

East Shore Unitarian Church

Meeting of the Board of Trustees

May 23, 2023, Board Packet

Our East Shore Unitarian Church Board Covenant

We covenant to hold the Eight Principles of Unitarian Universalism, the Mission of ESUC, and the ESUC Right Relations Covenant as the touchstones for all actions and decisions we make as a Board. We recognize that how we hold and treat each other, and the congregation is the spiritual ground from which grow the actions and decisions that support the health and welfare of the church now and in the future. We aspire to lead by example, filled with good will for all present and the full congregation, and calling forth the best in all congregants and empowering their strengths and contributions. Support the entire congregation by contributing our best selves and our best gifts in trust for future generations.

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Agenda

REGULAR SESSION

Facilitator	Signer Lalish, President
Time Keeper	Geri Kennedy, Board Treasurer
Process Observer	
Tech	David Langrock, Vice-President

Chalice Lighting and Reading	2 minutes	All attendees
Covenant and Land Acknowledgment	5 minutes	All attendees
Check-in	10 minutes	Facilitator
Consent Agenda	2 minutes	Facilitator
		<ul style="list-style-type: none"> • Board Retreat Planning • Approval of Endowment Fund Purpose and Policy Statement • Approve April 2023 Board of Trustees Meeting Minutes
Discussion Item #1	15 minutes	Louise Wilkinson/ Nicole Duff
		<ul style="list-style-type: none"> • Budget for GA Delegates beyond for expenses beyond tuition
Discussion Item #2	10 minutes	Grace Colton
		<ul style="list-style-type: none"> • Discussion of Article XI Section G: Budget and Finance
Discussion Item #3	15 minutes	Louise Wilkinson
		<ul style="list-style-type: none"> • White Supremacy Culture Work
Announcements	5 minutes	Facilitator
Process Reflection	5 minutes	Process Observer

Closing

Facilitator

EXECUTIVE SESSION

Discussion Item #1

5 minutes

Craig Nelson

Discussion Item #2

5 minutes

Facilitat

Discussion Item #3

30 minutes

Deb Boehm-Davis

Dismissal

May Consent Agenda Voting Items

- Accept the Board of Trustees Minutes from the May,2023, meeting as written
- Approval of Endowment Fund Purpose and Policy Statement
- Approve Board Retreat Planning Group of Signe Lalish, David Langrock and Martin Cox

May Board Reports

Minister's Report –

Rev. Dr. Maria Cristina Vlassidis Burgoa

Minister's Report * March/April 2023



Highlights:

April 23, 2023-Installation Ceremony: I begin this report with deep gratitude for a wonderful and memorable Installation Ceremony. Thank you to all our dedicated staff, guests, and volunteers who worked extra hard to make sure I had everything I needed: Thank you Rebecca for helping me with the budget and payments. Thank you Dianne and Celil for helping me with setting up my family altars in the sanctuary, setting up Spring Hall, and finding such a great Turkish restaurant to cater the reception. Thank you Jenny for printing the beautiful orders of service and providing tech support. Thank you Nicole for coordinating the volunteers who helped to set up, greet, usher, decorate, and clean up. Thank you Eric, our Mighty Choir, and Emma's Revolution for the amazing music. Thank you Amanda Alice, Rhonda Brown, LeAnne, and all the children and youth who participated in the creation of my beautiful stole with the words "Interdependence" and "Transformation" to guide our Shared Ministry. It was a blessing to share this momentous occasion with my mother and son and to welcome my dear friends and colleagues Aisha Hauser, Rev.

Nancy Palmer-Jones, Karin Lin, Christina Rivera, Julica Hermann Dela Fuente, and local UU clergy Rev. Jennifer Alviar, Rev. Eric Kaminetzky, and Rev. Crystal Zerfoss. Thank you to the members of the Ministerial Search Committee and especially to David Langrock, BOT Vice-President, for leading the Installation ceremony. Thank you to all the members of the Board, Ministry Teams, and all the congregants who attend in person or via zoom. The result was a beautiful, joyful, and unforgettable ceremony that will continue to inspire me for years to come. It was truly a Blessed event!

Worship Services:

March 19 - Spring Equinox Celebration: Co-led with LeAnne Struble

March 25 - Sam Glass Memorial Service

March 26 - Honoring César Chávez & Dolores Huerta

April 2 - Indigenous Connections with Guest Speaker Freddie Lane

April 9 - Easter & Flower Communion

April 16 - Rev. Jennifer Alviar Guest Preacher

April 23 - Installation Ceremony

April 30 - Sacred Play with Guy Nelson

May 7 - Clara Barton Sisterhood

Updates:

- **COSM:** The Committee on Shared Ministry will continue to discuss and identify goals and objectives for the new church year, beginning in September. We hope to produce a document to be shared with the congregation, outlining the purpose of the Committee, our understanding of Shared Ministry, and how we aim to support the Board's goals, and East Shore's Mission and Vision.
- **Staff:** I continue to do my best to contribute to a working environment with healthy professional boundaries. I am intentional in expressing gratitude to every staff person for their dedication and important contributions. Having the opportunity to participate in the evaluation process allowed me to consider additional ways to improve communication and strengthen our team spirit. It is helpful to have regular weekly staff meetings, weekly worship planning meetings, bi-monthly SLT meetings, as well as meetings with individual staff members to discuss issues particular to their jobs and ways I can support them.
- **SLT:** We continue to address important issues such as COVID protocols and masking guidelines, understanding processes when making recommendations to the BOT, and improving our communication and collaboration skills.

- **Ministry Teams:** Geri, Rebecca, and I met with Doug and Barbara from the **Khasi Hills** group to discuss their charter which included a request for money from the operational budget. Geri and Rebecca provided the financial information needed. In addition, I was asked to express my support for this project from the pulpit to encourage donations. This led to a difficult conversation about our limited budget and how the philosophy, structure, and management of UUA international projects have changed over the years. In a follow-up email to Doug, I wrote in part: “Let's consider taking this time to regroup, reimagine, and create spaces for dialogue. Let us keep the communication channels open while we continue to work together to think of ways of refreshing/updating the goals and the social media image of the project to appeal to a broader constituency. New generations are aware of the complexities surrounding international projects in third world countries. Perhaps you might consider working on articles, webpage blogs, and/or social media posts addressing the history and significance of the project and how the participants/sponsors have addressed concerns about: Power dynamics between donors/sponsors and community leaders; Long-term goals for community capacity building and community self-sufficiency to address ongoing dependence. How does the work address structural societal issues? These are just suggestions. I am open to continuing our conversations to plan for the next church year. Sending you and Barbara deep gratitude and best wishes for safe travels.”

On a different note, Peggy from **Congregations for the Homeless** has reported that the number of guests has declined. I will be meeting with her to discuss possibilities for alternative ways of continuing to support this effort, perhaps teaming up with another congregation, delivering food, having a clothing drive, etc.

With respect to bringing all the Ministry Teams together at least on a quarterly basis to share information and resources, I will be working with them to create a **Ministry Teams Council** and to develop a meeting schedule beginning in the Fall.

- **Worship:** Working with Eric, Amanda Alice, LeAnne, and Jenny to plan and coordinate Sunday worship services is always a pleasure. I appreciate our collaborative process, creativity, respectful

communication, and the highly professional and caring manner with which we treat each other. We consistently receive very positive feedback from members and visitors alike. We meet every Wednesday to go over the order of service and again on Thursdays to rehearse and finalize the order of service. Beginning in the new church year we will develop monthly themes to improve and enrich the ways the sermon topic informs the choice of musical selections and RE class discussions and activities.

