the purchase and development of the Holly House property. I gave him an update on our process and timeline for the RFP, confirmed assumptions on the fiscal cycle of funding for affordable housing developers from the state and federal government, and received feasibility feedback on potential ideas for the development of the property.

*2. ESUC will be prepared for a Settled Minister by the fall of 2019. The following actions will be complete prior to preparing the information packet for the new ministerial candidates, including:*

- *A covenant of Right Relations*
  - *Stable staff (paid / unpaid) to appropriately meet the needs of the church*
  - *Sustainable Finances and preparation for an external audit*
  - *Policy-based governance is fully implemented and accepted*
  - *In the 2018/19 review of ends the Board will be able to define what it means to explore spirituality based on their experience of living our mission and vision statements.*
- 
- I met with the Finance Team. We discussed the October month-end statements, financial metrics for the 5-year Financial Strategic Plan, the Balance Sheet, budget projections, Professional Expense guidelines, Guest at Your Table, Giving Tree, East Shore LIVE contracts, ESUC Bed & Breakfasts, and pledge statements.
  - The month-end reports created for October 2017 have been emailed to the Treasurer, Financial Stewardship Committee, Finance Team, and other designated recipients. The reports include the Summary Income Statement (see Appendix A), the Detailed Income Statement, and the Balance Sheet (see Appendix B). The Income Statements by Department are presented visually as part of the financial charts (Appendix C), although for more transparency, some of the Departments have been broken down into categories. If any Board Member, or Congregant, would like to see the Detailed Income Statement, or the Summary Income Statements by Department, they can be made available upon request.
    - According to the reports, the total income from donations for October were ~\$8,600 lower than the 16-year average of pledges, and ~\$1,500 higher than what was contributed last year during this period. Please note the new account structure groups non-pledge donations with pledges for total income from donations. Our total income was ~\$2k more than the 16-year average, ~\$1k higher than the 5-year average, and 118% of what was brought in last year during October. Our monthly expenses increased by ~\$5,700 from last month; the increase is attributed personnel issues, and the switching to utilities payments from credit card to check, thus two months of utilities in this month. East Shore had a deficit for October of approximately \$26,700, however year-to-date we are still at a surplus of ~\$140k, providing a 1.5-month runway of operating expenses.
    - We received a payment from Diamond Parking for the past due amounts owed and are now on track for this income source compared to the budgeted amount.
    - Per the financial metrics above, Operating Cash Reserves should account for 6-months of operating expenses plus current liabilities. On our Balance Sheet, the full balance of the mortgage is listed under Current Liabilities. The Finance Team discussed and in November, the balance of the mortgage minus 1 year of principal payments will be moved to Long Term Liabilities.
    - I ran out budget projects for the rest of the current fiscal year based upon updated numbers from the OFD, the reduced revenues from the Auction, year-to-date income/expenses, changes in personnel, and assumptions aligned with the budget. It appears we are on track to breakeven on our budget. This is due to several factors including higher than expected rental income, and lower than expected facilities expenses.

- The Finance Team discussed the Guest at Your Table social justice activity that is occurring during the months of November to beginning of January. While the Finance Team did not have the bandwidth to investigate the tax implications and design the best practices for the operations of this activity to work within our accounting system due to the short notice, we agreed to plan for this for next year. The Finance Team discussed how to accommodate the operations of the activity as the Ministry Team is running the program this year which includes grouping the deposits into three bundles (once per month), AP check to UUSC limited to once per month, and having the Ministry Team count all the loose change and provide cash/check to ESUC. A Project code will help with tracking some of this activity.
- The Finance Team discussed the best manner to handle Giving Tree donations and accounting. A Project code was set up for this purpose.
- The Finance Team agreed that for now, due to lack of clarity and oversight with East Shore LIVE, it is best to continue to treat the program as business activity. This provides flexibility to the Team to continue their contracts in the same manner as previously, schedule up to 6 events without restrictions, and split the profits with the artists as they have done in the past.
- The Membership Development Manager asked about a fundraising idea that happens at other UU churches around the country, specifically congregants participating in a UU centered Bed & Breakfast. The Finance Team discussed and agreed that this type of activity would be considered a donation from the host to ESUC, and ESUC is not responsible for how the funds are generated. The Membership Development Manager will flush out further details of this potential fundraising activity as she gauges whether there are members of the congregation willing and able to participate.
- The Finance Team agreed to produce year-to-date pledge statements by the end of November to be included in the Holiday letter that the Minister and ESJCC are planning to distribute. Included in the statements will be language to encourage members to contribute to their pledge before the end of the calendar year to take advantage of the tax write-off.
- The Finance Team cleaned out all the paper files in the Bookkeeper's office. All file boxes that are from seven year ago or after were moved to Archives, except last fiscal year, which is being kept in the Bookkeeper's office for quick reference. All files that are older than seven years were moved out of Archives and the Bookkeeper's office to the DFO office. The Finance Team will go through the boxes to pull out any capital expense receipts; all else will be shredded. I met with Archives to make sure they were aware and agreed with the process- they were delighted to have some assistance.
- I received an email stating that the East Shore Costco credit card terms were to be changed in January 2018. As I was unaware of a ESUC Costco credit card, I called the company to investigate. The account was opened in 2011 and had no activity on it since 2013. I requested the account be closed, and received written confirmation of such.
- Bookkeeping update: Laura Rivendell continues to perform the bulk of the activities related to the position and is making progress on the cleanup efforts as well as documenting procedures. The Treasurer has agreed to help with making deposits once to twice per week. I am continuing to provide support and learn the details of the position as we continue through this transition, estimated at ~15% of the responsibilities of the position. The planned date of hire has been pushed back to beginning to mid-January 2018. Although this detracts from my ability to accomplish the responsibilities of my own position, the time and efforts invested now will allow the new Bookkeeper to hit the ground running, operate more efficiently, and have a better chance of success.
- October 24, 2017, was Alan Dwelle's, the Caretaker's, last day of employment at East Shore. As personnel issues are confidential, the details of Alan's separation from East Shore are documented in his personnel file and were reported to the Personnel Committee. On October 25, 2017, a new caretaker, Joseph Newman, began employment at East Shore. As we have two new Caretakers, both the Facilities Manager and I are taking time to train and bring them up to speed with the operations of East Shore.
- I met with the Director of Lifelong Learning to determine the balance due to East Shore or refund due from East Shore for each family that participated in the Coho Kids Program. I set up ACH withdrawals for those families enrolled, set out printed and emailed copies of invoices to the appropriate families,

and mailed out reimbursement checks to those families that paid for the full year. We are still waiting to see which, if any, families pay for the services received after termination of the program, and there was one refund check that was sent to an incorrect address. Final financial impacts to the budget will not be known until these issues are resolved.

- I corresponded with the Chair of the Personnel Committee regarding the updated version of the Personnel Manual. Two recommended changes the Finance Team made, which the Executive Committee of the Board approved include:
  - Employees of ESUC are eligible for healthcare insurance benefits at 20 hours per week and above. This is consistent with the other employee compensation benefits offered by East Shore.
  - ESUC will offer to all employees UUA Group Plan insurance including dental, long-term disability, and life, at the sole expense of the employee.
- I attended the Innocence Project Northwest Board/Staff Retreat. As the Treasurer of the Board, I am entitled to a membership with Board Source, an online resource for Board management. I am happy to share relevant information from Board Source with East Shore.

*3. During the period of 2017-2019, will further enhance the prevailing level of trust through the further development of skills in right relationship, and growth opportunities offered in classes, workshops, trainings, worship, and ongoing support.*

*We will document the processes for transparency, right relationships, anti-racism, and religious tolerance in a behavioral covenant that is supported by all staff and a majority of voting members.*

- I attended the Right Relations training led by Lee Mun Wah. Biggest takeaway: healthy communication is more about listening and commitment to the relationship, and letting go of being right or attachment to one's own position.
- I attended the Right Relations training led by the Dispute Resolution Center. Biggest takeaway: learning the difference between constructive and destructive conflict.

*4. By 2019, we will achieve membership growth (new members and retention) to sustain the church through increased generational and cultural diversity.*

- Social Media Metrics:
  - *Yelp for October:*
    - 17 User views
    - 7 people clicked through to the website
    - 3 people asked for directions
  - *Google My Business Report for October:*
    - 34,187 people found us on Google
    - 13 people called
    - 629 asked for directions
    - 150 visited the website
- I attended the Seabeck leadership meeting to discuss the Charter, ESUC Staff support, and next steps moving forward.

*6. East Shore social and earth justice activism provides an opportunity to publicly live out our UU principles. In fidelity to these principles, we will measure outcomes each fiscal year to ensure the resources of our community are being leveraged most effectively.*

- I met with the Minister and congregant leading the efforts to put on the Promise Land event, and walked through the finance options to make sure East Shore maintains its compliance with tax and accounting laws.
- The Facilities Manager and I met with the Chair and member of the Climate Action Ministry to discuss how East Shore could become the hub of environmental justice activity on the Eastside. I explained the tax implications of collaborating with outside non-profits, the other factors that are creating obstacles from achieving this collaboration, expressed my ideas about how a collaborative model could be designed, and next steps moving forward. The Facilities Manager and I met with all of CAM leadership a second time to repeat the conversation.

