

East Shore Unitarian Church

Meeting of the Board of Trustees

June 2019 Board Packet

Table of Contents

Agenda	2
June 2019 Consent Agenda Voting Items	3
June 2019 Board Reports	3
Developmental Minister’s Report – Rev. Stephen Furrer	3
Membership Director’s Report – Nicole Duff	4
President’s Report – Dennis Fleck	6
Treasurer Report – Marcy Langrock	7
Executive Director’s Report – Jason Puracal	9
Director of Lifelong Learning’s Report – Aisha Hauser	14
Liaison Reports	16
Right Relations Committee – Mark Norelius	16
Policy & Governance Committee – Ann Fletcher	16
ESJCC – Lynn Roesch	17
Personnel Committee – Jerry Bushnell	17
APPENDICES	18
Appendix A: April 2019 Summary Income Statement	18
Appendix B: April 2019 Balance Sheet	18
Appendix C: April 2019 Financial Charts	20
Appendix D: ESUC Board of Trustees Draft Minutes – May, 2019	21
Appendix E: Congregational Size Chart	28
Appendix F: Holly House Sale Task Force Charter	29
Appendix G: 350 Eastside Amendment #1 to Sponsorship Agreement	35

ESUC Membership at a Glance	
Current Membership	Current Pledging Units

420	315
-----	-----

Note on June Board Packet Contents

The minutes of the May meeting will appear in the appendices (Appendix D). 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
June 25, 2019**

- 6:45 Social Gathering – Jerry Host
- 7:00 Check In and Welcome of New Members All
- 7:15 Timekeeper and Consent Agenda All
May Minutes
Other Consent Agenda Items
- 7:20 Old Business
350 Eastside Sponsorship Agreement Jason
Holly House Sale Update Mark, Jason
Annual Report Status Update SLT
2019-2020 Budget and Pledge Update Marcy, Jason
Conflict of Interest Statements – Board and SLT Paul
- 7:40 New Business
- 7:40 Board Liaison to PSHHTF All
- 7:45 Feedback received and next steps regarding Board Mark, Steve, Dennis
Statement at the Congregational Meeting – July Bd meeting
or special meeting?
- 8:00 2018-2019 Non-SLT Performance Appraisals SLT
- 8:05 New Bd Member Orientation for Evelyn, Mike, TBD
Geoff, and Maury
- 8:10 Board Retreat Aug 3 (do we add Aug 2 or 4?) Steve & Dennis
- 8:15 PWR Leadership Class 1/10/20-1/12/20, \$500/person All
- 8:20 Next steps in use of HH Funds All
- 8:30 Executive Session
- 9:00 Adjourn

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 Dennis in advance!)

June 2019 Consent Agenda Voting Items

- Approve May 2019 Board Meeting minutes
- Approval of the new Holly House Sale Task Force Charter (Appendix F)
- Approval of Leroy Smith as Chair of the Financial Stewardship Standing Committee
- 350 Eastside Sponsorship Agreement (Appendix G)
- Advocate Telecom ongoing IT support proposal (Appendix H)
- Approve Dorothy Hopper and John Reid as life members
- Approve that ESUC endorse the Energy Innovation and Carbon Dividend (EICD Act), US Senate Bill HR 763 (Letter from Climate Action Committee included as Appendix I)

June 2019 Board Reports

Developmental Minister's Report – Rev. Stephen Furrer

June 25, 2019

Consent Agenda: Climate Action Ministry and the ESJCC request that the Board, on behalf of the congregation as a whole, endorse bill *HR 763 Innovative Energy and Carbon Dividend Act*. (Bill 763 + supportive/educational materials, attached)

General Assembly: ESUC had 32 people attending General Assembly this past week in Spokane (6/19-23), one of the largest delegations in attendance. Attendees went to work shops, worship events, marches, lectures, and much more, returning with renewed energy and great new ideas to make our church more vitally well-known and radically hospitable across the Bellevue area.

Board Retreat: I will be leading a Board Retreat on August 3 from 9:00 am to 4:00 pm. Pam Orbach and other ESUC members whom she's trained are using various restorative practices that nurture understanding and build beloved community among our members. It's important that all Board members know how "sitting in circle," for instance, strengthens fellowship and fosters bonds. Incoming President Dennis Fleck and I both believe that *full participation by Board members and other church leaders* is vital to the success of my Developmental Ministry. Please mark your calendars and plan to attend.

Passing the proposed '19-'20 Budget has confirmed the congregation's commitment to renewed health. I laid out what I think that means in my Report published for the meeting. That report will be further elaborated this August when the more comprehensive Year End Report will be published. Meanwhile, I am conferring with the staff and lay leaders regarding the specifics of our *ESUC Growth Plan* for the coming year. We intend to roll out the Plan by Labor Day.

Working Through Loss: I intend to lead a series of worship services this summer holding up the work of my three most immediate predecessors. Joan Montages, Peter Luton, and Elaine Peresluha. It is my strong suspicion that the congregation has never fully come to terms with the comparatively abrupt departures of these three hard-working, faithful ESUC ministers. And the resulting unconscious, unexpressed grief has left the membership edgier and more suspicious of one another than optimal. These services will be crafted to pose the question what, in fact, is ministry all about, it's continuities across the decades *and* the ways it has changed and must keep changing in the days ahead?

As I will be gearing up for the Growth Plan and also leading the above summer worship series, I expect to take some of my vacation/study leave in the autumn.

Respectfully submitted,

Stephen H. Furrer

Membership Director's Report – Nicole Duff

Communications & Membership Metrics

Worship Numbers:

2018/19

May 5: 35/74

May 12: 29/74 (Mother's Day)

May 19: 19/154 (Music Sunday)

May 26: 49 (SEABECK)

2017/18

May 6: 132

May 13: 157 (Mother's Day & Music Sunday)

May 20: 152

May 27: 44 (SEABECK)

Membership Numbers:

Current Membership: 420

- Database merge duplicated some members, that has been cleaned up.
- Visitors who have filled out forms in May: 2

Please consider making the following people Life Members

- **Dorothy Hopper**
- **John Reid**

Social Media Metrics:

Yelp for May 9-June 7, 2019

- 22 User views
- 7 User Leads
- 4 Clicks to Website
- 3 Directions

Google My Business Report for May 2019

- 26,873 People found us on Google
- 621 Asked for Directions
- 187 Visited the website
- 9 Called

ESUC.org Analytics May 2019

- 1,315 Users
- 1,081 New Users
- 1,873 Sessions
- 4,314 Page Views
- 2:15 Average Session
- 34.3% use mobile, 6.31% use tablet

Facebook: 760 Followers

Instagram: 147 Followers

Twitter: 47 Followers

2019-20 MFD (As of 6 /8/19)

Confirmed Pledges: 206 (out of a potential 315 households)

- 206 Yes (including 3 first timers!)
- 2 Waiver
- 0 Nos
- 8 Life (members who are not required to pledge)

Confirmed \$: \$574,913.04

- We are currently up \$15,396.17 from the same group last year PLUS new people.
- We still have 22 “At Risk” people who have not pledged or made any contact. These are people who will be getting a letter this summer.

President's Report – Dennis Fleck

As we kick off this new church year, I would like to share some of my thoughts. I have the following reflections that I would like to propose that the Board consider as we set forth on the 2019-2020 Church Year.

Holly House Funds

- The Congregation voted on March 24 to invest approximately \$900K in earth and social justice. I would like to recommend that the Board schedule sharing circles (at a significant number of times so that all members of the congregation have an opportunity to participate) where congregants can recommend different approaches to the process to be used to determine how to spend those allocated funds. In other words defining the process to be used, and that process would later be used to allocate the funds.

Inclusivity and Growth

- Each of us has a role in growing the church – not just our staff and/or Board. We need to engage our congregation in developing the strategies that will be used to grow our church. And we need to be doing this in a manner that is inclusive and all feel welcome to participate, with all voices being heard.

Financial Stewardship

- We need to get our Mission Fund Drive launched this summer so that we are not playing catch-up next spring. It is not the Board's responsibility to run the MFD, but it is the Board's responsibility to make sure we have a successful drive and it should be fun for the participants.

SLT Member Roles

- I don't believe that the Board should tell our SLT members how to do their jobs, but I believe the Board needs to be more clear in the definition of their positions. I would like to have further discussion during a future (July?) Executive Session on this topic, and what role the Board should be playing in the definition of job descriptions for our SLT.

