

TVUUC Board MINUTES

Zoom Meeting of May 17, 2022

<https://us02web.zoom.us/j/87554992710>

Having established a quorum, President Ryan McBee called the meeting to order at 6:34 pm.

Present (alphabetically): **Matthew Blondell, Chris Buice, Bill Cherry, Eddie Chin, AB Coleman, Heather Kistner, David Massey, Ryan McBee, Jeff Mellor, Claudia Pressley, Linda Randolph, Mary Rogge, Ken Stephenson, Jamie Watts, Alice Woody.**

1. Minutes - Jeff

Ken moved, Alice seconded to accept the minutes as distributed. Unanimous. [5:31]

2. Endowment Fund Charter – David Massey

David reviewed the process of reviewing and revising the Endowment Fund Charter since the last Board meeting. Having previously provided the committee an updated, interpolated draft of the Endowment Fund Charter, David went over the changes in the new version which the Board had not seen previously. Beyond these changes, discussion centered on two items:

1) Pronoun references, e.g. his/her vs. their, were discussed and wording was chosen to avoid conflict with UUA gender guidelines. David stated that he would review the draft for any other needed changes to pronouns.

2) David said that the Committee is still in discussion with the donors whose gift established General Sub-Fund B, and noted that the final wording may change depending on the outcome of those talks.*

*NB: Two days after the May 17 Board meeting, David notified the Board by email on Thursday, May 19, that the donors had agreed for all of the assets in General Sub-Fund B to be transferred to the Memorial Garden Sub-Fund, and that, as a result, the General Sub-Fund B paragraph would be dropped from the final version of the Charter.

Jeff moved, Ken seconded that the Board accept the Endowment Fund Charter, subject to minor revisions, and recommend adoption of the Charter at the Congregational Meeting. Unanimous. [34:46]

3. 2022-23 Budget - Bill / Claudia [35:44]

Bill outlined three budget scenarios, noting that they are works in progress and subject to revision. He invited Claudia to interject comments as needed. He, Claudia, Viren and Chris had collaborated in drafting these scenarios. Underlying each scenario were different income assumptions.

Scenario #1 used actual baseline figures from the last pre-COVID budget (2018-2019).

Scenario #2 used estimates for the fiscal year 2020-2021.

Scenario #3 used projections for the fiscal year 2021-2022.

Figures from these options were averaged to suggest a working starting point for a desired end product ('dream list'). On these assumptions, the Scenario #1 budget has a \$202k deficit, an obvious non-starter.

The Scenario #2 worked from revenue expectations from current figures. It used expense figures that were mostly derived from the current year brought forward. In particular, no salary increases were included and the only essential expenses that changed were for line items already committed to. These increases derived principally from changes determined by a shift to in-person/hybrid services from exclusively virtual services. In-person services imply child care expenses. Hybrid services imply video conferencing costs. This scenario yielded a deficit of \$132k, likewise an unacceptable budget.

Scenario #3 yields a balanced budget and also has no provision for salary increases toward the goal of meeting UUA guidelines and includes other adjustments that 'seem possible' and 'not desirable' and possibly in some cases 'not realistic.' The most dramatic change in Scenario #3 is the non-renewal of the Assistant Minister position, which Jametta will be vacating. This Scenario #3 proposal is the one most realistic one from a balanced budget standpoint. Adjustments should focus here and will require further discussion. [43:32] One particular area requiring consideration is Pledge Contributions. Scenario #3 assumes \$505k, but the current year only shows \$453k in pledges. This difference of ca. \$45-50k either has to be agreed to or modified. Additional initiatives to increase pledges are one obvious option. Is making up this amount an achievable realistic goal? It has been our experience that pledge numbers can and do increase in the course of a fiscal year, but a difference of this size is a stretch. Another area requiring consideration is an assessment that the Assistant Minister position is essential for the proper functioning of the church. How can we achieve a balanced budget — as required by the bylaws for presentation to the congregation — with that position retained? Are there other untapped funding sources we can consider? [47:16] Notably this scenario includes no salary increases. The few differences between last year and this year result from converting a part-time position to full-time, for example, that of the Music Director who was here for only a part of last year, but will be here for the entire coming year. Also, child care, which was not available with only virtual services, showed increases in this year with the resumption of in-person worship. Loan service of the SBA loan (\$8400) is another obligatory increase in outlays. Noting that these scenarios only included recent years of figures, Ken asked if any longer term past figures were available. Claudia noted that the contributions of some substantial donors had had to be cut back in the 2016-2017 time frame for various reasons, but she would provide these earlier figures as well. [50:47] Regarding procedures in advance of the congregational meeting, Bill stated his belief that the executive under Chris would examine this current proposal and make adjustments as seem warranted to arrive at an acceptable proposal. [54:30] Chris noted that it would be up to the congregation to assess the value of having an Assistant Minister and to provide the funds for this position. Losing that position would require adjustments in his duties that he would undertake in consultation and cooperation with the Board. [56:00] Other options for providing pastoral care are possible, including persons with a degree in Social Work. Acting on these options could be taken after the financial situation becomes clearer and following the response of the congregation to these needs. It was noted that the Board would have to approve a budget