- **Pastoral Care:** I continue to meet with the Lay Pastoral Ministry Team on a monthly basis. They are a wonderful group of dedicated people providing assistance to those in need. We share reports about the people we are assisting and also share strategies/suggestions in complicated cases. One recurring need we struggle with is getting volunteers to provide transportation to elders wishing to participate in Sunday services.
- **Service to the UUMA and UUA:** I was recently appointed as the UUMA Liaison to the Ministerial Fellowship Committee (MFC). The MFC has jurisdiction over all phases of ministerial credentialing. Candidates for ministerial fellowship are interviewed by the Committee before fellowship is granted. Additionally, the MFC has the authority to remove ministerial fellowship. Orientation will begin in June. I will be expected to attend meetings in September, November, and April.
- I serve the UUMA as a Dedicated Good Officer and Right Relations Team member, as needed. I also serve the Transgender Religious Professionals Together (TRUUST) as a volunteer chaplain once a month and the UUA's annual Finding Our Way Home Conference Retreat for Religious Professionals of Color as Worship Coordinator.

Summer Schedule:

- I will be moving on June 10th and will be taking some time off. I'm happy to report that the new place is only 6 minutes from church.
- I will be attending the UUMA's Ministry Days June 19-21 and GA June 21-25.
- I will be on vacation for the entire month of July and on Study Leave for the month of August, with the exception of the Board Retreat.
- I will be available for pastoral care emergencies.

Respectfully submitted,

Rev. María Cristina Vlassidis Burgoa

May 10, 2023

Installation Ceremony Benediction:

Beloveds,

Let us be grateful

For the Blessing of this gathering!

Creator, Spirit of Life, Loving energy that guides us and protects us:

We thank you for our breath,

For our families, for our communities

We thank you for the blessing of sky, sun, moon, trees, rivers, ocean, mountains, healing herbs, water, and all our relatives who inhabit them and make them sacred.

We thank you for the awareness and the strength to continue learning, growing, loving and defending all people, places, and vulnerable beings.

Blessed be the moment, the place, the spirit, the stars and the people who conspired to bring us together today.

Blessed be the light that guided our steps

So we could arrive at this moment, this breath.

Creator, Breath of Life, Divine mystery:

May your light continue to illuminate our hearts with compassion

May your wisdom guide us on our shared journey

And may all the promises we have exchanged and shared today

Be honored in your holy name.

May we keep moving forward, Siempre adelante!

Open and Willing,

Singing and Praying,

Listening to the Voices of our ancestors

To each other, and to our own hearts.

In the name of love, of beauty, and all that is good and holy,

Go in Peace, in Love, and in Power! Amen! Ashe! Blessed Be!





President's Report – Signe Lalish-Menagh

Consent Agenda:

Approve: Martin Cox, David Langrock, Nicole Duff and Signe Lalish as Board Retreat Working Group to complete planning for our facilitator, arrange the Agenda, any speakers and notify the Board prior to the July Board meeting if not sooner.

Approve all Board meetings as listed in the Board Report for the 2023-2024 year.

Congregational Meeting:

April and May are always busy months as we prepare for the Congregational Meeting. I have been busy coordinating with members from Policy and Governance to get all our documents polished up for June 11th. Thank you to everyone on the Board and SLT for being so helpful with your feedback and comments. I have sent the draft Slide Deck, Agenda and President's Report. All supporting documents for the voting materials are coming together and the venue is secured. The Announcement is completed and will be emailed out and physical copies to those who need them by May 25th.

Board Retreat:

Informally, over email, Martin Cox, David Langrock, Nicole Duff and Signe Lalish all volunteered for the positions needed for the Board Retreat Working Group. See the Consent Agenda item above related to this topic.

We are ecstatic that we were able to come together on short notice and over email to bring forward a highly recommended Facilitator, Julica Hermann de la Fuente, to come work with us at our Board Retreat. We have not had an opportunity to have a Facilitator in I don't know how long so this is very exciting and I hope something that will become more of a tradition.

I realize this was done in a bit of a rush in order to secure Julica (or anyone for that matter) but now that we know what the parameters are, hopefully we can add this to our list of reasons why a long term planning calendar is vital for future so that we won't need to rush into decisions like these.

Board Meetings:

All the following BOT meetings run from 3:30 PM – 5:30 PM PT.

All dates below are the Fourth Thursday of the month except November 16 (to avoid Thanksgiving) and December 21 (to avoid staff winter break):

- June 22, 2023
- July 27, 2023
- August 24, 2023
- September 28, 2023
- October 26, 2023
- November 16, 2023 – avoids Thanksgiving day.
- December 21, 2023 – avoids staff winter break.
- January 25, 2024
- February 22, 2024
- March 28, 2024
- April 25, 2024
- May 23, 2024

Meetings:

April Board Meeting April 25th, 4:00pm-6:00pm

IDI Debrief April 27th, 2:30pm-4:00pm

Policy 2.10 meeting May 1st 10:00am-11:00am

Policy and Governance Meeting May 3rd 7pm-9pm

Policy 2.10 meeting May 7th 3pm-4pm

Executive Committee Meeting May 10th 5:00pm-6:30pm

Policy 2.10 meeting May 12th 1pm-2pm

Policy and Governance Liaison:

See attached documents

Respectfully Submitted,
Signe Lalish-Menagh

Vice President's Report – David Langrock

Text or no report submitted

Treasurer Report – Geri Kennedy

Treasurer's Report for May 2023

First the not so good news, which I'm sure will also be in Rebecca's report. Diamond Parking has terminated their contract so the last payment will be in May, and will likely be the \$2,380 they have been paying this year. The contract was based on their income, which has diminished enough that it isn't worth it for them to continue using our space. Fewer workers in Factoria we guess.

This will be a shortfall of about \$70,000 for the remainder of this year. We do not anticipate finding another tenant for the parking lot, but Rebecca says they left on good terms and so if they have need again they would be welcome to return.

So far, 1/3 of the way through the year though, we are doing ok. In looking forward there are several expense line items that should come out less than budgeted which should offset about ½ of the lost income. Staff is also working on new rental opportunities.

Plans are in place to begin the 2024 budget process in early August. By that time we should have a good 20 year spreadsheet to look at the long term building reserve needs in order to set a goal for annual additions to the fund. A similar spreadsheet has been done for the new minister reserve. Both of these will be funded through the operating budget and hopefully, especially for the building reserve, designated donations.

Year-to-date, income has exceeded expenses. We do have some expenses coming up in the next few months, including the beam replacement (\$25,000), bathroom improvements for RE building (\$14,000 – covered by the Fund-a-need monies) and insurance (\$15,000 – also budgeted).

Director Of Finance and Operations Report – Rebecca Chatfield

DFO's Report - Rebecca Chatfield

23 May 2023

Education Building updates – Fund-a-Need

Take a look at the improved look & energy efficiency of the new appliances in the Spring Hall kitchen. With Fund-a-Need member-donated funds, I purchased and oversaw installation of a new Energy Star refrigerator, a new self-cleaning electric oven to replace the over old one with the cracked surface, and

a new kitchen sink faucet to replace the broken one that needed a wrench to turn it on! Everything looks better and works better too.