*7. By 2019, we will develop a plan to reduce the environmental impact of our facilities and membership activities. We will also have plans for Emergency Preparedness.*

- I attended the Facilities Team meeting. We discussed the various Grounds projects underway, the Eagle Scout project, the proposed monitor on the balcony in the Sanctuary, the campus LAN project, lighting issues, security cameras project, revised expenses for the Reserve Data Analysis, plumbing issues, and security code issues.
- The Grounds Team had a great turnout for October. They continue to make progress on upkeep and trimmings around campus. They planted some new plants on the SE corner. They approved the idea of the new Eagle Scout project by Alex Langrock to install pavers outside the North Room, replacing the grass and will support with labor and some finances.
- The idea of the monitor on the balcony for the choir and others in the pulpit was discussed again. Concerns were expressed by RE and Worship. It was decided to start at the beginning with the Music Director and the Choir to see if this was really a desired project that would add value.
- Advocate Telecom installed the hard wire between the Admin building and the other three buildings to setup the local area network (LAN). I purchased the recommended and agreed upon equipment from Fry's Electronics, and I met with our volunteer coordinator for the project along with the ACE Co-Chairs to review all the equipment and confirm installation locations. Completion of the project is scheduled for Nov. 21<sup>st</sup>.
- It was decided that, although we liked the new electricians we used last time, because they do not know how to submit for PSE rebates, we could not use them for lighting issues where East Shore would benefit financially from PSE incentives. We will use them again for other electrical work, and the Facilities Manager is looking for another contractor to replace some of the lights that have burnt out ballasts with LEDs. The Spring Hall kitchen is one such example, however we were able to install a temporary fixture that was donated by a congregant.
- The security camera project continues to be problematic with the connections to the furthest two cameras not working consistently. We brought in Advocate Telecom to see if they could assess and repair the problem. They require a lift or pickup truck with ladder to reach the junction boxes. We have priced the lift again, however are looking at using the truck/ladder option to save money as we are already over budget for the project.
- The Facilities Team went line by line through the projected expenses for the Reserve Data Analysis for 2018. The revisions will be submitted to the company responsible for the study for an updated report.
- Bellevue Plumbing fixed the broken toilet in the Sanctuary women's bathroom, the sink in the Sanctuary men's bathroom, and replaced the filters on the water bottle enabled fountains in the Education building.
- With the change in Staff, the alarm codes for all 4 buildings were changed. We set up one code for Staff, one code for designated Members, and one code for the Music School on just the Multi-purpose

building. We were not yet able to change the security code on the Holly House shed, however we plan to do so.

- The caretakers filled in the trench for the electrical work to the SE corner. We are now waiting on the inspection by the City to sign off on the permit.
- I received a call from a volunteer from the Red Cross stating they would like to update the survey of the church information concerning the contract they have with East Shore to provide shelter in an emergency situation. I was unaware we had such an agreement. They emailed me a copy of the contract that was established in 2004. Essentially the contract states Red Cross may contact East Shore for permission to use our facilities, specifically the Education Building, in a time of emergency and they will provide all the necessary materials to serve the public. I spoke with the Executive Committee of the Board, and updated the survey information with the Facilities Manager and my contact information.
- During the storm on November 13, 2017, damage was done to East Shore's campus including:
  - A branch from a tree on the property of ESUC fell and punctured the west slope of the Spring Hall roof of our Education Building. The tree branch landed vertically, went through the shingles, plywood, and all the way through the drywall into the interior space. Water was leaking through the puncture and making the carpet wet. When the damage was discovered by the Caretaker at night, I tried to manually remove the branch, however was unable. We placed a bucket under the puncture to collect the water until we could further address the situation in the morning. I contacted the Facilities Team for a roof repair expert recommendation. It was recommended I immediately purchase a gallon of patch tar, and the Chair of the Grounds Team would bring in other materials in the morning to see if we could temporarily fix the problem. The next morning, the Chair of Grounds cut the tree branch and removed it from the roof. The branch left an ~4" hole in the roof. He then installed a temporary patch using an extra shingle and roof patching tar. This patch is temporarily keeping out water and other debris until the roof, plywood and drywall can be properly repaired. A claim was filed with Church Mutual and the claims adjustor came out to assess. ESUC has a \$2500 deductible for such claims. We are also obtaining quotes from potential contractors for the repair.
  - A tree with base diameter of ~12" fell across the walking path from the Sanctuary kitchen to the lower parking lot. No damage was done to any structures. The Chair of Grounds plans in the next few days to cut the branches and trunk down to smaller pieces so it can be removed from blocking the path.
  - A Madrona tree on the edge of ESUC's property, in the right of way, along SE 32<sup>nd</sup> St. broke away from the stump and is hanging on other trees as well as the power line causing it to sag. We have notified PSE and are waiting for them to resolve the issue.

## Discussion Agenda

- The Holly House Development Task Force discussed, revised and adopted a final version of the RFP to be submitted to the Board for approval (see attached Appendix D; please note the formatting is slightly off because the ESUC Letterhead did not copy upon inserting the text).
- I wrote an article for the November Beacon titled, "Does Racism Exist at East Shore?" I wrote the article with the intention of moving us off the discussion whether or not racism or white supremacy exists at East Shore, and to begin to focus on what we can do to dismantle it. Not down the street, not in South Seattle, not half way around the world, but right here at East Shore. If we want to be effective at advocating for racial justice out in the world, then there is no other place to start that with ourselves. It would be like me trying to sell you a Chevy; meanwhile I am driving around in a Ford. We need to walk the talk. We need to model what we want to see in the world. And we need to hold each other accountable, if we really mean what we say when it comes to supporting racial justice.

Since the publication of the article, I have received numerous emails from East Shore members and people not associated with East Shore thanking me for sharing my personal experiences. Most people that responded to me directly found the examples I provided concrete and helpful. Others approached me in person to thank me, to ask clarifying questions, or to ask my opinion regarding other racial justice efforts they were planning. By far, all but one person's feedback was positive and I experienced people leaning in to engage further.

One response I did not experience in this same light. It was clear the author, John Fahey, was experiencing anger and pain, however the text was not clear, concise, or curious. I was confused by his intent, and discouraged by his tone. Since the first email, follow up emails were sent by John that backtracked on initial statements, and more accusatory language was used while he himself was exhibiting the behaviors he was calling out. I was encouraged to see others from the Congregation engage with John regarding his emails to understand more and hold him accountable for his words that were personally emotionally painful to read. I have chosen not to respond to John, not because I am uninterested in his perspective or engaging in dialog with him, but because he posted his response on a public Facebook page, then sent out emails BCC'ing hundreds of other people. Although my name was at the top of his letters, I did not feel this was appropriate, direct communication nor that he was really interested in engaging with me. **I humbly request the Board directly engage in this matter.**

I believe the best way the Board can support (besides the constant improvement we must take on individually) is to engage with folks who may not be as far along on the spectrum of awareness, and work with them to be open to learning more, embracing their uncomfortableness, and understanding perspectives of others (especially people of color). The few POC at East Shore have expressed burnout from constant educating. There is a slippery slope that you will want to avoid of speaking for POC, however I believe your leadership, awareness, and consistent engagement with POC leaders at East Shore will allow you to frame your conversations appropriately.

