

East Shore Unitarian Church

Meeting of the Board of Trustees,

August 2018

Board Packet

Table of Contents

Agenda.....	2
August 2018 Consent Agenda Voting Items.....	3
August 2018 Board Reports.....	3
Minister’s Report – Rev. Stephen Furrer.....	3
President’s Report – Tom Doe.....	4
Finance/Treasurer’s Report – Marcy Langrock.....	6
Executive Director’ Report – Jason Puracal.....	7
Director of Lifelong Learning’s Report- Submitted in Aisha’s Absence by Amanda Uluhan.....	14
Liaison Reports.....	17
Policy and Governance – Ann Fletcher (chair).....	17
Personnel Committee Board Liaison Report - Jerry Bushnell.....	17
Nominating Committee Board Liaison Report – Dennis Fleck.....	17
Right Relations Committee Board Liaison Report – Mark Norelius.....	17
Holly House Dev. Taskforce Board Liaison Report – David Baumgart.....	18
Intro to Board Packet - the “Dream Big Initiative”.....	18
APPENDICES.....	19
Appendix A: FYE 2017/18 Summary Income Statement.....	19
Appendix B: FYE 2017/18 Balance Sheet.....	20
Appendix C: FYE 2017/18 Financial Charts.....	21
Appendix D: FY 2018-19 July Income Statement Summary.....	22
Appendix E: FY 2018-19 July Balance Sheet.....	23
Appendix F: FY 2018-19 July Finance Charts.....	24
Appendix G - East Shore Charter Template Draft Revision August 2018.....	25
Appendix H. Holly House Task Force Conflict of interest Statements (proposed).....	29
Appendix I: Draft Holly House Task Force Charter.....	33
Appendix J. ESUC Board of Trustees , Draft Minutes July 17, 2018.....	40

Note on August Board Packet Contents

The minutes of the July meeting appear at the end of the packet (Appendix J). Also appendices to all reports are collected at the end of the packet and lettered sequentially as shown in the table of contents

Agenda

ESUC Board of Trustees Meeting Agenda August 21, 2018

Host:

Timekeeper:

Process Check: Dave Baumgart

Start	End	Duration	Topic	Lead
6:45	7:00	0:15	Social Gathering	
7:00	7:05	0:05	Opening Words, Chalice Lighting	Jerry
7:05	7:15	0:10	Check in, Introductions	All
7:15	7:35	0:20	El Centro de la Raza Presentation	Jeanne Lamont
7:35	7:50	0:15	Consent Agenda	All
7:50	8:00	0:10	Holly House Updates	Dave
8:00	8:05	0:05	Salmon Bake	All
8:05	8:15	0:10	Board Retreat	Dave
8:15	8:25	0:10	Fund Raising	Tom, Jason
8:25	8:30	0:05	Recording Secretary and Board Packets	Dave
8:30	8:50	0:20	Executive Session	Tom, Mark

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 Tom in advance!).

August 2018 Consent Agenda Voting Items

- Approve July 2018 Board Meeting minutes
- Approve Fundraising activities by Teams (ED report)
- Approve Developmental Minister salary & housing split (ED report)
- Developmental Minister Chase Checking account access (ED report)
- Annual reviews for DLL and Exec Dir. (ED report)
- Betty Forgette be made a Life Member (ED report)
- Approve 2018-2019 Charter Template (Policy and Governance report)
- Approve Roger Greene for the Holly House Task Force (President's report and HHTF report)
- Approve HHTF Charter (HHTF Report)
- Review and approve HHTF Conflict of Interest approach (HHTF Report)
- Review and approve HHTF Dream Big Initiative (President's and HHTF Report)

August 2018 Board Reports

Minister's Report – Rev. Stephen Furrer

Christine Robinson suggests that we organize a start-up weekend for Thursday – Monday, Nov 8-12. Start-Ups are helpful in delineating specific lines of authority and accountability among the Minister, senior staff, lay leaders, and the laity in general.

I have been taking up my ministry among you for three weeks now. I have moved about half way into the Minister's Study and have unpacked many of my books and files. About half of the file cabinets are filed with files organized by Peter—a few of these are useful and can be used by me, but many, including a few hundred of Peter's sermons, need to find a new home. Maybe the Archives would like to have them. I have been learning about ESUC's weekly and monthly round of meetings. I have also arranged for one-on-one meetings with various church members in my study and one at the hospital. I am meeting with Linda to design and officiate at a memorial service for Dick Jacke, which will occur at 2:00 on Saturday, September 8.

I have taken up my preaching duties here at East Shore Unitarian. I have preached twice this month and will preach four times in September. The sanctuary is magnificent and I am honored to carry on in the tradition of the many fine preachers who have preceded me. I expect to make some changes in the Order of Service and will do my best to explain each change and how I think they'll improve the quality of your services. Interacting with the Worship Team and Interim Director of Music Eric Lane Barnes has been a pleasure. We are already putting our collective energies to good use as we contemplate resuming double services beginning September 23.

The ESUC staff has all been very welcoming and supportive.

I expect to put a lot of my energy during the first few months here into getting to know the ropes and the people. ESUC has over thirty Core Teams and two dozen Ministry Teams — lots to keep me occupied for a while.

Respectfully submitted, Stephen Furrer

President's Report – Tom Doe

Introduction

I apologize for my President's Report being on the long side, but there are several rather urgent issues that we need to address. Please read in advance the discussion on fundraising so we can get through this important item in an efficient manner. I apologize in advance for not being physically present; however, I will join by telephone. Given the difficulties in chairing a meeting as a disembodied voice, I am thankful to Dennis Fleck for agreeing to serve as meeting chair.

My thanks to Jeanne Lamont for taking the initiative on immigration issues and our warm welcome to representatives of El Centro de la Raza.

I would also like to echo Marcy's comments on a great sadness regarding Dick Jacke's sudden and unexpected passing. He filled so many roles – great and small, in our church and our greater movement - all approached with equal dedication and enthusiasm. He is so greatly missed!

Welcome to Rev. Stephen Furrer

We welcome with great pleasure Rev. Stephen Furrer to his first Board of Trustees meeting at East Sure Unitarian church.

Salmon Bake

We need someone to step forward from the board who can take overall responsibility for Salmon Bake. We also need every board member who can attend Salmon Bake Sunday to sign up for a task through Nicole's Doodle poll.

Conflict of Interest for the HHTF and Board in General

As we approach the important financial decisions regarding Holly House, Linda Freeburg, Jason Puracal, and I have discussed asking every member of the task force as well as members of the board to prepare a conflict of interest disclosure. As an appendix, I am attaching a draft conflict of interest statement prepared by incoming task force member, Roger Greene. His preamble is a very good explanation of what a conflict of interest disclosure entails and why they are necessary to assure the integrity of processes that involve major financial transactions. A financial or other conflict of interest does not preclude a person from serving in a particular role. In fact, one of the challenges in recruiting people with expertise and experience on a particular topic, like real estate and Holly House, are very likely to have relationships that could be perceived as conflicts of interest. In some cases a conflict of interest may require recusing oneself from a vote or it may be a simple matter that other task force members and the congregation at large simply need to know one's relationships in order to evaluate statements that one might make. In addition to Holly House, I propose for a future vote that we also consider adapting this conflict of interest form as a general disclosure statement for everyone on our Board. As Jason has pointed out to me, our policies and bylaws recognize the need for our board members to be free of undisclosed conflicts of interest.

Town Halls and First Saturday Conversations

I would like to propose that we prepare between now and Salmon Bake a list of Town Hall meetings and First Saturday Conversations through the end of the calendar year. I can foresee a number of very important topics already including Holly House, Policy and Governance, Right Relations and conflict resolution, and Board Ends. In particular, as we discussed at the pretreat, I would like to propose that we involve the membership at large in the process of creating our Ends. While this will be an important topic of our board retreat, I believe we need to have some form of discussion encouraging members to propose Ends for the church and then after our retreat having a presentation on what we propose for Ends, our strategy for achieving those ends, and assigning those

ends to staff and core or ministry teams. It would be useful for congregation to have a schedule of these topics well in advance so that people can make plans to attend in areas they feel passionate about.

Fund Raising

I have allocated 20 minutes to a discussion of fundraising. Please review Jason's update on operating fund drive status for 2018-2019. We also should be well into the planning process for how we will raise funds for the church in 2019-2020. There are some major outstanding questions about how we raise money for the church. For the past two years Elaine with Nicole's help had been trying to implement a 12-month fundraising approach where most pledges would be paid by electronic funds transfer (EFT). These pledges would automatically renew without specific member approval. Because financial support would already be largely settled for each member without requiring an annual pledge form, the conventional operating fund drive focusing on 100% pledge response will be greatly reduced. The 12-month approach would involve personal contacts to each church member spread over the full 12 months of the year, and the focus of the call would be more of a check-in on such things as pastoral needs and involvement in the church.

Over the past two years we have not sufficiently implemented to 12-month approach to replace the traditional OFD approach, nor have we figured out how to make the transition from traditional OFD to this method of fundraising. It is urgent for both the current church year and the 2019-20 church year that we resolve this issue soon as possible. Furthermore, whatever approach we take, the Membership Enhancement team, which Nicole uses to support the work of fundraising, is currently depleted of members. Sarah Brannman has been a member of that team has graciously agreed to take on this is the focus of her board portfolio. I intend to support her and Nicole strongly in this, and I urge all board members and church leaders to do the same. As an additional consideration to fundraising, we will greatly benefit from Steve Furrer's many years of experience. The enthusiasm that is accompanying the beginning of his ministry should help bring in support of members who've been sitting on the fence about their commitments to the church.

An additional consideration is the relationship between the auction and other fundraising efforts. The auction is one of the most popular activities in the church attracting a large number of devoted and enthusiastic volunteers. The OFD on the other hand has always had trouble getting anyone to work on it. The major portion of our fundraising budget goes to auction expenses, for the auction raises less than 5% of our operating budget. On the other hand, the OFD which should raise about 70% of our budget gets very little support. I have been wondering if there is a way to look at our fundraising holistically perhaps merging these two efforts in some way.

Finally, the board voted last year to take on direct responsibility for fundraising, but we have not fully implemented that decision. Specifically, we have not re-formed an operating fund drive committee nor defined a charter for that group. Practically speaking the team of myself, Nicole, and Sarah have been working very well together towards a common purpose, however, for the sake of our governance processes we should seek a resolution on whether fundraising sits under the board or sits under the staff. Either way the board is ultimately responsible for assuring our church is adequately funded.

Dreaming Big

One of the pretreat initiatives we discussed was asking the groups of the church to think about ways to grow the church in commitment to our mission as well as in membership numbers. The outcome of this exercise would be a list of activities with their associated costs to accomplish this growth. The Holly House Task Force has started to work on this mainly from the point of view of how we could spend proceeds from the sale of Holly House. Note that this is a question independent of whether the sale is to a commercial or affordable-housing developer. That said, the dreaming big initiative is larger than just the Holly House question. Having a compelling list of activities for the church along with their associated costs is also an excellent way to promote our larger fundraising efforts. We probably will not have time on the August agenda to address this topic, but I

would like all the board members to think about it possibly for September, when we are likely to have more details of how the Holly House Dev Task Force wishes to pursue this initiative.

Beloved Racial Justice and Right Relations Letters

In July Mark Norelius brought up again two submissions – (1) a list of questions created by Right Relations from Pam Orbach regarding how the board leads and how to address imbalances of board and (2) as a letter from Beloved Racial Justice regarding the 2017-2018 End on Anti-Racism. We discussed these at the Executive meeting and I am working on some responses which I hope to run by Louise Wilkinson and Mark Norelius before submitting to the board for review and approval. Due to vacations I was unable to meet with Louise, but we will do so shortly with a goal of a formal response by September's board meeting. I can say that what these two items have in common is that they address Ends and how the Board creates, delegates, and monitors what we do regarding Ends. Therefore they are an important item to plan for leading up to our retreat.

Respectfully Submitted, Tom Doe, President ESUC Board of Trustees

Finance/Treasurer's Report – Marcy Langrock

Items below in bold need Board review and approval. The rest are consent agenda items.

Financial Stewardship Standing Committee:

- The FS Committee met on August 14th, 2018.
- The FS Committee will make a request of the Endowment Committee to have their updated draft of their Investment Policy Statement and Charter (in the new format) submitted for review by the next FS Committee meeting in September. The FS Committee needs to review it and then submit it to the board.
- It became clear that FS needs to re-educate the board and interested parties on the purpose of the 5-Year Plan as a tool. I recommend Claudia be invited to a board meeting to present, especially to the new board members.
- FS Committee still recommends that OFD be moved back under Nicole and the staff. Rev. Steve has offered to help with that transition once he is familiar with the process.

