

Thomas Jefferson Memorial Church Unitarian Universalist
June 4, 2017 Congregational Meeting
Draft Minutes

Before the meeting was called to order, Laura Horn reviewed the basics of Robert's Rules of Order and explained the use of Pro, Con and Point of Order or Point of Information microphones. All speakers must be recognized by the Chair.

1. Call to Order – The meeting was called to order by Chair Karen Ransom at 11:44 AM.
2. Establish Quorum – Our bylaws require that 10% of membership be present to conduct church business at congregational meetings. As of May 31, 2017, membership stands at 416. Thus 42 members constitute a quorum.
Head Teller Breck Gastinger reported that 109 members have signed in, which constitutes a quorum.
3. Greetings - The Chair led the congregation in reading our covenant. She recognized Ann Salamini for taking minutes of the meeting; Jen Caswell-Colbert for help in preparing the script; Laura Horn for the meeting orientation, and all members of the staff and board. She introduced Ms. Mary Loose DeViney, who will serve as Parliamentarian.
4. Chalice and Opening Words - Christina Rivera lit the chalice as Leia Durland-Jones gave the opening words.
5. Approval of Agenda - The Chair called for additions or corrections to the agenda. Kathy Lawder made a motion to reorder the agenda to put elections after the budget vote.
MOTION: Move the election after the budget vote.
Discussion:

Marlene Jones (Pro) – There are opposing views on the proposed budget. Those opposed want the budget vote settled before moving onto the nominations. Some would like to take part in decision making moving forward if the budget vote fails who would not feel comfortable implementing this budget if it passes.

Laura Horn (Con) – I would never not support those who want to stand for leadership. But let's not consider board service on one issue or in a moment of passion. Board service is for years and many decisions, requiring collaboration, study and learning. Learn about any leadership positions through the Leadership Development Committee and talking to others who have served. Leadership Development and the board have not turned away those who want to serve. The present slate, including those added since the congregational meeting packet was sent out, have come through this process.

Laura Rice (Pro) – I have limited time today and want to vote on the budget before I have to leave. I would likely support anyone who wants to serve on the Board.

Kathy Lawder (Pro) – Some who have been leaders before are willing to step up again. This vote will determine the direction our church takes going forward. Some people feel they would like to participate in determining that direction if the budget is voted down.

The Chair called the motion to amend the agenda to move the election after the budget vote and before the governance vote.

The motion passed with a vote of 61 for, 39 against and 4 abstentions.

MOTION: Approve the agenda as amended.

The amended agenda was approved with a vote of 83 for, 10 against and 4 abstentions.

6. Approval of the Minutes of the 3-26-2017 Congregational Meeting – The Chair called for additions or corrections to the minutes. None were offered.

Lois Brown (POI) – I didn't get the materials in advance of this meeting.

The Chair noted that the minutes were included in the congregational meeting packet which was emailed to all members except the list of those who request that print copies be sent. She apologized that Lois missed the email notification.

The minutes of the last congregational meeting were approved as distributed.

7. Lead Minister's Annual Report – The Chair called on Rev. Erik Walker Wikstrom to share his annual report to the congregation.

My written report is available with all of the other reports, but it's not uncommon for the Lead Minister of a congregation to also offer a brief, verbal, "state of the church" report at the annual meeting. And I would have to say that the state of our congregation this morning is ... conflicted. As I've often said, the way a congregation governs itself and the ways it utilizes its resources are reflections of both its health and its values. And as we come together today to consider the Board's proposed budget, among other things, it seems to me that what we can see playing out here are two different ways of understanding what makes a congregation healthy, and two different visions for putting our values into action (both among ourselves and out in the world). Cathey Poly recently noted that neither of these is "right" or "wrong," and I would essentially agree. Yet I would emphasize that they *are* different, and each would take our community in a different direction. One path is about protecting what we have, the other is focused on becoming something new. When we vote on our budget in a little while, we'll actually be voting on which of these understandings about congregational health, and which of these visions will guide us next year, and in the next several years to come.

I want to repeat something today that I said at the after-church meeting last week. There is a field of study known as "church size dynamics." Simply put, it teaches that congregations of different sizes are not simply larger or smaller versions of one another, they are functionally

different things. My favorite illustration of this is to say that really small congregations are like cats. As they grow, they become more like dogs. Then gardens. Eventually a congregation is like a farm – with gardens, dogs, *and* cats all together. I like this because it makes it clear – what you want to do with your cat simply won't work if you try it with your dog. And a garden is a different kettle of fish completely.

Most often you hear church size theory laid out like this: There are “family” churches (with less than 50 members); “pastoral” churches (with 50 – 150 members); “program” churches (with 150-350 members); “community” churches (350 and over); and it goes on from there until you have “nation-state” churches. (They're big.) Sometimes the relevant numbers used have to do with formal membership; sometimes it's the average Sunday attendance – in both the sanctuary and the religious education program. What's really most important, though, what all of the researchers and experts agree on no matter which metric they use, is that as congregations change in size they must change in form as well. A “program” church, for instance, is not simply larger than a “pastoral” church, it is a *different thing* ... a different kettle of fish.

The move from one size to the next, as you can imagine, can be extremely difficult. As a “family” church grows, members who loved the things that make a family church a family church aren't happy about having to give many of them up. Yet that's exactly what they're being asked to do, because many of those things simply aren't appropriate in the larger church size. And a dynamic often develops in which some members are excited by the possibilities of the new, while others mourn the loss of the old. (And, perhaps not surprisingly, some are doing both simultaneously.)

