UUCVille Summit House Bond Debt:
A report from Jimmy Gorham, Treasurer
Version 5.2
November, 2026

Introductory Comments

The Unitarian Universalist Congregation of Charlottesville (UUCVille) has long-term debt that originates from Church Bonds issued in 1992 to individual Church members, so as to enable the Thomas Jefferson Memorial Church (TJMC; our Church's name prior to 2021), to purchase the adjacent Summit House property. Of the original $530,000 in bonds issued, $420,000 in bond debt was redeemed (paid back) between 1994 and 2016. In the mid-2000's, $110,000 in bonds became connected to the Abrahamse, Bristol, and Cheetham (aka "ABC") Funds in a way that has been a source of confusion to successive Treasurers (including this one), as well as to other board members, staff, and congregants.

As the current UUCVille Treasurer, I believe it is important to clarify the history of the Summit House Bonds, and to understand the involvement of the ABC funds, so that we may attend to the remaining $110,000 in long-term debt. For two reasons, I consider it important to resolve these issues as soon as possible. First, every Church should undertake a periodic external audit of its finances. We are long overdue for an external audit, but the unresolved issue of the Summit House Bonds stands in the way of the effectiveness of such an audit. Second, prior to beginning what we all hope and expect to be a successful Capital Campaign, it is important that UUCville develop a plan to discharge its long-term debt.

Accordingly, I have voluntarily undertaken an extensive investigation into the history of the Summit House Bond Debt. I am grateful to have received assistance and encouragement along the way from Wayne Arnason, Kay Frazier, Stan Walker, Reverend Tim Temerson, Reverend Leia Durland-Jones, and many members of the Board. I have tried to rely as much as possible on primary documents stored in our church Archives, which are extensive, and reasonably well curated for a volunteer-based organization such as ours. Nevertheless, I did encounter gaps in records; or perhaps I overlooked (or failed to recognize the importance of) certain critical documents. Several relevant primary documents that I was able to find are attached as Appendices A through J.

Regardless, the conclusions of this investigation are entirely my own. Of course, I welcome helpful suggestions, corrections, and critiques.

Summary of my conclusions

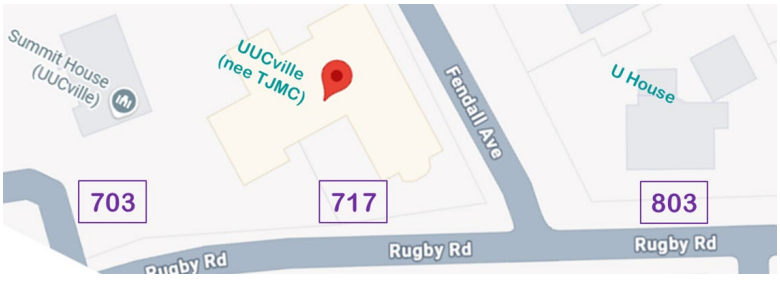
I conclude that current confusion and harm around this debt is the aggregate result of at least six historical factors. The bases for my conclusions are found in the extensive narrative that follows in subsequent sections.

In brief, the six factors are:

1. Absent Maturity Dates: The original Bond series did not include a maturity date, leading to delays in debt elimination.
2. Poor Record Keeping: All bond transaction records were kept off-site at a now-defunct law office, making the history of redemptions inaccessible.
3. Debt Reduction Stagnation: Debt reduction came to a halt in 2016, leaving a $110,000 debt balance that remains today.
4. Failure to recognize our long-term debt: Listing the $110,000 Bond value as both an asset and a liability obscures the obligation to pay the debt.
5. Incorrect impression that the Bonds earn money: Listing the Bonds as an asset has led to a widespread misunderstanding that the Church somehow possesses an interest-earning investment vehicle worth $110,000.
6. Failure to adjust interest rates: Over the last decade or more, we have not lowered the Bond interest rate to stay current with market conditions, leading to overly generous interest payments.

A history of the Summit House Bonds and our long-term debt

Prior to 1992, TJMC owned its own church property at 717 Rugby Road, as well as a property across Fendall Avenue (aka “Edgewood Lane”) at 803 Rugby Road, colloquially known as U-House. U-House had been purchased in the 1980s, and involved financing and the incurring of some debt (details not readily available). In the early 1990s, a third property, at 703 Rugby Road (directly adjacent to our church property at 717 Rugby Road) owned by Martha Hogshire, became available to purchase. The 703 Rugby property was considered greatly desirable, and TJMC purchased the Hogshire property on October 1, 1992, for $490,000. (Appendix A: a copy of the purchase agreement). For two decades, the church owned all three properties. In December 2012, the church sold U-House to an S. Jacques, and likely was able to pay off U-House-related debt at that time.



To purchase the Hogshire property (which became known as "Summit House"), TJMC was seemingly unable to get a traditional bank loan, perhaps because the church already had too much debt after purchasing U-House (I'm speculating here). Therefore, to raise the money needed, TJMC decided to issue bonds to sell to members. The church created a series of 28 Bonds, termed "SANC Bonds" (#1 through #28),[1] which are known by other names as well, including "Summit House Bonds".[2] There were earlier series of church bonds issued from TJMC, but they do not appear to be relevant to our discussion here.[3]

A storage box from the UUCVille Records Room (old boiler room) includes copies of every original SANC Bond. The 28 original SANC bonds were issued in multiples of $5,000, and the total was $530,000. Some were worth just $5,000; others were worth as much as $50,000. As an example, Appendix B is a copy of the original issue of SANC-28 (value: $10,000; name redacted by me, JDG).

Each SANC bond had a value (a multiple of $5,000), and an annual interest rate (originally 7.5%). However, the SANC bonds did not include a maturity date, although a maturity date is a standard feature of Bonds.[4] It is not clear why no maturity date was stipulated, but its omission is one factor that has contributed to our current conundrum.[5] Corroborating my opinion, the TJMC Finance Committee, in a 2006 review of Church debt, commented:

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[1] I can find no meaning for the term "SANC" in the field of Bonds. In the context of a Church, it is likely simply an abbreviation for "Sanctuary."

[2] Over the past 34 years, the SANC Bonds have been referred to variably as "Church Bonds," "TJMC Bonds," "Member Bonds," "Summit Bonds," and "Summit House Bonds"; and the term "Loan" is sometimes used instead of "Bond." These terms have been used interchangeably and, as far as I can tell, all refer to the debt represented by the 28 SANC Bonds.

[3] There are earlier series of Church bonds (series A, series B, and series FF), issued in the 1970s, or perhaps earlier. These are mentioned, for example, in the 1992 closing statement on the Hogshire property (Appendix A). I am uncertain as to the then-purpose of these bonds, or their disposition, but my interpretation of the Hogshire closing statement (and other documents that mention these older series) is that these other bond series were effectively absorbed into, or superseded by, the SANC series bonds. Understanding these earlier Bond series would take much more effort than I have undertaken thus far.

[4] A Bond is actually a loan by another name. The easiest way to think about this is that the lender is the individual investing in the bond. The individual acts like a lending bank. Just like a Bank Loan, a Bond should have three main features: (1) an amount loaned (the principal, or corpus); (2) an interest rate to be paid until the bond matures; and (3) a duration ("maturity"). After a bond matures, the bond-holder stops receiving interest.

[5] Not including a maturity date effectively rendered the SANC Bond a *Perpetuity Bond*, or "Perp" Bond. Per my research, Perp Bonds are only very rarely issued, and then only by *very* large institutions (e.g. multinational banks) loaning money to one another. Perp Bonds are not at all appropriate when applied to all other types of bonds, including Church Bonds (as was done here), Municipal Bonds, Savings Bonds, and almost all Corporate Bonds.

> *Both the genius and the failing of the way our Member Loans are structured are they have no prescribed maturation date. This has allowed us a great deal of flexibility in repaying this portion of our debt…But it also allows us to easily defer making principal payments in years when there are other demands on the budget, and we have had a number of those years recently.*
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> Appendix C: TJMC Debt Status Report; a Report from the TJMC Finance Committee, December 2006.

Other than the original issuing of the 28 SANC bonds, I have been unable to find records of relevant transactions concerning these bonds that subsequently took place. The bonds were issued with the legal services of, and under the oversight of, one C. Waverly Parker, Esq., a local attorney with a solo practice in Stanardsville, and a loyal member of TJMC. He apparently donated his legal services, which undoubtedly saved the Church a lot of money.

Available evidence (not shown) suggests that, over the years, the 28 SANC bonds were subdivided, traded and re-traded among church members. It appears that all records for SANC bond transactions were maintained at the Parker office in Stanardsville.[6] Waverly Parker passed away in 2021 (Appendix D), and neither Wayne Arnason nor I have been able to locate records from his solo law practice. Thus, we have no access to the history of each Bond, including what subdivisions and trades took place, and when each was redeemed in part or in whole.

The bonds were reissued twice over subsequent years at lower annual interest rates, as the economic environment evolved from the early 1990s, a period of high interest rates. Originally issued in 1992 at 7.5%, the bonds were reissued in 2002 at 5.75% (Appendix C), and reset again at some point (date unknown) at 5.25%.

