



Unitarian Universalist Church of Annapolis
Board of Trustees Meeting via Zoom
October 25, 2022; 6:52 pm – 9:52 pm
Approved Minutes

In attendance: Carrie Kotcho, Rev. John, Rev. AZ, Jan Bird, Jane Carrigan, Stan Keeve, Kari Alperovitz-Bichell, Jenn Pollitt Hill, Mike Wanhatalo; Guests: Jeanne Jehle, Margaret Martin

Chalice Lighting/Opening Words

6:52pm

Check In

Items Outstanding

Feedback Policy - Soren and Jenn

Postponed until November Meeting

Executive Evaluation - Finalization (draft process for using tool)

Postponed until November Meeting

BEEC 2 Update - Jeanne Jehle & Margaret Martin

Overages in Construction – FYI

To be discussed in November, options offered

The following update is in supplement to the document “Building Expansion Exploratory Committee (BEEC-2) Update on Phase 1 Renovation October 25, 2022” located in the October 2022 Board Meeting Folder.

Jeanne provided a quick overview to the process to date. Margaret noted that All-In is our lead contractor and they are doing an outstanding job for



UUCA, even doing some work at cost. The Pandemic has made progress slower than desired and the AA County permitting process has been in transition and a bit opaque which has also caused delays. Jeanne noted that is now improving. As predicted, by BEEC 2, demolition led to some discoveries of items that needed to be repaired, remediated, etc. to meet code. Lower-level damage has been fixed, sprinkler heads installed, water lines completed and tested for leaks, and next will come the dry wall and painting. The main ceiling and roof reinforcement is now underway. The retaining wall needed reinforcement due to construction needs. The water line from Lawrence Ave. to church property and new hydrant are now in place. Some of the repairs and remediations were not in our budget. At this time BEEC2 estimates we are running 80k+ over budget and up to as much as 140k is possible. Board members discussed payment due dates and when UUCA will need to find the cash to make the payments over and above the original budget. Jeanne estimated that they would need those funds in the next 3 months. We have 36k left in Harbor Bank and we could take loans up to 99k according to Rev. John. Margaret confirmed that the project is 80-140k over and above the 300k budget we started with.

The Board and BEEC 2 members discussed how did we got to this point and reiterated that permitting and county regulations changes, discovery of unknown/hidden issues caused the overages. Board members suggested we document all the work, approvals by county etc. to help us inform future UUCA renovation projects from encountering more unknowns. Margaret reiterated that all change orders reviewed by the BEEC 2 team, our architect reviews it, then they are approved, and project is moved forward on a bi-weekly basis.

Rev AZ made a great analogy about going in for hip replacement and finding out you have a heart problem and a lump. It all had to be fixed but its more than we'd expected. There is no concern about mismanagement,



we've been warned from the beginning that once we opened the walls that we could discover unexpected things.

The Board then moved on to discuss the question "How will we come up with the money we need to pay for the overage?" Rev. AZ offered 4 options 1- increase the size of our loan (which may need congregational approval – will need to check bylaws) 2 – tap into funds that the board controls (endowment or reserves) 3 – initiate a silent big donor outreach to make up the difference via gift or loan 4 – go to congregation to appeal for more funds.

The Board agreed that knowing the actual budget overage will inform which approach we take to raise the difference. The Board asked Jeanne and Margaret to identify the deficit amount by the November Board meeting so it can choose an approach and develop the solution to raise the overage, complete the project, and pay our contractor.

Rev. AZ designed a quick poll to give direction on addressing the BEEC overage as outlined above and will share results before November Board meeting: <https://forms.gle/27xZhw4F3RKVz9UT8>

Board Reports

Finance Officer Report - *Jenn Pollitt Hill*

Jenn shared her written reports as usual (documents are in the October 2022 Board Meeting Folder). She noted that the Finance committee is concerned that a number of folks have not made their 2022 pledge payments and noted that we will need a more robust pledge season to increase income for the upcoming budget year.

Jenn noted that Peter Morse offered to serve on the Finance Committee and the Board will act on that later in the meeting.



Jenn will talk with Caroline on Endowment to discuss the amount budgeted for 2023 budget.