The Fund-a-Need funds also let us tackle a refresh of the Education Building bathrooms. We will be replacing toilets, flooring, sinks, and countertops in June. Our goal is to retain the ADA characteristics that were already built into the spaces and upgrade the fixtures for better maintenance, cleaning, and lower water usage. Thanks to Doug Strombom, Dianne Upton, Celil Cakmak, and Facilities Team for the supportive work on these projects!

Diamond Parking – contract termination

As previously reported to the Board, unfortunately Diamond Parking is terminating their entire parking lot contract with East Shore effective May 31 due to decreased corporate demand for offsite parking. The impact to the East Shore 2023 budget cycle is a loss in expected revenue. Overall in 2023, Diamond will pay us \$23,450 instead of (the previously budgeted revenue of) \$97,860. This means \$74,410 less income from parking lot rental than originally budgeted for 2023.

Financial Statements – April 2023

See provided financial statements included below. Detailed reports are readily available. April 2023 financial statements are at the end of this report. Balances in all accounts are documented with appropriate reconciliations. The highlights:

- Expenses (\$110,336) exceeded Revenues (\$76,054) for April.
- Endowment Equities account balance is \$996,817. Market went up slightly.
- Endowment Fixed (operating reserve) balance is \$124,070. Went up slightly.
- The amount owed on the mortgage on the Education Building is \$377,038.
- Seabeck & WP Retreat fee registrations this month.

Miscellaneous Finance, Bookkeeping and Banking Items

- Followed up on event registrations in Realm and tracked down failed transactions.
- Sent BECU cc statements to SLT members. Cleared a fraud alert from one credit card.
- Sold member-donated stock at Schwab account and transferred cash to Chase.
- Set up BECU account to be suitable for Building Reserve Fund money management.
- Continued streamlining and documenting of all accounting tasks.

Other DFO Work Projects

- Set project scope for Ed Building renovations using Fund A Need funds, with Doug Strombom.
- Meetings with Dianne about upcoming facilities repairs and projects in Education building.
- Attended a two-day nonprofit workshop run by Nonprofit Association of Washington.
- Continued conversations about finding new potential tenants in the Education building with SLT.
- Discussion with Finance team on potential lease of E101 by Eastside Audubon.
- Next revision of Financial Reference paper captures new fiscal year amounts.
- Minister Installation Ceremony costs discussions with Reverend Maria Cristina.

- Working with Nicole Duff and Dianne Upton to revise wedding packages offered.
- Meetings: Staff, Board, Exec Committee, SLT, Finance Team, Financial Stewardship/Endowment, Facilities Team, Holly House Task Force, UUA Large Church DFOs.

Facilities Maintenance, Repairs, and Upgrades

Dianne Upton, Facilities Manager, reports that the following work done on campus. Ongoing gratitude for Celil Cakmak who saves money by handling small repairs and upgrades around campus.

- Met with Doug Strombom and Rebecca DFO to discuss fund-a-need renovation of Ed building restrooms. Working with Bellevue Plumbing on Fund-a-Need plumbing needs for restroom; visited showroom with Rebecca and Doug Strombom to finalize ADA-compliant fixtures.
- Faucet replacement in Spring Hall. Celil repaired faucet in Sanctuary restroom.
- Investigating sound abatement solutions for Spring Hall.
- Contacted Ed Borroff for bid for removal of brackets and wall repair/paint in Spring Hall to prepare for sound abatement wall panels.
- With David Kappler, planning a future regrading of lower parking lot.
- Organizing Junk B Gone pick-up.
- Arranged for grease trap cleaning in North Room kitchen.
- Celil cleaned and organized seasonal storage.
- Roof cleaning completed.

And Dianne also reports on events-related coordination and other tasks.

- Reported stolen vehicle incident to police department and met with officer to discuss and provide security video.
- Tree sculpture removed from Spring Hall and picked up by Linda Todd.
- Trained Catherine Ramsey as new Trusted Keyholder.
- Coordinating with Khasi Hills to set Trinkets and Treasures dates for summer.
- Worked with P-Patch for plant sale and tomato plant distribution on May 7 & May 14 tabling.
- Met with DRE to coordinate education building closet contents to library cupboards.
- Celil prepped Sanctuary building for memorial service May 6 (rental).
- Celil provided special set-up help for Margaret Fuller Tea on overtime.
- Met with SMVA Trust to plan for large event on June 23/24.
- Working with J Page family for June 17 memorial.
- Coordinating with Lyle family on memorial service for Lenore.
- Discussion with Sri Sathyal Sai regarding Labor Day weekend retreat.
- Tablecloth discussion(s) with Caroline Haessly and Nicole and at staff meeting.
- Fielding numerous requests and inquiries about upcoming recital and conference rentals.
- Updated calendar entries & Zoom logins for upcoming meetings and events.

Here are the monthly financial statements.

East Shore Unitarian Church
Statement of Financial Position

As of: Apr 30th 2023

Assets	
Cash	
1010 Checking - Chase	215,344.03
1025 Savings - BECU	36.33
1090 Petty Cash	200.00
Total Cash	215,580.36
Investments	
1130 Stock Donations - Schwab	80.99
1140 Endowment -Schwab 8692	124,070.03
1170 Endowment Schwab 7213	996,817.24
Total Investments	1,120,968.26
Reserve Accounts	
1370 Building Reserve Fund	24,000.00
Total Reserve Accounts	24,000.00
HH Sale Expense Receivable	
1420 HH Sale Exp Rcvable - Legal/Eng	189,174.81
1421 HH Sale Exp Rcvable - Carrying Costs	1,707.46
Total HH Sale Expense Receivable	190,882.27
Total Assets	\$ 1,551,430.89
Liabilities & Net Assets	
Liabilities	
Long Term Liability	
2720 Damage Deposits - LT Rentals	2,750.00
2750 Building Loan	377,038.46
Total Long Term Liability	379,788.46
Total Liabilities	379,788.46
Net Assets	
3100 Operating Fund Balance	2,655.16
3200 Building Reserve Fund Balance	48,000.00
3300 Endowment Fund Balance	1,120,987.27
Total Net Assets	1,171,642.43
Total Liabilities & Net Assets	\$ 1,551,430.89

East Shore Unitarian Church
Statement of Activities - Summary

Date Range: Apr 1st 2023 - Apr 30th 2023 | Filtered by: Fund

Accounts	Actual Apr 01, 2023 - Apr 30, 2023	Budget Apr 01, 2023 - Apr 30, 2023	Actual This Year Year to Date	Budget This Year Year to Date	Annual Budget Apr 01, 2023 - Apr 30, 2023
Revenues					
Income - Donations	62,535.27	64,766.67	384,034.48	291,858.68	799,500.00
Income - Facilities Rentals	6,830.00	13,188.33	56,175.00	52,753.32	227,000.00
Income - Events & Pgms	6,416.50	23,600.00	40,499.50	77,900.00	104,700.00
Income - Other	172.99	50.00	19,537.34	19,075.00	76,100.00
Income - Fundraising	0.00	0.00	50,339.00	47,500.00	47,500.00
3-Designated Revenue	100.00	0.00	100.00	0.00	0.00
Total Revenues	\$ 76,054.76	\$ 101,605.00	\$ 550,685.32	\$ 489,087.00	\$ 1,254,800.00
Expenses					
Wages	47,483.04	48,863.17	186,231.82	195,452.68	586,358.00
Payroll Employer Portion	20,859.65	12,604.92	49,397.36	50,419.68	151,259.00
Professional Expenses	841.76	2,191.01	4,068.52	8,764.04	26,292.00
Contract Workers	385.00	1,189.58	2,420.57	4,758.32	14,275.00
Program Expense	16,645.33	14,472.51	21,183.88	23,390.04	115,570.00
Utilities	4,784.44	4,441.67	14,973.46	12,766.68	39,000.00
Facilities Expense	4,244.98	5,591.65	14,390.41	28,866.60	79,600.00
Business Expense	3,756.21	3,580.35	16,017.04	18,321.40	76,400.00
Office Expense	1,865.57	3,208.34	8,883.53	12,833.36	39,500.00
Fundraising Expense	0.00	0.00	0.00	1,600.00	12,900.00
Building Loan Expense	9,470.45	9,470.50	37,881.80	37,882.00	113,646.00
Total Expenses	\$ 110,336.43	\$ 105,613.70	\$ 355,448.39	\$ 395,054.80	\$ 1,254,800.00
Net Total	(\$ 34,281.67)	(\$ 4,008.70)	\$ 195,236.93	\$ 94,032.20	\$ 0.00

