



2020 ANNUAL MEETING

Sunday, June 14, 2020

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MANAGER AT 206-454-7710. MAILED ABSENTEE BALLOTS MUST
BE POSTMARKED FOR RETURN BY JUNE 10.**

*AGENDA REQUIRES A
SIMPLE MAJORITY VOTE
FOR APPROVAL*

AGENDA OF THE 2020 ANNUAL MEETING

Sheila Capestany, Moderator

The following is the proposed agenda for the Annual Congregational Meeting of University Unitarian Church, held Sunday, June 14, 2020.

1. Call to order by the Moderator
2. Appointment of Secretary, Parliamentarian, and Tellers by Moderator
3. Announcement of quorum by Teller
4. Motion to approve the final agenda for June 14, 2020, Annual Congregational Meeting
5. Remembrance of members who have died since last Annual Meeting
6. Motion to approve the minutes of the Annual Congregational Meeting held June 9, 2019
7. Motion to approve the Paycheck Protection Program Loan [Grant]
8. Motion to approve the 2020-21 Annual Operating Budget
9. Recognition of the outgoing members of the Board of Trustees and Leadership Development Committee
10. Election of new Trustees, LDC Members and Moderator
11. New Business
12. Closing Words by the Rev. Jon M. Luopa
13. Motion to Adjourn

Submitted by Gayle Childers, President, May 2020

*MEETING MINUTES
REQUIRE A SIMPLE
MAJORITY VOTE FOR
APPROVAL*

MINUTES OF ANNUAL MEETING JUNE 9, 2019

Moderator Sheila Capestany opened the meeting with a welcome to all attendees, noting that this would be our first and last annual meeting in our temporary church home at Meadowbrook Community Center. Sheila offered appreciation for this space, as it has held our spiritual community during the time of transition with our church building. Sheila also welcomed those who are first timers at the annual meeting. Sheila then called the meeting to order at 10:55 a.m.

OPENING

Appointments. The Moderator appointed Dave Mentz as Secretary, Rosemary Daszkiewicz as Parliamentarian, and Stacy Carlson & Leslie Robinson as Tellers.

Quorum. The Moderator asked members present to hold up their voting cards for a quorum count. The Tellers counted 132 members present, meeting the requirement for a quota of 47 members (10% of 467 members) in good standing.

MOTION: Approve the agenda for this annual meeting.

The Moderator called for a motion to approve the minutes for this meeting. The motion was made, seconded and approved with no objections or abstentions.

REMEMBRANCE

Senior Minister Jon Luopa rose to recognize those members who have died since our last annual meeting. They are as follows: Stuart Barker, Lori Blythe, Marjarie Dougherty, Irvin Emanuel, Richard Henry, Timothy Keller, Thomas Killorin, Michael McMullin, Nancy Perkins, and Jean Sonen.

We hold their memories in our hearts.

MOTION: Approve the minutes from the annual meeting held June 10, 2018.

The Moderator called for a motion to approve the minutes of the annual congregational meeting held June 10, 2018. The motion was made, seconded and approved with no objections or abstentions.

MOTION: Approve the proposed 2019-2020 annual operating budget.

The Moderator called Board Treasurer Mike Kasprzak to the podium. Mike referenced the proposed operating budget which is summarized on page 10 within the annual meeting packet. Mike noted that the budget tells the story of who we are and who we are becoming.

To guide the discussion on this topic, attendees were invited to raise questions relating to the budget. Members posed questions as follows (Mike and Byron Krystad, Director of Operations, partnered on the responses which follow each question):

“Other donations” are budgeted at \$45,000; \$15,000 more than in the 2018-19 budget. Why the difference?

Response: Other donations are derived primarily from Sunday plate collections and miscellaneous unsolicited donations. Due to the move to Meadowbrook and the anticipation of lower Sunday plate collections during the year away from our regular church home, the budgeted amount for other donations was reduced for 2018-19. We anticipate that these donation levels will increase after our return to the church building.

Staff housing expense is planned at \$10,000 above the level for 2018-19.

What is the cause of this?

Response: This represents the housing allowance for ministers, which was adjusted due to housing expense. This does not create a net overall increase in compensation, however. The \$10K increase in housing is accompanied by a corresponding \$10K reduction in salary compensation.

Please explain the Jones Endowment support line item.

Response: The Jones Fund is a \$3M endowment established by a member who has since deceased. The endowment was designated to be used for church operating expenses. The plan is to draw upon the balance in a responsible manner so that the principle is preserved to the extent possible. On a related note, previously the Knatvold Legacy fund had been used for operating expenses. The intention is that the Knatvold fund will now be used primarily for interest charges associated with the capital project.

Are there any restrictions on the use of the Jones fund?

Response: This is a true permanently restricted endowment to be used for operating support. The Knatvold fund is not permanently restricted; thus the board may apply discretion about how to use that fund.

To clarify, are we drawing upon the Jones fund due to a shortfall of revenues in the budget?