Finance Team:

- The Finance Team met on August 14th, 2018.
- Lucy, our bookkeeper, met with us for the first part of the meeting to discuss the status of our year end and monthly reports as well as how to enter our distribution from the Endowment fund into the operating fund.
- We have a few, unbudgeted items of income that will help our bottom line. Those are: new rental income, accrued Unrelated Business Tax Income (UBIT), and projected ACE income not included the original budget. Thank you to Jason and the staff for finding this "extra" money.
- Laura Rivendell is stepping back and taking a much deserved break from helping with ESUC accounting/bookkeeping. This does leave a deficit for us with respect to accounting expertise. Jason is working with a non-profit tax attorney. But we need to establish a working relationship with an accounting firm that specializes in non-profit accounting.
- With the arrival of Rev. Steve, it is very important that we have an audit performed. The UUA recommends that churches have an audit performed with the start of a new minister. Rev. Steve is in full support of this recommendation. Jason has set up a meeting for us to meet with an accounting firm we are interested in having perform our audit. Jason and I will negotiate scope and price. Next month, I will have a proposed cost for the audit. Please note, that the expense of this audit was not budgeted for this

year. We have allocated money in the past years for an audit and not used it. Once we have the actual dollar amount, we can have further discussion about the need and timing for the audit.

Endowment Committee:

- The Endowment Committee met on July 20th, 2018.
- Matt Lowe from Greene Wealth Management, our fund managers, attended the meeting to update the committee on the quarter. The market has remained fairly stable. He also told us about a recommendation Greene Wealth Management is making to all of their clients, which is to move into more foreign and international equity funds. They are analyzing trends which indicate international economies will outperform US stocks. The Committee decided not to act that particular recommendation and change our investment allocation.
- The recommendation was made again by Bill Culverwell for us to move into short term US T-bills (2-year) for all of our “fixed income” portion of our investments.
- Investment Policy Statement needs to be updated. Craig Nelson will edit it to reflect the recommended updates from the committee and forward to the Financial Stewardship Committee for review.
- The Endowment Charter needs to be updated and forwarded to the Financial Stewardship Committee for review.

Treasurer Notes:

- On a personal note, I am deeply saddened by the passing of Dick Jacke. I had the pleasure of working with him in the small group exercise on trust at the board pre-retreat. He was very excited about GA in Spokane next year. I would like us to commit to attending, for our congregation, and in honor of Dick’s commitment to the UUA and East Shore.

Executive Director’ Report – Jason Puracal

Topics requiring Board Vote

- **Fundraising activities by Teams**
- **Developmental Minister salary & housing split**
- **Developmental Minister Chase Checking account access**
- **Annual reviews for DLL and Exec Dir.**
- **Betty Forgette be made a Life Member**

Consent Agenda

BOT END 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. I am working with the Chair of the Endowment Subcommittee to ensure we have an accurate, up-to-date list of all donors to the Endowment Fund. See Treasurer’s report for more details.

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 last two Holly House Development Task Force meetings. I provided a brief history of the property to the Task Force. I clarified the capital gains tax question to one of our Professional Liaisons. And I reached out to another of our Professional Liaison for clarity about taxes involved in closing a sale of the property. See the BOT Secretary's report for further details.
- I attended the Financial Stewardship Committee meeting. I provided a summary of the 2017-18 fiscal year final reports, and an update on the current fiscal year OFD/budget.

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 2017-18 fiscal year end final reports, preliminary July 2018 month-end income statement, accounting challenges, responses from the tax attorney, an external audit, and the budget deficit.
- The 2017-18 fiscal year end reports have been finalized and emailed to the normal distribution list. For the Board's review, I have included the 2017-18 Summary Income Statement (see Appendix A), and the 2017-18 Balance Sheet (see Appendix B). The 2017-18 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. Overall, even after the accruals for BLUU, UBIT, known expenses, and potential Staff bonuses, we closed the fiscal year with a surplus of \$17,324. These funds have been moved to the Designated Fund General Reserve account, bringing the balance (after the payment of the Interim Minister's severance package, to \$81,749.56)
 - I was able to confirm with the tax attorney, and the Finance Team agrees, that East Shore is not responsible for Unrelated Business Income Tax (UBIT) on the lower parking lot rental. This is a gross receipts lease, therefore real estate rent, and not subject to UBIT because of the 85% rule. Consequently, the \$9,039 accrued in the last fiscal year for UBIT will be transferred to the Designated Fund General Reserve as the surplus for FY 2017-18 would have included this amount if not accrued.
- The month-end reports created for July 2018 will be emailed to the normal distribution list before the Board meeting. For the Board's review, I have included the 2018-19 July Summary Income Statement (see Appendix D), and the 2018-19 July Balance Sheet (see Appendix E). The 2018-19 July Income Statements by Department are presented visually as part of the financial charts (Appendix F), although for more transparency, some of the Departments have been broken down into categories.
 - According to the 2018-19 July reports, the total income from donations for July were ~\$14k higher compared to the 17-year average of pledges, and about \$10k lower 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 ~\$76k more than the 16-year average, just under \$25k higher than the 5-year average, although almost \$2k lower than what was brought in last year during July. Our monthly expenses were significantly lower than normal at ~\$65k due to accrued expenses from the previous fiscal year

and the absence of a Minister salary & housing during the month of July. East Shore had a surplus for July of approximately \$155k, providing a runway of ~2 months of operating expenses. This is typical of starting a new fiscal year.

- An error was discovered in the congregational approved budget. Specifically, the anticipated income for ACE in the amount of \$3,575 was moved from the Facilities Department Activities to the Ministry Department Activities, and the sum line for all Income – Department Activities did not include this cell. The expenses for ACE were included in the budget. If all else held the same, we would anticipate a surplus at the end of the year in this amount.
- OFD update as of 8/7/2018
 - Total Pledged: 210 (of 350 households on our rolls)
 - Confirmed: \$543,899.08
 - Likely: 53
 - Likely \$: \$77,956.54
 - Total Confirmed + Likely: \$621,845.62
 - Of those who pledged:
 - 17 NEW/Returning pledges (totaling \$10,315)
 - 58 increased
 - 101 stayed the same
 - 33 decreased
 - Of those we have not heard from:
 - 4 did not respond last year and may need some personal contact
 - 11 asked for waivers last year
 - 57 pledged last year
 - 14 are considered “not likely” for a total of \$3,330
 - 3 are new Members who Nicole will reach out to
 - See OFD Task Force Chair report for further details.
- With regards to the projected deficit due to the shortfall in anticipated pledges, there has been approximately \$15k in additional, non-budgeted rental revenue added. Combined with the anticipated ACE revenue and the savings of UBIT (although the latter will automatically be moved to General Reserves), we have cut the deficit by ~25% in the first month of the fiscal year. I will continue to monitor closely the projected budget and cash flow of the church and keep the Board apprised.
- **Per Policy 2.11.8, and the congregational approved budget for fiscal year 2018-19, I am submitting to the Board for approval the following fundraising activities planned by Teams:**
 - **Ministry Department**
 - **ACE Media is expected to generate revenues through A/V services provided to three memorial services, two graduations, and six other events such as weddings and East Shore LIVE events. Total income expected is \$3,575.**
 - **The Interim Music Director is in the preliminary stages of planning two concerts with outside musical groups to perform at East Shore. Both concerts will be one-time events, run as a Fundraiser for East Shore, with 51% of net proceeds benefitting the church.**
 - **Membership Department**
 - **Sebeck is expected to generate \$55,000 in revenues through event ticket sales.**

- **Women’s Perspective is anticipated to generate \$7,700 in revenues through their retreat event payments.**
 - **Social Justice Department**
 - **Good Start Back to School is expected to generate \$750 in donations from Members.**
 - **Guest at Your Table is expected to generate \$750 in donations from Members.**
 - **Holiday Giving Tree is expected to generate \$1000 in donations from Members.**
 - **Congregations for the Homeless will solicit funds from other UU Churches in the amount of \$1,450.**
 - **Khasi Hills Ministry Team is expected to generate \$3,000 from sales and donations collected at the Trinkets & Treasurers event, and another \$400 in donations from the Members during a Second Sunday service.**
 - **Meaningful Movies is expected to generate \$1,000 in donations from participants of their events.**
 - **Finance & Facilities Department**
 - **The Flower Team is expected to generate \$660 through worship services and poinsettias/wreathes sales.**
 - **The P-Patch Team is expected to generate \$500 through produce and plant start sales.**
 - **Marketing & Development Department**
 - **The Auction is expected to generate \$40,000 in revenues through event ticket sales, and donated item sales.**
 - **East Shore LIVE is expected to generate \$3,750 through event ticket consumable sales over five shows.**
- **Per the Board vote in July, the payment to Black Lives of Unitarian Universalists (BLUU) at \$10 per member for a total of \$4,520 was completed. The Developmental Minister was notified that, as part of the pledge, a Sunday worship service will be held during the current fiscal year. The Developmental Minister agreed and will work with the Membership Development Manager on a Beacon article to inform the congregation about the pledge, payment, and service.**
- **The Developmental Minister has requested a salary and housing (S&H) allocation of 55%/45% respectively. Board approval is required.**
- **As East Shore requires two signatures on checks, and past Ministers have had check signatory authority, I am requesting Board approval for Dr. Rev. Stephen Furrer, the Developmental Minister, to be added as an authorized signer to East Shore’s Chase checking account.**
- **The Amendment to the Lease Agreement with Diamond Parking to extend the relationship for another 3 years has been fully executed.**
- **I spoke with the non-profit tax attorney, Nathaniel Taylor, regarding pending questions from the Finance Team. Apart from the UBIT issue already discussed above, below is the additional information he provided (note: some questions require further investigation and will be answered in writing in the near future):**
 - **Inter-faith organizations such as Meaningful Movies, FAN, FIRE, etc., can utilize East Shore’s campus as exempt activity because faith related activities are qualified as church purposes, we are a member of the group, no rent is charged, and it would be promoting social change.**
 - **P-Patch garden produce sales are not considered business activity as long as there are no outwardly facing, public signage (intended only for those attending Sunday worship service).**

- B&O and sales tax are not applicable because it's produce and there is a minimum of \$12,000 per year to trigger the taxes.
- Representatives from nonprofits presenting information during Second Sunday can solicitate for donations directly (not necessary for a ESUC Volunteer to make the ask) because the event is not public.
 - The 40 hours per work week threshold for overtime only includes hours worked, not vacation or sick time.
 - Board Committees and Task Forces are not required to have 2 Board Members serving on it as long as the group is only making recommendations to the Board, and the Board has not passed along fiduciary responsibilities.
- The tax attorney referred us to the CPA firm Clark Nuber in Bellevue. We are in communication with them regarding assistance on correctly completing the 990T form, ongoing Controller potential, and a possible audit. At the request of the Developmental Minister, the Finance Team is anticipating an external audit by the end of the calendar year. The Treasurer and I are meeting with a representative from Clark Nuber at the end of August to explore the level of audit and costs involved. More information to come in the coming months as this will require Financial Stewardship and Board approval.
 - I met with a representative from Craft3. They provide small business loans to socially progressive entities. They receive matching funds from WA Dept. of Commerce. They would be interested in loaning East Shore money for affordable housing development. This is simply a new resource; no further follow up is planned until the congregation makes a decision regarding the Holly House property and/or the lower parking lot.
 - I attended the Personnel Committee meeting to provide an update on each employee of East Shore. On a separate occasion, I also provided the Personnel Committee all the employee files for their review. They were not able to complete all the files, however did make recommendations on improvements to our paperwork, noted gaps in specific files, and will adjust the employee file checklist to include documents not previously listed. A second pass is anticipated within the next month once I have completed the corrections. Please see the PC Board Liaison report for more details.
 - **All FY 2017-18 annual reviews for Staff have been completed except for the Director of Lifelong Learning and myself. These two remaining are the responsibility of the Board. I am requesting the Board form a Task Force or designate select individuals to complete these remaining reviews.**

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 had lunch with the Board President to discuss items on the Executive Committee meeting agenda.
- I attended the Board Pre-Retreat, at which I presented on Board Fiduciary responsibilities and a brief overview of the ESUC organizational structure.

- Much appreciate for Ralph Lutz for setting up the Developmental Minister's and the DLL's new desktop computers. I spent time setting up the Minister's O365 account on his laptop, and starting the onboarding process to familiarize him with East Shore's various systems, structure, and finances.

