



Unitarian Universalist Church of Annapolis

Board of Trustees Meeting

Tuesday, October 24, 2023

6:45pm – 9:07p Hybrid Young Room/Zoom

Zoom Link: Meeting ID: 922 5263 7488

Approved Minutes

In attendance: Carrie Kotcho, Jenn Pollitt-Hill, Rev. John, Nicole Bruno, Staff Warren, Kari Alperovitz-Bichell, Rev. AZ. Quorum.

Guest: Caroline Hadley

Check-in/ Chalice Lighting

6:45pm

Action: Motion by Staff to approve minutes from September meeting. Seconded. Discussion. **Approved.**

Board Reports

- Finance Officer report – Staff (could not make out what he was saying pull it from the written report in email and copy those to the board drive.)
- Harbor Bank has wired \$72,324.94 to First Capital Park Ave and Lee Derrick has received it and deposited it in the Endowment Account. The balance on the "collateral" account at Harbor Bank is about 28K which will be returned to us after the Bank has notified the County that the construction work is complete. As of Nov 1, 2023, Lee will draw \$1450 from our PNC account and deposit it in the Vanguard money market account (paying interest just over 5% currently) and this will continue until the proceeds from the Lawrence St. sale are deposited back to replace the capital amount borrowed.
- As of Sept 30, 2023, we have completed Q1 of this fiscal yr. (7/1-9/30)

Total Revenue YTD(July-Sept):	\$144,371
September:	\$41,069
- Total Expenses YTD(July-Sept): \$216,416

September:	\$19,076
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- Fiscal Year to date Net Rev/Exp.: negative \$72,045
- Nine-month (Jan-Sept) Net Rev/Exp.: negative \$31,511

- CURRENT ACCOUNTS:

PNC Checking:	\$40, 626
(Includes UULM)	\$13,159
Harbor checking.	\$7,585
Endow. Operating.	\$84,105
Endowment Rest.	\$652,363
Endow. M. Garden.	\$39,088
HB Collateral.	\$72,325
Total Endowment.	\$847,881

- PROPOSAL: Transfer 40K from Endowment Operating Acct. (of the 65K available) to the PNC checking Acct. as we have triggered the requirement of <30K in available operating funds.
- CONCERN: For the first 3 months of this fiscal year, we are \$72,045 in the red and carryover from Jan-June 2023 only amounts to \$40,534, leaving us \$31,151 in the red for the preceding 9 months (Jan-Sept).
- Our total endowment funds (\$847,881) are below what they were on 12/31/2016 (\$1,221,060) and below the peak year- end amount on 12/31/2020 (\$1,818,273). The Church owes the Endowment Fund about 349K and is paying \$1450 monthly in interest (the N. Lawrence Street property sale will partially offset this).

In addition, we are anticipating future expenditures for the following:

Roof repairs:	175-300K per Rev AZ)
Fahs House Takedown:	50K per Rev John
Security Upgrades:	117K
(Reimbursable from Homeland Security after money spent)	

Jenn asked about progress on an MOU with the Endowment Committee on the loaned funds. Staff noted there was no MOU. Carrie will lift the language from the Board of Trustees meeting where we approved the loan and Rev. John will craft the MOU.

Ministers' report - Revs John and Anastassia

Action: Motion by Staff to approve the 2024 annual ministry plan. Seconded. Discussed. **Approved.**

Rev. John highlighted the following items from the report:

- Grants awarded from Endowment fund will be announced this coming Sunday.
- Still need to get fifty people to attend the AACT Anniversary Meeting coming up Nov. 2 at St. Andrews by the Bay.
- UUA would like to record a service at UUCA to share with the wider online UU community “because we have been consistent and strong supporters of UUA.”
- Rev. AZ reported that we got our first offer for the Lawrence St. property. It was at market value. Rev. AZ consulted with a real estate professional who did some analysis on the offer. Our net after all fees on this offer would be \$304,000. There have been others who are interested. It is possible another offer will come in tomorrow.
- Water and residency contingencies would need to be met to make the offer on the table official, but any other offer would likely want the same contingencies. The county said that the soonest they can do the survey’s needed for these would be March, 2024.
- If we sign the written offer, we can still accept other offers for up to 3 weeks.
- The Ministers request that the Board authorize one or more signers for the offer letter.

Action: Motion by Staff to authorize Rev. Anastassia Zinke to be the authorized signer and legally execute the sale of the 915 Ave. Lawrence Ave. property. Seconded. **Approved.**

Action: Motion Carrie by to authorize Rev. Anastassia Zinke to accept this offer unless a better written offer is submitted within the timeframe designated within the contract on the table. Seconded. Discussed. **Approved.**

Rev. AZ reported that the total BEEC2 project will have spent almost 900k by the time we are done. About 400k of this came from a previous capital campaign from a previous year plus another 100k in specific gifts. The overages were largely due to deferred repairs, conditions found, and county requirements/timelines. We will need to do a capital campaign to cover the remaining amount. We originally decided not to do a campaign at the beginning

of this because we did not yet have our new pledge year plan. Now that we do, the Ministers feel that we can and should do a capital campaign to cover the current BEEC2 costs plus an amount that would take care of our aging building and property such as roof replacement, water remediation, demolishing Fahs, a repair fund that maps to the age of our building etc. Any new capital projects on top of that would need to come from the congregation directly. The capital campaign would run in parallel with the 2025 pledge drive and in the same year as GA will be in Maryland. Kari reminded us that the Board was aware that UUCA would need to do a capital campaign at a later date when we started this process. Some Board members mentioned concerns about discussing an upcoming capital campaign when the building under BEEC2 is still unfinished.

The Ministers request that the Board forms a committee to explore what the congregation would want to fund through a capital campaign. That committee would run the information sharing and congregational conversations considering Board and Congregation input and priorities. Then they would develop a set of options to present back to the Congregation for a vote to decide. This is something the Ministers would like to bring to a Board vote in November to form a committee. Rev. AZ offered to brief Mike, Jan, and Laticia who were not present tonight.

Rev. AZ reports that the only outstanding item is the glass. The glass company we contracted with was not responding to calls or emails; we have learned that they went bankrupt and are no longer operating. Despite vetting, this sometimes happens. A down payment was made (estimated at \$16-\$20K). We have three new glass companies doing bids so hopefully we can finish the project by Thanksgiving.

Updates

- Rev. AZ led a discussion about her sabbatical. With the capital campaign scheduled for 2025 she feels she needs to carefully select the timing for it. She feels strongly that she should be here for that campaign during the full implementation portion and that she could go on sabbatical during the formative time led by the committee. That would mean starting earlier than originally proposed August 1. The new proposed date to start would be June 15, 2024.

Action: Motion Staff by to approve a sabbatical for Rev. AZ as allowed for in her contract that could begin as early as June 15, 2024, details to be developed in collaboration with her Sabbatical Team. Seconded. Discussed. **Approved.**

New Business

- Board contribution to Fall Fest Auction Fundraiser will be a wine basket.
- Discuss Agenda for December Congregational Meeting. Quick thoughts:
 - Do not need to pass a budget since we changed fiscal year.
 - Report out on the previous year's programmatic work include EPIC, budget update, finance/Lawrence/endowment, BEEC2, skip shining lights until December 24 and make it be December from then on, nominating committee, SAE update.
- Capital Campaign efforts will need to be approved at November BOT
- Right Relations Committee to present at November BOT meeting.

Check-out/Closing/Extinguish Chalice

END 9:07pm

Executive session started.

Minutes submitted by Carrie Kotcho, Secretary