Policy Based Governance (PBG)

- I support the implementation of PBG, but would like to suggest that we do it a bit differently. The Board continues to set goals, and our SLT continues to be held responsible for implementation. Where I see a difference, is that I believe that the Board needs to be clear to the SLT that our expectation is that the SLT will be responsible for the implementation of the goals through the work of the various ES Ministry Teams and Committees, and not solely through the actions of staff. In other words, a much more cooperative approach than we have had in the past – staff is not expected to do it all themselves. This will help the congregation feel more involved, bring differing perspectives to goal implementation, and most importantly develop ES's future leaders through active Ministry Team and Committee participation and leadership. Please see the attached Table on PBG (Appendix E) where some of the muddiness of our situation becomes more clear as we are supposed to be moving towards PBG, and not yet fully immersed therein. We need to better educate our congregation regarding PBG as it is still confusing to many.

Oversight

- I believe that the Board should invest time to discuss oversight, and then determine the appropriate levels of oversight for our ministry teams/committees/task forces and for our SLT. I would like us to do this at a not-too-distant Board meeting.

Other thoughts

· How can we get ongoing feedback and ideas from congregants. Currently, we have a relatively small group who are very invested in the church and show up to meetings and conversations, and make their opinions known. How can we reach out to the with kids and others whose voices are currently not being hear? How can Zoom and Room E201 help? How do we monitor our progress in getting congregational feedback?

· Is the current format what we want for board reports? Might we want to only see specific accomplishments/milestones for the month just ending? As the various reports are submitted in the Board packet, does our approval of the Consent Agenda mean we have accepted the various reports, or approved them? How do we best incorporate membership and pledge unit numbers in the monthly Board packet?

The prior Board's Statement that was read at the congregational meeting has had unintended impact on some of the members of our congregation. This will be an item for us to discuss and address during our meeting.

Earlier, Jerry sent emails to all of us, asking that we show our vacations on a Board calendar that he set up via Google. Please log in to the calendar and show your vacation time so it will be easier for us to work together. I am asking this of both the elected Board members and our SLT.

Yours in Faith,

Dennis

Treasurer Report – Marcy Langrock

Items below which are *bolded and italicized* should be added to the list of consent agenda items.

Endowment Subcommittee (ES):

The ES did not meet this month. The next meeting is in July

Financial Stewardship Standing Committee (FSSC):

This was Claudia Hirschey's last meeting. She has served as chair for the past several years. I would like to recognize her work and leadership. She has done a phenomenal job and accomplished some important work during those years. We now have a five-year strategic plan, strategic plan tool, charters for FFSC and ES, and many other contributions. Thank you, Claudia! The FSSC met on June 11th. ***I would like the Board's approval for Leroy Smith as the chair for FFSC.***

When it is returned from the buyer, the FSSC will review the next version of the Purchase and Sale Agreement for the Holly House property.

FSSC approved the Service Agreement template for Adult Programs and other consultant contracts.

I am planning on drafting a policy to provide more responsive oversight when committees or staff exceed their budgets.

The Restricted Funds Policy needs to be updated. The FSSC would like more guidance from the Board before proceeding.

FSSC would like us to remember how important membership growth is to our financial stability. Membership growth has the largest and longest-lasting impact to our sustainability.

Finance Team:

The Finance Team met on June 10th.

We hired a new bookkeeper. We discussed her progress and the resignation of the contract bookkeeper. This is the most challenging time of year with year-end close. Jason will need to spend more time training the new bookkeeper than anticipated.

I plan on drafting a procedure for the staff and committees to clarify who can approve expenditures.

The Team looked reviewed the budget slideshow.

Budget Team:

The new budget passed in our annual meeting. Thank you to everyone who worked on this budget.

One of the best things to come out of the process were very good ideas from members. We have a lot of wealth of energy and commitment. I hope we can tap into that this year.

As seen in the Five-Year Strategic Plan, the biggest impact to our finances is growing our membership. Our goal with this year's budget is to add programming that will attract new members and generate excitement from existing members. We have our work cut out for us this next year in coming up our plan and ideas and strategies. I have been researching churches that are growing. I also hope that our attendees from GA will come back with some ideas for growth.

Treasurer Position and Other Work:

I participated in an expanded Executive Committee meeting to discuss the budget.

I believe in our mission and want to share it with the larger community around us. Martin Luther King Jr. said **"An individual has not started living until he can rise above the narrow confines of his individualistic concerns to the broader concerns of all humanity."** I look at the diversity of the surrounding area and want East Shore to be a place that embraces that richness. We are wealthy in so many ways. I would like see us share that wealth and be a place for positive change in our community. I want to leave you with a quote from Mr. Rogers. "We live in a world in which we need to share responsibility. It's easy to say "It's not my child, not my community, not my world, not my problem." Then there are those who see the need and respond. I consider those people my heroes."

Board Goals:

"1. Financial Plan Strategy: 1a., By 12/2019 implementation of Endowment Charter"

This was approved at the November board meeting.

"1. Financial Plan Strategy: 1c., 6/2020 Holly House Funds disposition vote"

Once we have closed on the sale of the property, Financial Stewardship, the Board, Jason, Rev. Steve, and I will work on recommendations for how to use the funds. We will educate and gather input from the congregation. In accordance with all by-laws, we will also hold a vote if the amount dictates it. Additionally, we need to take the following into consideration: The Endowment Fund earnings need to be calculated. Currently, we have a “year to date” percentage and a “since inception” percentage of gains/ losses. We need to determine what our true gains / losses are, excluding any donations, for the past 10 years. An earnings percentage is necessary when comparing other options, such as paying off the mortgage. We need to sustain and grow membership. What programming and outreach will help us do this?

“2. Developmental Ministry Goals: 2a., Inspire a healthier culture”

I will work with Aisha, Rev. Steve, Mark and Right Relations to develop objectives and measurements. I anticipate that having a growth in membership and more member retention will be one of the indicators.

We have executed the contract with Pam Orbach. The Board voted in December to spend the money for her assistance in creating a healthier environment.

An area of concern for me is the lack of diversity in our leadership. The Nominating Committee has asked numerous people to join leadership positions, such as a board member position. People of color, LGBTQ members, younger adults or people with families are not willing to join. The Nominating Committee is doing their job by inviting people to join. People are just saying “no.” Our job as a board is to be asking the tough questions. We need to be asking WHY people are not joining. What about our culture makes it difficult or unappealing to join? How do we change this and work towards encouraging diverse leadership? Also, while we lack diversity, how are we gathering input from underrepresented groups so that their voices can be heard too?

Executive Director’s Report – Jason Puracal

Executive Director’s Report to the Board of Trustees, East Shore Unitarian Church, June 2019

Items for Consent agenda:

- **350 Eastside Sponsorship Agreement (Appendix G)**
- **Advocate Telecom ongoing IT support proposal (Appendix H)**

Informational:

BOT Goal 1: Financial Strategy. ESUC has a five-year financial strategy. This will be reviewed on an annual basis.

- *By 12/2018 we will review the implementation of the endowment charter*
- *By 6/2019 we will have a congregational vote on disposition of the Holly House property*
- *By 6/2020 we will prepare the congregation for a vote on use of the proceeds from the Holly House disposition*

- I attended the June Financial Stewardship Committee meeting. I provided an update on the Holly House negotiations and the congregational approved budget.
- I have been communicating frequently with the Holly House PSA Task Force, the Broker, and the attorney regarding the Holly House Purchase & Sale Agreement. Due to the sensitive nature of the current negotiations, I will provide a verbal update to the Board during the June meeting.

BOT Goal 2: Developmental Ministry Goals. During the tenure of the Developmental Minister, we will:

- *Inspire a healthier culture at East Shore*
 - *Continue to implement policy-based governance*
 - *Establish a leadership and volunteer development program*
 - *Grow membership*
- I completed the UUA Pacific Western Region's *Leadership Experience 2019* leadership development program with the 8th virtual class. The topic was Integration. We shared top 10 takeaways from the course and set goals moving forward. This workshop series will be offered again next year with expected registration open Aug 1, 2019. I highly recommend it for lay leaders and staff. As space is limited, the UUA recommends two people from each church attend. As the value of my participation was recognized by multiple other participants, the Pacific Western Regional Staff have asked me to assist in facilitating one of next year's cohorts. Details of what this work would entail have not been determined.
 - Social Media Metrics: See Membership Director's Report

BOT Goal 3: Beloved Community. We will nurture a sustainable Beloved Community by making measurable progress moving our congregation from a multi-culturally aware to anti-racist with specific attention to lifelong learning, pastoral care, and theology.

- My family and I attended the annual Seabeck Retreat. I went prepared to have informal conversations around the proposed budget. Only one of these happened. Instead, I was surprised to see how some of the younger adults identified with and sought out time with my wife and family. This was exciting to see. And, my wife was shushed at an open mic event while trying to gather our sleepy kids to head to bed in between songs.

