

DRAFT

East Shore Unitarian Church

Board of Trustees

January 25, 2024
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 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. We pledge to support the entire congregation by contributing our best selves and our best gifts in trust for future generations.

Board Members Present: Rebecca Chatfield, Nicole Duff, Amanda Alice Uluhan, Signe Lalish, David Langrock, Geri Kennedy, Martin Cox, Keely Cofrin Allen, Taya Montgomery, Rev. Maria Cristina

Board Members absent: none

Visitors present: Carrie Bowman, Ann Fletcher, Mike Radow, Don Durenberger, Susan McDonald, Grace Colton, Ryam Hill, Leroy Smith, Amanda Strombom

Support roles:

Facilitator:	Signe Lalish, President
Time Keeper:	Signe Lalish
Process	Rebecca Chatfield
Observer:	
Tech Helper:	David Langrock

Meeting commenced at 3:30 PST

Evelyn Smith gave an opening reading written by Rev. Peter Luton.

Check-In

Meeting attendees checked in via chat.

Consent Agenda

Original Consent Agenda:

1. Approve the December 2023 BOT meeting minutes. (January Board Packet Appendix A).
2. Approve those Committee Charters recommended by David Langrock on January 24, 2024.
3. Approve the Fund-A-Need for the 2024 Auction: Refresh of the North Room
4. Approve motion to start the SLT Evaluation Task Force (ETF) process. (January Board Packet Appendix B).
5. Approve the signing of a Letter of Support for Najibullah Ghaznawy seeking asylum from Afghanistan. (January Board Packet Appendix C).
6. Approve Youth Programs Fundraiser for the 2024 Auction.

David Langrock requested that consent agenda item #2 (Approve those Committee Charters...) be removed as the charters will be approved at the February, 2024 board meeting.

Evelyn Smith requested that consent agenda item #6 (Approve Youth Programs...) be removed to answer a question. Item #6 was moved to the discussion agenda.

The amended consent agenda consisted of items 1, 3, 4, and 5 from the original consent agenda:

- Approve the December 2023 BOT meeting minutes. (January Board Packet Appendix A).
- Approve the Fund-A-Need for the 2024 Auction: Refresh of the North Room
- Approve motion to start the SLT Evaluation Task Force (ETF) process. (January Board Packet Appendix B).
- Approve the signing of a Letter of Support for Najibullah Ghaznawy seeking asylum from Afghanistan. (January Board Packet Appendix C).

Martin Cox moved that the board pass the amended consent agenda.

Evelyn Smith seconded the motion.

The motion passed unanimously.

Discussion Item #1: Bylaws task force presents 4 changes for approval and discussion.

Grace Colton of the Bylaws Task Force presented the following four proposed changes to the East Shore bylaws for questions, discussion, and vote. A vote of approval by the board allows the proposed change to move forward to be presented to the congregation for a vote at a congregational meeting.

- 1) Make the following administrative Changes to entire Bylaw Document:
 - Use letters and numbers to delineate Article and Section names. Don't use Roman Numerals as a way to be more inclusive. Roman Numerals aren't taught widely anymore.
 - Replace 'shall' with 'will' in the whole document to modernize the language.

- Use 'Board policy' not 'policy'; 'written procedures' not 'procedures' to clarify that formal policy or procedures are being referred to. There can be informal, organic ways of doing things that have not risen to the level of written and approved.
 - Format bylaw doc with footers (ESUC Bylaws, revision/amendment date) and headline of "Bylaws of East Shore Unitarian Church".
- 2) Delete Article 1 Purpose - It is a duplicate to what is in Articles of Incorporation. It isn't required by WA law. Some churches have a faith statement instead.

ARTICLE I. PURPOSE

The purpose of East Shore Unitarian Church is to establish and maintain a Unitarian Universalist church and to provide a place of public worship for the same in Bellevue, Washington; to establish, maintain, and conduct a program of religious instruction for all ages; to promote educational and cultural programs; and to further other religious and charitable work.

- 3) Revise Article III as follows (crossout is deletion; bold is new words):

ARTICLE III. DENOMINATIONAL AFFILIATIONS

The church shall be a member of the Unitarian Universalist Association and the Pacific Northwest ~~District~~ Region of the Unitarian Universalist Association **or its successor**. It is the intention of this church to make annual financial contributions to the Association ~~and to the Region~~ equal to its full fair share, as determined by the Association ~~and the Region~~.

- 4) Appendix 1 - Mission & Values - move to Board Policies where it can be more easily updated and referred to.

Board members discussed No. 3 (Revise Article III...). The question was raised as to whether the "intention of this church to make annual financial contributions to the Association..." should stay as proposed or be modified because it raises the question, is the word "intention" sufficient, or does it also depend on the *ability* to pay? Grace offered that the wording only states the intent to pay and is not an obligation to pay nor an attempt to list conditions like the ability to pay.

It was decided to set No. 3 (Revise Article III...) aside for further work, and vote on changes 1, 2, and 4.

David Langrock moved that the board approve changes 1, 2, and 4 to allow the Bylaws Task force to move the changes forward to the congregational meeting.