As I said last week, there are essentially only two ways that congregations make this kind of a change. One is intentionally. The congregation makes a conscious decision to grow, and leaders put into place the systems and structures that are needed by the larger-sized congregation. Often they begin to behave like the larger church before they're fully there. An example is bringing on more staff, because it's recognized that the larger congregation will need that extra staff, and that there's really no way of getting there without them. (This is often called “staffing for growth.”)

The other way congregations tend to grow is accidentally. The right preacher, or the right Director of Faith Development, or the right demographic shifts, or the right alignment of the stars ... who knows? *Some* thing, or several some things, create a rapid growth, and even though the systems and structures – including staff – aren't in place yet, everything works and nobody notices, because it's just so exciting to be part of this dynamic and growing congregation!

That's pretty much what happened here during the time of my predecessors, David and Leslie Takahashi Morris. There was kismet, and the Unitarian Universalist congregation in Charlottesville saw a *lot* of growth. (This upward trend had actually begun while *their* predecessor – Wayne Arnason – was here, but it really took off with David and Leslie.) And from nearly all that I've heard, it was really exciting.

When a congregation grows like this, though, there comes an entirely predictable “retraction.” People begin to notice the things that they're missing from the way things used to be, while at the same time continuing to expect and demand many of them even though it's no longer feasible (or appropriate) for those expectations and demands to be met. And, so, a

congregation finds itself stuck on a hump – it hasn't yet fully embraced its new size dynamics yet, *and* it hasn't fully let go of its old habits. In fact, it's not unusual for a feeling of conflict to grow between those who want to see the congregation get over that hump, and those who aren't sure any longer whether it was all that good of an idea in the first place. One more thing is predictable, too, folks on each side of that question often become frustrated and disillusioned ... disappointed in the way things are. Each will recognize that something needs to change; they just don't agree on what that something is, or what the change is that's needed. Sometimes this back and forth can go on for a really long time.

By whatever metric you want to use, our community is unquestionably a “program” church – we have a membership of about 415, for instance, and our average attendance in the sanctuary on a Sunday morning has been hovering around 200 for the past several years. (Four years ago the it was 218; three years ago it was 215. You may recall that there was a sense of dissatisfaction with my performance around this time, so not surprisingly two years ago we dropped to an average Sunday attendance of 186, and then, last year, to 165. This year, though, as we seem to be firmly back on better footing, the numbers to date put us back at 186.) Even with that low of 165, we have been in the “program” size, yet many of the systems, structures, expectations, and demands of the congregation have remained those of a “pastoral” church. This congregation has been caught on the hump between these two for more than a decade, and that perfectly predictable sense of disappointment and frustration, that feeling of conflict, is certainly becoming more manifest. Cathy is right – neither understanding of what makes a congregation healthy, and neither vision of how to put our values into action, is “right” or “wrong.” Yet they *are* different. And today, in many ways you are being asked to make a decision between them, not only on behalf of yourself but of everyone who calls this community “home.”

8. President's Report – Karen's report

In September of 2016 the TJMC-UU Board adopted a Statement of Purpose that I'd like to read to you.

Who we are and why we exist

This statement of purpose guides board actions, including the allocation of time, talent and treasure

Our statement of purpose grows from

- our conviction that the world needs Unitarian Universalism
- our sense that we are uniquely placed and prepared to be a beacon of liberal faith
- our experience that as we reach and teach others, we deepen and develop our own Unitarian Universalist identity, faith, and calling

“We exist to nurture and guide the next generations of Unitarian Universalists, so they may transform themselves—as allies and advocates for justice—and thus transform the world.”

Dear Members and Friends of TJMC-UU,

As I began my presidency last summer it was clear me and to the board, given all the gentle nudging Christina and Rev Wik had been doing, that we needed to examine church size dynamics which, as you have heard, the board did undertake. We committed to transforming our pledging process to one of automatic renewal, which we have completed. However, this was not the pledge drive. There is still much work to do around increasing our pledging and deepening our financial commitment to TJMC from the entire congregation. We were also on a journey to look for new revenue sources outside of our annual pledging. Both our Strategic Plan and the Revenue Task Force pointed us towards a capital campaign of some sort. We felt that we were perhaps ready for a mini-capital campaign to address some of the capital improvement projects identified by the Building Maintenance team.

In October when our Revenue Task Force reported their recommendations, it was clear that many of the excellent ideas put forward would require some upfront investment and increased staff time. So, we thought a mini-capital campaign to jumpstart this process would be a great way to get us moving. Upon further study, we concluded that this might be short sighted. If we undertake a mini-capital campaign or maybe a "Miracle Sunday" to raise \$50-\$150,000, are we then putting a larger campaign out of reach? The smaller campaign was always meant to be a stop gap effort. not a replacement for a larger campaign. General wisdom is that you need to have 7-10 years between major campaigns. (By the way our last major campaign was about 25 years ago.) Perhaps we need to be thinking bigger and not just about a capital campaign, but a campaign for TJMC to address our financial needs, our volunteer needs, and our communication needs.

The questions we asked ourselves were "Who do we want to be?" "What does that require?" "What does that cost?" "How do we get there?"

We have scheduled a weekend retreat in August with a capital campaign consultant as our next step in this process.

Throughout this journey however, a consistent wall we ran into was that we needed additional paid staff to achieve these goals or even to start this work. Much of this work is inappropriate for volunteers to undertake for a church of our size and complexity. Without these support systems in place, we were setting ourselves up for failure. The stress on our current staff was already palpable.