Respectfully Submitted,  
Jason Puracal  
Director of Finance & Operations

# Appendix A: FY 2017/18 Oct Summary Income Statement

**East Shore Unitarian Church**  
**Monthly Income Statement - Summary**  
**July to October 2017**

Date : 11/15/2017  
 Time : 12:00:56 PM

Accounts	MTD Actual (This Year)	MTD Budget (This Year)	MTD Budget Remaining (This Year)	YTD Actual (This Year)	YTD Budget (This Year)	YTD Budget Remaining (This Year)	Annual Budget (This Year)	% of Annual Budget Used (This Year)
<b>Revenues</b>								
Income - Donations	42,596	62,750	20,154	323,760	251,000	(72,760)	753,000	43.00 %
Income - Program Fee Pmts	(3,066)	500	3,567	12,860	2,002	(10,858)	6,005	214.15 %
Income - Fundraising Event Pmt	1,062	5,646	4,584	2,424	22,583	20,159	67,750	3.38 %
Income - Facilities Rental Pmt	22,539	13,280	(9,259)	70,556	53,120	(17,436)	159,360	44.27 %
Income - Dept Activities Pmts	296	6,747	6,451	25,565	26,987	1,422	80,961	31.58 %
Income - Other	1,015	3,950	2,934	45,351	15,798	(29,553)	47,394	95.69 %
<b>Total Revenues</b>	<b>64,440</b>	<b>92,872</b>	<b>28,432</b>	<b>480,517</b>	<b>371,490</b>	<b>(109,027)</b>	<b>1,114,470</b>	<b>43.12 %</b>
<b>Expenses</b>								
<b>Payroll Expenses</b>								
Wages	47,186	44,796	(2,390)	184,363	179,184	(5,178)	537,553	34.30 %
Payroll Taxes	5,106	3,382	(1,724)	14,127	13,526	(601)	40,579	34.81 %
Payroll Benefits	8,043	8,853	810	36,198	35,413	(784)	106,240	34.07 %
<b>Total Payroll Expenses</b>	<b>60,335</b>	<b>57,031</b>	<b>(3,304)</b>	<b>234,688</b>	<b>228,124</b>	<b>(6,564)</b>	<b>684,372</b>	<b>34.29 %</b>
<b>Program Expenses</b>	5,158	8,276	3,118	17,927	33,106	15,179	99,317	18.05 %
<b>Administrative Expenses</b>								
Facilities Expense	10,764	9,219	(1,545)	21,684	36,875	15,192	110,626	19.60 %
Business Expense	2,480	4,710	2,230	18,866	18,840	(27)	56,519	33.38 %
Office Expense	2,888	2,381	(507)	8,172	9,523	1,351	28,370	28.60 %
Fundraising Expense	70	1,542	1,472	1,263	6,167	4,904	18,500	6.83 %
Advertising & Marketing	5	243	238	562	973	411	2,920	19.25 %
Interest & Loan Expense	9,470	9,470	0	37,898	37,862	(36)	113,645	33.35 %
<b>Total Administrative Expenses</b>	<b>25,677</b>	<b>27,565</b>	<b>1,888</b>	<b>88,446</b>	<b>110,260</b>	<b>21,814</b>	<b>330,781</b>	<b>26.74 %</b>
<b>Total Expenses</b>	<b>91,171</b>	<b>92,872</b>	<b>1,701</b>	<b>341,060</b>	<b>371,490</b>	<b>30,429</b>	<b>1,114,470</b>	<b>30.60 %</b>
<b>Net Total</b>	<b>(26,731)</b>	<b>0</b>	<b>26,731</b>	<b>139,456</b>	<b>0</b>	<b>(139,456)</b>	<b>0</b>	<b>0.00 %</b>
<b>Other Revenues</b>								
Designated Revenues	18,159	0	(18,159)	64,478	0	(64,478)	0	0.00 %
Restricted Revenues	5,100	0	(5,100)	5,100	0	(5,100)	0	0.00 %
Revolving Revenues	0	0	0	0	0	0	0	0.00 %
<b>Total Other Revenues</b>	<b>23,259</b>	<b>0</b>	<b>(23,259)</b>	<b>69,578</b>	<b>0</b>	<b>(69,578)</b>	<b>0</b>	<b>0.00 %</b>
<b>Other Expenses</b>								
Designated Expenses	3,179	0	(3,179)	53,803	0	(53,803)	0	0.00 %
Restricted Expenses	5,000	0	(5,000)	5,000	0	(5,000)	0	0.00 %
Revolving Expenses	0	0	0	10,161	0	(10,161)	0	0.00 %
<b>Total Other Expenses</b>	<b>8,179</b>	<b>0</b>	<b>(8,179)</b>	<b>68,964</b>	<b>0</b>	<b>(68,964)</b>	<b>0</b>	<b>0.00 %</b>
<b>Net Operating Total</b>	<b>(11,651)</b>	<b>0</b>	<b>11,651</b>	<b>140,070</b>	<b>0</b>	<b>(140,070)</b>	<b>0</b>	<b>0.00 %</b>

## Appendix B: FY 2017/18 Oct Balance Sheet

Date : 11/07/2017  
Time : 9:05:16 AM

East Shore Unitarian Church  
Balance Sheet  
October 2017

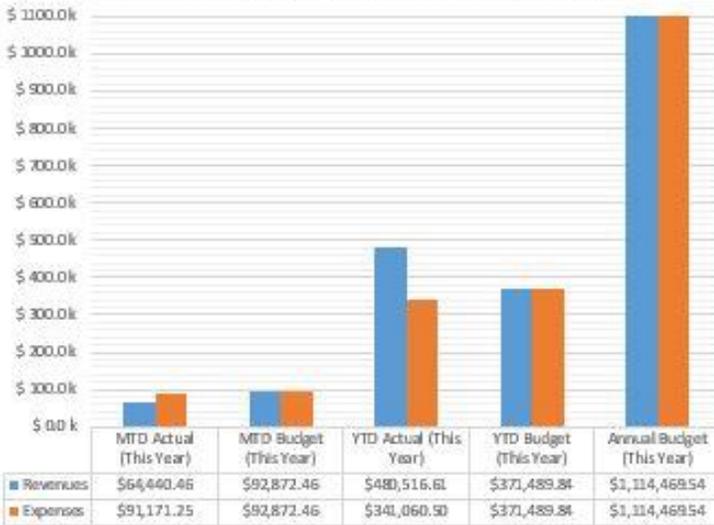
Page : 1

**Accounts**

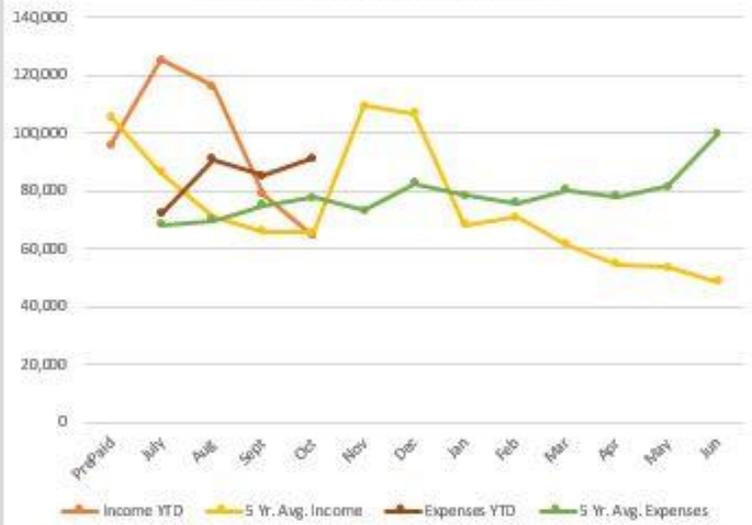
Assets		
<b>Current Assets</b>		
<b>Cash &amp; Investments</b>		
1-1000 - Petty Cash	\$100.00	
1-1010 - Checking - Chase	\$89,842.24	
1-1030 - Brokerage - Schwab	\$69,124.85	
2-1010 - Checking - Chase	\$23,429.67	
3-1010 - Checking - Chase	\$146,552.87	
3-1040 - Endowment Money Funds - Schwab	\$16,598.78	
3-1070 - Endowment Investments - Schwab	\$1,291,382.84	
4-1010 - Checking - Chase	\$21,550.00	
<b>Total Cash &amp; Investments</b>	<b>\$1,658,581.25</b>	
<b>Other Assets</b>		
1-1100 - Accounts Receivable	\$219.28	
1-1120 - Prepaid Expenses	\$1,500.00	
<b>Total Other Assets</b>	<b>\$1,719.28</b>	
<b>Total Current Assets</b>		<b>\$1,660,300.53</b>
<b>Contra Assets</b>		
1-1600 - Building Loan Contra Account	\$855,476.22	
<b>Total Contra Assets</b>		<b>\$855,476.22</b>
<b>Total Assets</b>		<b>\$2,515,776.75</b>
Liabilities, Fund Balance, & Restricted Funds		
<b>Liabilities</b>		
<b>Current Liabilities</b>		
1-2110 - Wage Accruals Payable	\$14,435.56	
1-2210 - Sales Tax Payable	\$2,394.70	
1-2500 - Building Loan - Current	\$855,476.22	
<b>Total Current Liabilities</b>		<b>\$872,306.48</b>
<b>Long Term Liabilities</b>		
1-2700 - Damage Deposits - LT Rentals	\$4,500.00	
4-2710 - Other Collections Payable - LT	\$11,450.00	
<b>Total Long Term Liabilities</b>		<b>\$15,950.00</b>
<b>Total Liabilities</b>		<b>\$888,256.48</b>
<b>Fund Balance</b>		
2-3000 - Fund Balance - Ministry	\$3,675.22	
2-3010 - Fund Balance - Membership	\$7,640.69	
2-3020 - Fund Balance - Social Justice	\$7,784.50	
2-3030 - Fund Balance - Lifelong Learning	\$8,797.09	
2-3040 - Fund Balance - Finance & Facilities	\$3,365.26	
2-3050 - Fund Balance - Market & Dev	\$2,328.27	
3-3000 - Fund Balance - East Shore Housing	\$42,818.02	
3-3020 - Fund Balance - Endowment	\$1,288,182.02	
3-3040 - Fund Balance - Facilities Reserve	\$18,627.49	
3-3050 - Fund Balance - General Reserve	\$90,143.37	
3-3060 - Fund Balance - Memorial Garden	\$4,088.79	
4-3000 - Fund Balance - Grounds	\$2,000.00	
4-3010 - Fund Balance - Gallery	\$8,000.00	
Excess Cash Received	\$140,069.55	
<b>Total Fund Balance and Excess Cash Received</b>		<b>\$1,627,520.27</b>
<b>Total Liabilities, Fund Balance, &amp; Restricted Funds</b>		<b>\$2,515,776.75</b>