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

- I participated in an online webinar regarding Storytelling hosted by Social Venture Partners. My biggest takeaway:
 - When considering impact of an organization, there is a distinct difference between Outputs versus Outcomes. For example, the number of people shelter was provided to is an Output; the % reduction in homelessness is an Outcome. Outcomes reflect impact, not Outputs.
- Salmon Bake Sunday was moved from September 9th to September 16th so that the Developmental Minister can preach in the pulpit. Consequently, two worship services will now begin on September 23rd.
- Worship Numbers:
 - 2018/19
 - July 1: 111
 - July 8: 116
 - July 15: 90 (Family Covenant Circle's camping weekend)
 - July 22: 115
 - July 29: 101
 - 2017/18
 - July 2: 104
 - July 9: 139
 - July 16: 107
 - July 23: 121
 - July 30: 117
- Membership Numbers:
 - Current Membership: 408
 - Visitors who have filled out forms in July: 5
 - 125 families came in for photos in the new directory (due out in September)
 - **The Membership Development Manager is requesting Betty Forgette be made a Life Member.**
- Social Media Metrics:
 - *Yelp for July*
 - 26 user views
 - 8 user leads
 - 3 direction and map views
 - 6 clicks to website
 - *Google My Business Report for May:*
 - 37,640 people found us on Google
 - 8 people called
 - 700 asked for directions
 - 161 visited the website
 - ESUC.org Analytics
 - 983 users

- 1.6 sessions per user
- 2:47 average session

5. *We will make measurable progress moving our congregation from a multi-culturally aware congregation to anti-racist as defined by Julica Hermann de la Fuente, with specific attention to lifelong Learning, pastoral care, and theology.*

- I participated in an online UUA Commission on Institutional Change AUUA focus group regarding race led by Julica Hermann de la Fuente.

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 Co-Chairs of Congregations for the Homeless Ministry Team to answer questions regarding finances, donation solicitations, and accounting procedures. I greatly appreciate the Co-Chairs being proactively engaged in managing their Team's finances.
- I spoke via telephone with the Chair of the Climate Action Ministry Team regarding a potential event they would like to host with 350 Eastside and Sierra Club.
- I met with a representative from El Centro de la Raza to learn about Sensitive Locations. Subsequently, the Facilities Manager, Interim Music Director, Developmental Minister, two Members of our congregation, and I attended the Sensitive Locations Information Session for Places of Worship hosted by El Centro de la Raza. My biggest takeaways:
 - Having a protocol in place for when Immigration and Customs Enforcement (ICE) arrive on campus is important
 - ICE can enter with a recent, judicial warrant, not an administrative one, and it must be for a specific individual name.
 - It is best to isolate ICE in a private room where they cannot interrogate others on campus.
 - Important to note down names and badge numbers of officers, and it is recommended to film them.
 - WA Immigrant Solidarity Network has a hotline to verify ICE agents and warrants
 - ICE can enter without a warrant to public spaces (e.g. Sanctuary), however not private (e.g. Admin offices), or if they are in pursuit of a dangerous criminal, or if they suspect terrorist activity.

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.*

- The repairing and painting of bathroom walls has continued with the Sanctuary Men's bathroom now completed by the Caretakers. The Caretakers also completed some reparations to the Education Building Women's bathroom including the toilet seat and running toilet. New sanitary napkin disposals have been ordered.
- The Caretakers repaired the non-functioning door locks to the Admin building, Multi-purpose building, and Sanctuary. They also repaired the electric leaf blower that has not been functional since before I started with East Shore, and the carpet steam cleaner. Celil, as a mechanical engineer and passion for fixing things, is saving the church thousands of dollars in replacement costs.

- A small tear, about the size of a dime, in the outer membrane of the Sanctuary roof was discovered, along with several spots where the membrane is bubbling up. The Facilities Team is investigating.
- The Caretakers installed the soaker hoses throughout Cora's Garden and the Memorial Garden. The water bill for the past two months was the highest I have ever seen it at \$4,129.66 attributable to higher water rates and irrigation performed by our Grounds Team. It is our hope that the soaker hoses will be more efficient at watering.
- The lower parking lot LED lights were repaired. Total cost was \$3,520.
- One of the new laptops purchased was damaged during the setup process. A warranty was purchased that allowed repair at no cost to East Shore. The new or repaired laptop is expected back to East Shore by the end of the month.
- The air conditioning for the Administration building was successfully installed and is working. The indoor temperature is set to 73 degrees, and Staff are very appreciative to all Members who contributed to this project. The final amount for the installation was \$17,749.03, higher than what was raised during the 2017 Auction Fund-A-Need. The balance was covered from a generous donation from Bob Weiss and Ralph Lutz, as well as from the Designated Fund Facilities Reserve account as per the vote of the Facilities Team last fiscal year.
- The HVAC system in E207 was repaired with a new motor. It was determined that there is a small leak in the cooling refrigerant for the A/C in the North Room and Sanctuary, however where the leak is occurring has not been determined. Six pounds of refrigerant was added to make sure the system functioned properly. Loadstar will continue to monitor the system.
- GRID Alternatives, a non-profit solar installer based in California, offers free solar evaluations for affordable housing projects. I was able to convince them to offer this service to East Shore with the potential that we might develop affordable housing in the future. As the two potential locations for affordable housing on our campus are heavily shaded (the Holly House property and the lower parking lot), they are assessing solar potential using the four buildings on the main campus. They also put us in touch with Spark Northwest to explore a community solar options and virtual metering in WA.
- I have registered for the eight-week Community Emergency Response Team (CERT) program in Bellevue. The classes begin in the fall, with an exam at the end. The schedule has not yet been released.

Discussion Agenda

None at this time.

Respectfully Submitted,
Jason Puracal
Executive Director

Director of Lifelong Learning's Report- Submitted in Aisha's Absence by Amanda Uluhan

July marks a slow, but important month in our RE year. Much of our time was spent preparing for the new church year in September. This includes teacher recruitment, children and youth registration, teacher training, parent orientation, and youth group planning. It also includes beginning stages of preparing the Education building with materials, clean up, organization, and new ideas.

The middle school youth group will now be held in E-205, with high school shifting to an 11am-12pm group time, to remain in E-207.

Amanda has continued working with East Shore staff team to ensure that the needs of Lifelong Learning are being met and that efforts and programming are cooperating with the rest of the church community and campus needs.

Continuing with the sabbatical plan as outlined by Aisha Hauser, DLL.

Attendance for RE programs (numbers below are for children & youth who attended RE programming only)

10-July 15

16-July 22

29-July 29

26-August 5

16-August 12

Chalice Camp was canceled due to low enrollment. We'll work to increase visibility for the camp and work on publicity and outreach as well. This is a much-needed offering and can help to attract families and children/youth.

2018-2019 RE Teacher Preparation

Teacher training dates August 25 & September 8. Milly Mullarky, Walter Andrews, and LeAnne Struble are all working on this training.

Fire and earthquake drill education will be integrated into our teacher training.

We are also working on offering AED/CPR training for our RE staff and core program leaders.

Lifespan Integration Teams continues to table in the church foyer (since May 2018) and to do pulpit announcements to reach more volunteers. Greeters & ushers are doing a good job of sharing information about our RE children and youth programs as well. These interactions can help to increase retention of visitors, and I hope to increase our ability to bring in visitors by offering a welcoming, generous, simple, and knowledgeable introduction to our campus.

We need 3 more people for next year.

2018-2019 RE Registration

Working with Dianne, facilities manager, and Nicole, membership development manager, we've launched what we hope to be a successful enrollment campaign for families with children and youth.

- Website updates
- Beacon article
- Paper registration in Admin building, Sanctuary foyer, and Education foyer
- Working with teachers to ensure high registration rates
- Email newsletters to include
- Signage in North Room/Education building

Planning for 9am & 11am Sunday programs

Hiring a second congregant to support as preschool staff for 2018-2019 year.

Two core teachers to facilitate and curate material for the innovative 9am multiage RE program.

Working with Family Covenant circle to ensure their programs success. Family covenant circle will be held on the second Sundays, during the 9am service, lasting through 10:45. Children and youth will participate in 9am multi-age RE program and have supervised play in Spring Hall from 10:15-10:45.

We are also preparing to have the new Hindu school in the Ed. Building, starting Sundays at 2pm.

ACE media team also launched a recruitment of younger volunteers, age 15+. This is a new offering for our church and I think an opportunity to build multigenerational, mutual relationships. I hope to support more ministry teams in offering and outreach with younger members.

Lifespan Integration Team

One of our members dropped off due to personal health issues.

I am working more closely with the remaining members, as well as including longtime RE and OWL teachers for additional support and input at this time.

Adult programs

Adult Programs Team has worked a lot with Nicole to update the “Adult” component of our Lifelong Learning website. This can increase visitor and member accessibility and understanding of how programs can be offered. This helps to create space for members to share their gifts, knowledge, and passions, one of the main values of any church.

Liaison Reports

Policy and Governance – Ann Fletcher (chair)

A new 2018-19 template is attached (Appendix G) for board approval.

End of Year Charter status: No new teams have submitted charters. The few teams that did not have approved charters should wait until we have the revised template and use that instead. Once we have the revised template I will start tracking teams for 2018-19 and report them to the Board monthly.

If the Board approves the revised template, I think we could roll it out to the teams with the direction to leave the question about Ends until the Board has established ends. That will allow them to get started on the rest of the charter items in September. The Ends question can be added when they are available. And the team will have the rest of the charter to get them started this fall. One of my goals this year is to make the charter process more efficient and effective. This is possible because of all the charter work done last year. And it can be completed sooner, leaving time to focus on other important things. We can talk more about this at our August 28 meeting. Submitted by Ann Fletcher and Tom Doe

Personnel Committee Board Liaison Report - Jerry Bushnell

For Consent Agenda: Nothing this month. The following items are informational:

- The committee is about half done with a basic audit of the staff personnel files. This audit is to check that required documents are present and up to date. Jason has been working on getting the files in order for the audit
- Longer term, the committee hopes to add other elements to the audit, such as looking at employee personal development, and use of best practices
- The committee is preparing an organization chart for East Shore staff

Submitted by Jerry Bushnell

Nominating Committee Board Liaison Report – Dennis Fleck

The Nominating Committee is scheduled to begin their work for the 2019-20 year in September. At this time, they are open to input from the Board as to recommendations of skill sets/ areas of representation, etc. that should be considered during their efforts to put forth the slate of candidates. Providing such information is timely, and should be done soon, instead of months from now.

Dennis Fleck

Right Relations Committee Board Liaison Report – Mark Norelius

For Consent Agenda: Nothing this month

The Right Relations Committee continues to be active. In the last month, the Right Relations Facilitation Team has met for two 4 hour meeting/training sessions. Participants have practiced serving as conflict coaches for individuals. Each of these training sessions included a coach and a “client” and an observer who would critique the coach during and after the session. Peter Sugarman who is also trained as a mediator for the City of Bellevue served as the supervisor for this training. The Right Relations Committee will be announcing that the Facilitation Team members are available to the East Shore community as individual conflict coaches shortly.

The RRC has met almost weekly to discuss current and potential issues within the Church community and to plan for the future.

The RRC will be meeting with Reverend Furrer on August 21st for the first time to share our history and vision.

Mark Norelius

Holly House Dev. Taskforce Board Liaison Report – David Baumgart

Consent Agenda Items:

- The Holly House Dev Task Force Charter has been revised to align with the 2018-2019 template and is attached here (Appendix I).
- Roger Greene has kindly prepared a Conflict of Interest policy and form (Appendix H); see also the President’s report.
- We recommend to the board that Roger Greene be approved as a voting active member of the task force. Roger will be replacing Callie Hills who recently resigned her membership.

Linda Freeburg, chairperson appointed Laurie Adams as vice-chair, and Trevor Hall as secretary of the task force.

The 2018-19 Holly House Development Task Force has been very busy in the past 2 months with multiple meetings, establishing a new charter (Appendix I) and several other initiatives.

Linda passed along that the Board wants the Task Force to consider POC and marginalized persons for inclusion in the Task Force or its activities. We still have one open position for active membership.

The Outreach team has planned out a series of meetings with team leaders, and the congregation; please refer to the Dream Big Initiative, below.

David Baumgart

Intro to Board Packet - the “Dream Big Initiative”

[Note: this document was requested by Tom Doe for board review and feedback.]

The **Conversation Subcommittee (Outreach Team)** of the Holly House Development Task force has undertaken the task to define and lead implementation of lay leader and congregation-wide meetings to invite East Shore to dream about how we could spend the money that will be the proceeds of the Holly House sale. Because this is a high-profile and congregation-wide endeavor, we are seeking your understanding of, buy-in to and support of our work. Although we are not asking you to wordsmith (we have enough authors and editors, thank you!) we welcome your feedback and comments. We are submitting this for your review and approval. Thank you for the confidence you’ve shown in us to guide this significant project.