Board members discussed the need to make calls folks who have not fulfilled their pledges. Many times, it is oversight, but sometimes the member is suffering a set-back and could use support. Board members agreed the focus of the calls will be on checking in to make sure folks are ok, check to see if they are happy with their church experience, and without getting too personal ask if they are reducing their pledge or intend to pay in full. Board callers can offer Minister follow up. Carrie, Jenn, and both Rev's offered to make calls. Discussion about whether Board should be doing these calls or not. Jenn and Jane will follow up with Board members to get the calls done.

Ministers' Report

Rev. John reports that our new membership strategies are paying off. 50 new members have joined. In-person attendance is coming back. The newest pledge group pledged over 19k. That's a strong number based on past pledging. Faith development going strong. The Executives oversaw a Safe Congregation audit of our spaces and identified areas of improvement for safety and security. Rev. John noted that there are grant funds out there for us to pay for improvements.

Rev AZ reported on progress regarding the Lawrence Street Property. She informed the Board that our attorneys have successfully gathered evidence and documentation to support our case, and feel it is a very solid one. Thank you to Evelyn Spurgin for doing much of the legwork on this, and for Susan Eckhart and Rev. Fred Muir for their contributions. Rev. Anastassia has authorized our lawyers to proceed to court; she, Susan, and Fred are expected to testify. We may have a court determination before the end of the year.



This month, a neighbor connected with Rev. John. His property abuts to our Lawrence Street property, and he is potentially interested in buying this. Members of our Master Plan team (which has been doing strategic visioning for our property) have advocated for the selling of this land. In preparation for a potential sale, we recommend that the Board entrust Scott Eden (and others of his choosing) to present the selling of this property to our congregation at the upcoming town hall and congregational meetings. Congregational approval is required for the sale of real church property.

The following action items were requested by the Ministers and need to be handled at our November Board Meeting.

- The Board will discuss and give direction to Executives on proposed Annual Goals.
- The Board will discuss and affirm or revise the proposed Ends Statements

Proposed Budget - 18-month budget

The Board discussed the following budget issues plus a line-by-line review of the proposed budget for 2023.

- Pledge process change
- Staff have not gotten COLA increases in several years
- Equity in pay issues between choir and ensembles
- Starting a youth internship program
- GA scholarships to ensure all members can attend

The discussion was led by Jenn and John. We discussed whether or not we need to ask the Endowment Committee for an additional 25k of funds to cover next year's budget when we do not carry the 25k Endowment funds over from 2022 to 2023 because it needs to be spent to close out the 2022 budget. Board asked Executives to calculate the unfulfilled pledges for the last two 12-month periods. The Board noted that our original plan for Ministers salary in the new "Ministers of Equal Standing" configuration was



not to give raises until after 3yrs We then discussed moving the date to August 2023 which would be 3 yrs. The Board prioritized keeping the other staff COLA increases in the proposed budget. We agreed to sharing the budget with COLA increases for all staff for the purposes of the congregational conversations and then make a final decision about Minister/Executive COLAs at the November meeting. The Rev's invited Board members to help craft the congregational conversations and version of the budget used in conjunction with Finance Committee meeting next Tuesday. Rev. John to set this up.

Key items for congregational conversations: Pledge number needs to be adjusted; Endowment 4th year needs approval; Denominational expenses adjusted; Construction loan costs adjusted; Adjust COLA for ministers to 0 or 3% or leave them alone. Leave staff with 5% increases. Rev. John will set up a meeting to discuss.

Follow up Business:

ACTION: Motion by Jan to Approve Minutes of September 27th, 2022. Discussion. Seconded. **Approved.**

ACTION: Motion by Jane to nominate Peter Morse to serve on the Finance Committee. 2nded. Discussion. **Approved.**

CHALICE LIGHTER FUNDS

The Board discussed the \$7200 bill for the completion of the mural for the front entrance. \$4500 will come from a Chalice Lighters Grant and the remainder from UUCA funds. The remaining amount is \$2700.

ACTION: Motion by Carrie to approve paying \$2700 from the Abernethy funds to pay a portion of the completion of the mural for the front entrance of the building. Seconded. Discussion. **Approved.**



FOR THE CONGREGATIONAL MEETING

Jane noted that we will need a vote to change the Bylaws to allow for our fiscal year calendar change and asks us to read her email with the full set of topics and reply to her with comments or changes to it so that she can set the agenda.

Check Out/Extinguishing Chalice/Closing Words

9:52pm

Submitted By: Carrie Kotcho, Secretary