MINUTES FOR

UU ASHEVILLE BOARD OF TRUSTEES MEETING

13 DECEMBER 2022

This was a hybrid meeting. On Zoom were Clyde Hardin, Laurel Amabile, Cliff Hall, Margaret McAlister, and Julie Stoffels. Present at the meeting in Sandburg Hall were Will Jernigan, Adam Griffith, Mary Alm, Karen Dill, Interim Minister Reverend Cathy Harrington, Director of Administration Wendy Motch-Ellis, and Chair of the Finance Advisory Committee Marta Reese.

1. **Call to Order**
   6:11 p.m.
2. **Opening Words and Chalice Lighting**
   Julie: Quote from Valarie Kaur
3. **Check-in**
4. **Consent Agenda**
   President's Report
   November Minutes
   Exec Lim C
   Exec Lim H
   Exec Lim H, End-Of-Year Financial Statement
   Q' Pasa
   Minister's Notes

   Cathy announced that AV staff member Will Lundquist has resigned. Will Jernigan requested explanatory information. Discussion ensued.

   Cathy suggested that we may need to review the salary listing in the Ministerial Search documents. Discussion followed. Board members assumed the listing is a salary range of minimum to maximum. Clyde clarified that the draft contract instructions called for the minimum salary and not the range; and that the minimum salary is in keeping with UUA recommendations for a congregation of our size. Cathy said that the minimum salary is an issue. It was suggested that we need to talk with the MSC to clarify. Mary Alm asked if someone had raised this as an issue. Cathy shared two ministerial candidates with doctorates and experience had questioned this in discussion with her. Cathy asked if we want to encourage less-experienced ministers to apply. Clyde suggested that we need to talk with the MSC members, and perhaps Rev. Keith Kron, to assess the facts of this detail.

   Rev. Claudia's report included an Adult Faith questionnaire. Clyde encouraged us all to fill it out.

Mary Alm indicated that the bulk of the Racial Justice Advisory Council recommendations can be addressed after the first of the year. Several of the recommendations necessitate Wendy's involvement.

Clyde asked if there are items to be removed from the consent agenda. There were none. The Consent Agenda passed by consent.

5. **Actions for Improving Our Fiscal Health**

   Director of Administration Wendy Motch-Ellis and Chair of the Finance Advisory Committee (FAC) Marta Reese attended the meeting to share information about the financial health of our congregation, to propose that the Board appoint a chair and co-chair for appropriate committees to address the issues, and to suggest areas of need for Board leadership and strategic thinking.

   a. Marta Reese

      One of the key responses of the FAC to our original budget was that it had a deficit of $87,000 and that the budget was going to be supported by the Contingency Fund. But the actual deficit was $120,000. It is a common problem that during the Annual Budget Drive, and budgeting in tight times, we don't have enough information to make an accurate projection. The Meet the Moment initiative raised an amount equivalent to the projected loss. We are thrilled that we will not have to use the Contingency Fund for 2022-2023 fiscal year.

      Going to 2023-2024: FAC last year felt rushed. Therefore, we need to start with next year's budget now to avoid the same issue. We need to raise $806,000 according to our preliminary analysis. That means we need to raise an additional $86,000 over this year's amount (which includes the "one-time" Meet the Moment ask which generated $120,000). Since Meet the Moment, being a one-time ask, does not change the baseline, without pledge increases over the 2022-23 level, the projected deficit for 2023-24 could be as high as $206,000. The general expectation is we need to have more giving units and higher pledges.

      We believe we will likely be paying the called minister $110,000. We will be keeping the same staff. The projection Includes 5% COLA. Expenses will increase 5% to 7%. A $10,000 contribution to the capital fund included in the budget estimate is a minimal amount, and likely too small.

      Marta highlighted that the decline in pledging units is consistent with the decline in the number of members. The percentage of uncollected monies in the past was 6%, but that has risen over the last few years.

      Given the decline in membership and giving and rising costs, we need strategies to increase giving. The need is immediate. This reflects the national trend.

      There are still unknown issues as a result of the Pandemic.

   b. Wendy Motch-Ellis

Strategies are being suggested after conversations with the FAC and staff. Membership in 2017 was 600 and now it is 420, and giving units are fewer. This change has been exacerbated by the Pandemic. We ask for much more involvement from the Board of Trustees.
The Annual Giving Campaign has been the tradition. During the pandemic we assumed members would give the same. Meet the Moment caught us up. Now what do we do? We need to engage with the congregation.
We propose three committees to create continuity and sustaining financial health.