## Appendix C: FY 2017/18 Oct Financial Charts

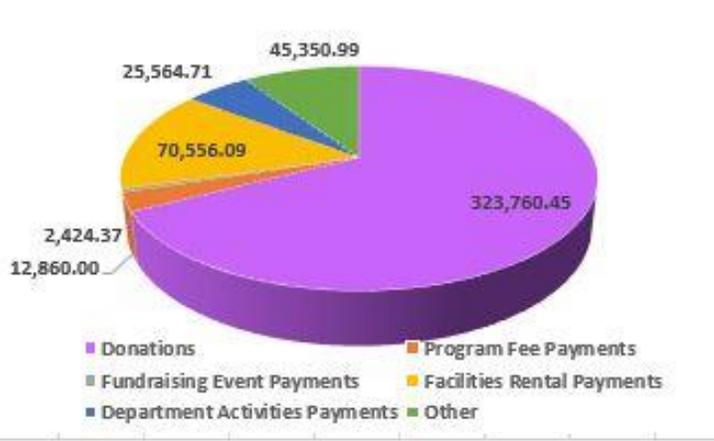
**FY 2017/18 Oct Operating Revenues vs. Expenses**



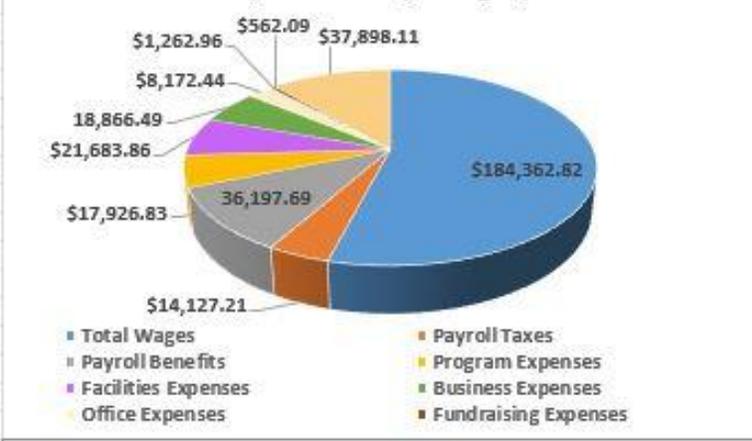
**FY 2017/18 Cash Flow by Month**



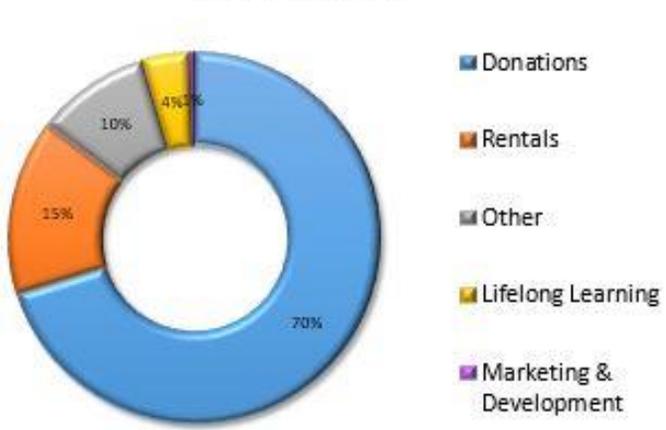
**FY 2017/18 Oct YTD Operating Revenues**



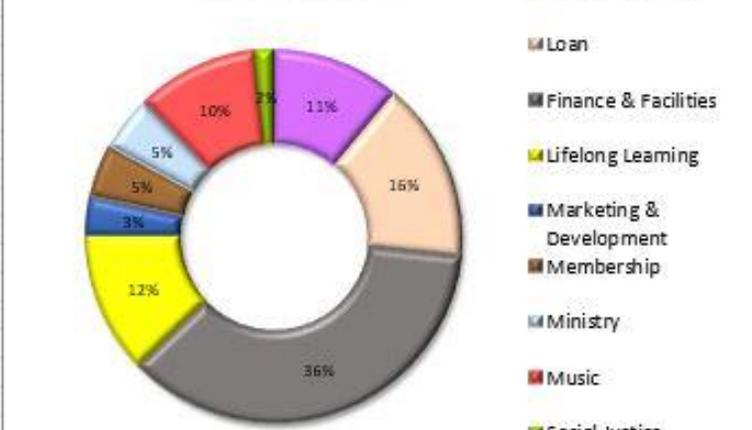
**FY 2017/18 Oct YTD Operating Expenses**



**Income Catagorized YTD Oct FY 2017/18**



**Expenses Catagorized YTD Oct FY 2017/18**



REQUEST FOR PROPOSALS FOR PURCHASE AND  
DEVELOPMENT OF PROPERTY OWNED BY  
EAST SHORE UNITARIAN CHURCH

LOCATED AT 3103 125TH AVENUE SE, BELLEVUE, KING COUNTY, WASHINGTON

RFP DATE: November 30, 2017

**PROPOSALS DUE BY 5:00 P.M. PST, JANUARY 31, 2018**



*East Shore Unitarian Church is soliciting proposals for the purchase and development of one of its properties, known as the Holly House property, located in the Woodridge neighborhood in the City of Bellevue, WA. East Shore is seeking a developer or development team to purchase and develop the property in a manner that adds value to the surrounding community, complies with the City of Bellevue's building codes and development plans, and, either directly or indirectly, furthers the mission of ESUC.*

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# HHDTF RFP Section 1: General information, Background, Instructions

## General

The opportunity presented in this Request for Proposals (“RFP”) is generally described in Section 2: Project Scope, and proposals must be submitted in accordance with the specifications in Section 3: Proposal Format of this RFP. Any proposal that does not conform fully to these instructions may be rejected, at the sole discretion of the East Shore Unitarian Church (“ESUC” or “East Shore”), Board of Trustees (“BOT”).

Purchase is defined as the fee simple title transfer of the property from East Shore to a developer or development team (“Respondent”), or long-term lease of the property from East Shore to the Respondent, either of which results in a net positive financial scenario for ESUC. Develop is defined as removal of the existing, original farmhouse (“Holly House”) and new construction of improvements to the land.

Nothing in the RFP shall be construed to create any legal obligation on the part of East Shore or any Respondents. East Shore reserves the right, in its sole discretion, to amend, suspend, terminate, or reissue this RFP in whole or in part, at any stage. In no event shall East Shore be liable to respondents for any cost or damages incurred in connection with the RFP process, including but not limited to, any and all costs of preparing a response to this RFP or any other costs incurred in reliance on this RFP. No respondent shall be entitled to repayment from East Shore for any costs, expenses or fees related to this RFP. All supporting documentation submitted in response to this RFP will become the property of East Shore. Respondents may also withdraw their interest in the RFP, in writing, at any point in time, as more information becomes known.

## ESUC Overview

East Shore Unitarian Church is located in Bellevue, King County, Washington, within the greater Puget Sound region. The East Shore campus is made up of six buildings on a heavily wooded parcel of almost five acres on Wilburton hill. The church is on a residential street, a block away from a major arterial, Richards Road. The campus buildings are not visible from the street. The immediately adjacent properties include multifamily, single family and office. About a half-mile south of East Shore is a major shopping center along with many other retail establishments. Access to Interstate 90 is immediately adjacent to the campus. East Shore is about a ten-minute drive to downtown Bellevue, and 9 miles from downtown Seattle.

East Shore Unitarian Church is a well-established, vibrant, and engaged community committed to putting Unitarian Universalist principles into action. The congregation was originally founded in 1948 to establish a children’s religious education program, and it maintains that strong educational commitment for children and adults. Since the beginning, East Shore members have been very active on numerous social justice issues including race, interfaith collaboration, speaking out on global issues such as the Vietnam War, housing refugee families from around the world, and assisting numerous local community organizations with meals, efforts, and monetary contributions. Still today, the approximate 500-member congregation and 100 youth, volunteer their time through roughly 30 Ministry Teams. East Shore’s mission is to practice love, explore spirituality, build community, and promote justice. Recently, the congregation voted Climate Action and Economic Justice as the two foci of the church, and the church is acting as a public witness to the Black Lives Matter campaign.

## Background

The Holly House property is a three-quarters of an acre lot adjacent to the four-acre church property, however with a separate parcel ID number (see Figure 1).



Figure 1: East Shore Unitarian Church campus, Holly House Property in red

On the  
Holly

House property is a 1921 house that was the residence of Dr. Lester and Christie Henderson, the sellers of the farm to East Shore (see Figure 2). Over the years, the house has been used for a multitude of different ends including, but not limited to, a church school, a residence for the church custodian, and residence for refugee families. Currently, it is leased to The Sofia Way, and is used for transitional housing for six women with a 100% success rate. The current lease will expire in June 2018. The rest of the property has a walking labyrinth used by the Earth-based Ministry Team, a P-Patch garden, and a shed used by the Grounds Committee and the church caretakers.