proposal in time to put it before the congregation, as required eight days before the congregational meeting. Chris reminded the Board that the Board could provide a list of priorities if additional funds become available, as it has done in the past. This both provides an incentive for increased giving and maintains the integrity of a balanced budget on which the congregation is to decide. Ryan agreed and advocated that the leadership of the church should put together a list of longer term, but currently unfunded, priorities that govern the future direction of the church. Chris added that there has been a significant amount of restructuring denomination-wide in response to the pandemic and that assessment of future priorities of the church fits clearly in this mold. [61:35] Further discussion centered on how the changes in income were tracked, for example, how pledges made after the establishment of the budget were listed. Were they listed as **pledges** or **pledge income** with a different designation? [69:12] Bill emphasized that the budget necessarily includes expense and revenue items that can vary, but by approving a budget we are expressing confidence that the numbers in the budget are ones we reasonably believe we can achieve. [69:56] This could encourage a shift in practice regarding pledges toward seeing pledging and encouraging pledging as a twelve-month activity, rather than relegating it to a narrow window. Chris stated that a financial consultant could also aid in a revamping of pledge campaigns. Rental incomes, it was noted, is sensitive to variations in COVID infections, as are so many other church activities. The inclusion of sexton compensation in the rental fee was discussed as a possible improvement. [75:46]

Ryan charged Bill to organize a meeting for further refinement on Scenario #3. The outcome of this meeting is to produce a document for the Board to consider before forwarding the final form to the congregation in the congregational meeting. **This procedure met with general consent.** [91:00]

It was emphasized that Board Members familiarize themselves with the budget sufficiently that they can discuss the changes in specific line items that may come up in discussions in the congregational meeting. [94:40]

Mary moved, Heather seconded that the Board meet on June 1 to pass the final budget. Unanimous. [99:15]

In subsequent discussion, there was strong consensus that a letter to the employees and staff be sent from the Board thanking them for their yeoman efforts to sustain the church in the face of the challenges of the COVID time we have gone through.

4. Executive Report – Chris Buice [110:11]

Chris opened his Executive Report by stressing that he wanted to provide a big picture update with special attention to future post-pandemic directions. Even though Knoxville currently has a community risk level of LOW, he noted residual effects remain in our midst affecting not only older members and those with certain health conditions, but even younger folks such as Rev. Jon Coffee. Other parts of the country, Boston for example, still have a risk level of HIGH and the UUA has had to maintain significant virtual office work. TVUUC services are about attended about half and half, in-person and virtual. This requires us as a congregation to find a way to expand or broaden our vision so that we can all move forward together as a harmonious, yet

diverse community. Independently and in advance of our COVID policy changes, in-person attendance at TVUUC dipped in December when community infection levels rose. In concert with the goal setting agenda of the new Board in August, we need to hone our skills to refine our multi-platform capabilities as a church, even to the point of inviting attendees to post-service coffee hours in our building **AND** via ZOOM. Our children's program is expanding open-air activities, including hikes in the Smokies, for people who are unvaccinated. Having met with UU ministers from Nashville and Chattanooga to the Tri-Cities, he reported that all churches are struggling financially in COVID times. This year's budget has perhaps begun to reflect the shift to a new hybrid reality since it includes actual provisions for virtual and video support that were handled on an *ad hoc* basis in previous years. Integrating younger and/or newer members into such church activities as stewardship is vital to sustaining the future of the congregation. Notably, people with small children represent a large portion of visitors in the fall, when such activities are more frequent. For three years, this cohort of younger families has not been able to enter our doors. August and September should be an intentional time of welcoming these people again in whatever ways we can. Though engaging the services of a UUA financial consultant is not a part of the current budget, this would be a valuable future step in sustaining our financial health. Because our reach as a congregation can increase with the advent and growth of virtual connection, we should view this as an opportunity for growth and strengthening and make efforts to exploit it. All efforts should focus on setting goals to move forward together and welcome others to come, in-person or online. [122:05]