Response: The principle source of revenue for the budget will continue to be pledges. Now that we have the Jones Fund, it will serve as a regular source of revenue in the operating budget. Theoretically, we could pass on drawing from the Jones Fund in a given year if pledge revenue enabled us to do so.

Building maintenance expenses are planned to be up by \$40,000 from 2018-19; is this due to needs in the new building relating to furnishings, etc.?

Response: The current year planned expense for this item was deflated due to the move to Meadowbrook, where we haven't incurred building maintenance expenses. After our return to the church, we will need to invest in maintaining the building. Our intention is to do so more proactively and to budget for this expense accordingly.

After opening the floor for any additional questions and hearing none, the Moderator called for a motion to approve the 2019-2020 budget. The motion was made, seconded and approved with no objections and one abstention.

RECOGNITION

The Moderator yielded the podium to Board President Gayle Childers, who provided a brief update of the work of the Board. Gayle indicated that the Board is engaged with several multi-year priorities including:

- Framing a Governance Task Force to review and update our policies
- Refreshing our strategic plan
- Covenantal work—how we work together as a Board.

Gayle introduced and recognized the Board members: Rosemary Daszkiewicz, Rochelle Coffey, Mike Kasprzak, Anne Eacker, Kathleen Crompt and Dave Mentz.

Gayle recognized and thanked our Moderator, Sheila Capestany.

Lastly, Gayle thanked the UUC Staff for their continued work on behalf of the church.

Gayle welcomed Kathleen Crompt to the podium. Kathleen acknowledged and thanked the Leadership Development Committee (LDC) members and provided a brief summary of the LDC's work. That work includes identifying candidates for the Board and for the LDC and engaging with people who may be candidates for leadership at UUC. Kathleen recognized the LDC members who are completing their terms: David Bauman, Doug Graesser, and Steve Dombrowski.

NOMINATION AND ELECTION OF TRUSTEES AND LDC MEMBERS

The Moderator called for a motion to approve the slate of candidates for two open Board slots. The candidates on the slate are Gayle Childers and Mike Kasprzak. The motion was made, seconded and approved with no objections or abstentions.

For the LDC, the Moderator indicated that there are three candidates for three open slots. Since one of the three candidates was nominated by petition, the UUC bylaws call for a separate vote for each candidate vs. approving them as a slate.

The Moderator first called for a motion for the approval of LDC candidate Jan Eisenhardt. The motion was made, seconded and approved with one opposed and one abstention.

The Moderator then called for a motion for the approval of LDC candidate Rene Murry. The motion was made, seconded and approved with no objections or abstentions.

Lastly, the Moderator called for a motion for the approval of LDC candidate Jan Saddler. The motion was made, seconded and approved with no objections or abstentions.

REPORT ON “NOT FOR OURSELVES ALONE” BUILDING PROJECT AND CAPITAL BUDGET

The Moderator introduced Lee Anne Warner, Chair of the Physical Space Implementation Team (PSIT) who provided an update on the building project. Lee Anne provided the following highlights:

--The physical move from our church building began 12 months ago.

--Permitting has been a challenge. We secured permits for the main building construction last September. We received the last permit in March.

--The Occupancy permit which enables us to re-enter the facility will likely be the main gating factor for our return to the church building. Worst case, we expect that permit to be secured so we can begin regular Sunday Services and Religious Education programming at UUC November 3.

--To ensure progress, weekly meetings have occurred throughout the project with the architect (Hacker), general contractor (BNBuilders), chair of PSIT, Member Architect Advisory Team representative, and Byron Krystad.

--Plans for returning to the building are taking shape.

Jon Luopa came to the podium to reflect on the accomplishments relating to our capital campaign and building project. Jon indicated that our experience has been heralded for its success across the denomination.

Jon then provided an update regarding UUC's organ and a decision that he and Karen Thomas have reached with respect to the organ. Originally, the plan had been to dismantle, store and then reassemble the organ after our building work was completed. Unfortunately, through this process it has been discovered that the organ was of poorer quality than was previously known, and the pipes are in bad condition. Ultimately it would require about \$400K to bring the organ back to a serviceable state. A donor has offered \$200K for this purpose, which still leaves a \$200K gap. Additionally, even after the organ is restored it would have somewhat limited usability, and the availability of organists to play this instrument is extremely thin. For all of these reasons, it has been concluded that the organ will be retired and will be replaced with a smaller and much more reasonably priced organ for special events.

Byron Krystad then assumed the podium to provide a few highlights relating to the capital budget (page 17 within the annual meeting packet). The main item, which has been discussed with the BOT throughout the project, is that project spending is expected to exceed funding by approximately \$608K. This remains to be covered within our loan and eventually to be converted to a commercial loan in 2023 unless offset by unplanned donations or future development efforts.

Questions raised within this portion of the meeting included:

Will accelerating capital pledge donations help offset the \$608K?

Response: No, but the accelerated capital donations will be beneficial in lowering our interest costs.

From the capital project document, what are Keystone 1 and 2 and WSST?

Response: Keystone 1 and 2 are the capital gifts provided by two keystone families. WSST is Washington state sales tax.