The board also took on a lot of work to recruit volunteers for several key positions. Unfortunately two of those that remained unfilled were the Secretary and for all practical purposes, the Treasurer of the Board. In addition, we took very hands on involvement with many of our fundraising events.

In between this, we worked closely with the Governance Task Force, accepting their recommendations in January and further discussing and refining them to bring to the congregation for a vote today.

We prepared for and held 3 congregational meetings. And of course, there's the work of putting together a budget that we feel best reflects the path forward to being the congregation we know we can be.

But this was no ordinary year. It would be hard to overestimate the effects of the current national political situation and the turmoil surrounding our own Association which is very, very close to home for us. These events have profoundly influenced our priorities, our vision, our conversations, our psyches, our staff, our board, and without a doubt each and every one of you. From responding to the increase in new faces walking in our doors seeking sanctuary and community, to the urgency around our racial justice efforts, to our often deep discomfort as we confront our own complacency in our culture of white supremacy, to the horrific personal attacks directed at a member of our senior staff, we entered new territories over and over. We've seen our staff's response by organizing buses to the Women's March, hosting a conference on racial justice with our super cluster, being in the forefront of the UU White Supremacy TeachIn, preaching from their hearts with passion about these issues, engaging our children in the conversation, and our congregation stepping up to declare our support of Black Lives Matter and showing up when called. This has been an amazing, devastating, awful, beautiful year!

Thank you for the honor and privilege to serve as your president through all of this. I would like to thank a few people in particular.

To Laura Horn, our Past President, thank you for being a mentor, a friend, and my never failing support throughout these past 2 years. It was intimidating to follow in your footsteps but you have showed me the way, encouraged me always, and at times, carried me through some deep waters. I can't thank you enough for your service to our beloved congregation and to me personally.

To Adam Slate, our incoming President, it's been awesome to have your perspective, your energy, and your dedication to this work on the board and in our "Presidents Group". I look forward to continuing to work together on the board's vision for our future. I always know you are up for the challenge!

To the Board, thank you for your dedication, engagement, and support. The journey we have travelled together this year has been exciting and challenging but I treasure most that at the end of each and every one of our dozens of meetings, I am filled with gratitude and always glad that we were together. (Albeit sometimes really, really tired.)

To our Senior Staff, Wik, Leia, and Chris, one of the greatest gifts of being President is working so closely with the three of you. TJMC is unbelievably lucky to have you all at the helm. Your vision, insight, prophetic words, deep love for our faith, our UU values, and for TJMC is incredible. Thank you for your hard work, tenacity, humanity, and love.

And to the congregation, members and friends all, I serve at your pleasure. You have put your trust in me and in our board to guide and lead and create vision for our congregation. Thank you for showing up, for speaking up, for sharing your hearts, for holding each other in good times and bad, for the continuing gifts of your time, talent, and treasure.

It is hard for me to express how deeply grateful I am to be doing this work with these people, with this congregation, with you. I have grown in ways I could not have imagined. I have shared joy and sorrow and victory and defeat and I wouldn't want to do it anywhere else. Thomas Jefferson Memorial Church Unitarian Universalist is my spiritual home and so much more. I take deep comfort that we are all in this together and none of us must walk this path alone. Blessed be.

9. Election of Interim Board Appointments -

The Chair explained that in April, Ann Salamini resigned as Treasurer and accepted an open position as member-at-large for the remainder of this church year.

The Chair then called on Don Landis, representing the Leadership Development Committee, to give a report on interim appointments.

Don reported Board appointments as follows: Ann Salamini as member-at-large. There remain vacancies at Secretary and Treasurer.

The Chair called for nominations from the floor. There being none, Ann Salamini was declared member-at-large by acclamation.

10. Report from the Treasurer – The chair called on Jeanine Braithwaite to give the Treasurer's Report.

In church year 2016-2017, we didn't have a full-time Secretary or Treasurer nor a Chair of the Finance Committee, so the monthly budget figures which were provided to the Board and Finance Committee and available as printouts in the church office didn't make it into the Board minutes. As our new Treasurer, I'll see to it that the summary monthly budget figures are in the board minutes in the future, but the fact that this hasn't happened this church year underscores to me the lack of staffing that this growth budget we have proposed to you is a necessary first step to address.

The current financial statement as of April 30, 2017 was:

- Revenues stood at 388 K which is 91% of budget
- Expenditures stood at 415 K which is 96% of budget
- If all outstanding pledges are paid in June, we project a small deficit of under \$5 K for this year.

Budget Management - In the 2016-2017 budget, we had a de facto gap of \$23 K. We also had a de facto gap in the preceding budget year. A lot of staff time, including unpaid overtime, went into managing these gaps:

INCOME SIDE

- Better outcomes in fundraising than budgeted, staff time to cover dinner diva (calls made by our Office Assistant)
- Better pledge management—following up with people to pay pledges on time
- Board sent letter to people with outstanding pledges
- On the unpaid pledge list, there were some people who through financial crisis or other reasons were not able to pay. We concentrated on the larger unpaid pledge amounts. Staff time was required to print and mail the letter.
- Unexpected additional pledge drive matching funding
- Unexpected corporate matching and other non-pledged giving

EXPENSES

- Some staff declined health benefits – this is unsustainable.
- Staff time required to manage utilities - thermostat, lighting
- Deferred maintenance, timing of services
- Office supplies tightly managed, asking for donations
- Leased copy machine rather than purchased

SOME of this year's growth budget gap can and will be managed, but some will not, and we will need to draw on a line of credit.