Director of Religious Education’s Report – amanda alic uluhan

May 2023 Report to the Board of Trustees
Director of Religious Education for Children and Youth
Amanda Alice Uluhan

Dates Covered: April 20, 2023 – May 18, 2023

I want to take a moment to lift up Trustee at Large, Louise Wilkinson, for accompanying and mentoring me during her time serving on the Board of Trustees. I have appreciated her skillful leadership regarding race and whiteness as well as right relations and communication. Thank you for “leading by example” and showing us how to incorporate healthy dialogue and empathy into our conversations. Louise, please join us again, and I look forward to seeing how your leadership and life thrive elsewhere!

Family Ministry Programs

Kids programs continue in their first year returning from quarantine at about 60% of pre-pandemic, 2019 numbers. Families are visiting the programs and we pay particular attention to welcoming them warmly and thoroughly.

Volunteers are the backbone of many of our congregation's programs, including and especially weekly children and youth ministries. An amazing number of volunteers dedicate themselves each week and I hope to continue developing this ministry as a core aspect of faith formation, leadership, and administrative excellence for the congregation.

Program – Age – Registered Students

Little Uus Nursery – Ages 1-5 – 7 students

Students meet each week for stories, songs, and activities. Students are welcomed into a loving environment of peers and trained volunteers.

Our Whole Lives Elementary – Ages 6-9 – 17 students

Students are provided with the 2023 OWL curriculum and are enjoying the course.

Stepping Stones – Ages 9-12 – 13 students

This age group resumed the curriculum they started in fall quarter and are learning about their identifying their own values and making decisions that are good for everyone.

Our Whole Lives – Ages 12-14 Comprehensive Sexuality Education – 9 students

This class is a strong cohort of youth, several of whom are planning to attend the Camp Blue Boat UUA summer camp in July.

Youth @ East Shore Y@ES! – Ages 13-18 Senior High Youth Group – 6 students

We have some seniors attending the June 11th bridging worship service, and several more in younger grades who are participating in youth group.

East Shore Summer Camp - 16 students

This program involves several youth counselors and adult volunteers engaging in topics of art and social justice.

Family Covenant Circle – several families attend a monthly lay-led circle; new families are always welcomed, and childcare is provided.

Garden Club –students are provided childcare during the Family Covenant Circle and are taught through an outdoor curriculum

Worship

I prepared the May 14th worship highlighting the opportunity of joy to alleviate and remedy suffering. I am working closely with the minister and music director to establish a calendar for summer and fall of next year. I am preparing the annual end of year RE Bridging celebration worship on June 11th.

Program and Congregational Development

I am working closely with several RE administrative volunteers to produce an end of year survey for families and volunteers, as well as prepare our annual review of Safe Congregations policies, Parent and Volunteer Handbooks, and Childcare protocols.

We've been accepted to host a summer intern through [Teens in Public Service](#) (TIPS), a Seattle area non-profit. TIPS provides 70 interns local placement in qualifying non-profits. TIPS also provides minimum wage salary directly to the intern and manages minor labor laws closely. In turn, East Shore supervises and hosts the intern for 160 hours throughout the summer in July and August. They will work closely with LeAnne and me in the RE department.

As we're thinking about Unitarian Universalism in connection with faith formation, Article II, Welcoming Congregations, and East Shore's own history, the question becomes "in what ways can we use these conversations as avenues into faith formation?" In other words, are we able to provide opportunities and dialogue in such a way that generates spiritual growth and development through the process of

engaging with the conversation? Rather than seeking the product, we are defining the process as the pathway to liberation and thriving. “How we do something, is how we do everything.”

For example, providing youth programs after quarantine has challenged my work as DRE. This is happening nationally; within many UU congregations, RE has been siloed, left to fend for itself, separate from the “rest of the congregation” that is aging and not replenishing itself. Thus, the question becomes, in what ways can the congregation shift its’ culture and resources so as to address the needs of youth and young adults today? If we can line up with how other UU congregations and communities are doing it, what the “experts” are recommending as to how we imagine, organize, and articulate congregational life, we can ride the wave of change and transformation right to where we need to go.

Professional Development

I have been invited to work with the UU Mental Health Network and a national group of national colleagues on a small grant to develop a Mental Health Toolkit for Children and Youth in UU Congregations. I also engage in ongoing discussions with the UUA, LREDA, and other colleagues regarding Article II and faith formation.

Respectfully submitted,
Amanda Alice Uluhan (she/they)
Credentialed Religious Educator

Director of Membership Development Report- Nicole Duff

Report from Director of Membership Development May 2023

Worship Numbers

2023 *

- April 2: 139
- April 9: 136
- April 16: 134
- April 23: 221 (Installation)
- April 30: 98

2022 *

- April 3: 119
- April 10: 129
- April 17: 122
- April 24: 203 (Candidtating Week)

* Attendance calculated by adding 25% to Zoom logins, plus in person when applicable.

Visitor Attendance:

- April 2: 25
- April 9: 34

- April 16: 23
- April 23: 44 + 12 speakers/guests (Installation)
- April 30: 20

Membership

Current Membership: 337

- Passed Away: John Fogle (4/3/23)

Pledging Friends: 43

On Pathway: 24

I have been spending a lot of time this month meeting with those on the Pathway to Membership. It is incredibly rewarding to hear their stories and know that we can be the community they are longing for. Recently, one person who has been delving into the fun activities on the Pathway to Membership sent me this in an email: "I have really enjoyed the freedom to explore these individual events and meeting various people (versus if your membership requirement was attendance in classes). The Pathway scheme allows me to be creative and explore at my own pace, over a period of time, which allows me to better internalize the experience and grasp what the community is about. Thank you for your uniquely flexible and fun on-boarding scheme!"

Membership Teams & Responsibilities

Beloved Conversations Among Task Force

The group is beginning to wrap up and figure out next steps. I'm hoping the group could conclude by making recommendations to the Board on how we can move forward. The Governance Group is working on a Pathway to leadership or another process for leadership development. The Membership group is working on developing a new Membership Development Team. This team would consist of 5 leaders, who each would work with different groups of volunteers. Their focus would be from visitors (emailing visitors, organizing greeters), to new members (mentors and others who just do scheduled check-ins), leadership development (working with Nominating Committee), membership engagement and volunteering, and long term/legacy member relationships (reaching out to our legacy members to maintain a meaningful relationship).