Do we have chairs selected?

Response: Yes, although the specific color is still to be chosen.

NEW BUSINESS

The Moderator asked if there are any other new business items. None were raised.

CLOSING WORDS

The Moderator called on Jon Luopa for closing words. Jon reaffirmed his strong appreciation for our congregation, citing that many people have brought us to where we are today. Jon closed by recognizing the congregation for being a very special group and that we have an exciting future.

ADJOURNMENT

Having completed all items on the agenda, the meeting was adjourned.

Submitted by Dave Mentz, Secretary, October 2019

*RATIFICATION ON
THIS MATTER
REQUIRES A TWO-
THIRDS MAJORITY
VOTE FOR APPROVAL*

MAY/JUNE 2020 FEDERAL PAYCHECK PROTECTION PROGRAM LOAN/GRANT

Under Governor Inslee's emergency rules for nonprofit governing boards to operate during the COVID-19 outbreak, the UUC Board of Trustees (BOT) approved the application for a Payroll Protection Plan loan, and then approved acceptance of the funds. Deadlines did not allow for calling of a congregational meeting. The BOT is recommending a motion to ratify these decisions to the congregation at the June 14, 2020 Annual Meeting.

TEXT OF MOTION

To ratify and approve the decision to apply for and accept \$181,805.00 in Payroll Protection Program funds, which were transmitted to UUC initially in the form of a loan.

BACKGROUND

As the COVID-19 crisis deepened, Congress passed the Payroll Protection Program (PPP). PPP is a loan designed to provide a direct incentive for small businesses to keep their workers on the payroll. The Small Business Administration will forgive PPP loans if all employees are kept on the payroll for eight weeks (through June 2020) and the money is used for payroll, rent, mortgage interest, or utilities. PPP benefits are available to all religious organizations.

Working with our bank, UUC applied for a PPP loan to cover 2 months of payroll, approximately \$181,000. On May 1 we received the funds.

Art. III, Section 2 (c) of UUC's Bylaws requires that any loan in excess of \$50,000 in a single transaction be approved by the Congregation. Art. IV, Sec. 6 (b)(1) of UUC's Bylaws establishes that a two-thirds majority must approve any such loan. The PPP process was deadline driven and those deadlines were abrupt. So the Board initially acted to approve next steps, because if deadlines were missed we would lose the opportunity to receive these funds. However, before spending the money or recommending to the Congregation that it ratify this loan, the Board agreed to pause and thoughtfully consider its alternatives. We also knew that ultimately we would need to seek congregational approval and ratification of these decisions.

As a result, the Board and the Executive Team have conducted significant due diligence as it considered this question, exploring the short and long term financial implications of accepting or rejecting the funds, and considering whether we had any latitude in using the funds for purposes other than outlined in PPP (including, for example, giving it to another not-for-profit). We considered input from the Executive Team, from leaders on the church's finance committee, from the recommendation of the Finance Committee, from our bankers, and the results of research conducted by various individuals.

One key consideration was that our existing employees are ineligible for unemployment compensation through the State of Washington. (Churches are permitted Chapter 50.44 RCW to choose not to participate in the state's unemployment insurance program, and UUC has long taken advantage of this exemption.) Consequently, maintaining their employment as long as possible was an important goal.

Another significant fact was the legislative commitment to forgive the loan if all PPP requirements are met. The Church can apply for loan forgiveness beginning in late June 2020. If forgiven, the loan would become a grant of funds.

After thoughtful discernment, ultimately the Board concluded:

- a) Current economic uncertainty makes the use of the PPP funds necessary to support the ongoing operations of the Church. Specifically, using these funds allows us to retain full staffing during the Stay Home/Stay Safe order in Washington State, and allow us to avoid furloughing or laying off employees during that time.
- b) Current business activity has been significantly impacted, as demonstrated by the shutdown of the Church facility for all but critical maintenance, forgoing any rental income from third parties, streaming weekly services instead of holding them in the church, and moving all educational, pastoral and community activities online or cancelling them.
- c) There exists a high degree of current economic uncertainty about the future. Specifically: a) we do not yet know what, if any, impact to unrestricted donations to the Church will result from the current recession conditions and unemployment, as well as future economic conditions; and b) we do not yet know the extent of losses on unrestricted earning on the Church's invested funds that have or may result from the heavy market loss conditions and the continuing volatility within capital markets.

d) Accessing other assets (such as quasi-endowment funds) could cause significant detriment to the Church by: a) impacting our ability to sustain payments of monthly interest on an outstanding major capital loan; b) maintaining liquidity covenants required by the outstanding major capital loan; c) impacting our ability to secure favorable conditions and covenants when the time comes to convert the existing line-of-credit to another form of credit instrument; and d) decreasing available reserves that could be targeted towards preparing and sustaining the Church community for necessary and substantial changes to its capacities and methods for delivering religious services, education and pastoral care in the future.