- We have no outside external debt which is quite unusual for a church of our size.
- We do have bonds, but these are not debt in the usual sense.
 - Bonds are an IOU from the church to "someone" but not to any individual, since the church bought back all the outstanding bonds some years ago.
 - So now we are in position where we both own some bonds that pay interest to us at the same time that we need to pay back these bonds at some point.
 - So it's actually an internal accounting issue since the church both owns and owes. From a financial health point of views, these bonds would not count as external debt.
- Church is financially healthy enough to take advantage of historically low interest rates to make an investment in our future growth.

11. Approval of 2017-18 Budget – Budget presented by Adam Slate.

Arthur Rashap (POI) – If the proposed budget is defeated, does the Board have an alternative budget? And if the slate of officers is defeated, is there another slate of officers? – The Chair responded that there is no backup budget; the Board will make a new budget. There will be a board to do this work.

The Chair called on Adam Slate to present the proposed budget. He started with a history of recent TJMC budgets.

Several years ago our church made some decisions that created some short term financial problems for us. We sold UHouse and used the money to restore the Lower Hall, install an elevator and renovate Summit House. Also, in order to reclaim our Lower Hall, we had to end

our relationship with the Mollie Michie Preschool. Both the sale of UHouse and losing the preschool cost us rental revenue which we are still working to replace. As a result, as Jeanine said, recent budgets have passed with small revenue gaps which we've been able to manage and eliminate through careful budget management and fundraising throughout the year.

I've been asked why we continue to budget an operating gap when we've shown that we can manage and eliminate at least \$20K of it by the end of the year. The answer is that we manage it across a number of categories. Some of it comes from staff electing not to take their health benefit, some from fundraisers that exceed expectations, and some from carefully managing expenses. We have to be comfortable distributing the deficit across those line items without knowing how much each will contribute. So we budget a gap, confident that it can be managed across the budget, and this is what we've done.

In the midst of this, as you heard from Wik, we've been trying to grow into a program church, the organisational model that is appropriate for the size of our membership. A program church is better staffed and relies less on volunteers for its administrative support. Instead, volunteers get involved in program related activities. The other thing that happens when a church is straddling two church size models is that it tends to get a bit "stuck." We've seen symptoms of being stuck in a few ways. Membership has been relatively level over the past five years as has financial engagement. Members perceive growing pains in terms of how the church operates, though each person may point to a different issue or problem, viewing the church through their own unique lens.

Over the past few years, we have worked to develop our staff. The Board of Trustees has worked closely with the Lead Minister to better align his work priorities with the needs of the congregation. This work has enriched our congregation and its individual ministries. We have more broadly distributed staff leadership responsibilities across the Lead Minister, Director of Faith Development and Director of Administration and Finance. This team oriented approach has allowed us to be more thoughtful, nimble and responsive to issues that arise.

In spite of these successes with our existing staff, we have struggled with the desire to have more staff resources. Our church staffing task force in 2012 recommended an increase of 3 ½ staff positions over three years. And now, five years down the road, we have added less than one full time position of the 3 ½ recommended. Adding staff is an investment that costs money before it sees a payoff, but it nearly always sees a payoff.

Which brings us to this year. As we put together the budget for the 2017-18 church year that starts in July, we decided to take a more forward looking approach. Most notably, the budget we are about to discuss includes an investment in two critical staff areas. The first is to increase the effort level for the Director of Administration and Finance from ¾ time to full time. This is one of the three leadership positions among church staff, a significant and strategic component, but it also has a number of important day-to-day responsibilities, including many unexpected tasks. A

full time DAF was recommended by the 2012 Staffing Task Force Report, to be phased in over three years. We have acutely felt the need for this position.

The second staff position included in the proposed budget is a ¼ time Stewardship Coordinator to help steer us in growing financial stewardship of this church. The staffing task force recommended that by 2015 we have a full time membership and volunteer coordinator in place. Bringing on this new person to help with member stewardship represents a decision to start living into the church that we want to be.

The budget for our social and outreach programs, what we call our Faith Witness Ministries, has been kept more or less at the same level, except that we have eliminated the line item for IMPACT. While IMPACT continues to do valuable work, we have not had the level of volunteer support within our congregation needed to maintain active, year round participation. So our proposed budget backs off this priority as well. In nearly all other ways, the proposed budget is unchanged from the current year budget.

So the budget we're about to discuss has an operating gap of \$49K. It includes the following items, to summarize:

- An operational budget gap of \$27K
- Increasing the DAF position to full time, which is \$22K
- A ¼ time Stewardship Coordinator at \$13K that is offset by \$8K of additional revenue
- A 1½% cost of living increase for staff
- Elimination of the \$2700 IMPACT line item

It's a larger deficit than last year, but understand: it is a different kind of deficit. Whereas in past years the deficit has consisted entirely of an operating gap that we've planned to manage, and to a large extent have succeeded in doing so, the additional deficit this year is one that is being presented explicitly as an investment. It's an investment in staffing that will generate revenue and seed our ministries into the future. We ask that you approve it in that context.

As you've heard, we plan to cover that investment in staffing with short term debt through a line of credit until stewardship efforts begin to bear fruit.