Project overview

We will start by holding meetings with lay and staff leaders to encourage them to **Dream Big** about the abundance of our assets and the opportunity those assets give us to live into our values. We will ask them to dream with their teams and return with their ideas. Some will be invited to give brief presentations from the pulpit.

We will host congregation-wide Town Halls, using Right Relations practices, and prepare for a vote on the best outcome for moving ahead on Holly House.

In addition to various in-person meetings, we will do broad outreach with various media and other channels.

We realize this has been a contentious experience for our congregation and want to do a reset. We intend to have these discussions in a caring manner, ensuring that all voices are heard. We will build bridges looking for common ground and thoughtfully and carefully discern together as a congregation how we want to value and put our wealth to work.

APPENDICES

Appendix A: FYE 2017/18 Summary Income Statement

East Shore Unitarian Church
Monthly Income Statement - Summary
July 2017 to June 2018

Date : 07/30/2018
Time : 4:29:54 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)
Revenues								
Income - Donations	33,336	62,750	29,414	690,031	753,000	62,969	753,000	91.64 %
Income - Program Fee Pmts	846	500	(346)	19,113	6,005	(13,108)	6,005	318.28 %
Income - Fundraising Event Pmt	1,422	5,646	4,224	45,271	67,750	22,479	67,750	66.82 %
Income - Facilities Rental Pmt	22,466	13,280	(9,186)	199,041	159,360	(39,681)	159,360	124.90 %
Income - Dept Activities Pmts	7,734	6,747	(987)	95,915	80,961	(14,954)	80,961	118.47 %
Income - Other	23,955	3,950	(20,005)	81,128	47,394	(33,734)	47,394	171.18 %
Total Revenues	89,759	92,872	3,114	1,130,499	1,114,470	(16,029)	1,114,470	101.44 %
Expenses								
Payroll Expenses								
Wages	69,403	44,796	(24,607)	552,775	537,553	(15,222)	537,553	102.83 %
Payroll Taxes	4,754	3,382	(1,372)	40,396	40,579	183	40,579	99.55 %
Payroll Benefits	8,919	8,853	(66)	109,565	106,240	(3,325)	106,240	103.13 %
Total Payroll Expenses	83,076	57,031	(26,045)	702,736	684,372	(18,364)	684,372	102.68 %
Program Expenses								
Administrative Expenses	53,244	8,277	(44,967)	104,151	99,317	(4,834)	99,317	104.87 %
Facilities Expense	10,376	9,219	(1,157)	76,281	110,626	34,345	110,626	68.95 %
Business Expense	19,994	4,710	(15,284)	73,346	56,519	(16,827)	56,519	129.77 %
Office Expense	6,367	2,381	(3,987)	29,233	28,570	(663)	28,570	102.32 %
Fundraising Expense	3,156	1,542	(1,614)	12,857	18,500	5,643	18,500	69.50 %
Advertising & Marketing	0	243	243	908	2,920	2,012	2,920	31.11 %
Interest & Loan Expense	9,470	9,470	0	113,662	113,645	(16)	113,645	100.01 %
Total Administrative Expenses	49,364	27,565	(21,799)	306,288	330,781	24,492	330,781	92.60 %
Total Expenses	185,684	92,872	(92,811)	1,113,175	1,114,470	1,294	1,114,470	99.88 %
Net Total	(95,925)	0	95,925	17,324	0	(17,324)	0	0.00 %
Other Revenues								
Designated Revenues	(4,125)	0	4,125	96,759	0	(96,759)	0	0.00 %
Restricted Revenues	0	0	0	7,600	0	(7,600)	0	0.00 %
Revolving Revenues	5,032	0	(5,032)	5,032	0	(5,032)	0	0.00 %
Total Other Revenues	907	0	(907)	109,391	0	(109,391)	0	0.00 %
Other Expenses								
Designated Expenses	25,098	0	(25,098)	86,099	0	(86,099)	0	0.00 %
Restricted Expenses	0	0	0	5,385	0	(5,385)	0	0.00 %
Revolving Expenses	139	0	(139)	12,922	0	(12,922)	0	0.00 %
Total Other Expenses	25,237	0	(25,237)	104,406	0	(104,406)	0	0.00 %
Net Operating Total	(120,255)	0	120,255	22,309	0	(22,309)	0	0.00 %

Appendix B: FYE 2017/18 Balance Sheet

Date : 07/30/2018
Time : 4:29:08 PM

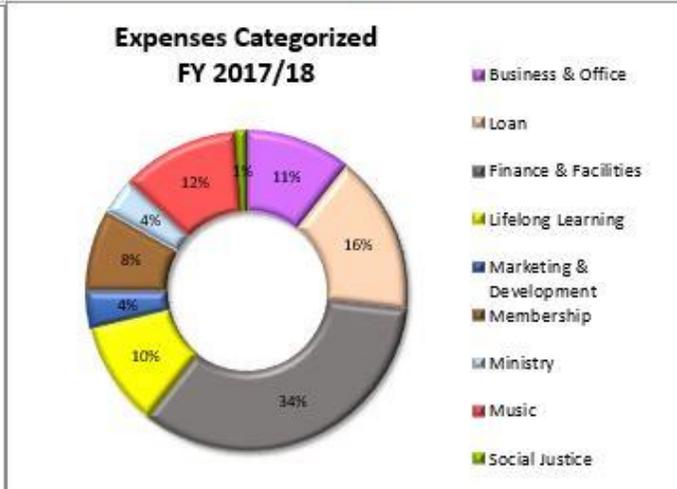
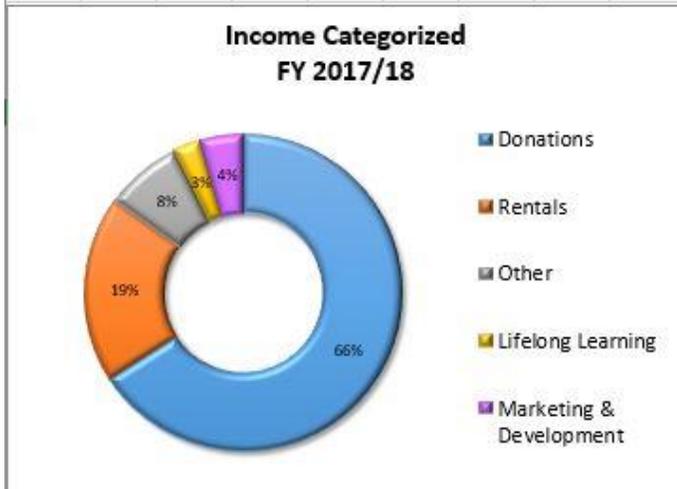
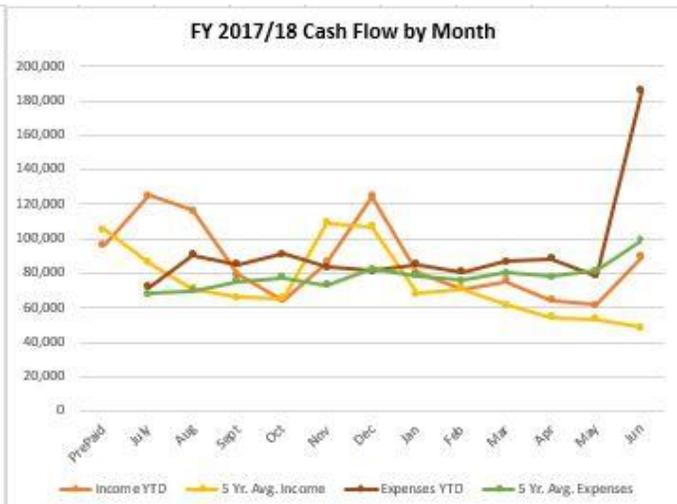
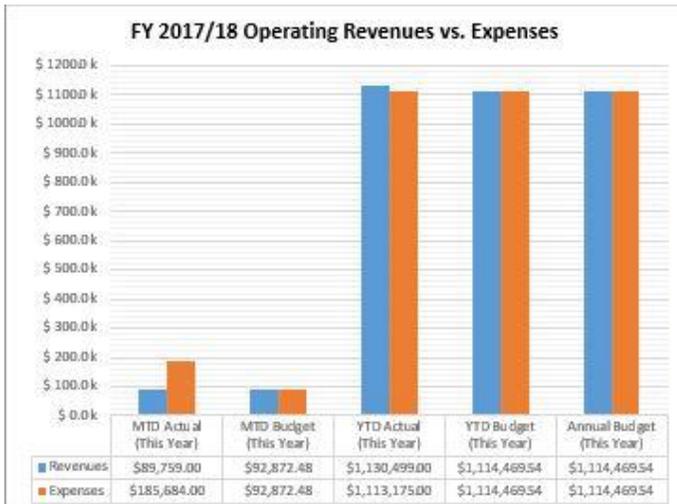
East Shore Unitarian Church
Balance Sheet
Closing Month 2017

Page : 1

Accounts

Assets		
Current Assets		
Cash & Investments		
1-1000 - Petty Cash	\$200.00	
1-1010 - Checking - Chase	\$56,092.15	
1-1030 - Brokerage - Schwab	\$46,397.71	
2-1010 - Checking - Chase	\$25,701.31	
3-1010 - Checking - Chase	\$135,410.31	
3-1040 - Endowment Money Funds - Schwab	\$35,140.88	
3-1070 - Endowment Investments - Schwab	\$1,301,291.99	
4-1010 - Checking - Chase	\$27,447.26	
Total Cash & Investments	\$1,627,681.61	
Other Assets		
1-1110 - Deposits	\$1,750.00	
Total Other Assets	\$1,750.00	
Total Current Assets		\$1,629,431.61
Contra Assets		
1-1600 - Building Loan Contra Account	\$803,209.74	
Total Contra Assets		\$803,209.74
Total Assets		\$2,432,641.35
Liabilities, Fund Balance, & Restricted Funds		
Liabilities		
Current Liabilities		
1-2000 - Accounts Payable	\$24,148.86	
1-2110 - Wage Accruals Payable	\$21,343.17	
1-2140 - L&I Payable	\$2,069.03	
1-2300 - Prepaid Pledges	\$36,040.80	
1-2350 - Prepaid Rentals	\$16,338.00	
1-2500 - Building Loan - Current	\$76,200.00	
4-2020 - Other Collections Payable	\$3,782.26	
Total Current Liabilities		\$179,922.12
Long Term Liabilities		
1-2700 - Damage Deposits - LT Rentals	\$4,500.00	
1-2750 - Building Loan - Long Term	\$727,009.74	
4-2710 - Other Collections Payable - LT	\$11,450.00	
Total Long Term Liabilities		\$742,959.74
Total Liabilities		\$922,881.86
Fund Balance		
2-3000 - Fund Balance - Ministry	\$2,407.62	
2-3010 - Fund Balance - Membership	\$6,975.36	
2-3020 - Fund Balance - Social Justice	\$5,743.71	
2-3030 - Fund Balance - Lifelong Learning	\$6,916.91	
2-3040 - Fund Balance - Finance & Facilities	\$2,605.90	
2-3050 - Fund Balance - Market & Dev	\$1,051.81	
3-3000 - Fund Balance - East Shore Housing	\$42,818.02	
3-3020 - Fund Balance - Endowment	\$1,336,162.32	
3-3040 - Fund Balance - Facilities Reserve	\$6,592.88	
3-3050 - Fund Balance - General Reserve	\$81,749.56	
3-3060 - Fund Balance - Memorial Garden	\$4,520.40	
4-3000 - Fund Balance - Grounds	\$1,615.00	
4-3010 - Fund Balance - Gallery	\$8,000.00	
4-3020 - Fund Balance - Fund-a-Need	\$2,600.00	
Excess Cash Received	\$0.00	
Total Fund Balance and Excess Cash Received		\$1,509,759.49
Total Liabilities, Fund Balance, & Restricted Funds		\$2,432,641.35