Consequently, the Board passed the following motion by majority vote:

The Board of Trustees ratifies the application for PPP funds and approves the acceptance of the PPP funds for the purpose of covering payroll for the 8 week period beginning May 1, 2020, and for any other use permitted by the PPP.

The Board also passed the following motion by majority vote:

The Board recommends the following motion for approval by the Congregation at the June 14, 2020, Annual Meeting:

To ratify and approve the decision to apply for and accept \$181,805.00 in PPP funds, which were transmitted to UUC initially in the form of a loan.

Consequences of Decision to Reject the Motion to Ratify: The congregation has received the PPP funds and has begun to spend them in accordance with terms of how PPP funds can be spent. Assuming all terms are met, UUC will apply for loan forgiveness – and if approved, these funds would convert from a loan to a grant. If the congregation rejects the motions to ratify the motion, UUC would be required to return all PPP funds plus interest on the funds for the duration that the congregation held them.

*OPERATING BUDGET
REQUIRES A TWO-
THIRDS MAJORITY VOTE
FOR APPROVAL*

2020-21 OPERATING BUDGET

The annual operating budget of University Unitarian Church reflects the ongoing costs of compensation, administration, and programming of the church. Budgets are applied to the church's fiscal year, July through June. The following notes are included to explain Board-approved assumptions for budgeted revenue, support, and expenses in the coming year, compared to the current year.

Revenues

Projected pledge revenues reflect 311 pledges in hand as of May 21, 2020, of \$878,869. Additional commitments and gifts worth \$67,131 are expected to be developed by December 2020 from the remaining member households that have not yet participated in this year's campaign, for a total of \$946,000 in gifts to be received by June 30, 2021.

Other annual income sources (tuition, program collections or fees) specified by staff are included as well. Note that several areas such as Music, Religious Education and Member Connections have lower projected income compared to 2019-20 based on decreased activities in the church building through at least December 31, due to pandemic concerns. Incidental rental revenue is not planned to resume until January 2021 at the earliest.

Asset Support

The Board of Trustees recommends using an annual release of earnings from the Jones Endowment and the Knatvold Legacy Quasi-Endowment in support of expenses beyond contributions and fees. The Board approved a release of 4% of the March 31 value of the Jones Endowment (\$115,183) and 4% of the March 31 value of the Knatvold Legacy Quasi-Endowment (\$94,044), per UUC Finance Policies.

Expenses

Salary and benefit expenses for the full year of paid staff is \$982,510 and represent 81% of unrestricted annual expenses. Health insurance premiums increased 9.4% over the prior year.

To address imbalances in expenses beyond revenue and endowment support, several decreases in program expenses are included in the proposed budget. In addition, the board recommends the following compensation changes, which are reflected in the proposed budget figures:

- No cost of living increase for any employee
- Suspension of all professional expense accounts
- Six-month furloughs for two part-time custodians and five part-time musicians while building is closed (July through December)

The following distribution of annual salary and benefit expenses for programs shows their amounts and their associated percent of all program salary and expenses. The number of full-time and part-time employees are also indicated per program.

Program	FT	PT	Program Compensation	% of comp
Worship, Care, and Social Justice	2		260,337.00	39%
Religious Education	1	2	126,024.02	19%
Ministries and Congregational Life	1	2	166,066.50	25%
Music		8	112,827.54	17%
TOTAL	4	12	665,255.06	

Administration total compensation for 2019-20 is \$317,255, representing three full-time and four part-time staff members, and accounting for 32% of all compensation expenses of the church.

Total operating expenses of the church reflect a 2.4% decrease over 2019-20 operating expenses, compared to an anticipated 6.9% decrease in revenue. The use of the Knatvold Legacy Quasi-Endowment precludes further expense decreases.

Program expenses shown in the budget are for services and materials directly related to the activities of those programs. These are estimates of what will be required for only six months of on-site programming, January – June 2021. Total costs of programming plus their portion of administrative expenses are as follows: Worship, Care, and Social Justice, \$475,738; Religious Education, \$231,739; Ministries and Congregational Life, \$293,970; Music \$214,130.

The Board of Trustees approved a lump-sum contribution to the UUA in support of national and regional activities of \$25,000, matching the contribution made in 2019-20. The UUA asked for \$57,477.

Submitted by Byron Krystad, Director of Operations, May 2020

Fiscal Year 2020-21 Budget (Submitted for Approval June 14, 2020)