BOT Goal 4: Strategic Campus Plan. By the 2020 Annual Congregational Meeting, we will have a Preliminary Master Campus Plan that leverages the value of our infrastructure resources for the purposes of:

- *Becoming a hub of earth and social justice ministry teams and affiliated outside organizations*
- *Serving as an emergency preparedness and response center*
- *Reducing the environmental impact of our facilities and membership activities*
- *Measuring impact of our earth and social justice activism to ensure the resources of our community are being used most effectively*

- **At the request of the Board, I worked with Dennis Fleck to revise the Amendment 1 of the ESUC – 350 Eastside Sponsorship Agreement. The Climate Action Ministry Team agreed to the proposed change. I am re-submitting for Board approval (see attached Appendix G).**

Additional Finance Activities

- I met with the Finance Team. We discussed the Bookkeeper situation, the recommendations from the Contract Bookkeeper, the proposed change in Auction software, the sponsorship agreements, the IT support proposal, and the congregational approved FY 1920 budget.
- The April statements submitted to the Board in May have been finalized without change.
- The DRAFT month-end reports created for May 2019 will be emailed to the normal distribution list by the June Board meeting. For the Board's review, I have included the DRAFT May 2019 Summary Income Statement (see Appendix B), and the DRAFT May 2019 Balance Sheet (see Appendix C). The DRAFT May 2019 Income Statements by Department are presented visually as part of the financial charts (Appendix D to be submitted separately), although for more transparency, some of the Departments have been broken down into categories.
 - The ~\$32,250 error of FY 2019/20 pre-paid pledges coded as income in April 2019 has not yet been corrected. Consequently, the actual total donations collected is lower than reported by approximately this amount. The Finance Team discussed this error and agreed to correct the error in a batch journal entry as part of year-end closing.
 - According to the DRAFT May 2019 reports, total income from donations was ~\$8,200 higher than the 17-year average of pledges for the month, and approximately ~\$8,300 higher than what was contributed last year during this period. Please note the new account structure groups non-pledge donations with pledges for total income from donations. Total income was ~\$12,600 higher than the 17-year average, approximately \$18,600 higher than the 5-year average, and ~\$11,700 higher than what was brought in last year during May. Our monthly expenses were slightly lower than budgeted at \$94,355. East Shore had a deficit for May of approximately \$20,682. According to the reports, year-to-date East Shore is running a surplus of ~\$132k. Discounting for the known pledge coding error leaves approximately \$100k to cover the remaining month of the current fiscal year.
- I ran out budget projections based on information thus collected in the fiscal year, as well as numerous assumptions from the congregational approved budget. The model indicates a deficit of \$34,632 for the fiscal year. Due to delays in the distribution of reports and cleanup work happening with the Bookkeeper transition, I am not confident in the model. I believe we have enough cash to make it through end of year. The major variables affecting the final balance for the fiscal year will be the amount of donations that come in during June, as well as the expenses for Seabeck, GA, and last-minute Staff and Ministry Team purchases. There is also the additional expense for the Holly House legal fees that were not budget, however will impact the ability to cover the deficit from the Designated Fund General Reserve account.
- The Finance Team discussed the negative amount on previous months' Balance Sheet listed under Current Liabilities, Other Payroll Deductions and the recommendations of the Contract Bookkeeper. The conclusion:
 - All employees' insurance premiums not within the UUA Health Plan must be submitted with the proper corresponding invoice and receipt of payment for reimbursement. Pre-payment for these expenses for more than the month at hand is not acceptable, and reimbursements must be submitted on a timely basis.

- The Finance Team discussed the missing receipts for credit card expenses and the recommendation from the Contract Bookkeeper. The conclusion:
 - Any expenses over \$50 must have a corresponding receipt.
- The Finance Team discussed the software changes the Auction Team is considering. The Finance Team agreed that the new Bookkeeper should be part of the Team to evaluate the new software to see how the data can be imported to our accounting software, the Finance Team recognizes the priorities of the Bookkeeper during the transition, and agreed that this evaluation must wait until after year-end closing is completed.
- I met with the designated task force from the Board to edit and record the webinar on the FY 19/20 budget proposal. The webinar was successfully completed and distributed to Members.
- I attended two Budget Town Hall meetings to answer questions on the proposed next fiscal year budget.
- I attended the Annual Meeting to be available in case there were any questions related to the FY19/20 proposed budget.
- 2019/20 MFD update (as of 6/8/2019):
 - Confirmed \$571,413.04
 - Pledges: 206 of 315 households
 - 2 Waiver
 - 0 No's
 - 8 Life (Members who are not required to pledge)
 - Currently, we are up \$15,396.17.92 from the same people who pledged in the current fiscal year plus new members.
 - There are 22 "At Risk" people who have not pledged or made any contact. A letter for these people is planned during the summer.

Additional HR Activities

- The Contract Bookkeeper assisted with finding errors and cleaning up the accounting records. She also made advances in documenting new procedures and automating pieces of the work flow for the position. Additionally, the Contract Bookkeeper assisted in recruiting a new full time Bookkeeper for East Shore. The candidate selected aspires to become a Contract Bookkeeper, and East Shore offered a contract in which she would start full time and reduce hours to half time within 6 months. This estimation of hours required to complete the tasks specific to accounting was from the Contract Bookkeeper. The Finance Team will continue to evaluate this assumption in the new fiscal year. Unfortunately, the Contract Bookkeeper terminated the contract with East Shore prior to fully training the new Bookkeeper and assisting with year-end closing as she had committed to do. I am spending significantly extra time to train and review the work of the new Bookkeeper. I have committed to assist the new Bookkeeper in the critical normal operations (payroll, deposits, check run), as well as quarterly taxes due, month end closing, end of year closing, and initiating the new fiscal year.
- The SLT discussed the congregational approved budget for fiscal year 2019/20, specifically the hourly rate for the Caretakers. In the current fiscal year, they were paid \$17 per hour. In the next fiscal year, the UUA guidelines call for a minimal increase to \$17.31 per hour. This is the rate agreed upon by the Budget Team, approved by the Financial Stewardship Committee, Board and congregation. SLT discussed how the UUA guidelines are based only on cost of wages, not cost of living, the job description for the UUA guideline custodian position encompasses significantly less responsibilities than the position of Caretaker at ESUC, and the immense value contributed to the organization by having two overqualified people in those positions. I recognize how I did not

respond adequately to the request for a livable wage by our Caretakers and Facilities Manager during the budgeting process. The SLT agreed that it is just for us to adopt a practice that the University Unitarian Church has set such that no employee will receive less than a livable wage, and that it is within the Policies of the Board that the SLT can make discretionary changes within the congregational approved budget. As such, the SLT agreed to increase the hourly rate of both Caretakers to \$20 per hour starting July 1, 2019. The impact to the next fiscal year budget, with benefits and taxes included, will be ~\$13k. SLT will offset a portion of this expense by waiting until September to hire the new Office Receptionist (~\$3k in savings). Depending on the learning curve and evaluation of the Bookkeeper position, the remaining balance may be able to be covered by the cost savings expected from that position.

Additional Facilities Activities

- I attended the Facilities Team meeting in May. We discussed security cameras, anticipated Eagle Scout projects, installation of A/C for Education building, and IT needs of the church.
- I attended the Eagle Scout award service for Taylor Cundiff for his project completed at East Shore.
- Four portable A/C units were purchased and installed in classrooms rented for the summer in the Education building. One unit arrived damaged and the Caretakers are in conversation with the manufacturer to replace. Testing is being conducted to ensure the load capacity can handle all units operating simultaneously.
- Advocate Telecom confirmed the Polycom system for the Collaboration Space works correctly in their shop, thus the issue is the church's firewall. The Comcast firewall we are currently using is inadequate for our needs. At our request, Advocate submitted a proposal for a firewall system of ~\$2300. The informal IT team, those Members with expertise in these matters, reviewed the technical details of the proposal via conference call with Advocate. We were in agreement to move forward with the proposal. This would exceed the budget of the Fund-A-Need, however, as this device really serves the IT security needs of the entire campus, and offers the opportunity to design our security with more intention for future needs, Facilities will cover the unbudgeted expense from the Operating Fund Facilities New Equipment purchases account.
- **I asked Advocate for a proposal to provide IT support on an on-going basis. Their proposal (attached as Appendix H) was reviewed by the informal IT Team and the SLT. All agree that this proactive approach is much needed and would better protect the sensitive information of Members and Staff as we increase risk by adding internet enabled technologies to our campus.**

The proposal includes:

- **24/7 remote monitoring of all desktops and laptops of East Shore**
- **Management of all firewall, malware, and anti-virus software**
- **Management and actualization of all 3rd party software packages ESUC is currently using**
- **Backup of data**
- **Discounted ongoing IT support as needed**

We have received references from Advocate to review how their other clients experience this level of service. The financial impacts are estimated to be ~\$10,000 during the next fiscal year. The Finance Team believes we can potentially make up this amount with the reduced wages for the Bookkeeper assuming we can reduce the hours to less than half time within 6 months. While the actual proposal is less than the limit permitted by Board policy 2.11.9 (g), I am requesting Board approval for this contract.