The 8th Principle

The team is working on a General Assembly Delegate gathering to help inform others about Article II. They are also beginning to talk about a possible video about Article II. A woman on the pathway is going to school to be an animator (she's already a videographer) and she is hoping to use her skills to help us out. The team will make sure to include Rev. Maria Cristina in the process.

Auction

Nothing new to report.

Membership & Coffee Hour & Technology

Volunteerism seems to be waning on helping with welcoming, ushering, and coffee:

<https://www.signupgenius.com/go/4090f4aa9a72fa0fc1-usher> Any help in taking a shift or encouraging others would be greatly appreciated.

Outreach & Website

The team this month is working with Amanda Alice Uluhan to get a new banner promoting summer camp! We also continued our discussion on t-shirts and are going to work on some slogans then have a poll on ESUConnections to see if any jump out. Lastly, Jeanne Lamont is going to write a press release about the Pride service to hope we can get some coverage of the event (not to promote it ahead of time in case of security issues).

Seabeck

As of May 17, 167 people are registered to attend Seabeck! Here are some fun stats!

- 102 people from East Shore!
- Of those, 19 have never been to Seabeck!
- Also from East Shore: 16 Children/Youth, 5 Young Adults
- 8 households are those on the Pathway to Membership

Welcoming Congregations

Please come to the Pride service on June 4!

Women's Perspective

We had a great turnout for the Margaret Fuller Tea this year! Thank you to Geri Kennedy and Barb Clagett for being our speakers. We were also thankful to Rev. Maria Cristina for a wonderful service on Clara Barton. It was wonderful to celebrate Barb Clagett and Milly Mullarky as they were inducted into the Clara Barton Sisterhood.

Communications & Social Media Metrics

Yelp for April 2023

9 Yelp Visits
1 User Leads
1 Calls
398 Impressions

Google My Business Report for April 2023

2,709 Profile Views
223 Asked for Directions
242 Visited Our Site
15 Called us

Google Search Console for April 2023

653 Clicks from Google
Top Performing Pages

- www.esuc.org (188)
- esuc.org (122)
- <https://esuc.org/upcoming-services/> (26)

ESUC.org Analytics for April 2023

1,648 Users
1,493 New Users
2,273 Sessions
4,654 Page Views

1:41 Average Session
38.00% use mobile, 1.94% use tablet
User Acquisition

- 49.48% Direct
- 40.3% Organic
- 10.1% Other

Facebook: 972 Followers
Instagram: 269 Followers
Twitter: 60 Followers

UUAMP Work

In my work with the UU Association of Membership Professionals (UUAMP), I have continued working on the Professional Day! I want to thank Rebecca Chatfield and Geri Kennedy for working with me to purchase items for UUAMP using my professional expenses, but then having UUAMP (through the UUA) reimburse East Shore. I am practicing full transparency with this and will continue to keep Rebecca and Geri looped in before any purchases.

Respectfully Submitted by Nicole Duff, Director of Membership Development

Policy and Governance Committee- Signe Lalish-Menagh

Policy & Governance Board Report for May 2023

Consent Agenda

- **Approve Mary Anderson as a regular member of P&G since June 2022.**

Submission to Board Agenda

- **Proposed Revision to Article XI Section G Budget and Finances - see attached for details. This proposal became a priority for the Bylaws Task Force in response to Board Treasurer Geri's observation that it was incorrect. Refer to Appendix B.**

Information for the Board

Policy 2.10 (Finances and Budgeting) Review

The policy 2.10 review group has completed its survey work and is beginning to write an executive summary of the survey responses. First round of questions were with the members of the Interim Budget Committee. Second round was members of the Board and SLT who weren't on the Interim Budget Committee plus teams with budgets. The purpose of contacting budget stakeholders was to be able to make broad recommendations to the Board about the budget process including any need for repair of relationships.

A package of: a revised policy 2.10, a revised Charter, and a summary of survey results will be submitted to P&G for its review and approval in June. It will need to be brought to the Board for its review in June. The new policy 2.10 needs to be in place by the end of August, ready for the next budget cycle. Please follow up with Grace Colton if you have any questions grace.colton@gmail.com

Proposed Article V Membership Bylaws Changes.

The proposed Article V bylaws and associated policies have been forwarded to the Board's executive officers. They decided to place them on May's agenda. The policies will be reviewed by the new Board at their June meeting; approved at their July meeting after the congregation has an opportunity for input. Bylaws task force is preparing for two info forums on June 4 and 6, submitting eblast blurbs, and Beacon articles for May and June issues. The proposed Article V bylaws will be on the agenda for our June 11 congregational meeting.

Annual Update of ESUC Charters

Work is beginning on the Annual Template Charter Review Process so the template can be finalized by the Fall of 2023.

Big Open Questions #1

Board needs to follow up with Martin on how to move forward with this

Respectfully Submitted,

Grace Colton, Lori Saccardi, Mary Anderson, Kirstie Lewis, Cathy Perry, Dave Myers, Ann Fletcher and Signe Lalish

Personnel Committee - Martin Cox

This Liaison Report includes the status of the work of the Evaluation Task Force (ETF).

The Evaluation Task Force (ETF) has completed the evaluations for SLT members Nicole, Amanda, and Rebecca for the period between Spring 2022 and Spring 2023. In early May, we held meetings with each of Nicole, Amanda, and Rebecca, reviewed their evaluation with them, and obtained their signatures.

The ETF has now delivered these evaluations to the Board of Trustees (BOT) in a Google Drive folder named, "ESUC FINAL SLT Evaluations and SLT Member SMARTIE Goals - May 2023." We plan to discuss the evaluations in executive session after the May 23, 2023, BOT meeting. The BOT has been asked to review these evaluations carefully before the May 23 meeting and come prepared to discuss the evaluations and any questions raised by the

evaluations that may translate to agenda items the board may wish to plan for future board meetings.

In addition to the evaluations, all SLT members including Rev. Maria Cristina, Nicole, Amanda, and Rebecca, have prepared SMARTIE Goals for 2023. The ETF has collected and delivered these SMARTIE goals to the BOT using in the Google Drive folder named, “ESUC FINAL SLT Evaluations and SLT Member SMARTIE Goals - May 2023”. Only voting Board members and members of the ETF have permission to access this folder.

While it is important for BOT members to review the SLT Evaluations carefully, these evaluations are complete and final. These evaluation documents will not be modified. The SMARTIE goals, however, do require BOT input. BOT members have permission to edit the SMARTIE goals documents in the Google drive folder, and BOT members are encouraged to add comments and suggestions to the SMARTIE goals documents.

Martin Cox, Board Liaison to the Personnel Committee

Right Relations Committee – Louise Wilkinson

The Right Relations Team is carefully considering how to support healing in the ES community. We seek to understand what role we can play, and what we can learn from this process.

Many of us are learning profound lessons from our UUA Right Relations Training. We are exploring how to share this.

We continue to improve and refine the community guidelines for our circles. These are important for vulnerability and accountability.

We have decided to suspend Community Circles for the summer, and spend the next few months sharing about how to move forward in the fall.

We are thinking about having powerful listening circles that provide learning and commitment to deep listening at ES, and prepare people for involvement in conflict resolution. We want to focus on topics that engage the whole community, possibly based on Rev. Maria Cristina’s sermons, and possibly in person on Sundays after service, or multiple circles spaced out during a month to enable maximum participation.

We are also talking about how to invite ES committees, task forces and teams into collaboration with right relations, what healing looks like to them, and what covenant we need for this community.