In asking you to approve this budget the board is not asking you to affirm that the process of developing it has been free of human imperfection that infuses everything we do; it has not. We are not asking you to certify that every penny of opportunity has been squeezed out of our current budget.; it likely has not. We are not asking you to step aside and let the board singlehandedly bring the plan to fruition on our own; we absolutely cannot. We are asking you to approve our plan moving forward, which we continue to develop and refine. And then work with us to implement it: at board meetings, on church committees, at pledge time and at every other time in between.

Thank you.

The Chair called for Point of Information questions at this point.

Jean Lowenhaupt (POI) – What is current pledge income at this point? – Our Director of Administration and Finance (DAF) replied that the budget calls for \$386,000 in pledges, which is flat from last year. Currently we stand \$10,000 short of that amount with a large number of folks still to receive stewardship calls from the Board.

Carol Heiser (POI) – Where will the money come from to cover the \$49,000 deficit? – The Chair replied that the Board expects at least \$20,000 of the deficit will be managed as an operational gap as we have done in the past few years. We will use a line of credit (a short term bank loan) to cover the remainder.

Mary Beth Wiley (POI) – The new Stewardship position is estimated to cost \$13,000 with \$8,000 in revenue coming from the position. How were these estimates arrived at? – The DAF replied that at the Board's request, Rev. Wikstrom used his ministerial connections to reach out to other congregations with this sort of position. He received five to ten responses which indicated that these positions nearly always earn back their cost. While we don't ask staff members to earn their salary, it is reasonable to expect this staff investment to yield a positive response in terms of both money and engagement.

Arthur Rashap (POI) – One figure is missing as a possible source of revenue to cover the deficit. What about the endowment? – The DAF replied that the Board had never considered using the endowment to secure the deficit. The endowment is already securing the old member bonds.

Sally Kate Park (POI) – The new stewardship person has to first raise enough money to cover their salary and then ask people to give more? – The Chair replied that we will not be asking the new staff to do that. The church will meet with a capital campaign consultant in early August. One question we will ask is "What is the most efficient and impactful way we can use that staff person for our particular church?" The consultant will help us create the job description so the applicant will know exactly what we need them to do. – Will the person want to know why we aren't getting the financial support we think we should? – Yes, that will be an important question.

Sally Taylor (POI) – Scrip is budgeted to bring in \$12,000. My understanding is that the scrip program is ending as of July 1. Scrip revenue is less than that this year and declining. Neither businesses nor our congregation are participating at the level they once were. – Scrip will have new leadership. We will get at least what we have gotten in the past. We're working on leadership for that position as well as the yard sale. Both are critical fundraisers; the Board is serious about them. We all need to think about where we can pitch in and give support.

Dan Grogan (POI) – If the budget doesn't pass today, what is the scenario? What would the Board have to do? Would there be another congregational meeting midsummer? – The Chair replied there is no exact plan at this point. The Board would have to start over and have more discussions with the congregation. A new budget wouldn't be ready before fall, as it's difficult to do major church business over the summer. There will be a fall congregational meeting on the bylaws changes associated with the governance recommendations we'll be voting on later in this meeting. Adding a budget vote to that meeting would make a big agenda.

Walter Hoffman (POI) – I'll work on the yard sale. I have no computer, but I have time. If anyone with a computer wants to work with me, we can get this done.

Kathy Lawder (POI) – The congregational survey should be done next year. Is the cost of doing this in budget? – The DAF replied that the survey in the past has been part of the communications budget rather than a separate line item. It would require a Survey Monkey subscription.

Ann Forno (POI) – I'll co chair the yard sale. – The Chair asked people to talk to someone on the board if you want to help out. We would love to have you.

Carol Heiser (POI) – What does the term "pass through" mean? – The DAF explained that a pass through describes money that is collected and is then paid out entirely. The social justice collections and endowments payments to retire member bods are examples of pass throughs in the budget.

MOTION: I move to approve the 2017-18 budget as presented in entirety.

The question is on the approval of the budget as presented in entirety. Is there any discussion?

Donna Baker (PRO) – I came today with an open mind. I'm not quite comfortable with starting the year with a deficit. I am comfortable to support the work of the Board. These decisions do not emerge from a vacuum. They take time and research, which I trust the Board has done. I will support this budget. I ask you, what have you done to support the board? Have you attended a board meeting? Have you participated in fundraising or volunteered in a significant way? Have you paid your pledge? Have you pledged or increased your pledge recently? What have you done to support the board as they make difficult decisions to move this church forward? As a member of the Governance Task Force this past year and a half, I learned that volunteerism has fallen greatly. Your talents in this way are just as critical to our future as your treasure. We need both.

Elizabeth Breeden (CON) – A vote against this budget has nothing to do with our belief in the hard work of the board. Nor is it a vote against our staff; we believe they are doing a good job. It's a vote about the deficit, about the addition and subtraction involved in arriving at this budget. Some of us feel the Board needs to go back to work and consider these points:

- The Finance Committee was not consulted about this budget, though they volunteer to do exactly this work. In the past there were months of input gathered from the church community and given to the Board. This year it feels like the Board did it in a vacuum.
- The deficit is a problem. Pledges are flat; where is income to come from? We believe in the inspirational and aspirational content of this budget, but strongly believe that we should make the money first, before spending it. There were cash reserves and a building fund but those are now gone, so the deficit is really larger than it appears.