- Per the request of the Executive Committee meeting, I reached out to Gary Burd and Clark Cyr to form an IT Oversight Team and obtain their inputs on the proposal. Both

confirmed that this issue is not in their wheelhouse as software programmers, they do not feel qualified to evaluate the proposal, and are not comfortable serving on such a Team.

- The Facilities Team will add a goal of formalizing the IT Team in the next fiscal year following the Charter process.

Additional UU Related Activities

- I attended the AUUA Pro Days in Spokane, WA.
- I attended the UUA General Assembly in Spokane, WA.

Discussion Agenda

- **None at this time.**

Respectfully Submitted,
Jason Puracal
Executive Director

Director of Lifelong Learning's Report – Aisha Hauser

Children and Youth

On June 2nd, the Lifelong Learning program celebrated our program by appreciating all of our volunteers, parents, children and youth. A special thank you to Amanda Uluhan, RE Programs Coordinator and Walter Andrews, Chair of the Lifespan Integration Team for their hard work and dedication throughout the year and in planning this service. The service included a Bridging ceremony for our graduating seniors, many of whom have been attending East Shore most of their lives!

It was inspiring and heartwarming to witness all the families of all stripes and ages who are engaged and active in our programs. Thank you to all the folks who volunteered to be part of a teaching team this year, including outgoing Board President, Tom Doe! I am deeply grateful for the Board members who have not only taught in RE, but also are trained Our Whole Lives leaders, including Marcy Langrock, Jerry Bushnell and newly elected member, Clare Shirley.

Our consistently largest class this year was our pre-school program led by LeAnne Struble and assisted by Mollie Player. The pre-schoolers always look forward to their time with "Miss LeAnne." I am grateful for LeAnne dedication and care.

We had many multigenerational services over the last several weeks and therefore do not have separate RE numbers. We just started our summer program on June 16th and will run until Salmon Bake Sunday in September.

Our Whole Lives

Next year we will be offering SIX OWL programs! This is the first time in my sixteen-year career that I will offer these many programs in one congregation! This is possible because of many factors including and not limited to;

· We have many highly qualified and engaged volunteers willing to go through the 15-hour training to lead the programs.

- I am able and willing to host OWL trainings here at East Shore rather than have folks take a training at a different location and this saves us a significant amount of money.
- I am able to be one of the trainers and this saves us \$900 in the trainer fee and saves that amount and more in travel and hotel. This is an in-kind service that is a benefit to having me as the DLL. I am approved to train all ages Our Whole Lives programs. We also save money because Milly Mullarky is also an approved trainer and will be leading one of the trainings as well.(we do pay her trainer fee, but no need to pay for travel)
- We have a congregation that enthusiastically supports comprehensive sexuality education.

We will offer the following Our Whole Lives programs:

- 1st-2nd Grades
- 5th-6th Grades
- Middle School- 7th-8th Grades
- High School-10th-11th Grades
- Adult- 25-50 Years old
- Older Adult-50 years old and Up

Adult Programs

Ryam Hill has been doing an extraordinary job of maintaining Adult Programs, both streamlining the process of new programs and brainstorming ideas for consistent programming throughout the year. We have a new member of the team, Lynn Roesch. I met with both Lynn and Ryam to discuss programs for the summer months. Registrations and advertising for summer programs will be on the website in the coming weeks.

An exciting program coming to East Shore will be the evening of October 2nd from 7-9:30pm. The New York Times bestselling author, Julie Lychcott-Haims will be leading a program here with me. Here is a link to her website and her TED Talk <https://www.julielychcotthaims.com/how-to-raise-an-adult>. She and I met at the Bush School when I led a program on Talking to Your Children About Race. She asked for my contact information and we had a rich conversation on how we can collaborate. She and I are excited to offer this program free and open to the public. This is one way East Shore can continue being a place where folks can come to engage in thoughtful programming not offered in many other places.

Staff Request

Amanda Uluhan has announced that she is pregnant with their first child and is due early October. I have already let the Personnel Committee know that she is requesting three months paid maternity leave. I am in full support of this request.

We already have included in the budget money for a third childcare helper on Sunday mornings, this will free up LeAnne to help with Sunday morning logistics in place of Amanda. I was not envisioning hiring anyone else to cover for her. The timing is helpful as it will be over both the Thanksgiving and Christmas Holidays.

Summer Schedule

Amanda will be in charge of the summer RE program on Sunday mornings. I will be away during July and working from home the last week in July and first week in August, returning to the office August 12th.

Finally, I want to thank all the many people who worked together to get this budget passed. It was a true collaborative effort led by Marcy, Jason, the Board and many folks who believe in investing in the future of the congregation.

Respectfully submitted,

Aisha Hauser, MSW

Liaison Reports

Right Relations Committee – Mark Norelius

-Right Relations Committee has continued to meet weekly. A significant focus has been building a plan for future facilitation and topics for monthly Community Circles. The focus of the June circle was “exploring spirituality”. Attendance in June was approximately 20 participants. Feedback from the circles’ participants has been positive. We have seen a cross section of congregational members attending. Some have been members of East Shore for many years and some just a few months. Each circle appears to bring a few new participants each month.

-The Right Relations Facilitation Team continues its monthly meeting. June’s meeting included training lead by Pam Orbach. It focused on learning more about Restorative Circles which are used as a process for addressing conflict for people within the context of their community.

-There have been a number of supported conversations that are the beginning of addressing the past conflict at East Shore.

Report from Mark Norelius
BOT Member at Large
Right Relations Committee Liaison

Policy & Governance Committee – Ann Fletcher

Consent Agenda Item:

* Approval of the new Holly House Sale Task Force Charter which can be found in addendums

1. I continue to assist the New Holly House Sale Task Force with moving the Purchase and Sale Agreement (PSA) to completion. Approval of the Task Force’s charter is in the consent agenda. Jason Puracal has submitted the documentation with the City of Bellevue to clear the title and continues to negotiate the playground and Sophia Way lease issues with the buyer. His report may provide more details as to current progress. The group will function until the sale closes, which will occur between January and June of 2020.

2. Transition requests for Board action due to Dave Baumgart and Tom Doe’s leaving the Board:

*Appoint a Board rep to the Holly House Sale Task Force

*Appoint a Board liaison to the Policy and Governance Committee

3. Michelle Danley (Earth and Social Justice Council) and I met with Dennis Fleck about the need for Board Policy direction to the staff regarding the financial and fundraising processes that they set up for East Shore. Marcy Langrock and I have also talked about related finance needs from the Finance and Financial Stewardship Committees' point of view. Jason has agreed to do a presentation for team leaders and staff to share guidelines but has specific areas where more board guidance may be needed. P&G will work with Jason and Dennis to determine next steps.

4. P&G Committee is available to work with the new Board and/or its new members on Policy Based Governance in preparation for the coming year. The Committee is also available to work with the new Board on its annual Board Policy Review, which is required in Section 6 of the Board Policies.

5. Future plans of P&G includes:

*Recruiting new P&G members

*Congregation communications in Beacon in the form of an FAQ on Policy Based Governance

*Governance 101/102 class offered in the fall/winter

ESJCC – Lynn Roesch

As a result of the Council's decision to provide a quarterly ESJ report from the various Ministry Teams, the Council is not submitting a report this month. The Council will be including a summary of February - May activities in the upcoming Annual Report.

Please feel free to contact Lynn Roesch or Ann Fletcher if you have any questions for Council members.

Personnel Committee – Jerry Bushnell

June 15, 2019

For consent agenda: Nothing this month

Ongoing work:

- Still working on a revised check list for yearly audit of personnel files
- Discussion of how to communicate the ESUC Congregant to Staff/Staff to Congregant feedback procedure to the congregation, along with the availability of the Right Relations committee to help with conflicts
- Drafted a board blast describing the work of the personnel committee
- Clarifying ownership of the personnel manual, the committee plans on reviewing this yearly
- Discussed conflict of interest statements to be used each year
- Offering the service of the personnel committee if the proposed budget had not passed, and staff cuts were needed
- Set up a monthly review of the UUA compensation/staff news email from the UUA
- Set up a yearly calendar for the personnel committee.