		Unrestricted	Temporarily Restricted	Total
Revenues and Support				
	Pledge Donations	946,000		946,000
	Other Donations	40,000		40,000
	Special Events (NET)	-		-
	Tuition Revenue	6,000		6,000
	Rental Revenue	6,000		6,000
	Program Revenue			
	Religious Education	4,800		4,800
	Worship and Care	-		-
	Music	3,300		3,300
	Congregational Life	-		-
	Investment Revenue	-		-
	Other Revenue	250		250
	Net Assets Released from Restriction*		3,064	3,064
Total Revenues and Support		1,006,350	3,064	1,009,414
Expenses				
	Salaries	670,255		670,255
	Employee Benefits			
	Health Insurance	89,661		89,661
	Pension	65,978		65,978
	Elective Compensation	26,391		26,391
	Payroll Tax	52,225		52,225
	Staff Expense Accounts	-		-
	Housing	78,000		78,000
	General Operating Expenses			
	Tax, License, and Insurance	30,150		30,150
	Financing Expenses	-		-
	Denominational Pledges	25,200		25,200
	Office Expenses	22,367		22,367
	Building Maintenance Expenses	64,550		64,550
	Business Expenses	27,000		27,000
	Fundraising Expenses	1,000	3,064	4,064
	Program Expenses			
	Worship and Pastoral Care	5,150		5,150
	Religious Education Program	10,800		10,800
	Music Program	13,600		13,600
	Congregational Life	7,500		7,500
	Social Justice Expenses	15,400		15,400
	Bank Expenses	10,350		10,350
	Other Expenses	-		-
Total Expenses		1,215,577	3,064	1,218,641
Balance		(209,227)	-	(209,227)
	Jones Endowment support			115,183
	Knatvold Quasi-Endowment support			94,044
Net Balance				0
* Net Assets Released from Restriction (detail)				
	Seeds of Hope		3,064	
Total Net Assets Released from Restriction			3,064	

Fiscal Year 2019-20 Budget (Approved June 9, 2019)

		Unrestricted	Temporarily Restricted	Total
Revenues and Support				
	Pledge Donations	1,000,000		1,000,000
	Other Donations	45,000		45,000
	Special Events (NET)	-		-
	Tuition Revenue	10,300		10,300
	Rental Revenue	-		-
	Program Revenue			
	Religious Education	5,300		5,300
	Worship and Care	-		-
	Music	15,300		15,300
	Congregational Life	3,500		3,500
	Investment Revenue	-		-
	Other Revenue	1,000		1,000
	Net Assets Released from Restriction*		5,000	5,000
	Total Revenues and Support	1,080,400	5,000	1,085,400
Expenses				
	Salaries	683,440		683,440
	Employee Benefits			
	Health Insurance	75,816		75,816
	Pension	58,361		58,361
	Elective Compensation	23,345		23,345
	Payroll Tax	49,859		49,859
	Staff Expense Accounts	23,000		23,000
	Housing	78,000		78,000
	General Operating Expenses			
	Tax, License, and Insurance	29,000		29,000
	Financing Expenses	-		-
	Denominational Pledges	25,200		25,200
	Office Expenses	18,700		18,700
	Building Maintenance Expenses	67,000		67,000
	Business Expenses	24,300		24,300
	Fundraising Expenses	1,000	5,000	6,000
	Program Expenses			
	Worship and Pastoral Care	5,150		5,150
	Religious Education Program	22,500		22,500
	Music Program	19,660		19,660
	Congregational Life	14,100		14,100
	Social Justice Expenses	18,900		18,900
	Bank Expenses	8,350		8,350
	Other Expenses	-		-
	Total Expenses	1,245,681	5,000	1,250,681
	Balance	(165,281)	-	(165,281)
	Jones Endowment support			130,936
	Board pre-approved reserves			34,345
	Net Balance			0
* Net Assets Released from Restriction (detail)				
	Seeds of Hope		5,000	
	Total Net Assets Released from Restriction		5,000	

NOMINEES FOR ELECTION

Listed below is the slate of candidates that the Leadership Development Committee has nominated for the Board of Trustees, and the list of individual candidates for the Leadership Development Committee for terms beginning in July 2020. These candidates have indicated their willingness to serve our church community, for which we are deeply grateful.

*ELECTION OF
CANDIDATES TO BOARD
OF TRUSTEES REQUIRES
A SIMPLE MAJORITY
VOTE FOR APPROVAL*

BOARD OF TRUSTEES 3-YEAR TERMS BEGINNING JULY 2020

(Three open seats, voted as slate)

Kathleen Crompt



Little did I know walking into UUC in 2004 how I would be enriched through my many experiences here – spanning Membership, Church School, Leadership Development Committee, Wellspring, Racial Justice, Not for Ourselves Alone and more. My greatest insight and learning from UUC? How a caring, connected beloved community anchors what I do and who I am. I am rooted in human services and non-profit organizations, with a strong grounding in change and transition

management, a solid understanding of the role of governing boards, and an appreciation for culture and systems. I am a collaborator, a listener, and a questioner. My own compass is congruent with the values and principles of UUC and Unitarian Universalism. As I near the end of a 2-year board term, I see this as a uniquely challenging juncture for our community. My heart and head tell me that I can best serve UUC as a continuing board member – with curiosity, humility, and gratitude.

Rosemary Daszkiewicz



A UUC member since the late '90s, Rosemary Daszkiewicz is completing her first term on the UUC board. She continues to sing alto with the Intergenerational Choir. Her daughters, Lee and Emma, were regular church school participants through ninth grade. Her husband, Guy, makes the occasional appearance at holidays. Rosemary moved to Seattle in 1986 to work as an employment lawyer and currently works for Seattle Children's Hospital. She has many years of board service for a variety of non-profits

including 10 years as a Trustee of Group Health Cooperative. On UUC's board, she has focused most heavily on improving governance, work that will continue into the next few years. Rosemary sees herself as a curious questioner and a diligent, thorough researcher – with common sense, and a deep sense of the value of human relationships. In the mornings, you can find her rowing with her buddies at Lake Union Crew.