Katharine Maus (PRO) – I'm a member-at-large on the Board. I was not comfortable with this deficit budget. Having some experience in nonprofit administration, I prefer not to have debt. I truly understand the concerns in the letter that circulated. But I was persuaded by the arguments. A lot of the stress and strain that people are feeling come from the need to get some investment in this place. We need more income. If you are able, raise your pledge. It is in our own hands to solve this deficit. There is a lot of stress on our heavily engaged volunteers and on our staff. Our ¾ time staff member is basically working full time and we're not paying for it. We'd be up in arms if a corporation were stiffing its workers. We need to think about how we're treating people, both volunteers and staff. Managing our scarce money requires a ridiculous amount of unpaid work, including by staff, unfortunately. That is why I support this budget.

Stan Walker (CON) – My comments follow on from Elizabeth Breeden's. There are copies of the letter you have heard referenced. If you would like a copy, raise your hand.

- One of my main issues is that the pledge income is not flat, but has been consistently dropping for at least the past 4 years. We are currently on track to have \$30,000 less in pledge income than we had in 2013 and that is \$20,000 below our current budget. With adjustment for this and income items that are low, the deficit will be more like \$60-80,000.
- The line of credit is unsecured but that doesn't mean we don't risk losing property; we just don't know exactly what property is at risk.
- Regarding the member bonds held by the endowment, at the current rate they won't be paid back for eight years.
- I don't believe this is sustainable since we don't know how many years we will have to deal with a deficit budget and how big the deficit will get.

I trust the board to want to do what is right, but I think they are mistaken in regards this budget. What we need to do is engage the community first. Then the money will follow. Then we can talk about how to spend it.

Julia Landes and Annalee Durland Jones (PRO) – (Annalee) We have both grown up and been raised as part of this church community. We would like to speak in favor of this budget because we believe it is the first step in revitalizing our church community. We believe in a faith that stands up for racial justice. We believe in a faith that encourages growth, even when it is uncomfortable. To demonstrate, at the start of our youth group, we covenanted to push each other to show up and break down our own barriers of discomfort. We believe in a church that stands for love and by voting for this budget, we hope to insure our church can continue to be a powerhouse for love and justice that we know should and will exist.

(Julia) In order to be, one must take risk. We believe that passing this budget is a way to move forward, because we need to keep moving forward. We must show up in ways to see this through and act on our own potential. We are dependent on it and we are excited about it. As youth, we are the future of our faith and our vision of tomorrow requires one that takes risk and pushes us to move forward. We want to encourage you to support this budget because we are not only the leaders of tomorrow, but the leaders of today. We want this church to be a beacon of justice in Charlottesville.

Greta Dershimer (CON) – I've lost my voice (not an act of God). Sally Kate Park will speak for me. (Sally Kate) Active Minds had quite a discussion about the budget and the fact that IMPACT is not in it. We wrote a letter as a group that hopefully you have seen, asking that the Board reconsider the decision to eliminate the membership line item for IMPACT. We were one of the founding members of IMPACT. IMPACT has an amazing list of successes through the years. Along with PACEM, these are ways our church can have an impact in the community. Both organisations embody UU values.

Sally Kate (speaking for myself) – I interviewed a few years ago as part of the women's treatment facility study. IMPACT is a way to allow TJMC to act in the community. Nobody knew removing IMPACT from the budget was even being considered. We assumed it would always be there.

Ian Sole (PRO) – I wasn't going to speak, but in the last days two things have changed my mind. I will shortly be flying to London to be with my family after another senseless terror event. I also attended Pamela Philip's ordination yesterday. During the event we heard from Rev. David Morris, who gave a very passionate sermon. At the end of it he asked "Are you ready for this ministry?" My answer to that is "Yes, I am." I don't underestimate the challenge the Board faces with this budget. I don't underestimate the deficit that we may realize with this staff recruitment. But for me, if not now, when? We must invest now. If you need evidence as to why this is necessary, look around our community, look around the USA. The world needs communities like this to survive. We need to be here for each other. I support this budget, knowing it's a challenge. I'm willing to put my faith in what we've heard from others – that this is a good investment in our future. In fact, I'm willing to put my money where my mouth is. I will increase my personal pledge \$500 to start to close that gap. I ask others to do that. Let's look forward as a community.

Marlene Jones (CON) – Four years ago I was on the incoming board after a budget was voted down. On the board, I worked hard to do my part as a board member and as a member of the congregation, even though I voted against the budget. This feels like Groundhog Day. We've been here before. The idea that we need to right size our congregation and build a foundation for growth that we can sustain is not a negative prospect. It's not dissing the staff or the Board. It's a way of saying "There is another way." It does not mean we don't want growth in the future – we do. We want positive things for our community. Again, even though I disagreed with the decision, I rolled up my sleeves and worked really, really hard, and I expect all of you to do the same.

Breck Gastinger (PRO) – From my experience on the Strategic Plan Task Force, the Facilities Task Force and the Revenue Task Force, we know we're understaffed and don't have the budget to support the staff we need to do what we want. It's a chicken or the egg question. When we look for possibilities, we should look to our own commitment and willingness to step up to the next level, but I also think we have seriously and woefully underleveraged our facilities and our position here in Charlottesville. Consider these two numbers: \$8,000 and \$60,000. We currently have \$8,000 in our budget for rentals of this building. Another similar size church within ½ mile of our location gets \$60,000 from rentals of its space – similar size buildings and facilities. But it takes staff time to leverage the potential, to get people in the doors, to plan upgrades of the space to make it more attractive. In addition to bringing in income, it introduces TJMC to new people. I myself first came here when looking for a place to get married. When I think of all the things we could do with more staff support, I think we really need to make this investment. Without staff, we are leaving money on the table. It's there – we just need help to get to the next level. I support this budget.