Appendix C: FYE 2017/18 Financial Charts



Appendix D: FY 2018-19 July Income Statement Summary

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)
Revenues								
Income - Donations	134,099	62,750	(71,349)	134,099	62,750	(71,349)	753,000	17.81 %
Income - Program Fee Pmts	1,370	725	(645)	1,370	725	(645)	8,700	15.75 %
Income - Fundraising Event Pmt	1,410	3,646	2,236	1,410	3,646	2,236	43,750	3.22 %
Income - Facilities Rental Pmt	31,900	17,079	(14,821)	31,900	17,079	(14,821)	204,945	15.56 %
Income - Dept Activities Pmts	7,056	6,561	(495)	7,056	6,561	(495)	78,734	8.96 %
Income - Other	43,331	6,816	(36,515)	43,331	6,816	(36,515)	81,790	52.98 %
Total Revenues	219,165	97,577	(121,589)	219,165	97,577	(121,589)	1,170,919	18.72 %
Expenses								
Payroll Expenses								
Wages	34,252	46,519	12,267	34,252	46,519	12,267	558,232	6.14 %
Payroll Taxes	2,796	3,484	688	2,796	3,484	688	41,810	6.69 %
Payroll Benefits	8,135	10,331	2,195	8,135	10,331	2,195	123,967	6.56 %
Total Payroll Expenses	45,183	60,334	15,151	45,183	60,334	15,151	724,009	6.24 %
Administrative Expenses								
Facilities Expense	2,874	9,509	6,635	2,874	9,509	6,635	114,113	2.52 %
Business Expense	1,615	7,810	6,195	1,615	7,810	6,195	93,715	1.72 %
Office Expense	2,653	6,523	3,870	2,653	6,523	3,870	78,272	3.39 %
Fundraising Expense	2,544	2,218	(326)	2,544	2,218	(326)	26,620	9.56 %
Advertising & Marketing	0	1,187	1,187	0	1,187	1,187	14,250	0.00 %
Interest & Loan Expense	0	227	227	0	227	227	2,720	0.00 %
Total Administrative Expenses	9,470	9,470	0	9,470	9,470	0	113,645	8.33 %
Total Expenses	16,282	27,435	11,153	16,282	27,435	11,153	329,222	4.95 %
Net Total	154,826	298	(154,528)	154,826	298	(154,528)	3,575	4330.80 %
Other Revenues								
Designated Revenues	28,035	0	(28,035)	28,035	0	(28,035)	0	0.00 %
Restricted Revenues	0	0	0	0	0	0	0	0.00 %
Revolving Revenues	0	0	0	0	0	0	0	0.00 %
Total Other Revenues	28,035	0	(28,035)	28,035	0	(28,035)	0	0.00 %
Other Expenses								
Designated Expenses	44,993	0	(44,993)	44,993	0	(44,993)	0	0.00 %
Restricted Expenses	0	0	0	0	0	0	0	0.00 %
Revolving Expenses	6,588	0	(6,588)	6,588	0	(6,588)	0	0.00 %
Total Other Expenses	51,580	0	(51,580)	51,580	0	(51,580)	0	0.00 %
Net Operating Total	131,281	298	(130,983)	131,281	298	(130,983)	3,575	3672.18 %

Appendix E: FY 2018-19 July Balance Sheet

Date : 08/16/2018
Time : 10:10:42 AM

East Shore Unitarian Church
Balance Sheet
July 2018

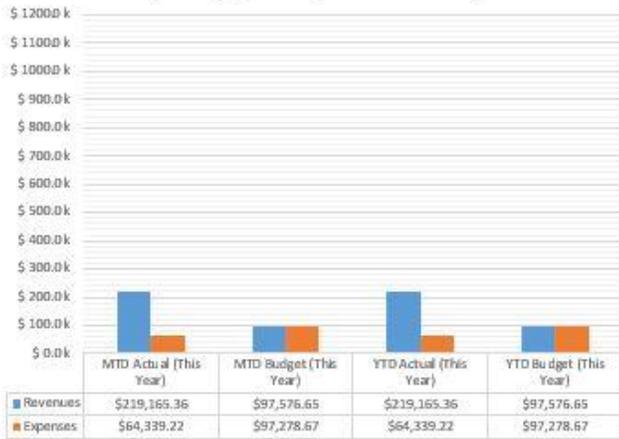
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Accounts

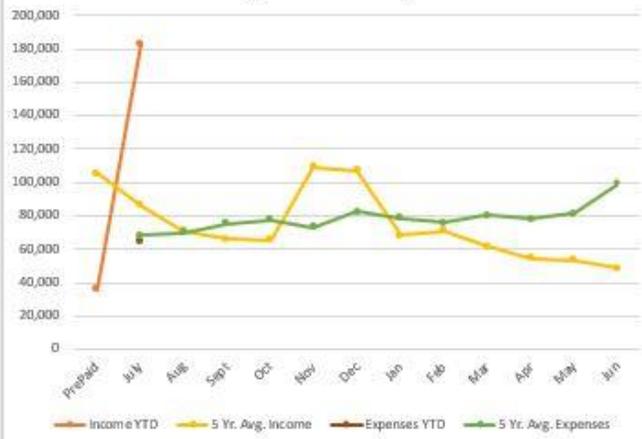
Assets		
Current Assets		
Cash & Investments		
1-1000 - Petty Cash	\$200.00	
1-1010 - Checking - Chase	\$146,321.22	
1-1030 - Brokerage - Schwab	\$46,406.62	
2-1010 - Checking - Chase	\$19,113.52	
3-1010 - Checking - Chase	\$135,410.31	
3-1040 - Endowment Money Funds - Schwab	\$13,822.97	
3-1070 - Endowment Investments - Schwab	\$1,305,652.15	
4-1010 - Checking - Chase	\$15,997.26	
Total Cash & Investments	\$1,682,924.05	
Other Assets		
1-1110 - Deposits	\$1,750.00	
Total Other Assets	\$1,750.00	
Total Current Assets		\$1,684,674.05
Contra Assets		
1-1600 - Building Loan Contra Account	\$796,537.14	
Total Contra Assets		\$796,537.14
Total Assets		\$2,481,211.19
Liabilities, Fund Balance, & Restricted Funds		
Liabilities		
Current Liabilities		
1-2000 - Accounts Payable	\$16,287.00	
1-2100 - Wages Payable	\$17.32	
1-2110 - Wage Accruals Payable	\$19,047.39	
1-2160 - Other Payroll Deductions Payable	(\$0.01)	
1-2500 - Building Loan - Current	\$76,200.00	
4-2020 - Other Collections Payable	\$3,782.26	
Total Current Liabilities		\$115,333.96
Long Term Liabilities		
1-2700 - Damage Deposits - LT Rentals	\$4,500.00	
1-2750 - Building Loan - Long Term	\$720,337.14	
Total Long Term Liabilities		\$724,837.14
Total Liabilities		\$840,171.10
Fund Balance		
2-3000 - Fund Balance - Ministry	\$2,407.62	
2-3010 - Fund Balance - Membership	\$6,975.36	
2-3020 - Fund Balance - Social Justice	\$5,743.71	
2-3030 - Fund Balance - Lifelong Learning	\$6,916.91	
2-3040 - Fund Balance - Finance & Facilities	\$2,605.90	
2-3050 - Fund Balance - Market & Dev	\$1,051.81	
3-3000 - Fund Balance - East Shore Housing	\$42,818.02	
3-3020 - Fund Balance - Endowment	\$1,336,162.32	
3-3040 - Fund Balance - Facilities Reserve	\$6,592.88	
3-3050 - Fund Balance - General Reserve	\$81,749.56	
3-3060 - Fund Balance - Memorial Garden	\$4,520.40	
4-3000 - Fund Balance - Grounds	\$1,615.00	
4-3010 - Fund Balance - Gallery	\$8,000.00	
4-3020 - Fund Balance - Fund-a-Need	\$2,600.00	
Excess Cash Received	\$131,280.60	
Total Fund Balance and Excess Cash Received		\$1,641,040.09
Total Liabilities, Fund Balance, & Restricted Funds		\$2,481,211.19

Appendix F: FY 2018-19 July Finance Charts

FY 2018/19 July Operating Revenues vs. Expenses



FY 2018/19 Cash Flow by Month



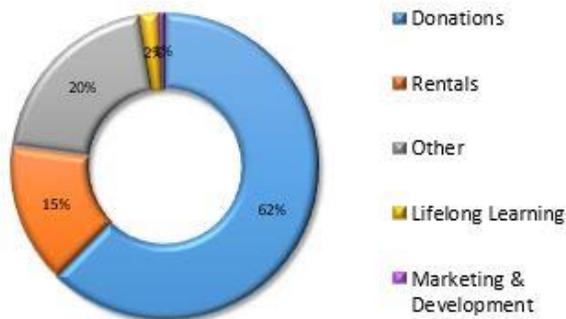
FY 2018/19 July YTD Operating Revenues



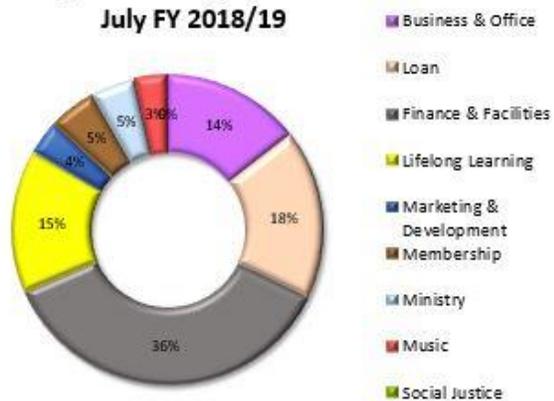
FY 2018/19 July YTD Operating Expenses



**Income Categorized YTD
July FY 2018/19**



**Expenses Categorized YTD
July FY 2018/19**



Appendix G - East Shore Charter Template Draft Revision August 2018

PLEASE READ THE OVERVIEW AND DIRECTIONS BEFORE COMPLETING THE CHARTER TEMPLATE

Overview

Charters ensure that members of each church group discuss and agree on what they intend to accomplish. Completed charter documents knit together our collective efforts in support of our Unitarian Universalist Principles, East Shore's Mission, and the Ends (goals) established by the Board.

Our Seven Unitarian Universalist Principles:

1. [1st Principle](#): The inherent worth and dignity of every person;
2. [2nd Principle](#): Justice, equity and compassion in human relations;
3. [3rd Principle](#): Acceptance of one another and encouragement to spiritual growth in our congregations;
4. [4th Principle](#): A free and responsible search for truth and meaning;
5. [5th Principle](#): The right of conscience and the use of the democratic process within our congregations and in society at large;
6. [6th Principle](#): The goal of world community with peace, liberty, and justice for all;
7. [7th Principle](#): Respect for the interdependent web of all existence of which we are a part.

East Shore's Mission: We practice love, explore spirituality, build community and promote justice

East Shore's 2018-19 Ends: TBD. Will be inserted.

Policy Based Governance, currently used at East Shore, is organized as follows in relation to charters:

The Congregation in Meeting has the responsibility and authority to elect the Board of Trustees, to call the Minister(s), and to approve the Bylaws.

The Board of Trustees sets policy congruent with the Bylaws for all aspects of the church, has ultimate fiduciary responsibility for the church, and creates Ends and Strategic Plans that will guide Staff and move the church toward its Mission and Vision.

The Staff Leadership Team (SLT), comprised of the Minister(s), the Executive Director, and the Director of Lifelong Learning, has administrative and fiduciary responsibility and limitations as delegated by the Board of Trustees in its policies. The SLT members, or designated Staff, act as liaisons to the Core Teams and Ministry Teams.

Board Committees are created and authorized by the Board of Trustees to help the Board do its work. This may include standing (ongoing) committees, task forces, and ad hoc committees. Members of Board committees must be East Shore members and approved by the Board.

Board Committees must have term limits for all members. Recommended term limits for leaders and members of Board Standing Committees is three years, with the option of a second three-year term in any capacity for a possible six-year total service. After that at least year one year off the committee is required before serving again.

Board Committees must send their approved minutes to the chair of Archives on a regular basis. Board members often act as liaisons to or members of committees.

Core Teams are created and authorized by the Staff to work together with them on essential church functions. Core Teams must have term limits for their leaders. Core teams include Coordinating Councils that represent/support various Core or Ministry teams. Councils that represent Ministry Teams must have term limits for all of their members.

Ministry Teams are created by members with support and authorization from Staff to work together with them toward the Principles, Mission, and Ends of the church. Ministry Team leaders must have term limits.

Board Policy 3,10 requires that all Board Committees and Task Forces, Core Teams, and Ministry Teams have charters. The authority, limitations, and functions of Committees and Teams are further described in their charters.

Directions for Completing the Charter Template

Please complete all sections by answering each question fully. If something is not applicable, please explain. Keep the original formatting to the document. You may add more sections if needed to explain your group.

Please turn in the completed charter for approval starting on page 4 as follows:

1. Board Committees to your Board liaison;
2. Core Teams to your Staff liaison;
3. Earth and Social Justice Ministry Teams to your Earth and Social Justice Coordinating Council liaison;
4. Other (non-Earth and Social Justice) Ministry Teams to your Staff liaison.

Criteria for approval include use of current template overview, directions, and format, complete, clear and reasonable explanations, and adherence to federal and state laws, ESUC Bylaws, Board Policies and Staff Procedures.

If your group will have any income and/or expenses, your group must submit a line item budget to your Staff or Board liaison during the annual budget process. You will be notified about this.

Each group must submit an annual report as specified by Staff or Board.