We are looking at how to engage wider involvement in circles and in the right relations team, and how to shift our leadership model.

Submitted by Louise Wilkinson

APPENDICES

Appendix A: May 2023 Board of Trustees Meeting Minutes

East Shore Unitarian Church Board of Trustees April 24, 2023 Minutes

Our East Shore Unitarian Church Board Covenant

We covenant to hold the Eight Principles of Unitarian Universalism, the Mission of ESUC, and the ESUC Right Relations Covenant as the umbrella for our own covenant and guidelines. We recognize that how we hold and treat each other and the congregation is the spiritual ground from which grow the actions and decisions that support the health and welfare of the church now and in the future. We aspire to lead by example, filled with good will for those present and all members of the community. We commit to empowering all congregants, calling on their strengths and contributions for the greater good. We hold ourselves accountable to practicing this living covenant and the following guidelines, changing them when called to, and should we break this promise, we agree to engage with Right Relations to address repair.

Board Members Present: Signe Lalish-Menagh, David Langrock, Louise Wilkinson, Geri Kennedy, Martin Cox, amanda alice uluhan, Nicole Duff, Rebecca Chatfield and Rev. Dr. Maria Cristina Vlassidis, and Maury Edwards.

Board Members absent: Evelyn Smith,

Visitors present: Keely Afrin, Taya Montgomery, Dianne Upton, Grace Colton, Ann Fletcher Craig Nelson and Bill Austin.

Meeting commenced at 4:03 pm PDT

Louise Wilkinson gave us an opening reading by Penny Hackett Evans, *Each of Us Brings a Separate Truth Here*.

We had a brief check-in.

CONSENT AGENDA

- Move that we approve the March Board of Trustees meeting minutes as written.

Maury Edwards moved to approve the Consent Agenda as written. Geri Kennedy seconded. There was no discussion.

The motion passed unanimously,

WHITE SUPREMACY SHARING

Louise provided us with an international and cross-cultural **GlobeSmart** chart of six 'dimensions' of cultural differences each with a spectrum represented by its poles. We divided into pairs and discussed one dimension per pair. Our observations were:

- 1) In our society the dimension of 'Egalitarianism vs. Status' is a mixed bag.
- 2) Re: 'Task vs. Relationship'- In meetings where there are agendas, how do we flow into and out of getting things done while staying in relationship? The corporate world demands we be task-oriented.
- 3) Re: 'Direct vs Indirect Communication": It is about relationship. Perhaps we always need to leave open lines to talk about stuff.
- 4) Re; 'Independent vs, Interdependent': One had an affirmation of returning to a place moving from 'I' to 'we'. 'Always collaborate/ always cooperate' is less present in this culture than the individualism mindset. It is hard to break down barriers of self-reliance, etc. A big block to intimacy. There is a need to do everything right.

BOARD COVENANT DISCUSSIONS

- 1) Nicole highlighted covenant #8: Actively engage in policy-based governance seeking to uphold legal duties and to support the entire organization. Use

RACI charts to clarify roles and responsibilities, boundaries, and lines of communication. Opt for collaboration whenever questions arise.

- 2) Maury highlighted covenant #9: Always maintain strict confidentiality for all sensitive issues, especially all topics discussed in Executive Sessions. Maintain clear guidelines about what is public and what is not. Make these guidelines clear to all guests participating in Board meetings

A discussion followed that revealed there is work to do on this in providing guidelines for our guests, Martin volunteered to write up a blurb that will present language in our beginning-meeting procedures so guests and meeting members alike are informed of and reminded to honor this covenant.

REGULAR BUSINESS- Tenant Search Guidelines

Rebecca provided a one-page document (in the packet) and a power point showing a flow chart describing the procedures to be used by the SLT for renting space in the education building on campus.

A discussion followed on determining space availability; the decision-making process on to whom to rent; and, recent trust issue experiences with a possible Catholic School tenant. It was noted that the proposed procedure to decide if a potential tenant is suitable does not accommodate any review by the congregation. For this and other reasons, this procedure if adopted would need to be written and communicated to the congregation.

It was determined that the SLT will discuss this next week in their regular weekly meeting..

GENERAL ASSEMBLY 2023 IN PITTSBURG DELEGATE SLATE

Geri Kennedy moved and Louise Wilkinson seconded to accept the slate of delegates presented by the Eighth Principle Ministry Committee as written:

Mike Radow, Maury Edwards, Marcy Langrock, Dave Baumgart, Grace Colton, Paul Buehrens, Ryam Hill and alternate Beth Wilson.

There was no discussion.

The motion passed unanimously.

PROCESS OBSERVER REPORT

David reported his observations of our process today. No one requested a discussion for repair.

CLOSING READING AND ADJOURNMENT

Louise had a closing reading for us by James Baldwin.

We adjourned at 5:39 pm PDT

Minutes compiled by Maury Edwards
Secretary, Board of Trustees
East Shore Unitarian Church
Bellevue, WA
April 24, 2023

Appendix B: Article XI Section G proposal from Policy and Governance Committee

For Board packet of May 2023 Board meeting

From Policy & Governance (P&G) Committee

NOTE: Use the link in the following line to access the table

Proposed change to Bylaw Article XI Section G ([link](#))

Currently, Section G (on the left side of the [table](#)) does not reflect how ESUC operates which means we are out of compliance with our bylaws. The Bylaws Task Force noticed this and Geri Kennedy, current Treasurer of the Board, highlighted to P&G that Article XI Section G of the bylaws needs to be addressed. P&G discussed this bylaw with Geri at a P&G meeting and by email with Grace Colton, Lead of P&G Committee. The Finance Team, which includes DFO Rebecca, has also discussed it.

This section of our bylaws is meant to establish a general, basic framework for the Board to be ultimately responsible for the budget and finances of ESUC. The Board can be more specific in policies if they wish to change current practice.

P&G found it hard to be specific in describing what budget events need a congregational vote due to the wide range of possible budget circumstances the Board could be, and has been, presented with. For example, reduction of parking lot tenants income, loss of Holly House tenant income, a large bequest, new donations or large grant monies. These events have not resulted in a congregational vote. We could only recall the year Rev Luton left as a budget year where a special congregational meeting was called to approve a new budget. The budget balances, technically, despite fluctuations in income and expenses through the year.

Two new bylaw paragraphs are proposed to replace the underlined wording in the current bylaw (see right side of [table](#) attached). The first addresses who and how to deal with budget variances that arise after the budget is approved. The proposed new language doesn't prohibit the Board from calling for a congregational vote if one is needed. The second paragraph captures the desire for a collaborative approach to budget priority setting and tells the Board it is to be reflected in their policies.

Other information:

- The Board no longer actively administers the budget.
- These changes eliminate a risk of liability for board members because it would now reflect what we actually do.
- Bylaws Task Force got phrasing help from All Soul's D.C. 's bylaws.

Appendix C: Endowment Fund Purpose and Policy Statement

The Endowment Fund Purpose and Policy Statement is an attachment to the Financial Stewardship Committee's Charter. This document sets forth the purpose of the East Shore Unitarian Church (ESUC) Endowment Fund and details church policy regarding this fund, guidelines for investing and managing the monies in this fund, and responsibilities of the Financial Stewardship Committee (FSC) to manage the Endowment.