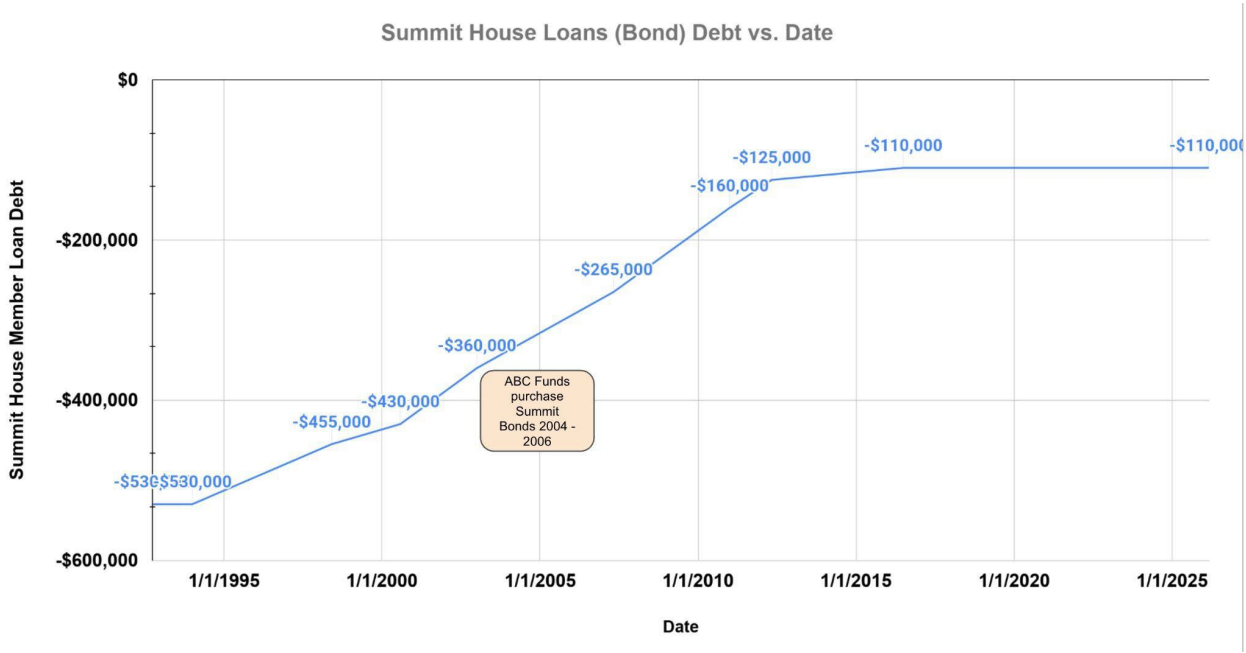
Note that the bonds are continually renewable, and while (as discussed) they lack a set maturation date, *they are callable with 90 days notice* (see Appendix C). In other words, UUCVille always has the option of notifying a bond-holder of the Church's intention to redeem some or all of the bond's value, paying off some or all of the bond's debt in 90 days. As of this writing, the remaining existing Bonds (described in more detail below) have an annual interest rate of 5.25%.

Through the calling of bonds as described, the Church slowly began to pay back the debt it incurred upon the Hogshire purchase in 1992. From board meeting minutes and financial statements, I have learned that the $530,000 in long-term debt was steadily paid back, albeit

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[6] There seemed to be concern among congregants about preserving confidentiality about which particular church members owned the bonds at any given moment. Bond-holding members did not want to reveal their identities to the congregation at large; to avoid, I presume, a kind of "classism." While having the benefit (at the time) of maintaining member confidentiality, the keeping of records at the Parker office, and not at the Church, is a second factor contributing to the difficulty of our current position, since we, the current stewards for the Church's economic vitality, have no access to relevant records.

slowly, through redemption of the bonds to individual bond holders.[7] I have reconstructed the amount of total "Summit House Bond" debt owed over time (Appendix E; and shown here).



The 2006 TJMC Debt Status Report (Appendix C) commented on the slow pace of Bond redemption thus:

> *We are behind the projected schedule for payback of the Member Loans. As of December 1, 2006, the principal balance is $265,000 vs. a projected balance of $138,182; the loans were projected to be paid off in 2009, but at our current rate of budget debt service, they will not be paid off until 2020.*

Clearly, the Finance Committee in 2006 was chiding TJMC for dragging its feet in paying down its debt, indicating that the debt should have been scheduled to reach zero in 2009, but it would likely take until 2020 to be debt-free. As shown in the graph, in ~1994, we began to reduce our $530,000 in long-term debt in a steady fashion until ~2016, when the debt was $110,000; but there was no additional debt reduction thereafter. Since then, TJMC/UUCville has not further reduced its long-term debt, and in 2026, we still owe $110,000 in Summit House Bonds. Neglecting this debt is another factor contributing to our current situation.

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[7] Annual budgets over the years typically would include a line item for payback of Summit House debt; for example, in a given year, $15,000 of the annual budget might be for Bond payback. I did not find details of *which specific* SANC bonds got paid back when; these details were likely maintained at the Parker law office. Rather, board minutes reported on the *aggregate* long-term debt.

Our collective failure to eliminate this remaining debt is almost certainly an unintended consequence of the purchasing of SANC bonds by the [two funds + one trust] known colloquially as the “ABC Funds”.

A history of the ABC Funds

Rather than undertake an extensive narrative of each Fund, I provide a table (Appendix F, and pasted here) summarizing the relevant features of the ABC Funds, including each one’s Honoree,

Name	Abrahamse	Bristol	Cheetham
Beneficiary or Honoree	Bruce Abrahamse	Roger Pattrell Bristol	Henry H. Cheetham
Year of establishment	1995	1975	1969
Intent / Purpose	Enhancement of the Music Program of the Church	Maintenance or improvement of the real or personal property of UUCville	"Training of people working in religious education in our church"
Legal Structure	Interest-Earning Board Designated Fund	Legal Trust	Interest-Earning Board Designated Fund
Intended Investment Strategy	"Prudent Investment" Letter entitled *Administration of the M. Bruce Abrahamse Memorial Fund* from the TJMC Finance Committee to the TJMC Board of Trustees, dated October 6, 1995	"The administrators [of the Trust] are hereby authorized to decide upon the investment of any funds comprising such [Trust] property" "This trust shall be governed by the laws of the of the Commonwealth of Virginia" A legally binding (notarized) document establishing The Roger Patrell Bristol Trust, dated January 30, 1975	"Savings Certificates or other low-risk investment strategies" Letter to Members and Friends of TJ Memorial Unitarian Church, from the Henry Cheetham Memorial Committee, dated Nov. 28, 1969
Principal	Inviolable	Inviolable	Inviolable
Annual Spending Restriction	Interest / Revenue	Interest / Revenue	Interest / Revenue
Disposition of annual interest, if not fully spent	Add unspent interest to the principal	Add unspent interest to the principal	Add unspent interest to the principal
Trustees	Director of Music Music Committee	Kay Frazier Beverly Gorham Stan Walker	Minister of Faith Development RE Committee
Renews at:	Fiscal Year	Calendar Year	Fiscal Year
Principal as of Dec. 31, 2025	$15,642	$62,077	$16,214

year established, purpose, legal structure, investment strategy, spending restrictions, current trustees, renewal date, and current value. Note that Bristol formally is a *Trust*, not a *Fund*,[8] although I tend to refer to all three as the “ABC Funds”.

[8] The legal status of Bristol differs from that of Abrahamse and Cheetham. The latter two are Funds established by the Board directly, or by a subcommittee empowered by the Board, whereas Bristol

The Establishment Documents (Appendix G) for the three funds stipulate that their principals are not to be invaded, and that only the annual interest / revenue may be spent each year. If part or all of the interest / revenue is not spent in a given year, the amount unspent is to be added to the principal.

The investment strategies stipulated by the Establishment Documents differ among the three. Cheetham has the clearest investment strategy, requiring that the principal be invested in low-risk strategies, such as Savings Certificates. Abrahamse advises "prudent investment", which has been interpreted to mean a low-risk portfolio, similar to Cheetham's approach. Bristol allows for a wider range of investment approaches, giving considerable latitude to the Trust "administrators" (i.e. the Bristol Trustees) to invest as they see fit, including higher risk vehicles in the investment portfolio.

When did the ABC funds acquire the Summit House Bonds?

My primary intent for this investigation from the outset had been to discover definitive and direct evidence of the purchase of Summit Bonds by the three ABC Funds, but in this regard I was, unfortunately, unsuccessful.[9] However, I did find *indirect* evidence that, at some point in 2004 to 2006, the ABC Funds liquidated their heretofore diverse investment portfolios, and invested their entire principles solely in Summit Bonds. This conclusion is based on a review of available TJMC Endowment Committee reports.[10] For readers interested in how I arrived at this conclusion, I refer you to the more detailed analysis available in Appendix H. The Funds bought the Bonds because of the attractive interest rate (see line 2 in Appendix J: "Endowment and Bond Explanation", ca. 2021; author unknown).