If your group becomes inactive, all funds associated with the group become part of the Operating Fund, to be used for its general purposes.

Please review your charter annually, make changes as required by any new charter template or as needed to update your goals, membership, etc. Turn in your completed charter by September 30.

Section A: Name

1. What is the name of your group?

Section B: Purpose

1. What is the purpose of your group?
 2. How is your work related to one or more of our Unitarian Universalist Seven Principles? They are listed in the Overview Section above.
 3. How does your group connect with East Shore's Mission and Vision? Please see the Mission listed in the Overview Section above. The full Vision based on the Mission can be found at www.esuc.org under Governance and Bylaws.
 4. In order to intentionally live our mission in our daily team work, a set of Right Relations guidelines is recommended for all Committees and Teams. Do you have an agreed upon set of guidelines? If not, please develop one this year. The Right Relations Committee will assist you as needed.
 5. What relationship does your group have, if any, to the 2018/19 Ends? Ends are East Shore's goals. Please see the current Ends which will be listed in the Overview Section above once established.
- . What are your group's specific goals for the next year? What impact do you expect from your efforts? If an activity is listed, what result do you expect from it? How will you evaluate the impact of your efforts?

Section C: Group Structure, Leadership & Decision-Making

1. Where does your group fit into East Shore's organizational structure – as a Board Committee, Ministry Team or Core Team? Who is your staff liaison or partner?
2. What are the minimum and maximum number of participants? To ensure community representation, no fewer than five members is recommended. If you have fewer than five members, please explain. Who are your current team members?
3. What are the leadership roles and responsibilities within your group?
4. How are leaders determined, and what are their term limits? Please explain any differences from the term limits recommended in the Overview Section above.
5. What, if any, are the term limits for your members? Please explain any differences from the term limits recommended in the Overview Section above.
6. How are decisions made in your group (consensus, majority vote, officers, super majority percent)? What quorum is needed? Is email vote allowed?
7. How are records kept and passed on for your group? If you are a Board Committee, what one person on your team will send the meeting minutes to the Chair of the Archives Team?
8. How are members recruited and oriented to your team?

9. What, if any, qualifications are required for membership or leadership?
10. How does your group communicate and collaborate with the larger East Shore community?
11. What one person on your team is authorized to approve communications publicized by Staff? Who is the designated back up person?
12. What types of decisions is your group authorized to make?
13. What kinds of recommendations, if any, does your group make and to whom (Board, Minister, Staff, congregation)?
14. Does your group plan to sponsor any outside groups to use the church facilities? If so, please see Board Policy 1.16a and the Staff Procedures for Sponsorship of outside groups.
15. What is the expectation for longevity of the group and the plan, if any, for disbanding the group?

Section D: Finances

1. Will your group present a budget proposal to the Budget Team next year?
2. If the Operating Fund is unable to grant the full amount of your budget request, will the group reduce its expenses or do its own fundraising?
3. If your group plans to do fundraising, please describe how it will go about this. If you plan to solicit donations, use the following wording: "Your donation goes to East Shore's operating funds which supports (name of your team) and other programs."
4. What kind of decision process exists for how money is used?
5. Which one person on your team is authorized to approve team expenses? Who is the designated back up person?
6. Does your group have the need for a Prudent Reserve (funds set aside to hedge against a contractual liability)? If so, how much and what for?

Initial Board Approval: May 16, 2017

First Revision Approval: Aiming for August 21, 2018

Appendix H. Holly House Task Force Conflict of Interest Statements (proposed)

Introduction to Holly House Conflict of Interest Policy

By Roger Greene

Attached is a copy of the proposed conflict of interest policy. I would like to make a couple points about the policy.

First, it is not a sign of wrongdoing if you have a potential conflicting financial interest. Individuals who participate in commerce within the community may encounter situations where they have financial interests on both sides of the transaction. It happens. It does not suggest wrongdoing and should not be a source of embarrassment. The important point is to disclose fully the nature of any competing financial interest. The disclosure preserves the integrity of the process. In addition, the tax-exempt status of ESUC could be impaired if a transaction serves the interests of a member, instead of charitable purposes.

Second, not every possible or actual financial interest creates a conflict. Leave that decision to others, unless you feel strongly and wish to recuse yourself. Some interests may be so trivial or inconsequential that it may be determined there is no conflict.

Third, even if you have no financial interest today, you should be constantly asking yourself whether you have a financial interest as the work proceeds. For example, a new bidder on the property may emerge, creating a conflict where none existed previously. Or you or a member of your family may obtain new employment or business opportunities that create a conflict after the process has begun.

Fourth, remember that financial interests are not limited to direct monetary compensation. For example, you or a family member might work for company that does business with one of the bidders on a property. Or, you might serve on the Board of Directors of a nonprofit organization that is trying to acquire the property. Any situation where you have something to gain, or where you may have conflicting loyalties, should be disclosed.

When in doubt, always disclose.

Holly House Conflict of Interest Policy

Article I -- Purpose

1. The Holly House Developmental Task Force ("HHDTF") has been formed by the Board of Trustees ("Board") of the East Shore Unitarian Church ("ESUC") for the purpose of assisting the congregation in making an informed and responsible decision about selling the Holly House property. The congregation of ESUC has voted to sell or dispose of the Holly House property to serve the charitable purposes of ESUC, and no private or personal financial interest of a HHDTF member, Board member, staff member or congregation member should interfere or conflict with the mission and charitable purposes of ESUC in deciding upon the sale or disposition of the Holly House property.
2. It is important for ESUC directors, officers, HHDTF members and ESUC staff to be aware that both real and apparent conflicts of interest or dualities of interest sometimes occur in the course of conducting transactions among parties, and that the appearance of conflict can be troublesome even if there is in fact no conflict whatsoever. Conflicts occur because individuals associated with ESUC should be expected to have, and do in fact generally have multiple interests and affiliations and various positions of responsibility within the community. In these situations a person might sometimes owe similar duties of loyalty to two or more corporations.
3. Conflicts are undesirable because they potentially or eventually place the interests of others ahead of ESUC's obligations to its charitable purposes and to the public interest. Conflicts are also undesirable because, when not disclosed or managed, they often reflect adversely upon the person involved and upon the institutions with which they are affiliated, regardless of the actual facts or motivations of the parties.
4. Each member of the HHDTF, as well as each Board and staff member of ESUC has a duty of loyalty ESUC. The duty of loyalty generally requires an individual to prefer the interests of ESUC over the interests of others. In addition, HHDTF members, and ESUC Board and staff must avoid acts of self-dealing which may interfere with the charitable

purposes of ESUC, and may also adversely affect the tax-exempt status of ESUC or cause there to arise any sanction or penalty by a governmental authority.

5. The purpose of this Holly House Conflict of Interest policy is to protect ESUC's interests when it is contemplating entering into a transaction or arrangement that might benefit the private interests of an HHDTF member, or an ESUC board or staff member or might result in a possible excess benefit transaction.
6. This policy is intended to supplement, but not replace, any applicable state and federal laws governing conflicts of interest applicable to nonprofit and charitable organizations.

Article II -- Definitions

1. Interested person -- Any HHDTF member, ESUC Board member, or staff member of a committee with governing board delegated powers, who has a direct or indirect financial interest, as defined below, is an Interested Person. In addition, an individual who has a fiduciary duty, by virtue of Board membership or other obligation, to an entity with which ESUC has or is considering a transaction or arrangement is an Interested Person.
2. Financial interest -- A person has a financial interest if the person has, directly or indirectly, through business, investment, or family:
 1. An ownership or investment interest in any entity with which ESUC has or is considering a transaction or arrangement,
 2. A compensation arrangement with any entity or individual with which ESUC has or is considering a transaction or arrangement, or
 3. A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which ESUC is negotiating a transaction or arrangement.

Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial. Financial interests and potential conflicts may emerge at any time during the process of considering sale or disposition of the Holly House property. An individual who has no financial interest in the outcome at the start of the process may subsequently have a financial interest when a new party indicates an interest in negotiating on the Holly House property. Each member, therefore, must continually monitor developments to determine if a financial interest exists.

A financial interest is not necessarily a conflict of interest. A person who has a financial interest may have a conflict of interest only if the Board or its Executive Committee decides that a conflict of interest exists, in accordance with this policy.

Article III -- Procedures

1. Duty to Disclose -- In connection with any actual or possible conflict of interest, an Interested Person must disclose the existence of the financial interest and be given the opportunity to disclose all material facts to the HHDTF and the Board or its Executive Committee.
2. Recusal of Self -- Any HHDTF, Board or staff member may recuse himself or herself at any time from involvement in any decision or discussion in which the member believes he or she has or may have a conflict of interest, without going through the process for determining whether a conflict of interest exists.
3. Determining Whether a Conflict of Interest Exists -- The HHDTF members who do not have a financial interest shall gather all information about the actual or possible conflict, and make a recommendation to the Board about whether a conflict exists and how it should be managed. HHDTF shall then forward its recommendation, together with all written information and a summary of any oral information it considered in forming its recommendation, to the Board. The Board, in its discretion, may act on its own, or delegate the matter to the Executive Committee. After disclosure of the financial interest and all material facts, and the Board or Executive Committee shall offer the Interested Person an opportunity to be heard regarding the nature of the interest. After making any presentation, the Interested Person shall leave the Board or Executive Committee meeting while the determination of a conflict of interest is discussed and voted upon. The remaining Board or Executive Committee members shall decide if a conflict of interest exists.
4. Procedures for Addressing the Conflict of Interest
 - a. The Board shall have the authority to (a) determine whether a conflict of interest exists, and (b) manage any conflict in a manner that is practical and appropriate in light of the nature and extent of the conflict. A conflict

may relate to only one aspect of the process of selling or managing the Holly House property, in which case the Board may establish procedures to mitigate any conflict relating to that part of the process. Alternatively, a conflict may be so substantial that the Interested Person should not participate in voting on any part of the process.

- b. The Board may decide to allow an Interested Person may make a presentation at an HHDTF meeting on a matter where an individual has a financial interest or conflict, but after the presentation, he/she shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement involving the possible conflict of interest. Alternatively, the Board may determine that the individual should be recused from a decision about a particular transaction, or should be recused from HHDTF.
- c. The Chairperson of HHDTF shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.
- d. After exercising due diligence, HHDTF shall determine whether ESUC can obtain with reasonable efforts a more advantageous transaction or arrangement from a person or entity that would not give rise to a conflict of interest.
- e. If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, HHDTF may determine by a majority vote of the disinterested directors whether the transaction or arrangement is in ESUC's best interest, for its own benefit, and whether it is fair and reasonable. In conformity with the above determination, it shall make its decision as to whether to recommend entering into the transaction or arrangement.

5. Violations of the Conflicts of Interest Policy

1. If an individual has reasonable cause to believe a Board or HHDTF member has failed to disclose actual or possible conflicts of interest, the individual shall inform the member of the basis for such belief and afford the member an opportunity to consider whether a financial interest exists or explain the alleged failure to disclose.
2. If, after hearing the member's response and after making further investigation as warranted by the circumstances, the Board or Executive Committee determines the member has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

Article IV – Records of Proceedings

The minutes of the Board and all committees with board delegated powers shall contain:

1. The names of the persons who disclosed or otherwise were found to have a financial interest in connection with an actual or possible conflict of interest, the nature of the financial interest, any action taken to determine whether a conflict of interest was present, and the Board's or Executive Committee's decision as to whether a conflict of interest in fact existed.
2. The names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection with the proceedings.

Article V – Use of Outside Experts

When conducting the periodic reviews as provided for in Article VII, ESUC may, but need not, use outside advisors. If outside experts are used, their use shall not relieve the Board of its responsibility for ensuring periodic reviews are conducted.

Holly House Conflict of Interest Statement

1. Name: _____ Date: _____

2. I affirm the following:

I have received a copy of the Holly House Conflict of Interest Policy.

I have read and understand the policy. _____ (initial)

I agree to comply with the policy. _____ (initial)

I understand that ESUC is charitable and in order to maintain its federal tax exemption it must engage primarily in activities which accomplish one or more of tax-exempt purposes. _____ (initial)

3. Disclosures:

1. Do you have a financial interest (current or potential), including a compensation arrangement, as defined in the Conflict of Interest policy? Yes No

i. If yes, please describe it: _____

ii. If yes, has the financial interest been disclosed, as provided in the Conflict of Interest policy? Yes No

2. In the past, have you had a financial interest, including a compensation arrangement, as defined in the Conflict of Interest policy? Yes No

i. If yes, please describe it, including when (approximately):

ii. If yes, has the financial interest been disclosed, as provided in the Conflict of Interest policy? Yes No

_____ Date: _____ Signature of member

Appendix I: Draft Holly House Task Force Charter

DRAFT 2018-19 Holly House Development Task Force Charter

Reviewed by Policy Governance Committee, August 16, 2018

CHARTER (8/16/2018)

Section A: Name

1. What is the name of your group?

2018-19 Holly House Development Task Force (“HHDTF”)

Section B: Purpose

1. What is the purpose of your group?

In accordance with the 2017 congregational vote regarding the future of the Holly House property, the purpose of the Holly House Development Task Force is outlined as follows:

"The purpose of the HHDTF is to prepare the congregation for an informed vote on the sale of the Holly House property, and to support the execution of that sale. In furtherance of that purpose, HHDTF will submit a report to the Board for the disposition of the Holly House property including proposals from prospective buyers, financial analysis, and options for use of the sale proceeds. After a vote by the Congregation the HHDTF will engage in negotiations culminating in recommending the execution of a contract to the board."