In the summer of 2015, the Board of Trustees approved the formation of the Holly House Task Force (HHTF). The purpose of this ad hoc Board Task Force was “to formulate options for the ESUC Board on the best long-term use of the Holly House property in alignment with ESUC’s mission and vision and Unitarian Universalist principles.”<sup>1</sup> The ten, core members of the HHTF were approved by the Board, and the Task Force had an additional 17 extended member team and professional adjuncts, mostly leaders of various stakeholders of different member groups from the church. Over the course of approximately two years, the Task Force sought input from the congregation, evaluated options, and made recommendations. The options considered varied widely including selling off the property, tearing down the house to naturalize the area, maintaining the house for its current use, and tearing down the house to build something larger. In June 2017, the congregation voted to not keep the property as-is, but rather to develop it.

Since then, the Board has formed a new ad hoc Holly House Development Task Force (HHDTF) to draft this RFP, seek input from the Congregation for criteria and weighting for a decision matrix as one tool for comparison of proposals submitted, and to present the information from Respondents to the Congregation in a digestible format for congregational vote by no later than June 2018.



Figure 2: Holly House

## Goals and Objectives

East Shore Unitarian Church hopes to build on the market momentum in the region and spur development on the East Side in a sustainable manner that aligns with the strategic goals of the church. Given the short and long term financial needs of the church, and the desire to increase the social justice impact of the church, the congregation made a decision to seek a development partner or partners through an RFP process. East Shore expects that the responses to this RFP will be consistent with related goals in its 5-year Strategic Financial Plan and mission/vision statements including:

<sup>1</sup> <http://esuc.org/about-us/our-beliefs/uu-principles-and-sources/>

- A financial influx to the church either at closing or over time
- Reinforce social and economic diversity
- Build on strengths of what is existing in the neighborhood and allow for new housing types. Respect history, but allow for something new and innovative.
- Demonstrates an understanding, appreciation, and stewardship of nature and the natural environment

## Who May Respond

Any individual or company with credible development experience may respond. Respondents will be required to demonstrate that they have the financial capacity to implement their proposal.

## Response Due Dates

Respondents must submit two (2) hardcopies and one (1) electronic copy in Microsoft compatible or PDF format. Proposal hardcopies must be on standard 8”1/2” by 11” paper. All supporting documentation must be on paper no larger than 8 ½” by 14”. Respondents may choose to provide additional sets if and when invited to do so for presentation purposes. Submissions will not be returned. East Shore may decide to extend the submission deadline, or to accept submissions on a rolling basis.

**Proposals shall be delivered to East Shore on or before:**

5pm on January 31, 2018

**To:**

Jason Puracal

Director of Finance & Operations

12700 SE 32<sup>nd</sup> St,

Bellevue WA 98005

[dfo@esuc.org](mailto:dfo@esuc.org)

## Timing

It is East Shore’s desire that a sales and/or development contract be executed with the selected Respondent within six (6 months) of selection, and that the construction of the project would begin within twelve (12) months thereafter.

Following is the anticipated timeline:

RFP questions due to HHDTF:	December 15, 2017
Answers to questions posted to East Shore’s website:	January 12, 2018
Submission deadline for proposals:	January 31, 2018
Review/evaluation of proposals:	March 15, 2018
Summary and analyses to BOT of proposals:	March 20, 2018
Vote by congregation:	April 15, 2018

## Developer Selection/ Evaluation Criteria

In evaluating responses to this Request for Proposals, the following criteria are among those that will be considered:

1. The extent to which the proposal aligns with the 5-Year Strategic Financial Plan of East Shore Unitarian Church.

2. The extent to which the proposed development directly produces social and economic justice impacts, or to which the net financial gain allows East Shore to further its mission in this regard.
3. The extent to which the proposed development uses materials, design concepts, and systems to reduce environmental impact and retain/replant trees on the property.
4. The extent to which the proposed development is in compliance with the City of Bellevue zoning code, comprehensive plan and other relevant planning documents for the area.
5. The extent to which the project can move forward on a timetable that will coordinate with the other development in the area.
6. The market and financial feasibility of the project.
7. The anticipated ability of the project to secure necessary public and private funds.
8. The public benefits that would be provided by the project including the incorporation of pedestrian-oriented design elements and communal spaces.
9. Overall quality of the submission.
10. The experience and the financial and organizational capacity of the developer in successfully planning and completing development projects of similar type and scale, on time and within budget.
11. The extent to which the proposal complements and collaborates with other development in the area.

**East Shore may, in its sole discretion, expand or reduce the criteria upon which it bases its final decisions regarding selection of the Respondent for this property.**

Respondent selection will be based on the evaluation of the proposal and interview. East Shore’s Holly House Development Task Force will be responsible for gathering, evaluating, and summarizing the proposals to the Board of Trustees and congregation. The BOT’s Financial Stewardship Committee will make a separate, independent evaluation of the proposals submitted to the BOT. The congregation will ultimately make the decision by democratic process in alignment with the church’s bylaws and policies.

East Shore reserves the right to accept or reject any or all proposals for any reason at its sole discretion; and/or to discuss/negotiate the terms, conditions, or components of a submitted proposal with a Respondent(s); or to request additional information or documentation concerning a submitted proposal.

The contents of this Request for Proposals is for informational purposes only and the representations made herein, although thought to be accurate, are without warranty. Respondents shall rely exclusively on their own investigations and analyses.

## **Inquiries**

Requests for information must be made in writing, and unwritten questions and any verbal responses and/or comments will not be binding. All inquiries must be received by East Shore by **December 15, 2017, by 5pm.**

Should any prospective Respondent be in doubt as to the true meaning of any portion of this RFP, or should the prospective Respondent find any ambiguity, inconsistency, or omission herein, such person or entity shall make a written request for an official interpretation or correction. All questions concerns the solicitation and specifications shall be submitted in writing via e-mail to the East Shore representative named below.

East Shore’s Holly House Development Task Force will make such interpretations or corrections, as well as provide any supplemental or amendatory RFP provisions which East Shore may decide to include, but only as a RFP addendum or as officially published responses available to all potential Respondents as provided in this RFP. HHDTF will post addenda to each prospective Respondent recorded as having received a copy of this RFP on the East Shore website, and/or distribute by electronic email. Any addendum issued by East shore shall become a part of the RFP. Respondents should consider issued addenda in preparing their proposal.

East Shore will provide all written questions and responses to interested Respondents electronically by January 12, 2018, by 5pm.

Inquires regarding this RFP should be directed by email or writing to:

**Jason Puracal**

**Director of Finance & Operations**

**East Shore Unitarian Church**

**12700 SE 32<sup>nd</sup> St**

**Bellevue, WA 98005**

**Email: [dfo@esuc.org](mailto:dfo@esuc.org)**

## **HHDTF RFP Section 2: Project Scope**

### **Intro and location**

East Shore Unitarian Church is the fee owner of that certain improved real property having the street address of 3103 125<sup>th</sup> Avenue SE, Bellevue WA 98005, King County Parcel Number 092405-9173, and legally described as N 108. 16 FT OF E 176 FT OF S ½ OF SW ¼ OF SW ¼ OF NE ¼ & E 117 FT OF S 116.87 FT OF N ½ OF SW ¼ OF SW ¼ OF NE ¼. See attached Appendix A: Property Map.

The property is adjacent to East Shore's main campus with address of 12700 SE 32<sup>nd</sup> St, Bellevue WA 98005, and Parcel Number 092405-9027. The property is located off 125<sup>th</sup> Ave SE and 32<sup>nd</sup> St SE with four restricted easements of access, all paved. See attached Appendix B: Easements.

### **Existing Conditions**

The lot size is 32,670 square feet (approximately 0.75 acres). There exists on the property a residential structure built in 1921, named the Holly House, of approximately 3,280 square feet, an attached carport, detached shed, gardens, and ground well that is currently not active. The grade of the terrain is considered 7 Average, and no percentage of the property is considered unbuildable. The property is currently zoned R-30, is in the water district, and has public sewer connection.

### **Adjacent Properties**

The property is bordered to the South and West by Chanel Place Condominiums, to the North by BOMAX Condominiums, and to the East by Toria Wens Condominiums and East Shore Unitarian Church. All neighboring condominiums are 3-story residential buildings.

### **Environmental Conditions**

The property is lined with large fir trees, however also has large, cleared spaces for easy development. There exists on the property the original farm ground well that is currently not active. It is East Shore's desire to retain the water rights to the well for ground irrigation and community emergency response purposes.

## **HHDTF RFP Section 3: Proposal Format**

### **Cover letter**

State your understanding of the goals for the project, your approach to meeting those goals, and a summary of your proposed program.

## Development Proposal

Prepare a brief narrative description of the key elements of your proposal. The proposal should include, at minimum, the following elements:

- A. Conceptual site plan and elevation drawings.
- B. Program Description including number of units, tenure, number of bedrooms, square footage, and pricing levels.
- C. Target population describing the targeted residents of the units, including income levels, as well as estimated numbers and kinds of tenants for other elements of the building(s), if mixed used is proposed.
- D. Project Budget including both the proposed Uses and Sources of funds. The budget should indicate a proposed purchase price to East Shore for the property or lease payment details.
- E. Project timeline including key dates such as necessary entitlements, financial closings, and construction benchmarks.
- F. Proposed land transaction structure including offer price.