The purpose of Endowment is to use and grow financial gifts for the long-term security of the church.. Some reasonable portion of the annual income from these gifts as they are invested will be designated to supplement the annual budget. Donors may expect that their gifts will be prudently invested, and the value of the donation will increase over the long term.

The Board-approved East Shore Financial Strategic Plan states that an additional goal of the Endowment fund is to support East Shore's capital facilities. To achieve this goal, sustainable funding is needed such that the endowment growth and resulting revenue can be used to not only supplement the church's annual operating budget, but to 'backstop' capital maintenance and improvements as needed while the church implements and grows a Building Reserve Fund dedicated to that purpose.

Section 1 : Endowment Guidelines

Accounting: The Endowment Fund is a Designated Fund and monies associated with it are separate from the Church Operating Fund. (The total Endowment Fund is currently the combined balance of the 3-1040 Endowment Money Funds – Schwab account and the 3-1070 Endowment Investments – Schwab account.)

Investments: Investments will be directed according to the Investment Policy

Statement (IPS), a description of investment policy which shall be applied to the endowment funds, and is a part of this Purpose and Policy Statement. The committee is charged with reviewing the Investment Policy Statement from time to time and updating it as needed.

Reporting: Investment performance results will be reported at least annually to the Board of Trustees.

Recordkeeping: The Chair or designated Member of the Committee will cause to have maintained records of contributions from donors, brokerage statements, correspondence, minutes, etc., and provide copies for archive to the Executive Director and operations quarterly. Confidentiality of these records will be maintained. The Chair will ensure that ongoing records of donations and gifts to the endowment are maintained in perpetuity.

Audit: The Endowment Fund is subject to audit such as would be any aspect of church finances, and the status and handling of the funds are subject to review by the Board of Trustees and the Financial Stewardship Committee.

Planning: The FSC will assist the board in financial planning by preparation and maintenance of a long-term (5 year) strategic plan that anticipates operating income and expenses as well as planned capital maintenance, repairs, and improvements of the church assets. This plan will include a sustainable annual distribution of endowment funds to the operating budget.

Section 2: Gifts and Distributions

Gifts and Sustainability: All gifts to the Endowment will be preserved as the

Endowment Fund Base. Members and friends who contribute to the endowment fund may expect that the basis of their gift will be preserved in the fund, invested prudently, and managed in such a way to increase the investment returns from Endowment over time.

Restricted gifts: In accordance with Policy 2.14, on approval of the Board of Trustees, the Endowment Fund may accept a gift from a donor who specifies the purpose for which the principal and income of the gift may apply. In such a case the principal may be expended in full at any time to meet the donor's instructions. Similarly, cash income from that part of the fund represented by the restricted gifts will become available each year in accordance with the donor's instructions. Such Restricted gifts will be accounted for in a Restricted Fund account, separate from the Designated Fund Endowment accounts.

Gifts of illiquid assets: Gifts of real property, private stock, or other non-liquid assets require Board approval to accept.

Annual Endowment Distribution: Each year, a distribution equal to 3.5% of the 3-year average market value of the Endowment fund as of December 31 will be available for transfer to the Operating Fund, or other appropriate church fund, by Board decision.

In the event that the 3-year average market value of the Endowment is below USD \$900,000, there shall be no annual distribution from the Endowment Fund. This Distribution formula is set by Board approval.

5- Year Financial Strategic Plan: In alignment with the ESUC Board Approved 5-Year Financial Strategic Plan, the intention of the Annual Endowment Distribution is to support the annual operating budget and provide the church additional flexibility in developing a Building Reserve Fund in connection with projected annual capital facilities expenses and improvements as assessed by the Facilities Team and approved by the Financial Stewardship Committee and BOT.

Excess Distributions: The Endowment Fund is designed to be a perpetual fund and distribution beyond the normal Annual Distribution shall occur only on the approval of the BOT up to the maximum amount of One Hundred Thousand Dollars (\$100,000) above the normal Annual Distribution. In alignment with ESUC Bylaws Article VIII, Section D (2), the total sum of distributions within a fiscal year from the Endowment Fund in excess of \$100,000 above the Annual Distribution requires majority approval of the church membership with a 25% quorum present at a duly called meeting.

Restrictions on borrowing: As a protection to the fund, the Church shall not borrow principal from the Endowment fund, nor may it use the assets of the fund as collateral in any of the borrowing.

Section 3: Planned Giving and Fund Raising

The Endowment Fund Committee is authorized to establish a planned giving program and to seek gifts and bequests under such a program. A plan for a bequest program or campaign will be approved by the board. Planned-giving includes bequests by will, beneficiary designation, charitable gift annuities and payments under a trust agreement. The purpose of the program is to:

- Inform and educate the congregation about the types of planned gifts and bequests that can benefit the church;
- Identify members and friends who may be interested in making a planned gift; and
- Make sure that interested members and friends are asked for a planned gift commitment and thanked and honored upon receipt of such a commitment.
- Grow the Endowment fund to be large enough to meet all the Capital needs for the future.

Bequest Society: The Elliot Marple Bequest Society is established to recognize those members that have made planned gift commitment.

Investment Policy Statement

Delegation of Responsibilities

The Board of Trustees hereby delegates responsibility for management of the Endowment to the Financial Stewardship Committee (FSC).

The FSC is dedicated to the prudent management of ESUC Endowment Funds and shall have explicit oversight over the management of the Endowment. The FSC is responsible for reviewing and monitoring investment results, reviewing and recommending changes to the IPS, reviewing and recommending hiring and termination of investment managers, and advising and educating the Trustees on various investment issues.

The Investment Advisor (IA) – The IA is responsible for assisting in the development of the investment policy statement, developing and recommending asset allocation strategies, monitoring the Fund’s investments, recommending investment vehicles and managers to the FS Committee, and providing periodic investment reports to the FSC.

The Investment Managers (IM) – Appointed by the FSC to manage investment assets in accordance with stated fund objectives. Manager selection will be done in accordance with strategic allocation.

The Custodian - Acts as an independent party from the Investment Managers. Their responsibilities include: the safekeeping of securities, reconciling account positions and activity with the investment managers, accounting for the collection of interest and dividends, accounting for security transactions, and preparing periodic account statements.

Statement of Investment Goals and Objectives

This statement of investment goals and objectives outlines the Endowment investment position regarding risk tolerance and the asset allocation of the Fund; defines the liquidity needs; sets forth an appropriate set of goals and objectives for the Fund’s assets; and defines parameters within which the FSC may formulate and execute their investment decisions.

General Investment Guidelines

In general, endowment fund investments have been designed to support the main objectives of:

- First, long-term growth of principal, and capital preservation. The goal of the Fund is to preserve purchasing power in perpetuity. Therefore, the Fund will be invested in a diversified asset portfolio with the expectation of total return, consistent with prudent investment management. Total return, as used herein, includes income plus realized and unrealized gains and losses on Fund assets.
- The secondary goal of the endowment fund will be to provide short-term liquidity for church facility needs as they may be identified by the board. The Endowment may be used to fund maintenance and repairs of facilities that might otherwise cause unreasonable 'spikes' in the operating budget, with the expectation that endowment funds so used would be replaced as part of future operating budgets.
- Third, the Endowment is expected to provide annual cash disbursements to East Shore's Operating Fund consistent with the "Liquidity Needs" section below.
- Finally, the Endowment is available as an emergency fund in the (hopefully rare) event that the Board shall declare an emergency requiring that funds from the endowment be utilized for other church purposes. In such event, the board shall take all care that guidelines for drawing additional funds from the endowment are followed (including congregational approval for draws in excess of \$100,000, and maintaining a "floor" of endowment balance).