Care Connect Team:
The chair would work with Venny Zachritz to identify members with whom we've lost connection. They would review member/friend lists to assess needs. It would be a three-stage process: call, engage, and get them to events now through June. The emphasis with this group would not be about money.
The Care Connect Team would identify those with whom we've lost connection and with new members/friends and guests who might not be connected yet. It would ensure those identified are cleared to receive ministers and pastoral visitors. They would engage/reconnect with past members/friends and guests. The team would ascertain what is at the heart of their needs, how they are doing, and how we can help. The overall goal would be to re=engage people with our community through outreach and meaningful connections.

Annual Budget Drive: Giving/Sustaining Campaign Team:

The chair would target increased giving, including a high-giving kick-off event for those who give more. We need to re-envision what the annual Budget Drive looks like. Shifting of the generations is an issue. The team needs to include the younger generation. We are not just a nonprofit. We are not your normal nonprofit. We need to reimagine. We need to publish. The Board would establish a campaign goal.

The process involves activating a campaign team. The Team would provide bi-weekly updates to the Board throughout the campaign. They would track the progress toward the campaign goal. They would establish and recommend the campaign timeline and strive for increased giving from everyone. They would identify who has relationships with whom and decide who should connect and make asks of each member/friend and guests. A wrap-up event would celebrate the end of the campaign.

Stewardship Team:

We have some infrastructure issues that could crate liabilities. We need a stewardship team to earmark monies in the various funds. The team would identify

and quantify Capital and Infrastructure needs. It would prioritize and engage with the Board in strategic visioning of the campus. The team would recommend capital campaigns including timelines and goals. It would identify potential donors and seek gifts to fund capital improvements and infrastructure.

Legacy Team:

The Legacy Team would continue to grow planned giving. It would link opportunities for planned giving with the work of the Stewardship Team. Recommendations would be established by the team for naming opportunities and plaque recognition.

Requested Board Action:

Wendy concluded her remarks requesting the following action from the Board:

- The Board should appoint a chair and co-chair for each of the four proposed committees by mid-January.
- Six other members should be appointed to serve on each committee.
- The Board needs to engage in Strategic Thinking, including visioning for the physical campus and visioning for a sustainable operational budget.

Discussion:

In response to questions regarding alternatives to pledges, Wendy suggested that the Board might want to consider foundations and grants; public/private partnerships; land rental; cutting programs; an enrollment fee for RE; etc. She emphasized the need to exhaust possibilities. She also reiterated that the Board needs to provide direction and describe what it envisions as next steps working with the Director of Administration and staff members. She added that, in addition to creating the four committees, the Board also needs to create a plan for sustaining budget operations.

Board members suggested we have the Leadership Development Committee (LDC) meet with us to work together to identify members for the necessary committee work. Similarly, emphasis was focused on this endeavor as being collaborative work among Board members, the LDC, the Director of Administration, and pertinent staff members. It was the consensus that we will support Wendy in her work, giving her permission to share the reality of our situation with the MSC in upcoming meetings, setting up goals and executing ideas collaboratively.

Clyde said he will create a plan for meetings to address the concerns shared this evening. Those concerns, presented in detail, he concluded, have an element of difficult news that we need to digest before making decisions.

6. **Update on Capital Assets**

The-5 year renewal of insurance is coming up.

Wendy reported that our telephone infrastructure is not sustainable.

Adam reviewed 21 and 23 Edwin with John Bates. Storm water is not draining properly. In March or April 2023, repair of the damaged pipe outside of 23 is likely to begin.

Adam proposed we need a unified vision for our campus. He stated that we need to rely on the UUCA Capital Assets Task Team for the recommendations that need to be executed, such as hiring a building inspector and a structural engineer to assist in assessing the properties. Committee members are: John Bates, Chair; Adam Griffith, Board member; Wink Zachritz, FAC member; and Larry Holt, longtime member. Will Jernigan volunteered to help with the city's assessment of conditions regarding civil engineering issues.

7. **Motion:**
   Margaret moved and Adam seconded a motion that Clyde Hardin and Mary Alm be delegates to the 2023 UU convention. The motion passed.

8. **Kudos**
   To all Board members who wrote thank you notes to Meet the Moment donators.
   To Wendy and Marta for their reports and requests.
   To Julie who provides the minutes
   To Margaret and the rest of the Auction Committee for planning the very successful Auction on November 19th

9. **Adjournment**
   8:22 p.m.

Respectfully Submitted,

Julie Stoffels, Clerk