Tim Vos

UUC is a vital source of inspiration and community for my family and I would like to deepen my connection and contribute to the mission of the church by serving on the board. I am grateful for the opportunities to learn, worship, and engage in this community. I've appreciated participating in Climate Action Team activities including the Bigfoot Challenge, serving in the Coming of Age mentorship program, and gathering in the Wellspring cohort. In addition, it has been wonderful for me to witness Katie's work on the Care Team and watch as our children have grown through religious education and leadership offerings.

*ELECTION OF
CANDIDATES TO
LEADERSHIP
DEVELOPMENT
COMMITTEE REQUIRES
A SIMPLE MAJORITY
VOTE FOR APPROVAL*

LEADERSHIP DEVELOPMENT COMMITTEE 2-YEAR TERM BEGINNING JULY 2020

(Four open seats, voted as a slate)

Kathy Englert

My grandmother's 100th birthday was the catalyst for my first visit to University Unitarian Church. It was early September 2002. I, along with my husband and our 5-year-old daughter, had traveled to my hometown in eastern North Carolina to celebrate the special occasion. Part of the celebration included a Sunday service in the church of my childhood. Although I had long ago eschewed many of the religious beliefs I had been taught there, I sat in that church that day feeling a strong sense of love, connection, and community. I was simultaneously filled with gratitude for

having been raised in such a community as well as the realization that this type of community was missing in my life in Seattle. It was a hole I wanted to fill – for me but also for my daughter.

I had recently learned about UUC from some new friends. It sounded promising, so the very next Sunday, my daughter and I attended a service. It just happened to be Homecoming Sunday. Serendipity perhaps? We sang the doxology – the same familiar tune from my childhood, but with different words – words that I could fully embrace. I was surprised to feel tears welling. From that moment on, I was mesmerized. Jon Luopa's sermon seemed written especially for me. When that service ended, I knew I'd found the church home I was seeking. Within a few months, I became a member.

Since that memorable first visit, I have found a myriad of ways to become involved. Along with my daughter Meg, who is now 23 years old, I sang in the Intergenerational Choir for many years. I served as a Coming of Age mentor and on the Coffee Crew. I participated in several covenant groups. I watched with joy as my daughter grew up in the church – learning so much about herself and the world around her, as well as developing a spiritual

grounding. For the UUC Stories project that was part of the Not for Ourselves Alone capital campaign, I interviewed and recorded the stories of many of our church members. What a joy that was! Most recently, I served for three years on the Care Team, perhaps the most humbling and rewarding experience I've had to date at UUC.

After receiving so much from UUC for so many years, it would be an honor to serve on the Leadership Development Committee to help identify and foster the ongoing lay leadership needs of this beloved community and to do all I can to help our congregation grow and thrive and make a difference in the world.

Becca Fishaut



Since 2011, Becca, her husband, Matt, and their two daughters, Julia (13) and Calla (11), have been a part of UUC, increasing their connection and commitment, year by year. Becca found UUC in her effort to find community in Seattle, following the family's move from Syracuse, NY. She and her family started out just attending services, but, little by little, their involvement has increased and deepened. Becca has participated in a Covenant Group, helped with Center Table, sung for several years with Intergenerational Choir, read at holiday services, created and co-facilitated Rise Up Rooted, and has been a

Beloved Conversations co-facilitator. While she was initially drawn to the community and social justice focus of UUC, spirituality paired with leadership are emerging as new areas of interest in her UUC journey. Professionally, she is a social worker working as a therapist in private practice, where she specializes in the treatment of trauma. She is interested in bringing together her professional knowledge and skills with her curiosity and love for this community to help develop and nurture church leaders as a member of the Leadership Development Committee.

Jerry Gillmore



I hail from a fundamentalist Baptist background that I soundly rejected in my mid-twenties. I began attending UUC when my daughter was in her early school years, and my wife and I felt she would benefit from a UU perspective on religions of the world and from a broader sense of spiritual community. Some 14 or so years later, I feel very committed to the UUC community in which I proudly and gratefully count many close friends and I am profoundly grateful for my wife's prescience in choosing to explore UUC.

My first volunteer activity was joining the Welcoming Team. Since then I have served multiple years on the Coffee Crew, which I chaired for one year. I recently enjoyed the privilege of serving a three-year term on the Care Team. I have helped organize and plan a number of men's retreats and men's breakfasts. I

have also been a member of the UUC men's group for a decade and have served as informal chair for many of these years. Between my own and my wife's roles, I bring to LDC an appreciation for actively supporting participation in elected and non-elected roles.