Further discussion revealed that Mark Mohundro has developed a virtual visitors card in a link appearing during online services and it has gained as many as five users since its inception. Though it has been difficult to measure definitively, the question of the financial contributions of online participants was raised. At least one significant pledger has never been in the building. Another contributor interested in Personal Beliefs and Commitments has provided funds to upgrade and retrofit video capabilities to make classes in the building more available and professional looking.

Quite remarkably, our church has been successful in sustaining all but a very few specifically in-person activities throughout the pandemic. [130:13] All the same, some activities, such as the Rummage Sale, which generates a certain amount of income will require the integration of 'young blood,' and will demand rethinking of ways to achieve these goals. Chris reminisced that the late church leader Wade Till invited him as a young person to get involved in church activities long ago and that many of *us* are *now* 'Wade Till' and need to act as he did then to integrate younger folks to roles of responsibility and leadership. Ever since the shooting, our fostering younger people in leadership development and hearken to their suggestions and preferences has slackened. Chris's report met with widespread positive response. [139:07]

5. Final Canvas Push – Ken Stephenson

Ken suggested the members of the Stewardship Team deserved special recognition at the Congregational Meeting for their great work in trying circumstances. He thought that this might also provide an opportunity to hint to our members that we have not yet developed a fully funded budget and to urge additional efforts to achieve that goal. Bill offered to confer with Heather on these further steps this week and said he would be happy to make a short presentation to the

Congregation and to integrate into his presentation his intention to increase his pledge as an incentive for others to emulate. [146:27]

6. ByLaw Update — Ken Stephenson

Ken gave an update on the reformulation of the bylaws. He and AB and conferred on the bylaw revisions and were of the view that there were mostly cleanup changes at present. While more substantial structural revisions might be forthcoming down the road, the current changes offered only minor changes be presented to the congregation in June. In his view, we could continue to operate on a tentative basis under the current bylaws with only the cleanup changes to be presented. AB had suggestions for revamping the committee structures in the future in response to difficulties in recruiting participants, but those were deferred. The renaming and reorienting the Nominating Committee as a Leadership Development Committee was noted. The three year commitment for the Personnel Committee was to be eliminated. Pronouns were adjusted in accordance with current gender policies. The term Rising Chair will replace Chair Elect as appropriate. In sum, the changes amounted to cleanup rather than restructuring. AB offered to respond to questions that might arise in the Congregational Meeting in view of the lengthy back and forth about the proposal last year that had not been adopted. [150:26] Linda urged that the Nominating Committee (aka to be Leadership Development Committee) be made aware that they are obligated to identify a chair of the Personnel Committee. [164:07]

Matthew moved, Mary seconded that the bylaw draft presented at last year's Congregational Meeting be presented to this year's Congregational Meeting for adoption.

Alice offered a friendly amendment that the revisions worked on by Linda, Ken, Heather, and Alice to last year's draft be incorporated into a document for consideration in a discussion session open to the congregation that Ken will chair on next Thursday.

The docuemtn resulting from that meeting would then be presented to the congregation for adoption. Matthew and Mary accepted this friendly amendment. [170:40] Unanimous.

7. Congregational Meeting Planning — Ryan McBee

Ryan discussed planning for the Congregational Meeting that will be hybrid and include both in-person and ZOOM participants. An additional meeting on this specific topic will occur next week. [172:30]

8. Board Member on Duty — Ryan McBee

Ryan called on Board Members to sign up to act as Board Members on Duty.

9. Adjournment

The meeting was adjourned.at 9:27 p.m.

Respectfully submitted,

Jeff Mellor, Clerk-Secretary