Kathey Lawder (CON) – I want to express appreciation for the volunteer efforts of the board. I'm not a budget person and haven't been as involved in the church as I could be. Many people I respect work on finances, so I'm looking at volunteering in that way. Looking at the deficit as an investment makes a lot of sense. My concern is that growth has to be based on a firm foundation. Our building needs a lot of repair and there is no money in the budget for that. There are disturbing trends in membership and volunteering. I like to consider time, talent and treasure. We need to look harder at the time we offer this community before we go into debt. I love this church and I'm concerned that we won't be able to sustain ourselves with a deficit. That's why I can't support the budget. The Board and Finance Committee need to take another look, to problem solve how to grow the church without debt.

Jeanine Braithwaite (PRO) – From my own life experience, hearing the comments about getting the money first before we spend it, I ask "how are we going to get the money?" I came here three years ago after familiarity with several UU churches in the DC area. One I know very well, of similar size to TJMC but with many more staff people. Staff to help increase the pledge drive, reaching out to people, to run robust wedding rentals. They already have the three full time staff members that we have only in our staffing plan. They didn't wait to get the revenue before staffing up and taking on \$600,000 in debt to build a new sanctuary. We don't need that level of debt. We do need to get our house in order to maintain our sanctuary. By working together we can take the first few steps to get out of a low income trap into a higher level. When I was a graduate student I specialized in the Soviet Union. When I graduated there were no jobs. If I had stayed working as a babysitter, I wouldn't be in front of you today. I took out credit card debt to pursue my career when it was not profitable. In two years my career took off and now I'm a professor at UVA. If I hadn't taken out debt, I would be talking to you from IHOP. I'm not. I'd like to see us make that same investment. I'm ready to pledge to you as a member of the Board that if we are making a mistake and this doesn't work out in a couple of years, we'll come back to you and say it's time to rethink. But I don't think that will happen.

Stephanie Lowenhaupt (CON) – I've been a member of this church for 50 years. Finance was a very active committee during my 15 years as a member in the 1990s and early 2000s. At that time, the committee had a lot of dialog within the church community and went through a lot of process developing the congregation's budget before it even went to the Board for approval. But this is a Board and Staff generated budget without a lot of transparency or communication. It came to the congregation two weeks before this meeting. My major comment that hasn't already been spoken is that we need a more open conversation and more input before a budget is approved. I urge a no vote on the budget.

Sara Gondwe (PRO) – I've turned 180 degrees from when I signed this letter. I agree with the things the letter said and admire the signers. But I want to support our youth about taking a risk. I've been active in four UU churches and visited many others in the Joseph Priestly District. I've found that congregations of this size do not become successful unless they take risk and really believe in the changes they want to make. The youth also mentioned social justice. This is a time of great change in our faith. Another important point is cultural diversity. When we have an opportunity to hire more staff, we have the opportunity to have a more diverse staff.

Ruth Douglas (CON) – The reason I have decided to vote against the budget is that there is a lot of dissatisfaction right now. There are opposing views on both sides, much of which makes sense me. I wanted to offer a motion to postpone this vote, but our bylaws don't allow that. This amount of debt isn't as great as we took on in the 1990's – I was part of the decision to do that. But because of the level of dissatisfaction, there hasn't been enough discussion before such a major step. The only way I see to remedy that is to defeat the budget and go back to work it out in a more open way. I've been part of this community for a long time and been very active. It's a major step for me to speak up like this, but this is my view.

Al Reynolds (PRO) – I've been a member for over 40 years – TJMC and UUism have a great value for our community and for ourselves. I've been persuaded by the philosophy of the budget put forward by the Board regarding the need for increased staff. For these reasons I'll vote for the budget.

Lois Brown (CON) – I've been at TJMC and on the Finance Committee for a long time. I'm very concerned about this budget. I watched this congregation as it grew to the 500 level. We added ministerial and RE staff; we were growing and we added staff in response. But now we are shrinking: our membership has dropped, RE enrollment has dropped. And yet we're being asked to add more staff. I'm having a hard time with this. I work very hard to keep my pledge, but with what I consider a fiscally irresponsible budget, it's not gonna happen. Sorry.

David Mick (PRO) – I've been a member of the church for fifteen years, a business professor for 35 years, and formerly the director of planning and marketing for a 500 bed hospital. The board has worked hard, and I appreciate those who have thanked us. I assure you, we made no conscious decision to lower the level of discussion of this budget; more discussion might have

helped people understand and be more welcoming of it. The limited discussion was due to turmoil in this church and the wider society. Because of my work in business, I know we must have vision, leadership and make investment. If we make the decision to shrink the budget, we don't know how deep a hole we will find ourselves in. We need increased stewardship to hire more staff. The revenue task force pointed to many ways that staff can help grow revenues, through increased rentals, to help with estate planning to increase our endowment through members' wills, We must take the risk to be as good as we can be. This won't happen by shrinking this church.

Kate Fraleigh (CON) – I'm going to vote against this budget for two reasons. 1) Not only does it have a large deficit, there is talk of a capital campaign. If we could realize \$60K from rentals, we still couldn't take care of our buildings without a capital campaign. So a lot of the necessary funding will have to come from us. 2) I've been in a leadership position in five pledge drives in my UU life. I don't think people realize that a "flat" pledge drive, where everyone pledges the same amount, is not realistic. I discovered there tends to be a \$60K loss from year to year due to people moving away, deaths or experiencing a change of circumstances. This has to be made up just to remain "flat."