The current investment portfolios of each of the ABC Funds consists solely of Summit Bonds, earning 5.25% annual interest. The current value of Summit Bonds held by the three Funds totals $93,933. It is important to emphasize that upon ABC Funds purchasing of the Bonds, the Church's

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is a proper Trust, with independent legal standing outside our church governance structure. The Bristol Trust was created by Ruth Bristol via notarized legal document, and is subject to the laws of the Commonwealth of Virginia. I and others casually (and mistakenly) refer to all three as "Funds", but it is to be remembered that Bristol is actually a Legal Trust, not a Fund *per se*.

[9] I had been hoping to find promissory notes, bonds, bills of sale, a ledger, or similar, indicating seller and purchaser, amounts, dates, etc. However, I have been unable to find any records indicating this information. I reluctantly conclude that the lack of available documentation is likely a consequence of the practice that all records related to SANC bond transactions be maintained at the Parker law office, unfortunately including records involving ABC Funds purchases of Summit House Bonds from individual members.

[10] For many years, the TJMC Endowment Committee oversaw the investments of TJMC Endowment. In ~2016, TJMC decided to stop investing on its own, and to begin investing entirely at the UU Common Endowment Fund, an aggregate investment vehicle for over 400 UU congregations (See https://uucef.org/ for details). With that, the TJMC Endowment Committee dissolved.

long-term debt did *not* decrease. Rather, the debt stayed the same; only the *entity* to which the Church owed its money changed.[11]

The current management of the ABC Funds

The current management of the ABC Funds in the annual budget is confusing, to say the least. For the past ten years at least, UUCville has borne a total of $110,000 of long-term debt in the form of Summit House bonds. Of this total, the ABC Funds collectively own $93,933 of Summit House bonds, whereas a fourth entity, the UUCEF, owns the balance of $16,067 (= $110,000 minus $93,933; See Appendix J). The UUCEF portion serves as a reservoir from which each ABC Fund can, on a yearly basis, purchase additional Bond value equal to the *unspent* portion of the revenue allocated to the Fund in the previous budget cycle (see Appendix J for a more complete explanation).

Each budget cycle, the treasurer calculates 5.25% interest ($5,775), and adds it as revenue in the budget to be made available to spend on Music, the Building, and RE, in proportion to the holdings. The money is shown both as a revenue, and then again as an expenditure. In our monthly Statement of Financial Position, $110,000 appears as both an asset and a long-term liability. I'm not certain when this practice began, but it appears to predate Stan Walker's tenure as Treasurer. I think that listing $110,000 as an asset has been a key factor contributing to the misunderstanding of our debt obligations. The $110,000 represents only long-term debt for the Church, one that we should be working to pay off. I believe that the ownership of the bonds by the ABC Funds (which are associated with, but distinct from, TJMC/UUCville) has obfuscated the identity of the Bonds as something other than long-term debt that we are morally and financially obligated to redeem as stewards of our resources.

Moreover, considering these bonds as an Asset owned by UUCville has contributed to the mistaken impression among staff and congregants that somewhere the Church actually has an investment worth $110,000, and earning interest that pays for ABC fund spending in the annual budget.[12] However, the corpuses of these bonds are *not* in some investment vehicle owned by

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[11] It should be obvious that a Bond transaction involving two members (wherein the ownership of a Bond, or part thereof, transfers from one member to another) has no bearing on the long-term debt of the church; it simply changes the identity of the person to whom the church owes money.

Likewise, an analogous transaction wherein the purchaser is one of the ABC Funds also has no bearing on long-term debt. The new bond-holder (the Fund) is still owed the money, and the long-term debt is not reduced. This is a key concept to keep in mind.

Mistaking the ownership of the Bonds by the ABC Funds (which are "Church-adjacent" entities, but are **not** UUCville *per se*) with reducing or eliminating our church debt is another important factor that has contributed to the persistent confusion around this issue.

[12] I have personally encountered church members and staff who have conveyed to me their beliefs that the Abrahamse, Bristol, and Cheetham Fund corpuses are invested in accounts earning revenue. Indeed, I myself thought this for many years.

the Church.[13] Rather, to make the required $5,775 available in the yearly budget, this amount must be found from somewhere among our other revenue sources. For example, the source might be the pool of paid member pledges; or perhaps the Church's endowment, as was done for the most recent (FY27) Budget just approved. The amount $5,775 is then allocated to the expense side of the budget to enable ABC fund spending on music, building, and RE, respectively. I suspect that most congregants have no idea that the resources to fund the ABC line items in the budget are drawn not from a dedicated "ABC investment fund," but rather from general operations or from our investment portfolio.

Finally, as shown by our own history, the Church has the prerogative to adjust Summit Bond interest rates based on market conditions, but it has not done so for the last ~20 years. The Church twice reset the terms of the original 1992 Summit House bonds: in 2002, the interest rate was lowered from 7.5% to 5.75%, and later (year unknown), lowered again to the current rate of 5.25%. For whatever reason, the Church has not exercised this capability over the last ~20 years.[14] Our practice of giving 5.25% interest year after year is inconsistent with economic conditions over this period. Current CD rates, for example, are in the range of 2-3%, and for many years following the Great Recession were in the range of 0.1-1%. Over the past 20 years, the church has paid $115,500 in interest to the ABC Funds. Had we adjusted the interest rate in response to market conditions, this amount would have been much lower.

Review of the factors that have led us to our current situation

The ABC Fund "situation" steadily developed over the past 34 years, due to at least six distinct factors that have contributed to confusion, and subsequent inaction in appropriately disposing of our long-term debt.

1. First, upon issuing its SANC Bonds in 1992, TJMC did not include maturity dates on its Church bonds, leading to foot-dragging in debt elimination.

2. Second, as an apparent effort to preserve member confidentiality, all records of SANC Bond transactions were kept off-site at a now-defunct law office, depriving future generations of church stewards (i.e. us) of important information that could help us understand the status and disposition of the SANC/Summit Bond Debt.

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[13] It is perhaps more useful to think of the corpuses of the remaining Summit Bonds as existing outside of the church entirely: twenty years ago, when the ABC funds purchased these bonds, all of the ABC Funds' assets were transferred to several then-current bondholders; i.e. individual members to whom the value of the Summit Bonds were redeemed. When that happened, the debt owed to individual members then became debt owed to the ABC funds. Since the Bonds have no maturity date, the Church has had to come up with $5,775 to pay the interest, year after year. Unless the Church changes *something* associated with the Summit House Bonds ((1) pay down this debt, or (2) change the interest terms of the Summit House Bonds), the annual payment of $5,775 can be expected to continue *ad infinitum*.

[14] I would argue that appropriate financial stewardship includes periodically responding to market conditions to monitor and adjust the terms of the Summit Bonds.

3. Third, in 2016, our church abandoned its slow but steady elimination of SANC/Summit Bond Debt.

4. Fourth, the repeated listing of the SANC/Summit Bonds as both an Asset and a Liability in our financial statements has obscured our obligation to pay off this debt.

5. Fifth, continuing the practice of considering these bonds as assets has contributed to the mistaken impression that we earn interest from a (non-existent) $110,000 investment vehicle.

6. Sixth, over the last decade or so, we have not adjusted the Bond interest rate to stay current with market conditions.

We now have a much clearer understanding of the path that led us to our current situation.

Resolving the current dilemma

To resolve the current "Gordian Knot" of our persistent long-term debt and the entanglement of the ABC Funds, I propose that we:

- In the short-term (within a few months):
    - Following appropriate consideration at the Finance Committee and Board levels, reset the interest rate for the Summit House Bonds to match current rates earned in CDs (e.g. 2.5% for a 1 year CD, or money market).
- Over the medium-term (one to four years):
    - Pay off our long-term Summit House Bond debt.
    - Restore the principals to the Abrahamse, Bristol, and Cheetham Funds.
    - Invest the principals in vehicles that
        - are consistent with each Fund's investment strategy described in its Establishment Document, and
        - allow for separate and specific tracking of each Fund's investments.

These observations and proposals are my own, and I do not purport to represent any Committee, the Board, or the Church as a whole. I urge the church Board to consider the issues raised, and, if the Board is in agreement, to develop a plan to address these issues.

APPENDIX A

CLOSING STATEMENT

Seller:	MARTHA K. HOGSHIRE
Purchaser:	THOMAS J. MICHIE, ALBERT B. REYNOLDS and ALEXANDER L. PEASLEE, TRUSTEES OF THE THOMAS JEFFERSON MEMORIAL CHURCH, UNITARIAN UNIVERSALIST
Property:	703 Rugby Road Charlottesville, Virginia 22903 TMP# 5-29
Closing Date:	October 1, 1992

Purchase Price:		490,000.00
Deposit:	20,000.00	
Seller's real estate transfer tax to be paid by Purchasers at time of recordation of Deed:	490.00	
Seller's pro-rata share of 2nd half of 1992 real estate taxes:	611.36	
By Cashier's Check at Closing	468,898.64	
T O T A L	490,000.00	490,000.00

NOTES:

1. The payment of the balance due Seller shown above is delivered to Seller's attorney in escrow pending notification by Purchaser's attorney that all documents have been recorded.