APPENDICES

Appendix A: April 2019 Summary Income Statement

Date : 06/12/2019
Time : 10:54:51 AM

East Shore Unitarian Church
Monthly Income Statement - Summary
May 2019

Page : 1

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	44,261	62,750	18,489	691,438	690,250	(1,188)	753,000	91.82 %
Income - Program Fee Pmts	623	725	102	16,890	7,975	(8,915)	8,700	194.14 %
Income - Fundraising Event Pmt	2,654	3,646	992	53,923	40,104	(13,818)	43,750	123.25 %
Income - Facilities Rental Pmt	13,362	17,079	3,717	200,313	187,866	(12,447)	204,945	97.74 %
Income - Dept Activities Pmts	8,935	6,263	(2,672)	75,649	68,896	(6,753)	75,159	100.65 %
Income - Other	3,840	6,816	2,976	119,286	74,974	(44,312)	81,790	145.84 %
Total Revenues	73,673	97,279	23,605	1,157,499	1,070,066	(87,433)	1,167,344	99.16 %
Expenses								
Payroll Expenses								
Wages	48,085	46,519	(1,565)	517,825	511,713	(6,112)	558,232	92.76 %
Payroll Taxes	3,007	3,484	478	38,568	38,325	(243)	41,810	92.25 %
Payroll Benefits	9,297	10,331	1,033	101,584	113,636	12,052	123,967	81.94 %
Total Payroll Expenses	60,388	60,334	(54)	657,978	663,675	5,698	724,009	90.88 %
Program Expenses								
Administrative Expenses	3,439	9,509	6,070	56,114	104,604	48,489	114,113	49.17 %
Facilities Expense								
Facilities Expense	4,506	7,810	3,304	86,975	85,905	(1,070)	93,715	92.81 %
Business Expense								
Business Expense	10,819	6,523	(4,296)	85,182	71,749	(13,433)	78,272	108.83 %
Office Expense								
Office Expense	3,279	2,218	(1,060)	24,717	24,402	(316)	26,620	92.85 %
Fundraising Expense								
Fundraising Expense	2,404	1,187	(1,217)	9,392	13,062	3,670	14,250	65.91 %
Advertising & Marketing								
Advertising & Marketing	50	227	177	615	2,493	1,879	2,720	22.59 %
Interest & Loan Expense								
Interest & Loan Expense	9,470	9,470	0	104,175	104,175	0	113,645	91.67 %
Total Administrative Expenses	30,527	27,435	(3,092)	311,055	301,786	(9,269)	329,222	94.48 %
Total Expenses	94,355	97,279	2,924	1,025,147	1,070,065	44,918	1,167,344	87.82 %
Net Total	(20,682)	0	20,682	132,352	1	(132,351)	0	0.00 %
Other Revenues								
Designated Revenues	(49,190)	0	49,190	18,174	0	(18,174)	0	0.00 %
Restricted Revenues	0	0	0	9,625	0	(9,625)	0	0.00 %
Revolving Revenues	0	0	0	0	0	0	0	0.00 %
Total Other Revenues	(49,190)	0	49,190	27,799	0	(27,799)	0	0.00 %
Other Expenses								
Designated Expenses	3,794	0	(3,794)	116,698	0	(116,698)	0	0.00 %
Restricted Expenses	217	0	(217)	8,216	0	(8,216)	0	0.00 %
Revolving Expenses	0	0	0	8,273	0	(8,273)	0	0.00 %
Total Other Expenses	4,011	0	(4,011)	133,187	0	(133,187)	0	0.00 %
Net Operating Total	(73,883)	0	73,883	26,963	1	(26,963)	0	0.00 %

Appendix B: April 2019 Balance Sheet

Accounts

Assets		
Current Assets		
Cash & Investments		
1-1000 - Petty Cash	\$200.00	
1-1010 - Checking - Chase	\$95,727.71	
1-1030 - Brokerage - Schwab	\$68,915.91	
2-1010 - Checking - Chase	\$17,427.82	
3-1010 - Checking - Chase	\$71,179.80	
3-1040 - Endowment Money Funds - Schwab	\$24,403.82	
3-1070 - Endowment Investments - Schwab	\$1,277,735.52	
4-1010 - Checking - Chase	\$13,624.35	
Total Cash & Investments	\$1,569,214.93	
Other Assets		
1-1110 - Deposits	\$1,750.00	
Total Other Assets	\$1,750.00	
Total Current Assets		\$1,570,964.93
Contra Assets		
1-1600 - Building Loan Contra Account	\$728,890.91	
Total Contra Assets		\$728,890.91
Total Assets		\$2,299,855.84
Liabilities, Fund Balance, & Restricted Funds		
Liabilities		
Current Liabilities		
1-2010 - Second Sunday Collection Payable	\$1,015.00	
1-2020 - Other Collections Payable	\$175.00	
1-2110 - Wage Accruals Payable	\$20,160.59	
1-2160 - Other Payroll Deductions Payable	\$541.46	
1-2300 - Prepaid Pledges	\$7,850.00	
1-2500 - Building Loan - Current	\$76,200.00	
Total Current Liabilities		\$105,942.05
Long Term Liabilities		
1-2700 - Damage Deposits - LT Rentals	\$4,500.00	
1-2750 - Building Loan - Long Term	\$652,690.91	
Total Long Term Liabilities		\$657,190.91
Total Liabilities		\$763,132.96
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	\$26,963.39	
Total Fund Balance and Excess Cash Received		\$1,536,722.88
Total Liabilities, Fund Balance, & Restricted Funds		\$2,299,855.84

Appendix C: April 2019 Financial Charts

Insert charts here

Appendix D: ESUC Board of Trustees Draft Minutes – May, 2019

ESUC Board of Trustees

Draft Minutes May 21,2019

Minutes, Leadership Reports	Com. + Board Liaison Reports
July Board Agenda + Upcoming Events	Personnel Committee – Jerry Bushnell
Minutes of Last Board Meeting –	Earth and Social Justice Coordinating Council (ESJCC) Report – Lynn Roesch
Board President's Report – Tom Doe	Rr Committee – Mark Norelius
Finance – Treasurer’s Report – Marcy Langrock	Policy and Governance – Ann Fletcher
Ministers Report – Stephen Furrer	Holly House Dev. Task Force – Dave Baumgart
Exec Dir, Finance & Operations – Jason Puracal Appendices A&B – Income Statement, BS FY18/19Appendix C - Financial Analysis / Charts	
Lifelong Learning – Aisha Hauser	

Board of Trustees Meeting Agenda – May 21, 2019

ESUC Board of Trustees				
May 2019 Agenda				
21-May-19				
Host:				
6:45	7:00	0:15	Social Gathering	
7:00	7:10	0:10	Check in	All
7:10	7:20	0:10	Consent Agenda	All
7:20	8:00	0:40	2019-2020 Budget	Marci, Jason & Tom

8:00	8:10	0:10	Holly House Update and Sara's letter	Dave and Mark
8:10	8:20	0:10	Annual Report	Steve and Jason
8:20	8:30	0:10	General Assembly	Steve
8:30	9:00	0:30	Executive Session	All

Upcoming Events for Your Calendar

- Date Exec Council – June 4, 2019
- Date Board Packet items due Wed,6/12/2019, by end of day: email to Volunteer 1@esuc.org
- Date Beacon Board Buzz, email to Nicole Duff
- Date Board Meeting 6/18/2019; Jerry is host.
- Sunday Svc Announcements: Needed for June 9th, and every Sunday after that. Please sign up.

Present: Tom Doe (President), Marcy Langrock (Treasurer), Dennis Fleck (Vice President), Dave Baumgart (Secretary), Evelyn Smith, Lee Dorigan, Mark Norelius, Jerry Bushnell

Absent: Paul Buerhens

One Board position is currently open: Sara Brannman has resigned because of new job

Staff: Jason Puracal, Aisha Hauser, Reverend Steve Furrer

Guests: Sheridan Botts, Mike Radow, Ann Fletcher

Opening Words: Done by Reverend Steve.

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.

5/21/2019 Consent Agenda Voting Items:

- Approve April 2019 Board Meeting minutes
- 350 Eastside Sponsorship Agreement
- Designated Fund Facilities Reserve expenditure
- Approval of Clark Cyr as a member of the Financial Stewardship Standing Committee

Items Removed from Consent Agenda:

- 350 sponsorship agreement.

Discussion:

Change to draft minutes of April 2019: Jason resigned from the Holly House task force because he was told to remain silent, whereas in the draft minutes, it was stated that he was asked to remain neutral. Jim Shuman will be on the Holly House negotiation team but does not want to be a negotiator.

The 350 Eastside sponsorship agreement was taken off the consent agenda because there were several items brought up that might be added to the agreement. The agreement will be brought to the next board meeting for approval.

Vote on Consent Agenda: Mark moved to approve the consent agenda; Evelyn seconded

Vote results 8 for, none against

7:30 – 2019-2020 Budget discussion:

1. **What to present at the annual meeting:** Tom started by noting that the board needs to decide if we are going to present one budget for approval at the annual meeting, or more than one option. The budget presented by the budget committee is referred to as the Investment Budget, and entails drawing money from the endowment, to be paid back later from Holly House proceeds. Jason and the budget committee have also come up with a fall back budget, which uses the best estimate for pledge income in 2019-2020 and would result in reduced staffing. Marcy does not think that we need to present both budgets for a vote. Jason points out that we could also ask the congregation to make up the revenue side with pledges, keeping expenses the same. Jason says that we don't have to specify all the cuts in budget at the time of the meeting.