I fully appreciate the importance of strong lay leadership for the church, which was illustrated in the remarkable team effort that led to the successful church remodel. While we are naturally proud of the beautiful and functional building, it feels like no time to rest on our laurels, but rather a time to build our congregation in numbers, diversity, and engagement. I recall the period of transition when I served on the Board of Seattle Academy of Arts and Science. The school at that time was largely housed in Temple De Hirsch and considering substantial growth, including purchase of its own property. As chair of the Board's Education Committee I was tasked with the question of how to maintain the "soul" of the school while undertaking this dramatic change. Parallels exist at UUC as we settle in the new building and turn efforts toward outreach to the larger community. As the current membership ages, I see particular importance in supporting the development of leaders among younger congregants to fill the important roles so crucial to achieving our social justice and many other goals.

Judith Leconte



Judith has been a member of UUC for 14 years. She has been a Second Sunday first shift Coffee Crew member for 8 years. She completed 3 Wellspring offerings. She was chair of the LDC 10 years ago. Her task focus, problem solving skill and positive energy will serve the committee well.

*ELECTION OF
CANDIDATE TO
MODERATOR REQUIRES
A SIMPLE MAJORITY
VOTE FOR APPROVAL*

MODERATOR 2-YEAR TERM BEGINNING JULY 2020

(One open seat)

Sarah Walker



My family began attending UUC in the spring of 2013. My husband and I were on a tour of churches, looking for something that could provide spiritual community for ourselves and our children. We were taken aback by the quality of the music and sermons and then were further delighted to learn about the OWL (Our Whole Lives sexuality education program), Coming of Age, and church school offerings. We continue to be inspired and re-centered by the services and the community. Over the last few years, I've taught the Roots and Wings church school classes, served on the Social Justice

Steering Committee, participated in Intergenerational Choir and, for a blessedly brief time, helped my husband smear the (now defunct) cream cheese bagels for coffee hour.

I direct a research translation and policy center at the University of Washington that sits between science, policy and practice communities with a focus on promoting child and adolescent behavioral health and well-being. I also co-founded and now serve as a board member for a state advocacy nonprofit focused on ensuring the economic and health stability of adolescent females living at the margins of opportunity. I am very committed to supporting this community and would be honored to serve as Moderator.

The status of the building project is included for reference only. No motions or votes related to this information are being presented at this meeting.

REPORT ON THE “NOT FOR OURSELVES ALONE” BUILDING PROJECT

The Physical Space Implementation Team (PSIT) was one of several teams that has been working over the past several years to ensure that UUC has both the physical space and inclusive community in which all may feel seen, recognized, and known.

Our responsibility was the refurbishment and modest expansion of our church home. Continued encouragement and interest from UUC staff and our beloved community was powerful motivation for all of us directly working this project.

2019-2020 ACCOMPLISHMENTS

Working together, everyone made certain we could resume operations at UUC mid-November 2019.

As of January 2020, the Physical Space Implementation Team fulfilled its purpose for the church and disbanded. PSIT concluded its service to UUC by identifying the construction tasks that needed be completed in order to closeout the project and proposing a capital improvements building team that would oversee the vetting of future enhancement projects and the everlasting care of our new home.

During construction, representatives from PSIT and the UUC Member Architect Advisory Team shared the role of Owner’s Representative. They met weekly with representatives from BNBuilders and Hacker to review site safety and security, review project status, and resolve any outstanding matters to ensure success. The Owner’s Representatives continue to oversee the completion of outstanding construction project tasks and additional tasks identified to satisfy the expectations for the building and grounds. All construction efforts were suspended mid-March in compliance with the Washington State “Stay Home, Stay Safe” order issued by the governor. As of the annual meeting, progress is being made and the Owner’s Reps are working with BNBuilders and Hacker to ensure completion of the tasks, which include chapel lighting, HVAC refinements, painting, and landscaping.

Volunteer status

Enthusiastic volunteers joyfully contributed their talent and hard work. The list of volunteers whom we tapped when a need arose was substantial.

Communication

Throughout the project communication within our community and neighbors remained a priority for PSIT. Many different channels of communication were employed through the final stages of construction and our return home. We enjoyed sharing progress through the UUC website and site visits.

Submitted by the Physical Space Implementation Team, May 2020

The status of the capital project and its multi-year budget is included for reference only. No motions or votes related to this information are being presented at this meeting.

REPORT ON THE “NOT FOR OURSELVES ALONE” CAPITAL BUDGET

As of this annual meeting, the enormous undertaking of renovating and rebuilding the church at 6556 35th Avenue NE is very nearly complete. Construction began in August 2018 and reached substantial completion in November 2019. This allowed the congregation to move back in and use the building while several final steps were being wrapped up. And then the 2019-20 coronavirus pandemic arrived in the winter of 2020 resulting in the suspension of all construction work at UUC. Delayed work items remain and are in progress under the allowed activities of “existing construction.”