2. First half of 1992 real estate tax has been paid by Seller; Purchaser to pay second half of 1992 real estate tax in its entirety when due.

3. Seller to cancel hazard insurance effective closing date; Purchaser to obtain own hazard insurance.

4. This sale includes the following items of personal property: Whatever is left on the Property at closing.

5. The Property is sold "as is."

6. Seller's attorney to release of record the deed of trust that is recorded in the Clerk's Office of the Circuit Court of the City of Charlottesville, Virginia in Deed Book 567, Page 590.

7. Seller's attorney to see to the release of the judgment that is recorded in said Clerk's Office in Judgment Lien Docket Book 24, Page 77.

8. Pursuant to Reg. Sec. 1.6045-3T(e)(5) of the Internal Revenue Code of 1986 the Seller's attorney is hereby designated as the "real estate reporting person" with respect to this transaction and shall be responsible for filing Form 1099-S, if required by Reg. Sec. 1.6045-3T(a). This Closing Statement shall be deemed to be a Designation Agreement within the meaning of Reg. Sec. 1.6045-3T(e)(5).

CAROLINE N. BARBER, ESQUIRE
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Charlottesville, VA 22902
ATTORNEY FOR SELLER

THOMAS J. MICHIE, ESQUIRE
MICHIE, HAMLETT, LOWRY,
RASMUSSEN & TWEEL, P.C.
500 Court Square Building
Suite 300
Charlottesville, VA 22901
ATTORNEY FOR PURCHASER

WHEREAS on 17 March 1991 the Congregation of the Thomas Jefferson Memorial Church, Unitarian-Universalist, and a proper meeting called for the purpose, unanimously passed the following resolution:

"Resolved by the Congregation of the Thomas Jefferson Memorial Church, Unitarian Universalist:

"That the THOMAS JEFFERSON MEMORIAL CHURCH, UNITARIAN UNIVERSALIST, appoint a committee of five of its members, having a quorum of three, which by its unanimous vote may act as could this Church in any wise with respect to the Hogshire property or to its purchase or to financing any such purchase; and that the Board of Trustees shall forthwith cause the execution in behalf of the Church of such powers of attorney as are necessary to carry out this provision;

"That it is expected, but not required, that such committee will consult with the Board and/or this Congregation to obtain so far as practicable and consistent with a strong bargaining facility, its advice and consent to any transaction under this resolution;

"That such committee, when it deems appropriate, shall proceed to obtain an appraisal or appraisals of such property for its eyes only;

"That such committee shall consist of _____, _____, _____, _____ and _____, with _____ as alternate to serve in place of any member upon written request of that member or upon determination of the Board of Trustees; and

"That when this meeting of the Congregation shall adjourn, it shall adjourn to meet at the call of the President or Secretary on any notice satisfactory to such officer for any purpose only in connection with the subject of this resolution";

WHEREAS Albert Reynolds, L.S.S. Smith, C. Waverly Parker, Margaret Jones and Jill Rinehart were then by the Congregation elected as the members of such Committee, which has come to be known as the Acquisitions Committee, and Phyllis McKeeman was then elected the alternate member;

WHEREAS in due course Jill Rinehart resigned from such Committee and the Board of Trustees appointed Phyllis McKeeman (formerly the alternate) in the stead of Ms. Rinehart, with Martha Dawson thence to be alternate member;

WHEREAS the Acquisitions Committee, in behalf of the Congregation, has purchased the Hogshire property, for a price of $490,000.00, and has deigned to finance such purchase with new notes to be secured by the Church's bonds of Sera A and B that the Church placed in the hands of David C. Dickey, Esq., Trustee on or about 29 August 1979, the said Sera A and B being as per order of the Circuit Court of the City of Charlottesville dated 27 August 1979 secured by deeds of trust encumbering 717 Rugby Road and 803 Rugby Road, respectively;

WHEREAS said order permitted the Church to hypothecate and rehypothecate such bonds, and whereas, as aforesaid, the Acquisitions Committee was vested with the entire power of the Congregation of such Church, insofar as financing such purchase was concerned; and

WHEREAS for the foregoing purposes the Treasurer of such Church, by informal direction of the Acquisitions Committee, has given execution to the document attached ---

NOW, THEREFORE, be it hereby known that the Acquisitions Committee, in behalf of such Church and pursuant to the resolution of 17 March 1991, does hereby unanimously RATIFY and CONFIRM all the actions of the Treasurer as set forth in the document attached, this 5th day of October 1992:

GR Albert B Reynolds

Phyllis McKeeman

Margaret L. Jones

R. J. L. Smith

I, Phyllis McKeeman, of 24 Lake Forest Drive, Charlottesville, Albemarle County, Virginia 22901, do hereby depose and say:

1. That I am Treasurer of the Thomas Jefferson Memorial Church, Unitarian-Universalist, formerly known as the Thomas Jefferson Unitarian Church, of 717 Rugby Road, Charlottesville, Virginia;

2. That as such I am authorized to do the things herein done, and the statements herein made, in behalf of such Church.

3. That I am in behalf of such Church today re-signing all 32 $5,000 bonds of Series A dated 29 August 1979 held by David C. Dickey as trustee for such Church and its assigns. By so re-signing, the Church renews its original promises as contained in every such bond, as provided for in section 8.01-232 of the Code of Virginia, and, expressly agrees that the bonds are owing as per their original tenor --- that is to say, with interest @ 12% from and after 29 August 1979. The words used to accomplish the resigning on such bonds ("Re-promised per Code section 8.01-232 this 30 Sept. 1992") shall have be interpreted according to this paragraph.

4. That I am today re-signing in behalf of such Church all 32 $5,000 bonds of Series B dated 29 August 1979 held by David C. Dickey, Esq. as trustee for such Church and its assigns. By so re-signing, the Church renews its original promises as contained in every such bond, as provided for in section 8.01-232 of the Code of Virginia, and, expressly agrees that the bonds are owing as per their original tenor --- that is to say, with interest @ 12% from and after 29 August 1979. The words used to accomplish the resigning on such bonds ("Re-promised per Code section 8.01-232 this 30 Sept. 1992") shall have be interpreted according to this paragraph.

5. That, subject to prior directions, the Church hereby directs Mr. Dickey, as trustee-holder of the Series A bonds, to hold them as indicated in the Church's Series SANC notes of 1 October 1992, a specimen copy of which is attached. (As always, these instructions are not revocable as long as any of such notes remain unsatisfied.)

6. That, subject to prior directions, the Church hereby directs Mr. Dickey, as trustee-holder of the Series B bonds, to hold them as indicated in the Church's Series FF notes of 1 October 1992, a specimen copy of which is attached. (As always, these instructions are not revocable as long as any of such notes remain unsatisfied.)

7. That at one time the Church had outstanding certain notes, known as "furnace" notes, being more particularly called Series Z, which it was directed that the <u>last</u> notes of

Series A should secure. All such notes have been paid. Most of the paid notes are delivered up herewith; but some have been lost. All such notes are barred by the statute of limitations. The Church hereby agrees with Mr. Dickey, in consideration of his various undertakings, that it will indemnify and hold him harmless of any liability with respect to any liability with respect to the Series Z notes, should Mr. Dickey see fit to certify his holdings as if such notes have been fully paid (which, in fact, they have been).

8. That at one time the Church owed to the Unitarian-Universalist Association two $10,000 notes, which were secured by a second lien on the bonds of Series B. These two notes have been paid and further evidence thereof will forthwith be provided to Mr. Dickey.

9. That at one time the Church owed to the North Shore Unitarian Society, Inc. one note for $134,000, which was secured by a first lien on the bonds of Series B. The $134,000 note has been paid down to a balance of $26,657.96, including interest, and, furthermore, the North Shore Unitarian Society, Inc. has agreed that henceforth its security in Series B shall be only of equal dignity and priority with the security afforded by that Series with respect to the notes of Series FF. Evidence of all of this will forthwith be furnished to Mr. Dickey.

10. That the Church hereby appoints C. Waverly Parker, Esq. its agent and attorney-in-fact to re-sign any of the notes or bonds of Sera A, B, FF or SANC as often as needful to re-set the statute of limitations thereon, in like manner as was and will be done with respect to the bonds of Sera A and B per paragraphs 3 and 4 above, provided only that it does not appear to C. Waverly Parker, at the time he would so act, that such notes or bonds have in fact been fully paid.

11. And that this affidavit, and the directions therein contained, are made up in duplicate this 30th day of September 1992, so that one counterpart may be filed with the Series A bonds and one may be filed with the Series B bonds.