The task force has been extended with no expiration date except to work towards a congregational vote on or before December 4, 2018 by recommendation of the task force and approval by the Board.

2. How is your work related to one or more of our Unitarian Universalist Seven Principles? They are listed in the Overview Section above.

By trying to reposition church real estate into an asset that will at least in part, be used for the greater good of those in need, the work of HHDTF aspires to meet the second principle: “Justice, equity and compassion in human relations.”

The work of the Task Force is also closely related to the 7th UU Principle of “Respect for the interdependent web of life of which we are a part” and to the 5th UU Principle of “The right of conscience and the use of the democratic process within our congregations and in society at large”. The members of the Task Force are committed to ensuring a transparent process for collecting and weighting proposals for presentation to the Congregation for a democratic vote, understanding the larger impacts of the decision to East Shore’s mission, vision, and values.

Proposals will include a balance among options.

3. How does your group connect with East Shore's Mission and Vision? Please see the Mission listed in the Overview Section above. The full Vision based on the Mission can be found at www.esuc.org under Governance and Bylaws.

We practice love by recognizing and cherishing the experience, voice, and dedication of each member of the Task Force and the entire congregation, and by seeking a method to transform real estate into an asset that can serve the mission of the church and the greater good.

We explore spirituality by recognizing the ministry of each Task Force member through participation on the Task Force and by recognizing that this decision creates an opportunity for our congregation to grow spiritually both during the information sharing, exploration of options, decision process and after in how we invest the proceeds from the sale.

We build community through outreach to the Congregation during the process of information sharing and thoughtful discussion, respecting differences within the task force and among the congregation as a whole, creating a decision matrix criteria and weighting, and by creating and supporting a process for careful discernment on the part of the congregation that views this decision holistically in the context of our entire congregational mission and vision and UU values and principles.

We promote justice by providing a fair and neutral process for seeking and evaluating proposals to develop of the Holly House property in the manner that serves the mission of ESUC and promotes justice and equity in our community.

We further promote justice by fully exploring the options available and offering one or more options that best support the many and varied social justice initiatives and concerns of the congregation.

4. In order to intentionally live our mission in our daily teamwork, a set of Right Relations guidelines is recommended for all Committees and Teams. Do you have an agreed upon set of guidelines? If not, please develop one this year. The Right Relations Committee will assist you as needed.

Given the breadth of views and values regarding Holly House, a strong Right Relations guidance will assure civil, spiritual, and productive dialog and further provide an example of how we can build a healthy community. A representative of Right Relations expected to be present at all meetings (both task force and congregational) to assist the chair in timely and just resolution of issues.

5. What relationship does your group have, if any, to the 2018/19 Ends? Ends are East Shore's goals. Please see the current Ends which will be listed in the Overview Section above once established.

2017-18 End 1.1. 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. The Board of Trustees decided in May 2018 to postpone the congregational vote six months. We will revise this charter to incorporate any ends that affect the work of the HHDTF.

6. What are your group's specific goals for the next year? What impact do you expect from your efforts? If an activity is listed, what result do you expect from it? How will you evaluate the impact of your efforts?

Our goals are:

- To fulfill the board's directive to research, evaluate and present to the board and the congregation options for the sale of the Holly House Property
- To support a congregational vote in such a way so as to leave participants generally satisfied that the process was fair and their voices were heard.

Intended Impact:

- A decision to sell the property that was successfully made by an informed congregation
- The congregation's strengthened capacity to engage in a significant and/or difficult decision making process.
- The congregation will be poised to strengthen their sustainability both spiritually and financially through proceeds from the sale.

Specific Activities:

- Implement actions to assess the value of the property and effectively present it to the market for sale.
- Collect and evaluate official proposals for development of the property and/or purchase offers to present to the Financial Stewardship Committee, the Board, and ultimately the Congregation for vote.
- The task force will prepare information for the congregation to inform their vote, including proposals from prospective buyers, financial analysis, and options for use of sale proceeds.
 - Work with Financial Stewardship to prepare financial assessments of options
- The task force will conduct Outreach:
 - Outreach to groups and congregants in the church, running a series of conversations to stimulate imaginations regarding uses of proceeds from the Holly House sale and the options for stewarding our wealth
 - Outreach to entities making development proposals and purchase offers to assess effective alternatives
 - Outreach to stakeholder members of the larger community including as possible, ESUC neighbors, Sophia's Way, etc. within the constraints of a limited time frame, the real estate market and market analysis, and total HHDTF activities.
- Preparation of materials to inform congregants about the vote, envisioned as a voter's pamphlet, including positions for and against proposals on the ballot
- After the congregational vote, the HHDTF will assist with the sale, up to and including engaging in negotiations with the chosen bidder(s), and engaging in a final review of the Purchase and Sale Agreement, recommending a form of contract to the board, communicating with prospective purchasers, etc.

Approach to our work/ Methods and Context:

- The task force will be mindful in all their processes and methods of choosing an approach that will support the creation of a healthier and stronger congregation.
- The task force will develop the ballot for the congregational vote. [HHDTF may recommend to the Board a ballot that presents the congregation with a “yes” or “no” vote on a single purchase agreement. Alternatively, HHDTF may prepare a ballot offering the congregation two or more options for disposition of the property. The ballot will be presented to the Board for review, possible modification and approval prior to a congregational vote.]
- While members of the task force are permitted to express their personal views on possible courses of action, during the time when they are speaking for the task force and are engaged in conversations with congregants, lay leaders or the board about the task force work or the sale of the property, members are encouraged to present an unbiased, balanced view of the options and refrain from lobbying or advocating for a particular position.
- Materials for congregational information (especially financial assessments) will be prepared in as neutral a way as possible with exception of voter information materials that are clearly developed to support or rebut a position on votes (as in the voter pamphlet).
- The task force will inform and solicit input from church membership via a communication plan that informs transparently, that cultivates conversations and imaginations to bring line, color, and texture to the potential outcomes so that the congregation will be better prepared to vote.
 - They will manage programmed conversations in a caring way, seek to ensure that all voices are heard, and with an attempt to build consensus.
 - They will use formats to include electronic communications, town halls, and informational materials such as voter pamphlets, informal, formal and outside presentations. HHDTF will endeavor to be transparent with the congregation about progress and offer opportunities for comment and input through multiple communication methods.

Section C: Group Structure, Leadership & Decision-Making

1. Where does your group fit into East Shore’s organizational structure – as a Board Committee, Ministry Team or Core Team? Who is your staff liaison or partner?

HHDTF is a board task force, with David Baumgart as board liaison and Jason Purace as non-voting staff partner.

2. What are the minimum and maximum number of participants? To ensure community representation, no fewer than five members is recommended. If you have fewer than five members, please explain. Who are your current team members? Please list

The minimum number of recommended participants is five, maximum is ten. Current members approved by the board (8/13/18) are Jim Shuman, Trevor Hall, Sue Yates, Laurie Adams, Carrie Bowman, Jason Purace (staff), Dave Baumgart (Board), Linda Freeburg

(Chair). Roger Greene is proposed but not yet approved by the board. Mark Norelius is serving as Right Relations advisor.

To the extent possible, the HHDTF will try to have a membership that reflects the diversity of the ESUC membership including youth, historically marginalized groups and persons of color. Regardless of membership, HHDTF will seek input from members and non-members with diverse life experiences and viewpoints.

3. What are the leadership roles and responsibilities within your group?

The HHDTF has a chair who may at their discretion appoint a vice-chair. The Chair communicates with the Board liaison, Board and church members, facilitates the Task Force meetings, attends the Financial Stewardship Committee meetings, if necessary, and works with others on the Task Force to prioritize and accomplish its goals. The Vice Chair may assist the Chair with their duties and chair meetings in the Chair's absence.

4. How are leaders determined, and what are their term limits? Please explain any differences from the term limits recommended in the Overview Section above.

The Taskforce will have a Chair who is appointed by the board. The Chair may delegate any of their duties to other members of the Taskforce. The Chair and any appointed or delegated leaders have term limits that extend to the duration of the task force.

5. What, if any, are the term limits for your members? Please explain any differences from the term limits recommended in the Overview Section above.

Members have terms that extend to the duration of the task force.

6. How are decisions made in your group (consensus, majority vote, officers, super majority percent)? What quorum is needed? Is email vote allowed?

The group makes decisions by consensus of those at the meetings and/or proxy vote. Votes can be made electronically. If consensus cannot be reached, the team will vote with majority ruling. A quorum of 51% of membership is required for a binding vote.

7. How are records kept and passed on for your group? If you are a Board Committee, what one person on your team will send the meeting minutes to the Chair of the Archives Team?

The HHDTF will appoint a recording secretary who will produce minutes for each meeting. Reports to the Board will be prepared by the board liaison. Minutes will be submitted to the church archives in a timely manner after each meeting. HHDTF also keeps archives of its material.

8. How are members recruited and oriented to your team?

An application process was opened to the Congregation; the Board approves the members. The Chair will schedule time in HHDTF meetings for review of the Holly House development activities to date. Orientation of new members will also include right relations and the provisions of this Charter.

9. What, if any, qualifications are required for membership or leadership?

Willingness to learn from others on the team or to share any relevant knowledge or skills they have. Commitment to supporting the objectives of the task force. Skill sets in the following were taken into consideration:

- Commercial real estate
- Project management
- Affordable housing knowledge
- Real estate development
- Finance/banking
- Contract analysis
- Good communicators

10. How does your group communicate and collaborate with the larger East Shore community?

The Task Force communicates through all the avenues available at East Shore—eblast, campus posters, website articles, Beacon, direct surveys (printed and/or digital), word of mouth, etc. There may be opportunities to communicate to the congregation during or after Sunday services.

11. What one person on your team is authorized to approve communications publicized by Staff? Who is the designated back up person?

Communications will be approved by the Chair for submission to the Board for their approval. If timeliness does not allow approval by the entire Board, communications may be approved by agreement of the Board President and Board liaison. The back-up is the HHDTF vice Chair.

12. What types of decisions is your group authorized to make?

The HHDTF makes decisions regarding the preparation of materials for congregational use in preparation for their vote, approaches to the market of buyers, etc. Materials are subject to Board modification, review and approval. The HHDTF also makes decisions subject to Board approval on congregational outreach.

13. What kinds of recommendations, if any, does your group make and to whom (Board, Minister, Staff, congregation)?

The Task Force makes recommendations to the Board including summarized information on additional research on topics listed above to present to the Congregation for vote.

The HHDTF will also make recommendations based on evaluations of bids for the property specifically assessing if bids are credible, provide sufficient value, and are aligned with church values for board and congregational consideration.

14. Does your group plan to sponsor any outside groups to use the church facilities? If so, please see Board Policy 1.16a and the Staff Procedures for Sponsorship of outside groups.

No

15. What is the expectation for longevity of the group and the plan, if any, for disbanding the group?

The Task Force serves until disbanded by the Board of Trustees either after the congregational vote or when negotiations and work with the purchaser is concluded.

Section D: Finances

1. Will your group present a budget proposal to the Budget Team next year?

N/A

2. If the Operating Fund is unable to grant the full amount of your budget request, will the group reduce its expenses or do its own fundraising?

N/A

3. If your group plans to do fundraising, please describe how it will go about this. If you plan to solicit donations, use the following wording: "Your donation goes to East Shore's operating funds which supports (name of your team) and other programs."

N/A

4. What kind of decision process exists for how money is used?

N/A

5. Which one person on your team is authorized to approve team expenses? Who is the designated back up person?

N/A

6. Does your group have the need for a Prudent Reserve (funds set aside to hedge against a contractual liability)? If so, how much and what for?