Diversification – The Endowment Fund is to be broadly diversified across major equity and fixed income asset classes in a manner to limit the impact of large losses in individual asset classes. These asset classes include but are not limited to Domestic Equity, International Equity, Domestic Fixed Income, and International Fixed Income. Levels of diversification should be prudently aligned with the risk/return profile of the overall Fund objectives. The Committee will be aware of manager diversification within the portfolio but will be allowed the ability to dedicate management of all assets to a single manager when prudent. Under some circumstances the Fund will benefit from committing capital to an asset allocation fund under the direction of a single manager. The overall allocation of any combination of asset allocation Fund's should generally align with allocation targets included in Table I.

Overall Fund structure targets and target ranges for eligible asset classes are detailed in Table I of the IPS.

Building Equity -- To help build the principal of the fund, capital gains shall remain in the fund as they are realized, likewise, capital losses shall be charged against the principal of the fund. To build equity, substantially all of the assets of the fund (except those needed for liquidity needs described

below) shall remain invested in equities, which have demonstrated over the long term that they offer the best opportunity for growth.

Liquidity Needs (annual distribution) – Each year, a distribution equal to 3.5% of the 3-year average market value of the Endowment Fund as of December 31 shall be available for transfer to the church operating fund. In the event that the 3-year average market value of the Fund is below \$900,000, there shall be no distribution from the Endowment Fund.

The Endowment fund will maintain a portion of its funds as liquid assets (See Investment Allocation Table) anticipating annual distributions are available for a period of three years, and additionally anticipating any further need for cash as identified by the board and included in the 5-year plan.

Investment Vehicles – Investment vehicles for the Endowment Fund will be limited to investment structures deemed to be highly liquid and low expense ratios. Accepted products include mutual fund and ETF products with high liquidity and a consistent daily trading market.

Socially Responsible Investing – The Endowment Fund will seek socially responsible investment alternatives when appropriate within achieving other Fund objectives. The FS Committee will seek out investments meeting the “Environmental, Social and Governance (ESG)” criteria for a company’s operations that socially conscious investors use to screen investments. Environmental criteria look at how a company performs as a steward of the natural environment. Social criteria examine how a company manages relationships with its employees, suppliers, customers, and the communities where it operates. Governance deals with a company’s leadership, executive pay, audits and internal controls, and shareholder rights. The fund may choose socially responsible mutual funds and exchange-traded funds. The FS Committee is committed to ongoing evaluation of socially responsible investment options that align with the Fund priorities and objectives.

Rebalancing Policy – The FSC along with the Investment Advisor will address any rebalancing need on at least an annual basis. The FSC will assess whether the allocation continues to align with the targets set forth in Table I. If any asset class is outside of the range formalized in the strategic asset allocation, it would call for the need to rebalance. In the case of the strategic asset allocation being implemented through asset allocation funds there is a natural re-balancing mechanism inherent in the funds that would reduce the need for manual rebalancing. Intermittent cash flows throughout any time period will allow for a natural rebalance opportunity within the administration of the fund.

Dividends, Interest and Capital Gains Distribution Policy – All accumulated cash, whether dividends, interest, or realized capital gains will be allocated to align with targets set forth in Table I. The committee will work with the Investment Advisor to direct whether dividends are reinvested or paid in cash to provide flexibility for periodic rebalancing.

Investment Review

Review of Investment Objectives - The achievement of investment objectives will be reviewed on at least an annual basis. This review will focus on the continued feasibility of achieving the investment objectives indicated here. It is not expected that investments or allocation targets will change frequently; in particular, short-term changes in the financial markets should generally not require an adjustment.

Review of Investment Managers - The FS Committee will review results of all managers at least annually. With a perspective toward 1-, 3-, and 5-year time horizons.

The FS Committee will evaluate whether each manager has:

- Performed satisfactorily when compared with the specific objectives for its allocation of assets
- Produced results that compare favorably to other investment management organizations managing similar portfolios
- Performed in-line with returns of appropriate benchmark indices
- Managers will be monitored according to the following qualitative guidelines: departure of one or more key investment professionals, violation of fund objectives, and material changes within the manager's organization.

Review of Investment Advisor – An informal evaluation of the Investment Advisor will be done annually by the FS Committee. The FS Committee will communicate any suggestions for improvements to the IA. The FS Committee will also communicate any decisions to retain or consider termination of the IA to the Board.

Reporting Requirements – Within three weeks after the end of each quarter the Fund's Investment Advisor will provide a performance report for the overall fund. The Custodian will provide a quarterly statement and reconciliation of account activity on a quarterly basis within three weeks of the end of the quarter. The Investment Advisor will provide on request an annual performance analysis of individual managers held within the Fund.

Table I: Strategic Asset Allocation Table

Over the long-term, the asset allocation policy will be the key determinant of the returns generated by the Fund and the associated volatility of returns. Based on the Fund's objectives, circumstances, and spending policy, the FSC has developed the following asset mix guidelines:

Asset Class	Minimum	Target	Maximum	Policy Monitoring Benchmarks
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<i>EQUITY INVESTMENTS</i>				
US Equity – Large Cap	40.0%	45.0%	50.0%	Russell 1000 Index
US Equity – Small/Mid Cap	5.0%	10.0%	15.0%	Russell 2000 Index
Foreign Developed Markets	24.0%	28.0%	32.0%	MSCI World Ex-US Index
Emerging Markets Equity	0.0%	6.0%	10.0%	MSCI Emerging Markets Index
US Real Estate	4.0%	8.0%	12.0%	
Global Real Estate	0.0%	3.0%	5.0%	FTSE EPRA/NAREIT Developed
Total Equity		100.0%		
<i>CASH/LIQUID INVESTMENTS</i>				
US Treasury Bills (or equivalent)	80%	90%	95%	Short Term T-bills
Cash (or cash equivalents)	0.0%	10.0%	20.0%	Citigroup 3 Mo Treasury Bill Index
Total Fixed Income		23.0%		

Note -- The objective of the fund shall be to maintain substantially all of the assets in equity investments, except those needed for short term liquidity and facilities needs as defined and calculated per the earlier description of "Liquidity Needs".

Functions of the Committee – The FS Committee shall perform functions of an investment fiduciary. The Committee shall comply with all applicable fiduciary, prudence, and due diligence requirements experienced investment professionals would utilize; and with all applicable laws, rules and regulations that may impact the Endowment Fund.

Definition of a Fiduciary - A fiduciary is defined as a person who has the legal and/or implied moral responsibility to manage the assets of another person. A fiduciary must act solely in the best interests of that person. The FS Committee is subject to certain duties and responsibilities, including, but not limited to:

- Prudently diversify the portfolio to a specific risk/return profile
- Prepare, execute and maintain an investment policy statement
- Have investment decisions made by prudent experts
- Control and account for all investment-related expenses
- Monitor the activities of all investment-related service vendors • Avoid conflicts of interest and prohibited transactions

Acceptance of Investment Policy Statement Dated _____

I (we), the undersigned, have carefully reviewed and hereby approve and adopt this Investment Policy Statement.

Financial Stewardship Committee Chair

Date

Financial Stewardship Member

Date

Board of Trustees Treasurer

Date

Investment Advisor

Date

Appendix D: xxx

Text or no report submitted

Appendix E: xxx

Appendix F: xxx

Appendix G: xxx