Discussion:

Lee: When people hear about this the first time, they need to know what would happen if we don't use the endowment.

Marcy: that info will be in the webinar and the town hall.

Lee: People need to know the downside of the low-income budget.

Jason: People will be able to see what the \$150,000 deficit looks like

Tom: It is consequential to the operation of the church.

Dennis: How do we tell the story? We need to be clear, what is salary benefits tax, what is program, what is overhead. Show that these are real people with talent and skill. If we don't invest for growth, the church will suffer. Dennis commented in the first draft of a webinar being designed to inform the congregation about the current budget decisions and noted that the current version has line graphs, which could be consolidated.

Dennis would like people to sit back and think about the impacts.

Marcy: where can the 10-year financial plan be posted and shown to the congregation

Tom: notes that the 10-year plan is only for the board at this point and can be changed. He points out that drawing from the endowment is a potential slippery slope, and we need a plan to pay back the endowment.

Tom: The initial budget presentation has gone well. Tom points out that the money we propose using does not put the church in financial peril. Tom would like the congregation to know the board looked at what no draw would look like

Dennis would like to show only one budget.

Lee worried about people being upset if the endowment is touched.

2. Discussion of specific budget items:

Jason presented the full budget. There are 3 current budget scenarios.

- Scenario A assumes income from pledges will be \$231,268 more than the current 2019/2020 estimate of \$615,000
- Scenario B proposes using a withdrawal of \$231,268 from the endowment to meet income goals.
- Scenario C uses estimated current pledge income for 2019/2020 and staff cuts to balance the budget.

Points from the discussion.

Jason: Right Relations was budgeted for \$10,000, but requested, late, just over \$30,000. The committee changed the RR line item to \$20,000. Board needs to decide what to budget for Right Relations.

The new temporary bookkeeper is finding errors in how pledges were tracked, uncertain how this will affect the budget

Right Relations does not have its own account but is a board expense.

Tom wonders about adding an entry to our chart of accounts to account for money spent with Pam Orbach. Jason notes that we could get that number now if board wants it.

3. Jason Puracal's draft budget cuts if investment budget is not passed

Aisha continues to be paid for 30 hours, even though she reports currently working 40

Music director continues to be paid half time, although he is currently working 30+ hours per week

Program coordinator stays a half time position

Jason goes to 30 hours per week instead of 40

Go to one caretaker, which would affect rental income.

Lose 10 hour per week office assistant

No increase in childcare hours

Salaries would be frozen.

Social justice team budgets would be frozen at this year level

Maintenance, would be minimum, no painting, no tree work (we currently need \$5000 more in tree work)

No money for a comprehensive plan amendment with city to see what we could do to develop the lower parking lot, costs \$1500 to \$2000

No new website, cut advertising to \$500

Jason notes there is potential in the future for income production from developing the lower parking lot.

Marcy, we are at danger of losing staff, which will further shrink the church.

Discussion of Plan A and B expenses:

Marcy would like to reduce the \$9000 for outreach, perhaps just money for website, and less for banners and swag. Try to get that number to \$5000.

Tom: most of the money this year will be for staff increase, but it would be hard for staff to grow the church without money to work with.

Marcy points out that getting the website up first is more important.

Evelyn: If staff is already working more hour than they are paid, increasing pay appropriately will not give them anymore time. If they cannot add more hours, how can they work to increase membership more than they are now?

Aisha: if hours are not increased, then she will save time by dropping off the SLT. Aisha commented that she is paid the least of the SLT.

Jason does believe that the investment budget will allow for initiatives to increase growth.

Marcy notes that if our staff is paid fairly, they will be happier.

Aisha notes that just discussion about cutting staff has been demoralizing.

Tom notes that if we don't grow the church, we will eventually have to cut back staff and expenses.

Dennis thinks we should keep the marketing budget up to help grow membership.

Dennis also thinks we should fund Right Relations, knowing we don't have to spend it all

Mark: We will have to have lots of discussions about big challenges, with Holly house finance decisions and with anti-racism work.

Marcy asks if we have a plan to wean off Pam's help.

Aisha says that Right Relations members are being trained to run circles, and that Pam would like to spend her time working with the board.

Steve says that Pam knows that she will not be here indefinitely

Dennis recommends increasing the endowment draw by \$10000 to cover the increased Right Relations.

Aisha notes that there is professional development money, and Amanda could use \$600 more to get certified.

Aisha would like to have professional expense money increased, she would like \$5000 for her and \$3000 for Amanda, and \$2000 for Nicole. Aisha notes that UUA recommends 10% of salary for professional development. Amanda would need \$545 to seek further UUA certification.

Steve notes that he has spent more than is in his budget to have Eric join UUA groups

Tom recommends moving \$545 from marketing to professional development

Discussion of full funding Right Relations:

Jerry, Mark, Evelyn ok, but with care. Dennis ok, but only with a plan to wean and empower us, Marcy ok with professional expenses and she is on the fence about Right Relations spending noting that Pam is being used for many circles, but not being managed by the board. Aisha points out that RR is meeting weekly to strategize how to use Pam's time. Marcy is worried about open agenda, but ok with a plan to wean.

Tom asks Aisha how much time she is spending on RR, Aisha estimates one quarter time to one half time. Aisha felt that that time helped her personally. Tom notes that with Aisha's time and money for Pam, we have nearly one FTE, but never made the conscious decision to do that.

Jason notes that when you add Steve's time, we are spending at least a full FTE on Rr.

Dave supports all the changes.

Board motion on presentation of budget to the 2019 annual meeting: Dennis moves we accept Scenario B with the changes to RR, and bring to the congregation to approve or not approve

Dave seconded the motion.

Vote Results: 8 for and none against, Scenario B will be presented to the congregation.

8:55 Holly House update: Dave

1. **Survey:** At the April meeting, the Holly House Developmental Task force presented a survey that they had prepared and wished to distribute. We need to let the Holly House team know why the board did not approve the survey. Marcy noted that few people answer. Lee pointed out that past surveys were not helpful. The first Holly House team did 3 surveys, and none were representative. Only 25% of email blasts are opened. Tom's concern is that Carrie Bowman feels that an evaluation of the process is needed as she noted room for improvement. Tom asks what do we want to learn about the Holly House process? How can we learn lessons from this?

Dennis points out that we could get feedback from the task force about what they thought, also from congregants. Jerry and Lee both point out that the current survey will generate numbers which will not be statistically valid for the congregation as a whole.

Mark recommends we use the final four questions as a survey.

Motion to the board:

Mark moves that we distribute survey questions 13 to 16 to the congregation. Lee Seconds.

Discussion: Dennis wonders about getting a report and feedback from Holly House task force, staff and board.

Friendly amendment: SLT will work with Jennifer and Carrie to modify the survey.

Vote results: 8 for 0 against

2. **Proposed charter for the purchase and sale task force** - will be voted on at next meeting
3. **Current issues the task force is working on:**
 1. Cloud on the title, Mark working with Mr. Whipple, city of Bellevue. They are preparing a termination of the agreement made at time to build the RE building which involved joining the main church lot with the Holly House lot to avoid putting in curbs and drains. King county did not recognize the agreement in the first place, and it was never formally executed. In the intervening years we have made the upgrades required which they required in the first place. Worst case is that we would have to do a short plot, which would take a year. Ann points out that the city has been taking quite a while. The buyer is also in touch with Bellevue. The purchase and sale process is not being held up.
 2. Playground. The developers asked that we cede the land and we declined. We offered to give them an easement on the playground if they replace the structures. We want to be in on the design and what the space would look like. We discussed liability issues. We discussed timing the playground be put at the front of the development property.

3. Sophia Way lease, we will continue do normal operations for now, Current lease goes to June 30th, and then we would like to ask for 6 months, then it will go month to month.

9:32: Annual report: Jason, Steve, Nicole, and the staff leadership team is working on it. There will be one out before the congregational meeting, with reports from the president, minister, finance year to date. The final report will come out after the annual meeting when books for the year are closed. This report will be both for internal and external customers.