As of this annual meeting, expenses are substantially complete. Total owner-approved change orders for construction ended at \$1,696,834 compared to the original owner’s contingency budget of \$660,000. Twenty-seven owner change orders to the original contract, reflecting 86 distinct change proposals over the course of the project, are illustrated by the following aggregate examples:

- Abatement and demolition adds, church and houses: \$295,327
- Nathan Johnson Hall discoveries after partial demolition: \$150,625
- Unforeseen code compliance impacts: \$174,359
- Weather, city permitting and inspection delays: \$157,729
- Landscaping design changes and accommodations: \$66,845

The summary of revenue and expenses, including actual revenue and expenses through April 2020, are included on the following page, alongside the original budget at the start of construction and the owner-approved changes to those budget line items during the course of construction (construction change orders, additional architectural service requests, and modifications to plans at owner’s costs). Total planned project revenue and expenses as of April 2020 are shown in the last column. For comparison, the first three columns show actual revenues and expenses through April 2020 and projected revenues and expenses through June 2023.

The final draw from the line of credit extended by Columbia Bank was taken in March 2020, leaving the total draw at \$3,873,296. As gifts to the NFOA capital campaign are received through June 2023, this draw on the line of credit will be paid back as far as possible. Any balance left will be converted to a 10-year commercial loan in 2023. Current projections show that the balance to be converted to a loan will be \$1,125,965.

Submitted by Byron Krystad, Director of Operations, May 2020

Capital Project Actuals and Budget, April 2020

FUNDING	Totals Thru Apr-20	Remaining Balance	Project Totals	Budget Original	Accepted Changes	Budget Total
Payments on receivables	3,249,295	1,793,439	5,042,734	6,000,000	-	6,000,000
Additional cash gifts	1,069,922	8,250	1,078,172	-	-	-
Additional fundraising goals	-	-	-	-	-	-
Reserve	-	(20,042)	(20,042)	-	-	-
Keystone 1	5,019,913	980,088	6,000,000	6,000,000	-	6,000,000
Keystone 2	5,000,000	-	5,000,000	5,000,000	-	5,000,000
Total cash in	14,339,130	2,761,734	17,100,864	17,000,000	-	17,000,000
CONSTRUCTION						
BNB Contract with change orders	13,534,663	-	13,534,663	11,993,488	1,541,175	13,534,663
WSST	1,367,001	-	1,367,001	1,211,342	155,659	1,367,001
<i>Subtotal construction</i>	<i>14,901,664</i>	<i>-</i>	<i>14,901,664</i>	<i>13,204,830</i>	<i>1,696,834</i>	<i>14,901,664</i>
OWNER'S MISC COSTS						
Construction support costs	255,782	-	255,782	205,538	32,800	238,338
Temporary site (Sunday)	214,276	-	214,276	161,000	43,250	204,250
Temporary site (administration)	96,079	-	96,079	86,000	19,621	105,621
Temporary site (incidental)	23,903	-	23,903	83,000	(53,494)	29,506
Moving costs (all)	36,926	-	36,926	40,000	-	40,000
Furnishings	218,956	-	218,956	327,064	(100,000)	227,064
Organ	23,460	-	23,460	150,000	(110,000)	40,000
Kitchen	83,505	5,541	89,046	87,884	1,162	89,046
Systems	37,904	-	37,904	52,000	(15,000)	37,000
Permits	96,625	-	96,625	101,085	3,958	105,043
Inspections	44,594	-	44,594	34,405	28,320	62,725
Utilities	8,080	-	8,080	22,000	-	22,000
Commissioning	29,640	-	29,640	20,000	8,600	28,600
Fundraising	149,812	-	149,812	160,000	-	160,000
Bank costs	35,618	-	35,618	92,980	(53,002)	39,978
Other misc costs	20,305	12,195	32,500	52,500	(20,000)	32,500
<i>Subtotal misc costs</i>	<i>1,375,463</i>	<i>17,736</i>	<i>1,393,199</i>	<i>1,675,456</i>	<i>(213,786)</i>	<i>1,461,671</i>
PROFESSIONAL FEES						
Hacker	1,698,063	-	1,698,063	1,693,863	-	1,693,863
ASRs after contingency	118,330	-	118,330	-	136,387	136,387
Hacker reimbursable	42,614	-	42,614	75,000	-	75,000
Other professional fees	2,205	-	2,205	5,205	-	5,205
<i>Subtotal professional fees</i>	<i>1,861,212</i>	<i>-</i>	<i>1,861,212</i>	<i>1,774,068</i>	<i>136,387</i>	<i>1,910,455</i>
OWNER'S CONTINGENCIES						
Construction Change Orders	-	-	-	660,242	(660,242)	-
Misc Costs	-	-	-	98,072	(98,072)	-
Professional Fees	70,755	-	70,755	70,755	-	70,755
<i>Subtotal contingencies</i>	<i>70,755</i>	<i>-</i>	<i>70,755</i>	<i>829,068</i>	<i>(758,313)</i>	<i>70,755</i>
Total cash out	18,209,093	17,736	18,226,829	17,483,422	861,122	18,344,544
Net activity	(3,869,963)	2,743,998	(1,125,965)	(483,422)	(861,122)	(1,344,544)