30 September 1992

Phyllis McKeeman

Phyllis McKeeman, Treasurer,
Thomas Jefferson Memorial
Church, Unitarian-Universalist,
who makes oath in her personal
capacity and as agent of such
Church, and who makes directions
in behalf of such Church

STATE OF VIRGINIA AT LARGE, TO-WIT:

On this the 30th day of September 1992 there did personally appear before me the above subscribed Phyllis McKeeman, who, being first duly sworn, did state as the truth the matter so subscribed by her.

My commission expires: 2/14/93.

Julia D. Dickey
NOTARY PUBLIC

APPENDIX B

SERIES SANC: No. 28 $=10,000.00

For value received the Thomas Jefferson Memorial Church, Unitarian-Universalist, formerly known as the Thomas Jefferson Memorial Unitarian Church, hereby promises that 3 months after demand it will pay to [redacted] or his/her/their assignee hereof the sum of Ten Thousand and no/100 Dollars ($10,000.00) with interest from 24 September 1992 at the rate of 7.5% per annum; but no demand may be made within 3 months after the date of this note. In the absence of demand interest accrued hereon shall be due and payable on 1 January 1993 and on the first day of every third month thereafter. The maker hereof reserves full rights of anticipation, without penalty.

David C. Dickey, who as trustee for such Church holds its demand bonds Nos. 1 through 32 of a set of 32 such bonds (together comprising Series A and having priority in respect only of their security in the order of their serials) each obligating such Church to pay to Bearer the sum of $5000.00 with interest thereon at 12% per annum from 29 August 1979 until paid (plus actual reasonable attorney's fees incurred after any default), holds all the bonds of such Series A (thus presently owing in the sum of $411,331.15, including interest) to secure, as a first charge, this and all other outstanding notes of Series SANC, there being no priority between the notes secured. The notes of Series SANC total less than $410,000.01. The bonds of Series A are secured by a first lien deed of trust on the Church premises at 717 Rugby Road, Charlottesville, Virginia, of record in the office of the Clerk of the Circuit Court of the City of Charlottesville in Deed Book 405 at Page 537.

This note is given subject to the provisions of the bonds of Series A and of such deed of trust, which are incorporated herein by reference. Upon the happening of any default in a payment required by this note, or upon the happening of any other event by which, under the terms of such bonds or of such deed of trust, the said deed of trust may be foreclosed, then, at the option of the holder of this note, the entire sum due on this note shall become at once due and payable, together with actual reasonable attorney's fees incurred in the collection of same.

This note shall be valid only if countersigned below by

the said David C. Dickey, Trustee.

Date: 1 October 1992

THOMAS JEFFERSON MEMORIAL CHURCH, UNITARIAN-UNIVERSALIST (formerly known as Thomas Jefferson Memorial Unitarian Church)

By: Phyllis McKernan
Treasurer

Countersigned:

David C. Dickey, Trustee

APPENDIX C

TJMC Debt Status Report
A Report from the TJMC Finance Committee
December 2006

Executive Summary

The TJMC Finance Committee was asked to assess the progress that we have made paying off our debt, as the Board has heard concerns voiced that we are not keeping up with the expected repayment of our debt. The repayment of our two debts can be summarized:

- We are on schedule with paying off the loan we have through the UUA. The principal balance as of December 1, 2006 is $94,768; the final loan payment is due June 15, 2014.
- We are behind the projected schedule for payback of the Member Loans. As of December 1, 2006, the principal balance is $265,000 vs a projected balance of $138,182; the loans were projected to be paid off in 2009, but at our current rate of budgeted debt service, they will not be paid off until 2020.

The Finance Committee recommends future budgets re-commit to paying down the member loans more quickly, and we suggest that a reasonable target is to plan for a Member loan final payoff date coincident with the UUA payoff date. The report presents a debt service schedule consistent with this goal.

TJMC Debt Chronology

TJMC has two outstanding loans, one through the UUA (the "UUA Loan") and a series of notes secured by the Church furnace bonds and administered by C. Waverly Parker (the "Member Loans"), also known as the "Summit House Loans". Both loans originated in the 1992-1994 time frame to support remodeling and expansion of Church infrastructure.

Member Loans

When the Summit House property became available for sale in 1992, the Church made the decision to purchase and renovate it for Church use at a cost of $531,000 and offered bonds to members to obtain funding. A total of $550,000 was borrowed, $530K in 1992 and $20K in 1993. The initial interest rate was set at 7.5%, payable quarterly, a reasonable but not exceptional rate for the time, and one far under what a commercial loan would have required, should we even have qualified for one. In 2002, the bonds were reissued at a new rate of 5.75%. The bonds are continually renewable and do not have a set maturation date, but are callable with 90 days notice from the noteholder. Very few of the bonds have been called over the years, and those that were have been repaid or easily resold to other investors within the Church. Three bondholders donated a total of $25K in loan principal to the Church between 1993 and 1996, which kept projected repayments on schedule in the early years. It is rumored that some additional bondholders have stipulated that their notes be donated to the Church upon their deaths.

Both the genius and the failing of the way that our Member Loans are structured are that they have no prescribed maturation date. This has allowed us a great deal of flexibility in repaying this portion of our debt. In the early years of the loans, it allowed us to make interest-only payments when there was not a single dollar to spare and then make bulk payments toward the principal in

years when it was feasible. But it also allows us to easily defer making principal payments in years when there are other demands on the budget, and we have had a number of those years recently.

The UUA Loan

With the Summit House property purchased, planning for construction of the social hall and office wing addition began. The combined cost of the building addition, sanctuary floor retiling and asbestos removal in the Church basement was $614,000. A two-part Capital Fund Drive in 1993 and 1994 netted approximately $550K in donations to be paid over a 5-year period. In addition the Church was able to borrow $250,000 from the UUA in 1994 at below-market interest rates.

The UUA Loan is a 20-year loan with a fixed principal payment each year, which means the amount of interest paid drops off far more quickly than with a traditional mortgage. The terms of the loan reset the interest rate at 5-year intervals, limited to a maximum increase of 3% each time the rate resets. We have been extremely fortunate in the timing of the reset dates. The initial rate of the loan was 4.91%; after 5 years it reset to 4.8%; after 10 years it decreased to 2.74%; and when it resets in 2009 the maximum it could be would be 5.74%. Should we fail to remain a Fair Share Congregation, our interest rate would immediately increase by 2% and our loan would be subject to recall.

Debt Service Projections in 1994 and Current Balances

We have paid steadily on the UUA Loan since 1994, as mandated in the terms of the loan. As of December 1, 2006, the principal owed on the UUA Loan is $94,768. The final loan payment is due June 15, 2014. As of December 1, 2006, the principal balance owed on the Member Loans is $265,000. The sum of $245K of the bonds is held in trust at Waverly's office, while $20K is held by the TJMC Endowment Fund. We continue to pay quarterly interest on the loan principal and make periodic principal reduction payments. The original schedule for servicing the Member Loans projected a payoff date of 2009, a target we will fail to meet.

The Key Questions

A preliminary discussion within the TJMC Finance Committee generated some key questions to consider through this debt analysis: Are we behind on our debt repayment schedule? And if so, why? And does it matter? Should we make paying off our debt a priority and set a goal year to finish paying off the Member Loans? At a time when our long-range plan includes the probability of extensive remodeling of our current facilities and/or new construction, does the debt that we carry impact the potential proceeds from a future Capital Fund Drive? And how do changing views about money and debt and the changes in our church demographics affect the success of a future capital fund drive?

Data Analysis and Discussion

Historical Data

In 1993, the Finance Committee created a spreadsheet to follow the Summit House purchase and renovation costs, the Social Hall wing building costs, the UUA and Member Loan principal and interest payments, and the Capital Fund Drive income. As the building projects progressed and Capital Fund Drive income continued to come in, we refined the spreadsheet with more accurate data.

The initial debt spreadsheet incorporated a number of assumptions: that the non-debt service part of the budget would grow annually by 5% through 1997 and 6% each year thereafter; that the UUA Loan would increase by the maximum amount at its 5-year reset and stay stable after that; that capital fund drive payments in excess of amounts needed to cover construction costs would go to repay principal; and that the total budgeted amount for debt service increase each year to a maximum of $85K in 2002.

The earliest spreadsheet found, dated 10/22/93, predicted we would pay off our Member Loan debt in 2011. The 4/12/96 spreadsheet is the first to include all the building costs, loans and a reasonably close prediction of the final Capital Fund Drive income. This spreadsheet, which is appended and which we have used as the basis for generating our comparative data, predicted we would pay off our Member Loan debt in 2009. In theory, the payoff should have happened even earlier since our interest expense was significantly less than anticipated when the spreadsheet assumptions were formulated.

The Current Situation

With respect to the UUA Loan, we are clearly following the prescribed repayment schedule and anticipate paying it off in 2014 per the schedule. With respect to the Member Loans, we are clearly not paying back principal in a timely fashion, though we pay interest on the loan faithfully each quarter.

When the actual Member Loan EOY principal balances are compared against that predicted by the 1996 spreadsheet, they are within 10% of each other through 2002, which is also the year which has the highest dollar amount, $68,000, budgeted for debt service. The actual budgeted amount for debt service has decreased each year since 2002, with the 06-07 budget dedicating $41,300 to debt service. The cumulative effect of this decline in debt service over 5 budget cycles caused the gap between actual and predicted EOY principal balance to increase rapidly to $126,818, or 91.78% less than expected in 06-07.