## Evidence of Financial Capacity

Include evidence of financial capacity for the project team. This may include one or more of the following:

- A. Balance sheet or Personal Financial Statement for the company or principals.
- B. Copy of 2016 Tax Return.
- C. Copy of a bank or brokerage statement for company or principals.
- D. Commitment letter or line of credit from a lender.

## Project Organization and Staffing

Please provide an overview of the organization and its services including history, years in business, locations, size, and growth. Include information regarding any pending or recent lawsuits against the organization, its officers or employees. If the proposal is submitted by a lead organization on behalf of several partners, provide similar information for each partner.

Summarize the qualifications of key personnel assigned to this project. Include recent experience that is directly applicable to this project, and project organizational chart and resumes of the personnel assigned to the project. Also include information about any project partners that will have more than 5% interest in the development. Please identify the entire development team, including general contractor and architect. If any consideration is given to minority-owned business enterprises, please indicate as such.

## Related Experience/References

Discuss your experience in developing housing related to this RFP. Each Respondent shall submit a list of at least four (4) references for recent projects. Each reference must include a point of contact (POC), and email address and a telephone number where the POC can be contacted. The reference list shall also include the dates when these projects were constructed. Each Respondent shall also submit at least two (2) financial references from banks or other financial institutions attesting to the Respondent's financial capacity and ability to finance a project as proposed.

## Deal Structure

East Shore has not set absolute parameters about the structure of the transaction and its involvement or ownership in this project. East Shore will require the developers to execute their plan within the prescribed timeline or risk losing the property. Under certain circumstances, East Shore would consider a partnership role.





## Liaison Reports

### Personnel Committee - Jerry Bushnell

Personnel Committee Report to Board of Trustees

November 7/2017

For discussion agenda: None

For consent agenda: None

For board information:

- 1) Personnel committee will work with staff to modify job descriptions for DLL and youth coordinator positions to reflect the changed hours. Current job descriptions are incorrect.
- 2) Personnel committee is working on overall handling of job descriptions
- 3) An update of the personnel manual has been issued

## Summary of Earth & Social Justice Activities

### East Shore Social Justice Ministry Teams – October 2017 Report

#### ANSWER Nepal

The ANSWER Nepal Ministry instigated that ANSWER Nepal international administrative program be the recipient of the Second Sunday collection of \$659.30 in October. (All sponsors money goes directly to the educational needs of their students; administrative expenses are paid for through donations and grants.) This donation was gratefully appreciated by the organization.

As a result of hosting our display board after service on that same Sunday, the East Shore ministry gained two new sponsors, Sam Sudhir and Paula Pedroso, for two young, needy students in Nepal who otherwise would not get an education nor civics and leadership training.

Currently East Shore members Jenny and Trevor Hall and East Shore friends Laurie and Paul Halvorson (daughter and son-in-law of Bruce and Jean Sillers) are visiting their students in Nepal and participating in the organization's activities with staff and other students there. Below are pictures of a celebration held in Kathmandu with visiting sponsors. Submitted by Margaret Hall.



#### Beloved Racial Justice (BRJ)

The Beloved Racial Justice team held a “Conversation About Race” on October 8 exploring the difference between assimilation and integration. Discussion focused on what it takes for people from other countries to enter this one, and for people of color to come into this church. We held a “White People Talk About Race” session on October 22<sup>nd</sup> after the White Supremacy Teach-In. There were 43

people with very different thoughts and feelings about the racial justice work being done in the church. People broke into groups to come up with approaches they would like to see taken. Some people stayed well after the official closing.

The Action Meetings have attracted solid attendance of about 6-8 people. The flash stances have been held almost weekly at Factoria, Kirkland and Issaquah. A significant new action took place Saturday, October 28. Seven East Shore people went to the NW Detention Center in Tacoma. They joined 7 people from Northlake. They were able to interact one-on-one with the community, talking about immigration and the detention of immigrants. They discovered many visitors unable to visit with their friend or family-member due to lack of information about the visitation schedule. Future visits will be scheduled, probably in January, and eventual plans may include collaborating with Northlake to host an information booth. Submitted by Louise Wilkinson.

### **Climate Action (CAM)**

The Climate Action Ministry had a steering committee meeting on Oct. 2nd. On October 9th, CAM and the Citizens Climate Lobby Bellevue chapter sponsored a presentation and discussion about the role of advanced technologies in nuclear power in replacing fossil fuels. CAM hosted the second 350 Eastside meeting in the North Room on Oct. 18. Submitted by David Chapin.

### **Congregations for the Homeless (CFH)**

October 2017 Month-End Report

- 24-33 homeless men ate hot dinner nightly September 30th - October 31st. 13 dinners provided by St Andrew's Lutheran Church, 14 dinners by ESUC, 2 dinners by Hyatt/B'vue Staff, add'l by former ESUC custodian Mr Uluha, and Daughter's of American Revolution.
- 15 lunch sandwiches assembled from purchased components & delivered to Spring Hall daily by B'vue Presbyterian, 15 lunches by ESUC.
- Laundry products, toiletries, breakfast foods, paper products provided by ESUC throughout the month, with help financing by support of Woodinville UC, Northlake UC, ESUC congregant donations.
- 16-17 separate ESUC congregants filled 31 evening host positions, acting as liaison for ESUC, assisting non-ESUC dinner providers with set up and take-down, closely working with nightly Site Managers to ensure the men abided by the facilities rules--showering, laundry and bedding. Facilities coordinator Dianne Upton was ever-present in pre-October discussions with CFH staff, and throughout the month.
- On-Line SIGN-UP GENIUS calendar served as our "master calendar" for tracking volunteers for all various project aspects. This was monitored and updated as necessary by Nicole Duff.

Despite world-wide travel, Den, Peggy and Dean were able by both in-person and virtual discussions/notes to manage recruitment, monitor shopping needs, and answer numerous questions of volunteers, last-minute recruitment, fill-in when needed on daily calendar. Chris Edwards conferred with Jason Puracal to monitor our month's budget, income from Woodinville's donation and (soon to be mailed) generous Northlake donation. As of last tally, we're still UNDER BUDGET.

We'd advise 2018 Eastshore CFH project volunteers to not travel overseas during the month of October, at least not as far as Ireland, Britain, Switzerland, and Australia. This annual project is difficult enough without the added stress for those volunteers still in Seattle/Bellevue.

Final summary of CFH 2017 will be submitted in late November, once budget figures are completed, total CFH homeless men for October tallied, dental van visits underwritten by our \$600 donation to Medical Teams Int'l, and feedback from Congregations for Homeless. A summary binder is under construction now for use in 2018; Co-Leader Debrief will occur Friday November 3rd, and details of the binder contents will be submitted to you as well.

Submitted by Den Kerlee, Eastshore Co-leader CFH 2017; (Other Co-Leaders: Peggy Phillips, Dean Dubofsky, Chris Edwards, Ralph Lutz, Lisa Traynor)

### **Crossroads Meals**

Nothing to report for October. Submitted by Laurie Wick.

### **Food Bank**

No report submitted.

### **Earth and Social Justice Coordinating Council (ESJCC)**

The Earth and Social Justice Coordinating Council (ESJCC) is planning to build on the successful ESJ Faire by hosting an all ESJ team gathering after the service on December 3. The teams will enjoy refreshments, share their passions in an atmosphere of mutual respect, and see ways to use their similarities and their differences to create something greater in a coalition fusion with others. In addition, the Council is supporting the UUSC Guest at your Table Appeal on the Second Sunday in November and working with Rev. Elaine on the December Holiday Appeal. The funds from the December appeal will be used for direct emergency help to people in need--half for East Shore and half for Hopelink. Hopelink's program not only provides support for emergencies, but also promotes prevention of emergencies by connecting people early on to self-help services.

The Council continued to strengthen its organization by starting to recruit new members as current members begin to cycle off according to term limits in our charter, by working with the ESJ teams to update the ESJ Pamphlet, and by coordinating ESJ events calendar with other activities in the church.

The Council supported emergency funds for a Puerto Rican refugee family in Bellevue and is working with Rev. Elaine to host the screening of Promised Land on November 18 with the film producers and a panel of Duwamish and Chinook Tribe members for Q & A. The Native American perspective will carry over to the service on November 19 and the Thanksgiving Potluck afterwards. Submitted by Ann Fletcher

### **Good Start Back to School**

No report submitted.

### **Holiday Giving Tree**

The Giving Tree committee is currently busy obtaining the gift requests from the agencies involved and making the tags for tree. The tree goes up Nov 9th, so its almost 'show' time!

Submitted by Janet Fleck and Kathie Moritis (co-chairs).

### **Partner Churches/Khasi Hills**

The Partner Church teams hosted Rev. Roger Bertschausen, Executive Director of the US Partner Church Council at a meeting attended by 12 East Shore members after worship service on Oct 29th. Four representatives also attended an evening meeting with the Westside UUC partner team. Kudos to Roger Corn for driving this visit.

We learned about many new UUPCC programs and pilgrimages that can enliven our partner programs. The principle goals are to not break relations with our international partners, and to involve multiple generations in these friendships. East Shore is viewed by Rev. Bertschausen as one of the top dozen partnering congregations in the US. Also, he mentioned that Rev. Leon Hopper's impact is felt on every aspect of the UU partner movement. Submitted by Doug Strombom.