Ann Salamini (POI) – The board recognizes that there are unfulfilled pledges each year. We used to build a percentage for that into the budget. Our former treasurer Jamie McReynolds noted that new pledges during the year tend to balance out that amount, so we no longer build in the anticipated loss.

Judith Hannah Weiss (PRO) – I'm not a member yet but hope to become one. Is it appropriate for me to speak? - Yes. - Our covenant says we need to "promote social justice within our congregation and in the larger community" - which to me means paying the staff. We need to support the work of the church with time, money and enthusiasm, and I would add love. We need to support the people doing this work for us and have more people doing the work.

Adam Slate (PRO) – My budget presentation was supposed to be somewhat unbiased, so I want to speak for the budget now. I feel the points I've heard on both sides of this discussion. We have a five year old staffing plan that recommends 3 ½ increased staff positions. This budget asks for an increase of ½ position total. Regardless of how this vote goes, the conversation won't over. There are about 2 ½ more full time staff equivalents still lacking. This vote breaks my heart like no other. One of my top priorities as president of this congregation is to strengthen financial stewardship and engagement. Increasing staffing will help with both. This budget moves in that direction. I'm voting pro because I care about all of you.

Are we ready to vote? - Yes.

The level of engagement in this question has really gone up. However the vote goes, there is a lot of work to do and everyone needs to show up and be engaged.

The Chair called the question.

MOTION: Approve the 2017-18 budget as presented in entirety.

The motion passes with 60 votes in favor, 35 votes opposed and 1 abstention.

There being a majority vote in the affirmative, the motion carries. We have approved the 2017-18 budget.

We will continue to work very hard. Please stay engaged.

12. Election

The Chair called on Don Landes of the Leadership Development Committee to give a report on the nominations.

This year's board nominations are as follows:

The meeting packet contains the nominations of Jeanine Braithwaite - Treasurer, and Ian Sole - Member at Large. Leadership Development has continued to recruit for the unfilled board positions: President Elect and one Member at Large. We are very pleased to be able to add the following names: Colleen Anderson - President Elect, and Cindy Shepard - Member at Large.

The Chair called for nominations from the floor for each of these positions individually. None being given, the candidates were declared elected by acclamation.

Personnel Committee has 3 open positions and Leadership Development has 2 open positions. There are no nominations. Please speak to Leadership Development for information if you are interested. (LD members are Don Landes, Cathey Polly, Sean McCutcheon, Tess Hainer and Laura Horn.)

The Chair called for thanks to outgoing board members Laura Horn, Breck Gastinger and Jen Larimer, outgoing Leadership Development members Laura Horn and Tess Hainer, and outgoing Personnel members, Dawn Dirks and Stephanie Lowenhaupt.

POI – Ann Salamini will be appointed as secretary at the next board meeting and will be affirmed by the congregation at the next congregational meeting.

13. Approval of Governance Changes - The Chair reviewed a summary of proposed changes to the governance structure as shown in the following graphic:

Present Governance System	Proposed Governance System
Board of twelve members + 3 Staff members	Board of 7-9 members + 3 Staff members, more nimble board, increased responsibilities for board members, faster decision making
President - 3 year term serving as Pres. Elect, Pres & Past Pres in sequence	President - 2 year term, renewable once, Past Pres ex-officio for up to 1 year
6 At Large Board members, 3 year terms,	3-5 At Large Board members, 3 year terms,

nonrenewable	nonrenewable, eligible for other board positions
No limit to consecutive board service	Maximum 6 years consecutive board service
Policy change procedures lengthy and unclear	Policy review team arranges feedback on proposed policies and policy changes quarterly. Clear responsibility for process.
Policy proposed through councils.	Policy proposed by committees, councils or anyone in the congregation to Board Rep.
VP responsible for guiding policy changes	Policy Review Team - Board Rep + 2 board appointed non-board Members responsible for guiding policy changes
Leadership Development Committee is responsible for recruiting congregation-elected positions and leadership development	Nominating Committee responsible for recruiting congregation-elected positions and, if asked by the President, for recruiting board-appointed committees and positions, including council chairs. New group responsible for leadership development.

Governance Task Force Members: Co-Chairs, Sally Taylor and Bev Thierwechter; Donna Baker, Pam Philips, Jamie McReynolds, Lorie Craddock.

These changes were presented to the congregation last October, again in March, and at several congregational conversations. We hope that you have had a chance to study them. These changes will not only allow our board to become more flexible in decision making, but will also extend the terms for crucial positions to create more continuity. Limiting the length of board service not only preserves the energy of our volunteers but also promotes the inclusion of new ideas while allowing others to serve. Streamlining our process for policy changes is crucial to promote efficiency as well as transparency.

The board is requesting approval by the congregation for the proposed changes so that we may actively make the changes as our new year begins this summer. The board recognizes that changes are needed in our church bylaws to support this new governance system and will complete the necessary editing and bring those bylaws changes to the congregation for a vote in the next church year.

The Chair recognized Jen Larimer.

MOTION: I move that the governance system at the Thomas Jefferson Memorial Church Unitarian Universalist be changed to reflect the proposed system as outlined in the congregational meeting packet.

Are there any point of information questions or discussion? There being none, the vote was taken.

The motion passed with a clear majority.

We have approved the proposed governance changes.

14. Closing Words - Closing words were offered by Lead Minister, Erik Walker Wikstrom.

15. Adjournment – The meeting was adjourned at 1:50PM.