So why haven't we met our principal repayment projections? When we look at the budget breakdown over the 16-year period, non-debt service increased an average of 7.88% each year vs the 6% stipulated in the spreadsheet assumptions. Personnel costs more than tripled between 1992 and 2007 as we added additional staff hours and positions. Church building costs nearly quadrupled with of the addition of Summit House and U-House to the budget. Programs, Office Expense and UUA and District dues all increased as a result of our growing membership. So the services demanded by a growing church population diverted money away from debt service, and the pledges made by that increased membership were not enough to cover both the services demanded and to keep pace with the scheduled debt payback.

Future Scenarios for Debt Service

- If we keep our annual debt service at the current level of $41,300 each year, we will pay off the member loan principal in 2020, incurring an additional $99,592 in interest over the 11-year period beyond what we would have paid if we had completed member loan repayment in 2009.

- If we slowly ramp up our debt service to $66K, by 2013-14 we would pay off our Member Loans at the same time the UUA loan is paid off. This scenario would incur an additional $48,285 in interest over the 5-year period.
- If we increase our debt service more aggressively to a maximum of $85K in 2009-10, we would be able to pay off our member loans by 2011-12, paying an additional $30,460 in interest over the 3-year period.

Recommendation

In the past several years, we have prioritized personnel and buildings to the detriment of our debt service. It is time to reaffirm our commitment to paying off our debt. We recommend that we prioritize debt service and pay down the Member Loan principal so that the Member Loan payoff is coincident with the UUA Loan payoff, in 2014. One potential debt service scenario for achieving this is:

Fiscal Year	06-07	07-08	08-09	09-10	10-11	11-12	12-13	13-14
UUA Principal	12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500
UUA Interest	2,619	2,277	1,924	1,577	1,230	884	524	188
Memb Loan Interest	16,388	15,238	14,088	12,363	10,063	7,763	5,175	2,588
Memb Loan Principal	10,000	20,000	30,000	40,000	40,000	45,000	45,000	45,000
Total Debt Service	41,300	50,015	58,512	66,439	63,792	66,147	63,199	60,275
EOY Member Loan Balance	265,000	245,000	215,000	175,000	135,000	90,000	45,000	0

Calvin Parker Obituary (2021) - Ruckersville, VA - Daily Progress

Calvin Parker Obituary

Calvin Waverly Parker Sr. of Ruckersville, Virginia, died on July 13, 2021, He was 83.

Mr. Parker was Valedictorian of his high school class of 1954, in Chase City, Virginia, and continued his education at the University of Virginia, earning his Baccalaureate degree in Chemistry. Afterwards, he served as an officer in the United States Navy. In 1965, he received his Juris Doctorate from the University of Virginia and hung out a shingle in Stanardsville, Virginia. His law practice quickly grew to cover many counties in Central and Western Virginia. Mr. Parker was widely regarded as a consummate scholar of the law and a tenacious litigator. He passionately believed that the law should work for everyone and devoted his life to seeing that it did, without regard to race, creed, wealth, infirmity or political status. He regularly pursued cases to State and Federal appellate courts, where he prevailed far more often than not, making law in Virginia in a number of different areas.

Mr. Parker's other passion was music, especially opera and classical genres. He had a pitch-perfect, booming voice and was frequently asked to sing at family and social gatherings.

He is survived by Susan O. Pfaltz, his partner of 37 years; his daughter, Virginia Rochelle Parker; his sons,

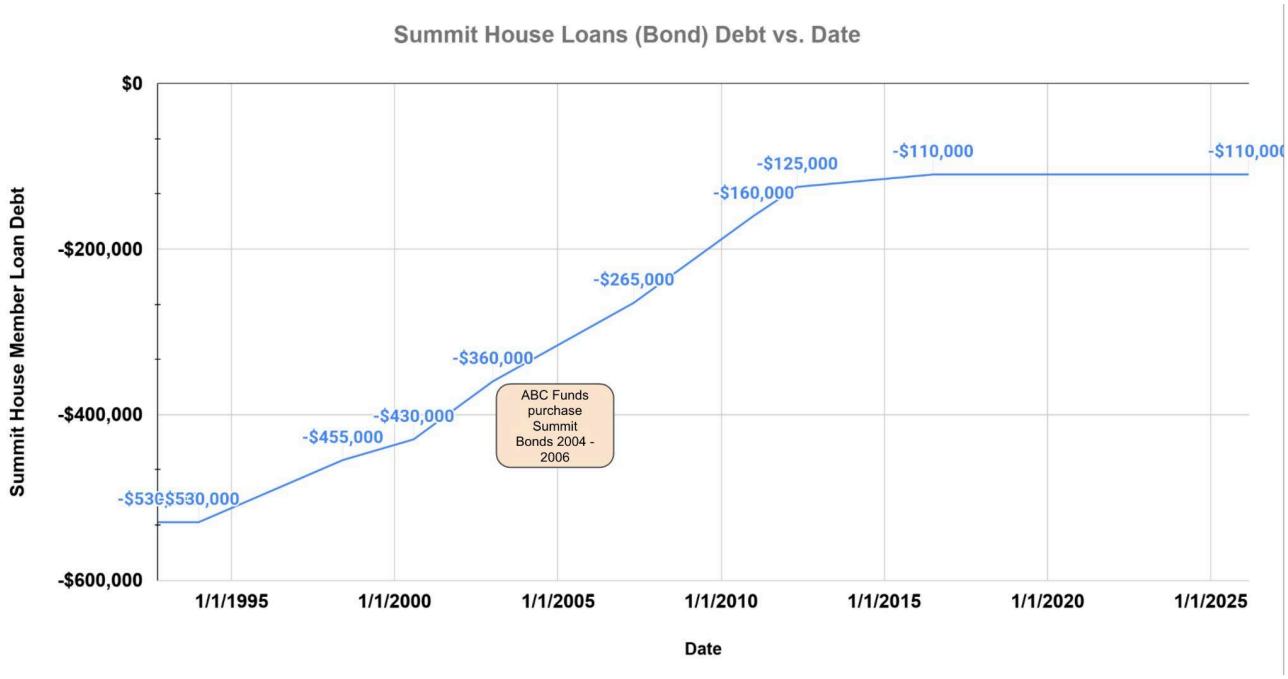
Calvin Waverly Parker Jr. and Michael Aubry-Shelton Parker; his adopted daughter, Amy Swineford and spouse, Michael Swineford; two stepsons, Matthew Peterson and spouse, Holly Peterson and Christopher Peterson and spouse, Karen Peterson; stepdaughter, Rebecca Peterson; 11 grandchildren, and two great-grandchildren.

At Mr. Parker's request there will be no services.

APPENDIX E

	Date	Summit House Loans (Bond) Debt
Closing date of sale of Hogshire property (aka Summit House)	10/1/1992	$ (530,000.00)
Sampling of various financial statements of TJMC	12/31/1993	$ (530,000.00)
	5/31/1998	$ (455,000.00)
	7/31/2000	$ (430,000.00)
	1/2/2003	$ (360,000.00)
	4/30/2007	$ (265,000.00)
	12/31/2010	$ (160,000.00)
	5/1/2012	$ (125,000.00)
	6/30/2016	$ (110,000.00)
Latest statement of Financial Position	2/28/2026	$ (110,000.00)

Graphing the debt is visually illustrative



APPENDIX F

Name	Abrahamse	Bristol	Cheetham
Beneficiary or Honoree	Bruce Abrahamse	Roger Pattrell Bristol	Henry H. Cheetham
Year of establishment	1995	1975	1969
Intent / Purpose	Enhancement of the Music Program of the Church	Maintenance or improvement of the real or personal property of UUCville	"Training of people working in religious education in our church"
Legal Structure	Interest-Earning Board Designated Fund	Legal Trust	Interest-Earning Board Designated Fund
Intended Investment Strategy	"Prudent Investment" Letter entitled *Administration of the M. Bruce Abrahamse Memorial Fund* from the TJMC Finance Committee to the TJMC Board of Trustees, dated October 6, 1995	"The administrators [of the Trust] are hereby authorized to decide upon the investment of any funds comprising such [Trust] property" "This trust shall be governed by the laws of the of the Commonwealth of Virginia" A legally binding (notarized) document establishing The Roger Patrell Bristol Trust, dated January 30, 1975	"Savings Certificates or other low-risk investment strategies" Letter to Members and Friends of TJ Memorial Unitarian Church, from the Henry Cheetham Memorial Committee, dated Nov. 28, 1969
Principal	Inviolable	Inviolable	Inviolable
Annual Spending Restriction	Interest / Revenue	Interest / Revenue	Interest / Revenue
Disposition of annual interest, if not fully spent	Add unspent interest to the principal	Add unspent interest to the principal	Add unspent interest to the principal
Trustees	Director of Music Music Committee	Kay Frazier Beverly Gorham Stan Walker	Minister of Faith Development RE Committee
Renews at:	Fiscal Year	Calendar Year	Fiscal Year
Principal as of Dec. 31, 2025	$15,642	$62,077	$16,214

Board packet

APPENDIX G: ABRAHAMSE

October 6, 1995

To: TJMC Board of Trustees

From: TJMC Finance Committee

Re: Recommendation regarding the Endowment Committee

The Finance Committee of Thomas Jefferson Memorial Church, Unitarian Universalist recommends to the Board of Trustees a revision of the method of constituting the Endowment Committee and a specification of its duties as follows:

The Endowment Committee shall be a Standing Committee of the Church as provided in Article IX of the By-laws, and shall have the following duties:

-The responsibility for investing the Endowment Funds of the Church;
-The designation of agents to sign documents related to investments and withdrawals;
-The encouraging of contributions, gifts, and memorials to the Church Endowment Funds;
-The reception and acknowledgment of gifts to the Endowment Funds;
-The disbursing of monies as requested within the restrictions that govern the use of the Funds;
-Reporting annually to the Congregation and quarterly to the Finance Committee and the Board of Trustees.