Geri Kennedy seconded the motion.

The motion passed unanimously.

Discussion Item #2: Church Financial Status

Rebecca Chatfield presented a review of the financial status of the church focusing on a lookback over 2023 and some insight into cash flow and donors.

For the period of discussion item #2 Amanda Alice Uluhan agreed to serve as temporary process observer.

Rebecca delivered a Power Point presentation that made the following points:

- In 2023, several expense areas stayed within budgeted amounts.
- In 2023, several other areas saw greater expense and smaller income than budgeted, including:
 - Unusual facilities repairs – extra \$30K
 - Holly House fees – attorney – extra \$30K
 - Drop-off in pledges November – December.
- The combined impact led to cash flow problems becoming apparent at the end of 2023.
- Most monthly costs are “inescapable” (payroll, mortgage)
- UUA dues is the only monthly cost the board has discretion to simply not pay or pay less.
- East Shore faces a looming member demographic problem that higher % of members and higher pledge levels come from “Silent” cohort (ages 79+) and “Boomer” cohort (ages 60-78).
- The immediate, short-term problem is cash flow: the church needs enough money to cover fixed costs. The church has already (in January) taken the full draw from the endowment budgeted for the entire 2024 year.
- The staff has already put austerity measures in place.
- Suggested short-term solutions include:
 - Do a “Second Ask” for more pledges from the congregation. Requires board approval.
 - Draw from the endowment beyond the budgeted amounts.
 - Delay paying UUA dues.
- ES has already started a Building Reserve Fund and connected Capital Campaign (April kick-off).
- With a “second ask”, the Auction in March, and Capital Campaign in April, we recognize the problem of “donor fatigue.”

The board discussed these points.

There was a strong need to better understand reasons for the pledge drop-off.

It was felt the board must communicate to the congregation that a drop-off in pledge payments plus other expense factors has led the church to austerity measures and a “second ask”.

It was discussed that the “second ask” must be directed by a team including staff, board, and finance team members.

To head off a cash-flow pinch that could require an emergency meeting of the board, several board decisions would be made now.

Finance Motion 1

The board approves of a team including Geri (Kennedy), Nicole (), Betsy (Gelb), Rev. Maria Cristina, to proceed with the fundraising effort referred to as the "second ask" that includes reaching out to select ESUC members and informing the entire congregation.

The above motion was moved by Geri Kennedy and seconded by Martin Cox.

The motion passed unanimously.

The board discussed the need to make endowment funds available if needed but limited in time to the current year and constrained by any applicable Bylaws and by the endowment charter.

Finance Motion 2

The board authorizes the Treasurer and the DFO to make prudent decisions to draw from the endowment to meet operational cash flow expenses for the remainder of 2024 limited by the Bylaws (Article VII Section D.2.) or the endowment charter*.

*The endowment charter contains the following: "Distribution beyond the normal Annual Distribution shall occur only on the approval of the Board of Trustees up to the maximum amount of One Hundred Thousand Dollars (\$100,000) above the normal Annual Distribution."

The above motion was moved by Martin Cox and seconded by Geri Kennedy.
The motion passed unanimously.

Finance Motion 3

The board directs the DFO to continue to defer payment of UUA dues while the cash flow issues are unresolved.

The above motion was moved by Geri Kennedy and seconded by Evelyn Smith.
The motion passed unanimously.

Discussion Item #3: Approve Youth Programs Fundraiser for the 2024 Auction

The annual auction Youth Programs Fundraiser requires board approval as a fund-raising activity. The question raised by the board was around the term "tips" traditionally used in ESUC auction dinners where youth served as wait staff. The funds raised in "tips" are explicitly designed to help fund youth programs including scholarships to youth events.

In discussion it became clear that while some people understood the term "tips" to be a euphemism for youth program funds, others misunderstood them thinking the money went to the youth working as wait staff at the auction event.

Amanda Strombom, as leader of this year's auction, agreed to use a different term than "tips" this year.

Martin Cox moved that the board approve the Youth Programs Fundraiser for the 2024 Auction.
David Langrock seconded the motion.

The motion passed unanimously.

Announcements: Holly House Property officially posted for sale

Representatives of the Holly House task force reported that the agreement to list the Holly House property for sale was signed. A brochure for the property was sent out January 24, 2024.

Process Reflection

Rebecca and Amanda Alice shared some reflections on the process of the meeting.

- Some people participated in the check in some did not. Not clear if anyone felt left out.
- Generally smooth logistics around displaying material on zoom.
- Some discussion about bending the rules around the consent agenda.
- We pulled an item from the consent agenda, and it is important that board members feel safe to pull an item off the consent agenda if there are questions or insufficient information to feel confident passing the motion.
- There was some annoyance expressed at the lack of "crisply worded" motions.

CLOSING

The notes do not record any closing reading.

The regular Board meeting ended, guests were excused, and the board went into executive session at 5:20 PM PST.

Minutes compiled by Martin Cox
Secretary, Board of Trustees
East Shore Unitarian Church
Bellevue, WA
January 27, 2024