9:35 General assembly: The board assigns 9 delegates and alternative delegates. The following appointments were made:

Chris Struble
LeAnne Struble
Lee Dorigan
Paul Buehrens
Mark Norelius
Doug Strombom
Amanda Strombom
Louise Wilkinson
Milly Mullarky
Dennis Fleck will be an alternate delegate

Delegates for our district:

Louise Wilkinson
Milly Mullarky
Paul Buehrens
Dennis Fleck, Strombom, Struble
Amanda or Doug Strombom, to be decided
LeAnne or Chris Struble, to be decided

9:45 Executive session began

10:15 Closing words by Reverend Steve

Respectfully submitted,
Jerry Bushnell
Recording Secretary

Appendix E: Congregational Size Chart

Congregation Size Comparison Chart

Compiled by the Rev. Christine Robinson. Please direct comments to revcrobinson@gmail.com

		Lyle Schaller's ideas				Susan Beaumont's ideas	
1	Nickname	The Cat	The Collie	The Garden	The House	The Garden Center (multi-cell)	The Campus (professional)
2	Attendance	5-50	50-90	70-200	150-250	200-400	400-800
3	Members	10-100	75-200	175-400	350-500	500-800	750-1500
4	Other names	Family Fellowship	Pastoral Small/Mid	Program Mid-Sized I	Mid-Sized II,III	Large I (UU) Multi cell/Emerging Large	Large II Professional
	The Glass Ceilings	100	250	400	550	900	
5	Task of this level	Be a healthy family	Work with a minister	Yikes! Get the work done	Communicate! Policies!	Leadership development and program management	Professionalization and Policy based governance/management
6	Who Runs the place?	"All of us!"	The board and congregation	The Board more and congregation less	The board even more and the congregation even less	The Board led by the minister. Congregation mostly pro forma	The Board which includes the minister and highly skilled members. The congregation pro forma.
7	Who does the Ministry?	"All of us!"	The Minister	The Minister organizes volunteers	The minister supervises staff and organizes volunteers	The Sr. Minister organizes staff, the second minister organizes volunteers	Program staff do a good deal of ministry and organize volunteers.
8	Relationship to minister	Aloof	"We need! We Love! Take Care of Us!"	Keep us organized and help us grow our spirits	Keep us organized, offer great worship, take on more leadership and authority	Needs 2 Inspire us to be our best selves (Sr.) Help us find a place around here (Min2)	Begins to need more than 2 (Sr) be a community figure and a fearless leader (others) keep things organized and know us and be known to us.
9	Challenges for clergy	(if one) Job satisfaction	Balancing pastoral work with other aspects of ministry	Organizing things for others to accomplish	Learn to be a manager of staff, policies, leaders.	Learn to be a visionary leader, communicate caring while reducing direct pastoral care Incorporate second minister	Learn (again!) to be a manager Let go of almost all pastoral care Crystalize vision and keep staff motivated to it.
10	Staff challenges	Boundaries with member pt. time staff (if any)	Managing very part time work, boundaries	Getting it all done!	Do less proving of programs and more organizing others to provide programs.	Work as a team There will be both specialists and generalists on the team now	Assume tasks previously done by volunteers. Incorporate volunteers in new ways. Most staff are specialists now. Accept a hierarchy of authority and supervision
11	Board Challenges	Managing the program	Managing the staff, accepting the leadership of the minister	Getting organized, leading with the minister, thinking "mission"	Start creating policies to streamline future decisions. Let the minister manage the staff!	Learn to delegate work Learn to say no to ideas that are not "on mission"	Do the work of policy style governance and govern with it. Refine and keep up with policies.
12	Member experience	Everybody works!	Everybody is in the family	Inner and outer circle	There's a lot going on around here and some new diversity.	The leadership (formal and informal) and the regular members. Relate to two ministers	Leaders, involved members, and the customers
13	Governance Needs	Simple bylaws and mission statement	Re-work bylaws minister contract, job descriptions, behavioral covenant.	Add board policies, committee charters	Moving towards policy-based governance Add org chart, performance management system, User access to all documents,	Switch to Policy-based governance. add a program team to help minister manage programs, councils for large program clusters such as RE and Social Justice.	Reduce board size. Up size all structures
14	Program/Assimilation Challenges	Provide spiritual program w/o clergy Don't mob visitors, but do let them join the family!	Don't jump on the visitors! Add small group ministry, RE program, social justice to worship and social activities	Keep adding programs and points of entry. Watch the back door for folks drifting away.!	People expect things to go smoothly. Focus on New Member experience and assimilation. Add more groups and points of entry.	Attend to new standards of excellence at this stage. (Music, worship experience, administration, fund raising) Expand points of entry, add worship, small groups. Add Membership Management software and staff. Staff must attend to Social Justice work of congregation.	Add development director, manage membership experience over the various ways people become involved in the congregation, add groups!

Appendix F: Holly House Sale Task Force Charter

Holly House Sale Task Force 2019-20 Charter FINAL DRAFT

Section A: Name

1. What is the name of your group?

Holly House Sale Task Force (“HHSTF”)

Section B: Purpose

1. What is the purpose of your group?

In accordance with the March 24, 2019 congregational vote approving the sale of the Holly House property to Woodbridge NW, the Board approved the establishment of a new task force. The purpose of the task force is to assist the Board and SLT with completing the sale from Purchase and Sale Agreement through to closing.

2. How is your work related to one or more of our Unitarian Universalist Seven Principles?

By bringing the sale of the Holly House property to completion, the Task Force will help reposition church real estate into an asset to use toward its institutional integrity and its mission. The congregation will determine the use of the sale proceeds through processes which will require the use of all the Seven Principles. In particular the portion of the fund voted to be used for the Earth and Social Justice Fund, benefits the greater good and aspires to meet the second principle: “Justice, equity and compassion in human relations.”

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 respecting the experience, voice, and dedication of task force, congregation, and staff members in completing the transformation of real estate into an asset that can serve the sustainability and mission of the church and the greater good.

We explore spirituality by recognizing the ministry of each Task Force member through their participation on the Task Force and by recognizing that this work creates an opportunity for our congregation to grow spirituality as it develops processes and the plans for the use of the funds that the sale will generate.

We build community through good communication and collaboration with the Board, its committees, the staff, the Congregation, our developer, and our neighbors through the process of the working toward the completion of the sale.

We promote justice by negotiating and working with all parties involved in good faith, promoting fairness in our actions, and seeking to protect the vulnerable.

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.

The Task Force adopts the All Church Right Relations Covenant and will request observation and support from the Right Relations Facilitation Team as needed.

5. What relationship does your group have, if any, to the 2018/19 Ends? Ends are East Shore's goals.

We will support the following goals of our new 2018/2019 Board goals and any new goals for 2019-20 that relate to our charge:

3) 1.2 Developmental Ministry

During the tenure of the Developmental Minister, we will:

- Inspire a healthier culture at East Shore

We will support this goal by keeping all parties well informed and by demonstrating Right Relations in our interactions both within our group and with others.

4) Measuring impact of our earth and social justice activism to ensure the resources of our community are being used most effectively.

We will support this goal by expediting the sale process to provide funds for earth and social justice as determined by the congregation.

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:

- A mutually acceptable Purchase and Sales Agreement (PSA) by June 30, 2019
- A completed Secretary's Certificate with exhibits no later than 60 days after the completed PSA (end of feasibility period).

- A smooth, fair, and timely process from the feasibility period and through to closing by 12 months from mutual acceptance of the PSA.

- Available funds for East Shore to utilize toward its self-determined plans.

Intended Impact:

- Satisfaction of the Board, the Congregation, and the Buyer regarding the process and completion of the sale. Evaluate through debrief with of each party.

- Resources for East Shore to sustain, thrive and achieve its mission. Evaluate by availability of funds for congregational plans.

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?

PSTF is a Board task force, and Jason Purace is non-voting staff partner. The Board will appoint a Board liaison if it so chooses.

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

PSTF will have 5-6 members who include Dave Baumgart and Jim Shuman, from the previous Holly House Task Force. Additional members approved by the Board are Ann Fletcher, Policy and Governance facilitator, a TBD member who has real estate expertise, and Jason Puracal, our Executive Director. The Board may appoint another member to fill other specific needed roles it or the Task Force identifies.

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

The Task Force will have a chair who will communicate with the Board, other church groups, staff, and church members, facilitate the Task Force meetings, and work with others on the Task Force to prioritize and accomplish its goals. The chair may delegate specific duties to other Task Force members as needed. Current Chair is Dave Baumgart.

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 Task Force Chair will be 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 email 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. If consensus is not reached, the Board will be informed of the different positions and rationale behind each.

7. How are records kept and passed on for your group? If you are a Board Committee, what one person on your team will write the monthly report for the Board packet?

Monthly reports to the Board will be prepared by the chair or board liaison and submitted for inclusion in the Board packet before each meeting.

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

Two of the members were recruited from the previous Holly House Task Force. One member was recruited by the previous Holly House Task Force to provide facilitation of the Purchase and Sale Agreement as a transition from the old Task Force to the new one. The recommended staff person assigned by the Board to the Task Force was best suited to provide the day to day execution of the church finances, contracts, facilities, grounds, etc. The Board and Task Force will recruit a member who can provide expertise in real estate transactions and, if needed, one or two more members to fulfill specific identified needs. They will do this by requesting suggestions from the Nominating Committee and/or having an application process open to members with an interest and the needed expertise. An orientation of new members will include review of previous Task Force activities, familiarity with the charter, mentoring by other members as needed, and understanding/acceptance of the Right Relations Covenant.