The Endowment Committee shall be composed of five members; one member to be appointed by the Finance Committee, the Treasurer of the Church, ex officio, and three members nominated by the Nominating Committee and elected by the Congregation. The elected members shall, at the first meeting following their election, decide by lot which one of the three will serve for a one-year term, the others serving for two-year terms. Thereafter, election will be for two-year terms, and all will be eligible to serve no more that two consecutive full terms. The Endowment Committee will choose its own Chair from among its members.

October 6, 1995

To: TJMC Board of Trustees

From: TJMC Finance Committee

Re: Administration of the M. Bruce Abrahamse Memorial Fund

The M. Bruce Abrahamse Memorial Fund is established to support special projects and purposes of the Music Program of Thomas Jefferson Memorial Church, Unitarian Universalist. It is a permanent Fund of the Church, its principal amount being inviolable.

The interest from the Abrahamse Fund is available for enhancement of the music program at TJMC. It is to be used at the discretion of the Music Committee and the Director of Music for purposes above and beyond the capacity of the annual budget to fund. A majority of voting members of the Music Committee and the Director of Music must agree on the project for the money to be used.

To expedite the use of the Fund in an orderly way, the following procedures will be used:

1. The Endowment Committee shall be the custodian of the Fund, and is responsible for its prudent investment and for keeping full and accurate account of the investment results for each fiscal year (January 1 - December 31, currently).

2. In January the Endowment Committee shall report in writing to the Music Committee the amount of income earned by the Fund in the preceding fiscal year, which is then available to the Music Committee for use in the current fiscal year. In addition the Endowment Committee shall report the amount of interest (if any) not expended in prior years and therefore also available for the Music Committee's use.

3. The Music Committee shall report to the Endowment Committee, before any expenditure is made from the Fund's income, its plan for the use of the income. The income, in whole or part, may be expended, reserved for a future project described in the plan, and/or added to the principal amount of the Fund.

(12)

ROGER PATTRELL BRISTOL TRUST

This agreement, entered into this 30th day of January, 1975, by and between Ruth A. Bristol, as Grantor, acting for herself and for other contributors to a fund which shall be known as the Roger Pattrell Bristol Trust, and Citizens Bank & Trust Co., a banking corporation organized and existing under the laws of the Commonwealth of Virginia, as trustee, witnesseth:

Whereas, the Grantor and other contributors to such trust desire to establish such trust to pay tribute to, and in memory of, the late Roger Pattrell Bristol, in order to recognize his long-time, devoted and understanding service to the Thomas Jefferson Memorial Unitarian Church, in which he had been a moving spirit for more than twenty years; and

Whereas, the Grantor and other members of said church acting through her, desire to establish such trust under the terms and conditions herein set forth and wish the trustee to act as trustee thereunder; and

Whereas, the trustee is willing to perform as such the duties hereinafter specified; and

Whereas, the Grantor has caused to be deposited with the trustee the sum of $ 622.00 as the initial principal of such trust;

Now therefore, in consideration of the mutual covenants herein contained, and other valuable considerations, the parties hereto agree as follows:

ARTICLE I

The Grantor, and others, whether or not members of said church, may at any time add real or personal property to the corpus of this trust,

whether by bequest or otherwise.

ARTICLE II

The trustee shall hold, manage, invest, and re-invest the trust property, collect the income therefrom and distribute such income as hereinafter provided.

Beginning with the calendar year ending December 31, 1975, and every year thereafter, the trustee shall accumulate the net income from the trust property and add it to the principal of the trust. Income from the trust property shall be added to the principal of the trust until such principal shall total one thousand dollars ($1000.00), when net income from such principal will be available for use to help defray expenses arising out of the maintenance or improvement of the real or personal property of said Thomas Jefferson Memorial Unitarian Church of Charlottesville, Virginia. When net income from the trust property is not used to defray such expenses within one year after the accrual of such income, the same shall be added to the principal of the trust. In any event, the use of net income from the trust property shall be confined (a) to religious, charitable, scientific, literary or educational purposes within the meaning of those terms as used in Sec. 501(c)(3) of the Internal Revenue Code of 1954 and (b) to such purposes as also constitute public charitable purposes under the law of trusts of the Commonwealth of Virginia. The principal of the trust property shall remain intact.

ARTICLE III

In the event that the Thomas Jefferson Memorial Unitarian Church shall, by reason of divisions in the congregation or for any other cause, cease to be a member of the Unitarian Universalist Association, the then trust property shall be transferred over to the Augustus Howe Buck Scholarship Fund of the College of Liberal Arts of Boston University,

an educational institution having its headquarters in Boston, Massachusetts, to be administered and used as a part of that Fund.

ARTICLE IV

The trust property shall be administered by Ruth A. Bristol and by the persons who are then the Treasurer of said church and the Trust Officer of said Citizens Bank & Trust Co. In the event of the death or disability of the said Ruth A. Bristol, her successor shall be designated by the Board of Trustees of said church, which board is hereby empowered to fill any vacancy among the administrators of the trust property. The administrators are hereby authorized to decide upon the investment of any funds comprising such property. Payments from the trust property may be made only upon written authorization signed by the Treasurer of said church and countersigned by Ruth A. Bristol or her successor.

ARTICLE V

This trust shall be irrevocable and the Grantor expressly waives all authority, whether alone or in combination with others, to amend, revoke or terminate this trust in whole or in part.

ARTICLE VI

This trust shall be governed by the laws of the Commonwealth of Virginia.

In witness whereof, the Grantor has hereunto set her hand and the trustee has caused these presents to be executed by its officers thereunto duly authorized, and its corporate seal to be affixed hereto, this the day and year first above written.

Ruth R. Bistol
Grantor

Citizens Bank & Trust Co.
by Richard L. Roberts
Vice-President

ATTEST: James M. Lozeman V.P. & CASHIER
Corporate Seal

TRUSTEE.

Assistant Secretary

Witness

Witness

THOMAS JEFFERSON MEMORIAL UNITARIAN CHURCH
RUGBY ROAD AT EDGEWOOD LANE
CHARLOTTESVILLE, VIRGINIA 22903

REV. WALTER ROYAL JONES, JR.
MINISTER
OFFICE: 293-3323
HOME: 973-3712

Dear Members and Friends,

November 28, 1969
Re: Henry H. Cheetham Memorial

Henry H. Cheetham was minister of the Thomas Jefferson Memorial Unitarian Church from September 1954 through 1962, when he left to become Director of the Department of Religious Education of the Unitarian Universalist Association. While still engaged in this work, he died on June 5, 1967.

During his years in Charlottesville, the combination of Henry Cheetham's work, personality, and character resulted in great respect and affection for him among the members and friends of the church. As a testimony of this respect and affection and in order to carry on his work in the field of religious education, the Board of Trustees has accepted the Memorial Committee recommendation that a Henry H. Cheetham Memorial Fund be established. Provisions of this fund are as follows:

1. Our goal is a minimum of $2,000.00, the income from which will be used for the training of people working in religious education in our church. For example, it could finance the sending of a carload of teachers and/or Religious Education Committee members to a state or regional Religious Education conference several times a year. Another possibility is to help finance such regional conferences here in Charlottesville. Experience has shown that such conferences are stimulating to the participants and helpful to our religious education program.

2. The memorial fund will be invested in savings certificates or other low-risk investments in the name of "Henry H. Cheetham Memorial Trust Fund--Thomas Jefferson Memorial Unitarian Church". This provision will insure that the funds be clearly and definitely identified as to source and purpose and be entirely separate from the general funds of the church.

3. Any expenditures of earnings from the fund will require the approval of the President of the church and the Chairman of the Religious Education Committee, and they shall be trustees of the fund.

4. Any interest or earnings from the fund not used as outlined above will be reinvested in the Henry H. Cheetham Memorial Fund.