### **P-Patch**

Nothing to report for October. Submitted by Ann Fletcher.

### **Second Sunday Share the Plate**

The October offering for Answer-Nepal for Second Sunday/Share the Plate was \$659. The UUSC Guest at Your Table campaign will have responsibility for November, and the Church for the holiday letter and December.

At its regular meeting October 19, the Team confirmed that the environment will be the topic of the January offering. The Team had asked the Climate Action Team for suggestions, and preferred that Team's first choice. The Second Sunday point person for January is continuing our vetting process, and will report additional information at our November meeting.

The February offering will be the responsibility of the Partner Churches in India and Romania. Their East Shore contact members have let us know that they are cooperating on that effort. Submitted by Jane Sisk.

### **Women Helping Women (WHW)**

Women Helping Women met in October to review its tutoring at Lake Hills Elementary. Currently volunteers are working in the library, the art room, and the second and fifth grades. Volunteers are still needed. WHW also discussed Sophia Way and its current needs. ES women will provide granola bars for the Christmas boxes, pick up Microsoft-donated gifts, and collect much-needed blankets. We also decided on this year's international outreach, a UUSC project called the Women's Peace Network which works with Rohingya refugees. The event will be on January 21<sup>st</sup>. Submitted by Lynn Roesch and Laurie Wick, co-chairs.

## Auction – Building a Bridge to Our Future – David Baumgart

### Board Liaison Report – Nov 11, 2017 Annual Auction



It was a cold and drizzly night. This was one of the factors that appeared to lower our attendance this year. Anecdotally, comparing notes with other members of the auction team, we believe we would have benefitted from better publicity. We also wondered if the choice of Tapas as our entrée was less desirable than a more traditional choice.

Nevertheless the actual event was quite enjoyable and all participants seemed to have a good time. The Tapas dinner was wonderful. I am not aware of any significant issues.

Revenue and Participants were lower than last year. The volume of bid transactions was 25% lower than last year. Only 92 checked in bidders - down about 25%. Looks like our gross will be about \$55,000, so the net after taking out the Fund a Need, Youth Tips, Credit Card service fees, Paul's auction fee, and all the other costs will be between \$34,000 and \$36,000. Good news - Fund a Need exceeded the goal.

All the Participants' Receipts were emailed on the evening of Tuesday, Nov 14.

All the credit card charges will be processed on the afternoon of Friday, Nov 17 allowing all participants 2 ½ days to notify the auction team of any issues on their receipts.

Here are the numbers as of end of day, Wednesday, Nov 15:

Approximate gross revenue: \$54,429 in credit card sales plus an estimated \$750 in cash and checks – total receipts of approximately \$55,175

The data in Greater Giving:

\$24,180 Silent Auction

\$30,326 Live Auction

- \$11,850 - Fund a Need
- \$1,555 - Youth Tips
- \$16,921 – Other Live Auction items

93 admissions plus 677 winning bids

Note: these numbers will change somewhat as we receive more feedback from the participants.

Please let me know if you have any questions, suggestions, or concerns...

David Baumgart, co-Leader for the Auction computer Support (Jim Shuman is the other co-Leader)

# Board Packet Appendices

## Board Policy 2.3 Recommendation Proposal

### East Shore Unitarian Church

#### Board Policy Recommendation Proposal

1. Is your proposal for a new policy or a revision of a current policy? (Policies can be found on the church website esuc.org, About Us, Governance.) If for a new policy, please write a succinct draft of it and suggest a placement within the sections of the current policies. If for a revision, please list the current policy and the proposed language change(s).

This is a revision of Policy 2.3 Treatment of Members, Friends, Visitors, and Congregants.

The current policy would remain the same except for the addition of the word "Vision" to read as follows:

2.3.1 In interacting with congregants, the Staff Leadership Team (SLT) shall not cause or allow conditions, procedures, or decisions that are unsafe, disrespectful, unnecessarily intrusive, that fail to provide appropriate confidentiality or privacy, or that fail to apply the standards of the Church's Mission, **Vision**, and Ends, and Unitarian Universalist Principles.

And a **new** section of Policy 2.3 is proposed to read as follows:

**2.3.2 The SLT shall work in a collegial and collaborative manner with Board committees, core teams, ministry teams, councils, task forces and other groups in their job related areas. The SLT shall work cooperatively and in partnership with these groups to achieve the church's Mission, Vision and Ends and Unitarian Universalist Principles by providing opportunities for meaningful input, communicating in a timely manner, and empowering lay leadership.**

2. What evidence is there that ESUC needs the new or revised policy? Please be specific and use data as much as possible. Provide any additional context or sources used, as needed to clarify your proposal.

Current Board Policies address general treatment of individual members of the church by staff but not the more complex relationship between staff and the various groups with which they partner to accomplish our Mission and Vision. This policy would provide staff with some expected best practices to achieve these goals, and help them avoid actions that could be counterproductive to progress. For example, input from/timely communication with the Earth and Social Justice Council and the Personnel Committee would benefit the hiring and success of earth and social justice staff. Ongoing joint calendar discussions would enhance the relevance and coordination of church offerings. And timely communications and requests would enhance effective functioning.

3. Does the proposed policy comply with state/federal laws and ESUC by-laws? Yes.
4. Are you submitting this proposal as an individual or as a member of a Board Committee, Core, or Ministry Team, or other group within the church? If as a member of any group, please confirm that the group has approved this proposal according to its charter by attaching a copy of the minutes where it was approved.

This policy was originally proposed by the Earth and Social Justice Council at a Board meeting in December, 2016. At that meeting the Board established a new Policy and Governance Committee (P & G Committee) to assist it with strengthening its governance structures and processes through policy review and revision. The P & G Committee created a process for this work and a work plan of requests from the Board, SLT, and other church groups. The P & G Committee made some revisions to update and format the Earth and Social Justice Council's original proposal.

5. Your name and contact information: Ann Fletcher, [fletcherann@msn.com](mailto:fletcherann@msn.com)
6. Group's name (if any): Policy and Governance Committee
7. Submitted to: Executive Council and Board of Trustees
8. Date: 11-3-17

### Process for Initiating and Revising Board Policies

East Shore Unitarian Church

#### **Process for Initiating and Revising Board Policies (11-2-17)**

1. Policy revisions may be initiated by the Board of Trustees (BOT), Staff, Committees (Board Standing, Nominating, Search, Task Forces), Core Teams, Ministry Teams and members, by completing a Board Policy Recommendation Proposal (See instructions below) and submitting it to the BOT. The proposal document will address questions about background information related to the proposed policy (such as history, relationship to other policies, or etc.) , evidence for the need for the new or changed policy, proposed language for the policy and a suggested placement within the current policies. If a group is submitting the Board Policy Recommendation Proposal, its members must have approved the recommendation using the process described in its charter.

2. The BOT will review the recommendation and determine next steps, which may include delegation to the Policy and Governance (P & G) Committee.
3. The BOT and the P & G Committee will consult regarding priorities for the Committee's work and issues related to the policy that the BOT wants to have addressed. The P & G Committee will create a work plan and progress chart based on this consultation to aid the Board liaison with their monthly report.
4. The P & G Committee will do any additional needed research and get input from relevant staff, committees, teams or members before drafting the recommendations.
5. The P & G Committee will send the recommended policy to the BOT, which may return the policy to the Committee for further work or determine if/when it will vote.
6. The BOT will give the congregation notice of policy revisions with comment options, via appropriate church communications ten days before the meeting in which they plan to vote on it. The BOT may in emergency situations or crucial time-sensitive situations vote on a policy with less time or without pre-communication to the congregation.
7. Within a month of Board approval, policies will be communicated to the congregation and included on the East Shore website and in the Administrative Handbook, by the Board secretary working with appropriate staff.

### **Instructions for Developing Board Policy Recommendation Proposal**

Policies are developed by the Board of Trustees to help them govern within federal/state laws, and within the ESUC by-laws, which are approved by the congregation. The policies provide guidance and limitations to the paid and non-paid (volunteer) staff members who carry out the ministry of the church. Policies are not to be confused with procedures which the staff or lay leaders develop to maintain efficient day to day operations within board policies.

Policy revisions may be initiated by the Board of Trustees (BOT), Staff, Committees (Board Standing, Nominating, Search, Task Forces), Core Teams, Ministry Teams and members. Only the Board may approve a new policy or a revision to an existing policy.

If you wish to propose a policy, please prepare a document that addresses the elements outlined below (A-H) and submit it to any member of the Board directly or through an appropriate member of the Staff Leadership Team (Minister, Director of Finance and Operations, Director of Lifelong Learning). The proposal will then be reviewed by the Board and any relevant committees to determine its

potential for approval. The Board and Committees meet once a month, so the expected time frame for response or action may be several months.