N/A

Appendix J. ESUC Board of Trustees , Draft Minutes July 17, 2018

Minutes, Leadership Reports, Consent Agenda:	Com. + Board Liaison Reports Consent Agenda:
July Board Agenda + Upcoming Events	P&G Com Minutes – Ann Fletcher
Minutes of Last Board Meeting – June 19	Personnel Com BL Report – Jerry Bushnell
Board President's Report – Tom Doe	Right Relations Committee Report–Mark Norelius
Finance – Treasurer’s Report – Marcy Langrock	Beloved Racial Justice Report–Mark Norelius
No Minister’s report No ES Social Justice Ministry Teams Report	HH Dev Task Force Update – David Baumgart HHDTF 2018/19 Proposed Charter
Exec Dir, Finance & Operations – Jason Puracal Appendices A&B – Income Statement, BS FY17/18 Appendix C - Financial Analysis / Charts	
Lifelong Learning – Amanda Alice	

East Shore Unitarian Church

Board of Trustees Meeting Agenda – July 17, 2018

Host: Marcy Langrock, Timekeeper: and Process Checker: David Baumgart

6:45 Social Gathering

7:00 7:05 (5 minutes) Opening Words,Chalice Lighting	Jerry
7:05 7:15 (10) Check in, Introductions	All
7:15 7:20 (5) El Centro de la Raza Presentation deferred	Jason (in absentia Jeanne Lamont
7:20 7:35 (15) Approval of Consent Agenda	All
7:35 7:50 (15) Developmental Minister Updates	Tom, Jason
7:50 8:15 (25) Holly House Dev Task Force	Dave, Linda Freeburg
8:15 8:25 (10) Board Retreat	Tom , Dave
8:25 8:35 (15) Operating Fund Drive Report	Tom , Jason
8:35 8:40 (5) Recording Secretary	Dave
8:40 8:50 (10) Other Items [BLUU payment]	Tom

8:50 Executive Session - Developmental Minister Updates

Upcoming Events for Your Calendar

- August Exec Council – Aug 6
- August Board Packet items due Thurs, August 16 by noon: email to Dick Jacke (Volunteer 1)
- September Beacon Board Buzz due Wed, August 22 by xxx: email to Nicole Duff
- August Board Meeting August 21; xxx is host.
- Sunday Svc Announcements 7/22 Jerry, 7/29 Dave, 8/5 Sara, 8/12 xxx, 8/19 Jerry, 8/26 Dennis

Opening Words – Jerry’s reflection was a passage entitled “People Saved by the Unitarian church.”

Check-in - The board of Trustees includes David Baumgart (secretary), (absent) Sara Brannman, Paul Buehrens, Jerry Bushnell, (absent) Uzma Butte, Tom Doe (president), (absent) Lee Dorigan, (absent) Dennis Fleck (Vice President), Marcy Langrock (treasurer), and Mark Norelius. The Board also usually includes our minister, however, at the present time the ministerial position is not filled. Jason Puracal - Director of Finance & Operations, and (sabbatical) Aisha Hauser - Director of Life Long Learning.

Visitors: from the Holly House TF: Linda Freeburg and from Personnel Com: Grace Colton

Housekeeping items: upcoming hosts, announcers, etc.

We need Board members to deliver Sunday Service Announcements for August 12. We also need a host for the August meeting + author for the July Board Buzz and August Board Buzz.

Review of Board Agenda + Consent Agenda - (see content of Board Packet - all Board members are expected to review the entire Board Packet prior to the Board Meeting) - Tom asked if anyone requested to move items from the Consent Agenda to the Discussion Agenda.

El Centro de la Raza – Jason met with their representative to discuss the rationale behind hosting this organization to support their mission to inform other service representatives and refugees about their legal rights. Churches are deemed as sensitive locations by Federal Law. Jason will lead the effort on a go forward basis with Jeanne Lamont to identify a ministry team who could sponsor this group for the use of the East Shore facilities. Estella Rodriguez is the director and will be involved in a meeting in August.

Approval of Consent Agenda – All

The following significant items were moved to discussion:

- Donation to the BLUU Initiative (UUA National Church)

Paul requested a more prominent formatting of significant items contained in all the staff reports and Board Liaison reports. Discussion – we settled on the formatting that Jason has recently employed: At the beginning of the report – he lists significant Consent Agenda items in Bold, followed by Discussion Agenda items. Both Dave and Jason will communicate the requested formatting to staff and congregants who submit reports. The subtitles will read:

“Items for Board Approval - Consent Agenda” and “...Discussion Agenda”

Paul moved and Jerry seconded the motion to approve the consent agenda. Motion passed unanimously.

The following major topics (see Appendix 1) were included in the Consent Agenda:

- Policy and Governance Committee would like to add Trish Webb.
- FS - recommends that the treasurer be the primary signer on the Schwab endowment account.
- the church archives are not confidential (Marcy, Dave)
- HHDTF (3 member applications: Jim Shuman, Sue Yates, Trevor Hall)
- Jason completed the Dev Minister contract, the final Amendment to the Interim Minister Agreement, the DLL contract, and the Contract Minister contract.

Update on HHDTF - David Baumgart (secretary) and Linda Freeburg (chair)

[Please refer to David’s BL Report, (Board Packet) for a complete list of next steps, other information, and a proposed taskforce charter.]

Monday, June 25 and Monday July 16: most recent meetings – Linda and David hosted Holly House 2018/19 Taskforce meetings. Linda was elected chairperson and Callie Hills elected secretary on June 25.

Our meetings were well attended, including representation from Right Relations – Mark Norelius. Earlier this evening, the board approved the additional memberships of Jim Shuman, **Sue Yates, and Trevor Hall; resulting in a total active membership of 8 people.

[**Note: Marcy stated that Financial Stewardship had been counting on Sue Yates to become an active member of their committee. FS is now down to just 2 active voting members – so this is an obvious issue.]

Dave stated that the HHDTF has a very challenging timeline leading up to the next congregational decision and vote. Linda presented the latest revised draft HHDTF charter. The Board is urged to expedite their review and critical feedback of additions, corrections, or suggestions regarding that charter via email. It was acknowledged that the complete review of the charter includes collaboration with the Right Relations Com. and the Policy Governance Com. prior to Board approval. Linda stated that while the charter reviews were underway, the task force would be simultaneously moving forward with their action items. Linda also reported she has now received an application from Roger Greene which will be submitted to the rest of the task force for their review.

Developmental Ministerial Search Task Force - Tom and David

Rev Stephen Furrer is now living temporarily in the Issaquah Highlands and he has purchased a home. He is waiting for the delivery of his household goods. David indicated that on Sunday, August 5 when he preaches his first sermon that he has requested a modest celebration of his arrival. He suggested cake and ice cream and the opportunity for Tom – Board President, and the Ministerial Search Com. to provide appropriate words about his arrival. Rev Steve also requested that East Shore extend their welcome to his partner, Carol, who will be attending church on that day. With Jason’s blessing, I have discussed this with Nicole and she stated she will take the necessary actions to arrange for this celebration including appropriate communications to the East Shore community.

Tom reported that he has worked with the Worship Committee to provide a better plan for the Salmon Bake which has now been re-scheduled for Sep 16. This is a week later than originally planned, so that it falls on a Sunday when Rev. Steve is scheduled to preach. This also has the ripple effect of delaying our move to “Two Services per Sunday” and also delays the start of the RE year. That provides a benefit to the RE program as that will mean one less week when Aisha is still on Sabbatical. Jason reported that Nicole was already at work to implement this change in the schedule. Tom noted that the Board is responsible for the logistics of preparing and serving the meal and for the cleanup, afterwards.

OFD Report – Tom and Jason

Tom reported that the latest information from Nicole Duff, membership manager, was that \$517,600 had been received in total pledges. He also reported that Nicole was projecting an additional amount of \$101,400 of pledges were likely based on an analysis of other non-pledged members of the church. Therefore, the current forecast of likely total pledges was \$619,000.

Marcy proposed putting the responsibility for fund raising for OFD back under staff leadership – to be managed by Nicole Duff. Nicole has strong experience as a fund raiser. Jason agrees with Marcy’s suggestion. [discussion] It was noted that soon after Rev Elaine began her ministry to East Shore, she had proposed a year-round OFD pledge campaign, and that this was never fully adopted. Jason stated that having a core team led by staff would likely be more effective than relying on lay leadership. Tom proposed that Sara Brannman be the Board Liaison with the OFD team. It was agreed that we would bring this suggestion to Rev Stephen for his review. We will discuss again at our July retreat and at our August Board Meeting.

Other Items

- **Recording Secretary** – David reported to the Board that the duties of Board Secretary had increased to the point where it was no longer feasible for one person to perform all of the required action items.

This is particularly true if that person is working a normal full time job. Dave recommended that the Board create the position of Recording Secretary to augment the total effort. During the discussion, it became evident that the members agreed with Dave. Dave was requested to work with the Board President and with Nicole to identify either a Board Member or a volunteer from outside the board to fulfill this position. Tom noted that a member of the board should be prepared to fill this role at the August meeting if we have not identified a volunteer by then. Tom also provided a hand-out to the board entitled "The Work of the Board" and noted this will be discussed at the Board Retreat.

- **Right Relations** – Mark reminded the Board that Right Relations was still waiting on the Board to respond to Pam Orbach's questions originally received by the Board back in May. [discussion] Tom pointed out that the Right Relations Com has standing to raise these 4 questions (reference Mark's report in the Board Packet, page 27). Mark assured the board that Right Relations endorsed the 4 questions that were originally verbalized by Pam Orbach, a contractor who specializes in Right Relations and Restorative Justice.
 - One of the questions, regarding the makeup of the Board, was referred to the Nominating Committee.
 - Tom stated that it would be appropriate for the Board to consider the other questions at our full day retreat with Rev Furrer when formulating our new Board Ends. He also noted that both Rhonda Brown and Louise Wilkinson from the RR committee were invited speakers at the July 22 Board Retreat.
 - Dave and Marcy made statements urging the board to consider these questions without further delay beyond the planned retreats.
- **BLUU Payment** – in June, the Board approved a pledge of \$4520 and authorized the accrual of that amount from the 2017 / 18 OFD funds. The discussion this evening was whether we should make payment now, as Jason recommended, or later in the year. Jerry questioned if this was in lieu of payment of our UUA dues; and Jason pointed out that both the BLUU pledge and the UUA pledge were covered by the new budget. Paul moved and Marcy seconded the motion that we issue the payment without delay. After discussion, the board approved the motion.

Executive Session - Tom

Two items were discussed within Executive Session. One of the items required the presence of Grace Colton, chairperson of the Personnel Com.

Our board meeting ended about 10:10pm. Our next board meeting is August 21, 2018.

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

Appendix 1

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

President's Report

- Policy and Governance Committee would like to add Trish Webb as an active member.
- Tom reported that Rev Stephen Furrer would begin his ministry at East Shore on Wed, August 1. Rev Steve has also indicated that he was volunteering to attend our July 22 Board Retreat as an observer.

Treasurer's Report

- The church archives do not have appropriate processes to store confidential materials (Marcy, Dave). Dave reported that he had spoken with the Archives chairperson, Ruth Edwards about this and that Ruth stated she would like direction from the board.
- Financial Stewardship is now down to just 2 active voting members – so this is an obvious issue.
- FS - recommends that the treasurer be the primary signer on the Schwab endowment account.

Minister's Report

- Dave noted that as the Board Secretary, he had monitored Board Approval of the following motion and vote relevant to the moving expenses requested by Rev Stephen Furrer:

Therefore, on behalf of Tom Doe, Dave moved that we approve the relocation expense of \$14,017.23, on behalf of Rev Stephen Furrer, to be paid to United Van Lines no later than the morning of July 12. It is noted that the details of the source of the funds for the amount of \$2567.23 over the budgeted amount of \$11,450, will be discussed at our next board meeting, Tuesday, July 17. Marcy seconded this motion. The board voted by email on July 9 and unanimously approved the motion. Please refer to Jason's report for more information about payment of these moving expenses.

Secretary's Report

- The board approved 3 new members for the HHDTF - Jim Shuman, Sue Yates, and Trevor Hall; resulting in a total active membership of 8 people. Linda Freeburg (chair) is actively recruiting to add two more members.

DFO's Report

- Jason reported that he has completed the appropriate contracts for the Interim minister, the Dev minister, the Contract minister (Summer Coverage during July), and the Dir of Life Long Learning. Please refer to his DFO report for the details.
- Jason stated that the current forecast for the 2017/18 OFD was an overage of approximately \$19,000.
- He also stated that the accounting for the 2017/18 fiscal year will not be finalized until the first week of August, simultaneous to the end of July reports.

Board Liaison Reports (refer to each BL report for more information)

- Right Relations (Mark Norelius) – the Right Relations committee provided recommendations regarding the HHDTF. They also reminded the board that they are looking for the board to respond to a list of six questions / concerns that were originally presented to the board at the May board meeting. Please see "Other Items," above.

END OF MINUTES