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 by committing to meeting, communication, and documentation time. Useful skill sets include communication, real estate development, finance, contract analysis, church governance policies and process, staff procedures.

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, talking with congregants after services. It collaborates with the Board through regular direct oral and written communication, with the Financial Stewardship Team through email, phone, or meeting attendance, with the Grounds Team Chair through email or phone, and similarly with any other group or staff member who is affected by or who might be needed for support and collaboration.

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 Board email or agreement of the Board President and Board liaison with communication to the full Board. The back-up person will be delegated by the chair and reported to Nicole.

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

The Task Force makes decisions about their meetings and tasks that will lead to fulfillment of their charge from the Board. They will determine communications with the Broker, the Buyer, any project managers, the Sophia Way in accordance with related direction from the Board. Documents and other legal materials are subject to Board modification, review and approval. The Task Force 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 about all matters relating to the completion of the sale of the Holly House property.

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 or the sale is closed.

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 G: 350 Eastside Amendment #1 to Sponsorship Agreement

350 Eastside

Registered Agent: Phil Ritter

Registered Address:

1737 211th PI NE,

Sammamish, WA 98074-4215

CONFIDENTIAL, PLEASE

NOT FOR PUBLICATION

ESUC Board approved _____

Amendment #1 to Sponsorship Agreement

This first Amendment (“Amendment #1”) dated as of June 26, 2019 (the “Amendment Execution Date”) amends the Sponsorship Agreement dated 5/16/2018 (the “Agreement”) by and between East Shore Unitarian Church (“Sponsor”) with its principal place of business located at 12700 SE 32nd Street, Bellevue, WA 98005, and 350 Eastside, a Washington non-profit corporation (“Sponsee”), with its registered address at 1737 211th PI NE, Sammamish, WA 98074.

WHEREAS, the parties mutually desire to amend the Agreement to allow for an extension of the Agreement.

NOW, THEREFORE, in consideration of the mutual promises and the terms and conditions contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

Section 7 of the Agreement is amended to read as follows:

This Agreement will be valid for the period of May 16, 2018 to May 15, 2019, and will be extended from May 16, 2019 (the “Amendment Effective Date”) until June 30, 2020.

Section 4 of the Agreement is amended to add the following Subsection “v.”:

Host shall be responsible for assuring that East Shore brochures are located in meeting rooms and readily available for participants.

Except as provided in this Amendment #1, all terms and conditions of the Agreement remain in full force and effect. Unless otherwise stated in this Amendment #1, each defined term herein shall have the same meaning ascribed to such term in the Agreement and Amendment #1.

WHEREAS, this Amendment is subject to approval by the Board of Trustees of the Sponsor within 30 days of execution or becomes null and void with no further obligations by either party.

IN WITNESS WHEREOF, the parties have executed this Amendment #1, effective as of the Amendment Effective Date, subject to Sponsor Board approval.

Each individual executing this Agreement on behalf of an organization represents and warrants that (s)he is duly authorized to execute and deliver this Agreement on behalf of said corporation, in accordance with a duly adopted resolution of the board of directors of said corporation or in accordance with the bylaws of said corporation, and that this Agreement is binding upon said corporation in accordance with its terms. In addition, this contract shall be

governed by the laws, regulations and ordinances of the City of Bellevue, Washington, King County, Washington, and the State of Washington, and where applicable, Federal laws.

As to Sponsor this 26th day of June, 2019.

Jason Puracal
Executive Director
East Shore Unitarian Church

As to Sponsee, this 26th day of June, 2019.

Sara Papanikolaou
President
350 Eastside

As to Host, this 26th day of June, 2019.

David Chapin
Chair
Climate Action Ministry Team, ESUC

Appendix H: Advocate Telecom Estimate

AdvocateTelecom, Inc.
 626 128th Street SW
 Suite 108
 Everett, WA 98204

Estimate

Date 5/28/2019
 Estimate # 190432

Name / Address
 East Shore Unitarian Church
 12700 Southeast 32nd Street
 Bellevue, WA 98005-4317

Ship To
East Shore Unitarian Church 12700 Southeast 32nd Street Bellevue, WA 98005-4317

P.O. #
 Terms Due on receipt

Due Date 6/27/2019
 Other

Description	Qty	Rate	Total
Scope of Work : Network Support Agreement - ANNUAL			
AdvoTel Pro Annual Agreement (MRC / Per Month.): (1) Server, (10) Workstations, (1) Laptop, (1) Firewall, (3) Wireless AP. (2) Xray Devices (1) Location / (3) Buildings 24/7 Monitoring and Notifications Asset Tracking Report Quarterly Network Report Antivirus Installation Licensing and Management Remote Machine Support and Management Automated Computer Optimization / Maintenance Microsoft Update Management Management and Update of specified 3rd party applications	1	695.00	695.00T
Thank you for choosing AdvocateTelecom. We love referrals!		Subtotal	
		Sales Tax (10.0%)	
		Total	

AdvocateTelecom, Inc.
 Billing@AdvocateTelecom.net
 AdvocateTelecom.net

425-374-7907
 425-374-7917

AdvocateTelecom, Inc.
 626 128th Street SW
 Suite 108
 Everett, WA 98204

Estimate

Date 5/28/2019
 Estimate # 190432

Name / Address

East Shore Unitarian Church
 12700 Southeast 32nd Street
 Bellevue, WA 98005-4317

Ship To
East Shore Unitarian Church 12700 Southeast 32nd Street Bellevue, WA 98005-4317

P.O. #
 Terms Due on receipt

Due Date 6/27/2019
 Other

Description	Qty	Rate	Total
Mid Tier SLA enforced Server Backup - (File/Folder - 1TB) **1.0 Support hour (phone/remote) non accruing, included monthly. (Business hours)** **Reduced hourly rate of \$125.00 engaged for phone/remote/onsite support** HOURLY SERVICE: Client Onboarding, documentation review, credential refresh - (NRC - One Time)	3	125.00	375.00T
NOTE : Estimate assumes full network documentation is procured and correct from current IT vendor. Review of documentation may warrant changes to estimate. Client will be appraised in the event this becomes necessary. Can assist client with any item outside of the scope of this proposal with notice.			
Thank you for choosing AdvocateTelecom. We love referrals!		Subtotal	
		Sales Tax (10.0%)	
		Total	

AdvocateTelecom, Inc.
 Billing@AdvocateTelecom.net
 AdvocateTelecom.net

425-374-7907
 425-374-7917

AdvocateTelecom, Inc.
 626 128th Street SW
 Suite 108
 Everett, WA 98204

Estimate

Date 5/28/2019
 Estimate # 190432

Name / Address
 East Shore Unitarian Church
 12700 Southeast 32nd Street
 Bellevue, WA 98005-4317

Ship To
East Shore Unitarian Church 12700 Southeast 32nd Street Bellevue, WA 98005-4317

P.O. #
 Terms Due on receipt

Due Date 6/27/2019
 Other

Description	Qty	Rate	Total
Thank you for choosing Advocate Telecom!			
Thank you for choosing AdvocateTelecom. We love referrals!		Subtotal	\$1,070.00
		Sales Tax (10.0%)	\$107.00
		Total	\$1,177.00

AdvocateTelecom, Inc.
 Billing@AdvocateTelecom.net
 AdvocateTelecom.net

425-374-7907
 425-374-7917

Appendix I: Letter from CAM supporting endorsement of Energy Innovation and Carbon Dividend Act

The Climate Action Ministry is seeking ESUC's support for the Energy Innovation and Carbon Dividend (EICD Act), which is bill that has been introduced in both the U.S. Senate and House to reduce carbon emissions. This bipartisan bill is the product of many years of work by Citizens Climate Lobby (CCL), of which there are about 10 members from ESUC. Previously, ESUC endorsed the CCL carbon fee and dividend proposal before it was introduced as a bill. In getting that endorsement CAM made a request to your predecessor, Rev. Elaine, who then obtained the church Board's approval. We're thinking that this request would follow a similar process.

The EICD Act has been endorsed by the UUA, specifically by the UUA Organizational Strategy Team headed by Rev. Karen Brammer, Senior Associate for Climate Justice with UUA. Below is a statement by the UUA articulating their support for the bill. And here is a [web page](#) where you can scroll down to see all the faith groups (following individuals and businesses) that currently support the bill, including six UU congregations.

The EICD Act is a measure to put a price on fossil fuels, where the revenues are returned to American households as a dividend (and thus is revenue neutral). The dividend would be paid equally to all households on a monthly basis, which offsets the higher energy costs (especially to low-income families and individuals) and also helps to stimulate the economy. Predictable higher fossil fuel energy costs are in incentive for people to conserve energy and for industry to develop and market more renewable energy. Other elements of the bill include a border adjustment for exports/imports and regulatory changes. Here is a [link that explains the bill](#) in more detail.