- A. Is your proposal for a new policy or a revision of a current policy? (Policies can be found on the church website [esuc.org](http://esuc.org), About Us, Governance.) If for a new policy, please write a succinct draft of it and suggest a placement within the sections of the current policies. If for a revision, please list the current policy and the proposed language change(s).
- B. What evidence is there that ESUC needs the new or revised policy? Please be specific and use data as much as possible. Provide additional context or sources used, as needed to clarify your proposal.
- C. Does the proposed policy comply with state/federal laws and ESUC by-laws?
- D. Are you submitting this proposal as an individual or as a member of a Board Committee, Core, or Ministry Team, or other group within the church? If as a member of any group, please confirm that the group has approved this proposal according to its charter by attaching a copy of the minutes where it was approved.
- E. Your name and contact information:
- F. Group's name (if any):
- G. Submitted to: H. Date:

**Policy and Governance Work Plan Progress Chart**

Policy and Governance Committee Work Plan Progress Chart (Last Revised 11-5-17)

Project Name	Background Info on Need	Steps and Dates Completed	Completed?
<b>1. Charter template</b>	Board directs all groups to have a consistent charter to demonstrate placement in the governance structure, adherence to Church Bylaws and Board Policies, and elements to reflect best organization and leadership practices (e.g. purpose, goals, term limits, decision process, finance, etc.)	<p>Discuss needs and format of template 4-10-17</p> <p>Staff input about elements to include 4-30-17</p> <p>First Draft review and revisions 5-4-17</p> <p>Revised Draft sent to Board 5-10-17</p> <p>Gather input on the charter for future revision-ongoing</p>	<p>YES</p> <p>Board Approval 5-16-17</p>

<p><b>2. Nominating Committee Charter</b></p>	<p>Board President requests that the N.C. Charter be revised to reflect both the Bylaws and the current Policy Based Governance standards, to clarify communications between the N.C., Staff, and Board, and to outline task guidelines as specified in the Bylaws.</p>	<p>P &amp; G Discussion about need for N.C. charter update—5-4-17</p> <p>P &amp; G Review revision input from N.C. Chair—5-4-17</p> <p>Meeting with new N.C. chair, minister, P &amp; G chair, and Board president to determine needed revisions—7-26-17</p> <p>First Draft review and revisions by P &amp; G Committee—8-3-17</p> <p>Second Draft Review by N.C Chair and N.C.—8-17</p> <p>N.C. Chair and Board President meet about Board approval of slate—9-?-17</p> <p>P &amp; G address issue of Board approval of slate--9-7-17</p> <p>Final review by Nominating Committee via e-mail in early September</p> <p>Submitted to Board by Board President</p>	<p>YES</p> <p>Board Approval 9-19-17</p>
<p><b>3. Review of Updated Version of Board Policies to reflect revisions since 2014</b></p>	<p>Initiated by Board to provide accurate records, to ensure that Policies do not conflict with the By-laws, and to clarify any internal conflicts within the Policies</p>	<p>Board Secretary and Treasurer Review minutes 2014-2017 and reflect new policies in the Board Policy Document—6-17 though 9-17</p> <p>Dick Jacke from P &amp; G offers to repeat the process to ensure accuracy</p> <p>Ryam Hill emails P &amp; G that review is nearly done—9-17</p> <p>Ann emails Ryam to request update on this item 10-11-17</p> <p>Ryam sends her review to P &amp; G 10-19-17</p> <p>David Baumgart does final review by 10-30-17, recommends minor revision</p> <p>Updated Policies on Church Website 11-2-17</p>	<p>NO</p> <p>P&amp;G Review Pending</p>

		P & G will review Policies and Bylaws for major internal and external consistency before 12-7-17 meeting. First priority: Bylaw Minister as head of staff and Policy SLT in consistency. Jack will take issue to Executive Council 11-7-17.	
<b>4. Process to Initiate or Revise Board Policy</b>	The Board-approved P & G charter directs the P & G Committee to develop a process for initiating and revising Board Policy. This could become an introduction to Board Policies or an approved procedure of the P and G Committee	<p>First Draft Review by P and G—7-12-17</p> <p>Second Draft to Board President 7-13-17</p> <p>Board Approves Second Draft 7-19-17</p> <p>Further editing by P &amp; G—8-3-17</p> <p>Clarified Process document as a P&amp;G Procedure not a Board Policy. Made further revisions including the addition of the Form (see #5 below) elements into the Process document as guideline for a new Board Policy Recommendation Proposal. 11-2-17</p> <p>Final draft to Board President to go to Executive Council for possible inclusion in the November BOT agenda 11-3-17</p>	<p>NO</p> <p>Final Approval Pending November</p>
<b>5. Board Policy Recommendation Form</b>	The Process for Initiating and Revising Board Policy calls for a FORM that church groups or members can use to propose new policies to the Board.	<p>First Draft Review by P &amp; G—7-25-17</p> <p>Editing by P &amp; G—8-3-17, but not submitted to BOT</p> <p>Elements of the Form are folded into the Process document (See #4 above)—11-2-17</p>	NA
<b>6. Policy and Governance Charter Revision</b>	The original Policy and Governance Charter needs to be transferred into the new charter template and have new sections addressed	<p>First Draft Review 8-3-17 tabled due to time</p> <p>First Draft Review and revisions made 9-7-17</p> <p>Second Draft Ready for September Board Packet 9-8-17</p>	<p>YES</p> <p>Board Approved 9-19-17</p>
<b>7. Personnel Committee Charter Revision</b>	Personnel Committee Charter is already being revised to update and clarify P.C. role. Now it also needs to be put into	P & G and P. C. Chairs—phone consultation about major issues 8-16-17	<p>NO</p> <p>BOT Approval</p>

	<p>the new template and address any additional areas needed</p>	<p>P &amp; G Chair reviews draft P.C. charter and provides input--8-17</p> <p>P.C. reviews revised charter draft—8-29-17</p> <p>P &amp; G Chair answers e-mail questions from P.C. Chair 8-30-17</p> <p>P.C. Chair attends P &amp; G Meeting to discuss distinguishing policies/procedures and P.C. relationship/functioning with Board/SLT</p> <p>9-7-17</p> <p>P.C. Chair attends Board meeting 9-19-17 and meets with minister for input into the charter. Submitted to BOT for October meeting.</p> <p>Board sends charter to P&amp;G, which reviews and puts it into first batch for inclusion on BOT November agenda 11-2-17</p>	<p>Pending November</p>
<p><b>8. Personnel Committee Salary Policy Proposal</b></p>	<p>P. C. Chair emailed P &amp; G chair about a policy related to compensation they may want to propose to the Board 9-1-17</p>	<p>P &amp; G Chair sends Board Policy Recommendation Form (draft) to P.C. Chair—9-4-17</p> <p>P.C. Chair meets with P &amp; G to discuss Compensation Policy Proposal and related documents and they develop proposed policy 2.6 revision for Board consideration which is not submitted to the Board—9-7-17</p> <p>P.C. Chair attends Board meeting and has follow up meeting with Elaine with outcome of including compensation review issues as a goal in their Charter-9-19-17</p> <p>Chair still wondering if P. C. role in compensation review using UUA standards needs to be in a Board Policy or just be a P.C. Committee procedure in coordination with Board intent. P&amp;G Chair suggests that it be a P.C. Procedure unless the Board wants to include it in a Board Policy. Since it is a Goal in P.C. Charter it will be reviewed by the BOT and if approved can be used as a Procedure</p>	<p>NO</p>

		of the P.C. Committee. P.C. may seek further clarification 11-5-17.	
<b>9. Relationship Between Staff and the Core/Ministry Teams they partner with</b>	Earth and Social Justice Council recommended a policy to the Board in December of 2016 to provide guidelines on collaborative work between the staff and the teams they work with. The current Board Policies do not address this. Examples of the need for this policy have were shared.	P&G reviewed first draft of proposal and made revisions. 11-2-17  Final draft put into the new Board Policy Recommendation Format —11-3-17  Board President submits to Executive Council Review for possible inclusion in the November Board meeting agenda. 11-7-17	<b>BOT</b> <b>Approval</b> <b>Pending</b> <b>November</b>
<b>10. Communication with Membership</b>	Board already has some policies that address this. A Board End this year to Build Trust has communication as a major component. The Board may wish to revise some of its policy in this area to better meet that end. The Committee is also charged with communicating its work to congreg.	Request/wait for Board Direction—  Write a Beacon article about the P & G Committee’s establishment, purpose and accomplishments—Not completed in October. Aim for November 15 deadline.  After the Process for Recommending new Board Policy is approved by the Board, write another Beacon article/eblast about it with electronic link.	NO
<b>11. Review of Charters</b>	Board requests P & G review charters submitted at its October meeting	P&G selected 8 charters to review charters to review as homework 11-2-17 and sent feedback to Board President by 11-7-17 Executive Meeting for inclusion on November Board Agenda  P&G will review second batch of charters 12-7-17	NO <b>BOT</b> <b>Approval</b> <b>Pending</b> <b>November</b>

<p><b>12. Determine central internal electronic storage for important Board Committee Documents</b></p>	<p>P&amp;G and Personnel Committees have expressed a need for secure storage of important procedural documents that are not Board Policy, but have been approved by the Board and are used for effective and efficient functioning by Committees, BOT, and SLT. The storage would ensure access by future committee leaders and members and others who have need. This also might be a question to add to future charter template.</p>	<p>Initial Discussion planned 12-7-17</p>	<p>NO</p>
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