We hope you will want to join in this memorial to Henry Cheetham. Checks should be made out to the Thomas Jefferson Memorial Unitarian Church and should bear a notation "Henry H. Cheetham Memorial Fund". The checks may be mailed to the Treasurer of the church, Rugby Road at Edgewood Lane, Charlottesville, Virginia.

Sincerely yours,

William T. Spurgin
President

William T. Spurgin

Helen Wright, Chairman
Henry H. Cheetham Memorial Committee

Helen Wright

The Henry H. Cheetham Memorial Committee:
Gerald Fisher
Margaret Lutz
Mildred Marshall
Hartwell Priest
Helen Wright

When did the ABC funds come to own the Summit Bonds?

Here I describe the analysis that led me to conclude that the ABC Funds purchased their Summit Bonds within the 2004-2006 time frame.

As late as 12/31/03, per an Endowment Committee report, all three funds were invested in *diverse* portfolios that included money markets, CDs, stocks and bonds, but, importantly, did **not** include Summit Bonds (Figure 1). As an aside, it is notable and interesting that the 2002-2003 Abrahamse and Cheetham portfolios included stocks, despite their establishment documents' initial and specific instructions to invest in "prudent" and "low-risk" investment strategies.

1

TJMC Endowment Funds Report January	Beginning 12/31/02	final value 12/31/03	% change
Bruce Abrahamse Fund (music)			
money market fund	$ 43	$ 43	
Domini Social Equity	$ 3,949	5,020	27.10%
Vanguard 500 Index	$ 1,301	$ 1,672	28.50%
Sub-total	$ 5,293	$ 6,735	27.24%
Bristol Trust (buildings & grounds)			
money market fund	$ 288	$ 313	
savings account	$ 3,935	$ 3,612	
Ariel Fund	$ 14,089	$ 18,038	28.00%
CDs/Treasuries	$ 8,883	$ 8,884	
Sub-total	$ 27,196	$ 30,847	13.42%
Henry Cheetham Fund (religious education)			
money market fund	$ 1,039	$ 3,208	
bonds	$ 972	$ 1,085	11.63%
stocks	$ 1,636	$ 1,920	17.36%
preferred securities	$ 2,000	- 0 -	
Sub-total	$ 5,647	$ 6,213	10.02%

The portfolios of the three funds changed dramatically over the next several years. A later Endowment Committee report (figure 2) shows that by 2012 each fund was now invested solely in "TJMC Bonds", at 5.75% annually.

2

Asset Class	Fund or ETF	TJMCUU Endowment 3/31/2012	Actual Weights	Target Weights	Over/ (Under)	TJMCUU Cheetham Fund 3/31/2012	Actual Weights	Target Weights	Over/ (Under)	TJMCUU Abrahamse Fund 3/31/2012	Actual Weights	Target Weights	Over/ (Under)	TJMCUU Bristol Fund 3/31/2012	Actual Weights	Target Weights	Over/ (Under)
US Equity																	
Large Cap Blend	Vanguard 500 Index Fund Investor Shares (VFINX)	63,334	21%	15%	18,729	0	0%	0%	-	0	0%	0%	-	0	0%	0%	-
Mid Cap Blend	Ariel Fund	38,628	13%	10%	8,891	0	0%	0%	-	0	0%	0%	-	0	0%	0%	-
Small Cap Blend	iShares Small Core Index Fund (JKJ)	36,478	12%	10%	6,741	0	0%	0%	-	0	0%	0%	-	0	0%	0%	-
Total US Equity		138,441	47%	35%	34,361	0	0%	0%	-	0	0%	0%	-	0	0%	0%	-
International Equity																	
Developed Markets	iShares MSCI EAFE Index Fund (EFA)	99,351	33%	30%	10,140	0	0%	0%	-	0	0%	0%	-	0	0%	0%	-
Emerging Markets	iShares MSCI Emerging Markets (EEM)	22,546	8%	5%	7,678	0	0%	0%	-	0	0%	0%	-	0	0%	0%	-
Total International Equity		121,897	41%	35%	17,817	0	0%	0%	-	0	0%	0%	-	0	0%	0%	-
Total Equity		260,338	88%	70%	52,178	0	0%	0%	-	0	0%	0%	-	0	0%	0%	-
Fixed Income																	
	TJMC Bonds 5.75%	14,936				10,292				12,957				42,965			
	US Treasury 6.25%, 8/15/23	6,925				0				0				0			
	Ford Credit 7.25%, 10/25/11	0				0				0				0			
Total Fixed Income		21,861	7%	25%	(52,482)	10,292	100%	100%	-	12,957	100%	100%	-	42,965	100%	100%	-
Cash	Fidelity Money Market and Cash	15,172	5%	5%	304	0	0%	0%	-	0	0%	0%	-	0	0%	0%	-
Total		297,371	100%	100%	-	10,292	100%	100%	-	12,957	100%	100%	-	42,965	100%	100%	-

Apparently, each fund liquidated its diverse investments, and invested them solely in TJMC Bonds, presumably buying them from individual members, although we have no specific information about those transactions. The same Endowment Committee 2012 report also reviewed the prior several years (figure 3), indicating that each of the ABC funds had been earning exactly 5.75% per year since the beginning of 2007. As a reminder, the Summit Bonds

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	Bruce Abrahamse Fund Music			Bristol Fund Buildings and Grounds			Henry Cheetham Fund Religious Education		
	Income @ 5.75%	Addition/ W/drawls	Balance	Income @ 5.75%	Addition/ W/drawls	Balance	Income @ 5.75%	Addition/ W/drawls	Balance
12/31/2006			9,461.00			33,892.00			8,395.00
3/31/2007	136.00		9,597.00	487.20		34,379.20	120.68		8,515.68
6/30/2007	137.96		9,734.96	494.20		34,873.40	122.41		8,638.09
9/30/2007	139.94		9,874.90	501.31		35,374.70	124.17		8,762.26
12/31/2007	141.95	75.00	10,091.85	508.51		35,883.21	125.96		8,888.22
3/31/08	145.07	75.00	10,311.92	515.82		36,399.04	127.77		9,015.99
6/30/2008	148.23		10,460.15	523.24		36,922.27	129.60		9,145.59
	575.20	150.00		2,048.87			507.50		
9/30/2008	150.36		10,610.52	530.76		37,453.03	131.47		9,277.06
12/31/2008	152.53		10,763.05	538.39		37,991.42	133.36		9,410.42
3/31/2009	154.72		10,917.76	546.13		38,537.54	135.27		9,545.69
6/30/2009	156.94		11,074.71	553.98		39,091.52	137.22	-518.10	9,164.81
	614.55			2,169.25			537.32	-518.10	
9/30/2009	159.20		11,233.91	561.94		39,653.46	131.74		9,296.56
12/31/2009	161.49		11,395.39	570.02		40,223.48	133.64		9,430.20
3/31/2010	163.81		11,559.20	578.21		40,801.69	135.56		9,565.76
6/30/2010	166.16		11,725.37	586.52	265.00	41,123.22	137.51	100.00	9,603.26
	650.66			2,296.70	265.00		538.45	100.00	
9/30/2010	168.55		11,893.92	591.15		41,714.36	138.05		9,741.31
12/31/2010	170.98		12,064.89	599.64		42,314.01	140.03		9,881.34
3/31/2011	173.43		12,238.33	608.26	-2341.91	40,580.36	142.04		10,023.39

were re-issued in 2002 at 5.75%. Therefore, the available evidence suggests that the ABC funds purchased the Bonds at some point after 2003 but before 2007; i.e. in 2004-2006.

Notably, this was just after the dot-com bust, when CD interest rates were low (1.1% in 2004; 2.6% in 2005; The Evolution Of CD Rates: 44 Years Of Data (1980-2024) | Hedgefund Alpha). The ABC funds wanted to take advantage of the high 5.75% interest rate available from the Summit House bonds, a risk/return relationship far superior to that of stocks, bonds, or CDs.

APPENDIX I

	Bruce Abrahamse Fund Music			Bristol Fund Buildings and Grounds			Henry Cheetham Fund Religious Education			Total Restricted Endowment
	Income @ 5.75%	Addition/ W/drawls	Balance	Income @ 5.75%	Addition/ W/drawls	Balance	Income @ 5.75%	Addition/ W/drawls	Balance	
12/31/2006			9,461.00			33,892.00			8,395.00	51,748.00
3/31/2007	136.00		9,597.00	487.20		34,379.20	120.68		8,515.68	52,491.88
6/30/2007	137.96		9,734.96	494.20		34,873.40	122.41		8,638.09	53,246.45
9/30/2007	139.94		9,874.90	501.31		35,374.70	124.17		8,762.26	54,011.87
12/31/2007	141.95	75.00	10,091.85	508.51		35,883.21	125.96		8,888.22	54,863.29
3/31/08	145.07	75.00	10,311.92	515.82		36,399.04	127.77		9,015.99	55,726.95
6/30/2008	148.23		10,460.15	523.24		36,922.27	129.60		9,145.59	56,528.02
	575.20	150.00		2,048.87			507.50			
9/30/2008	150.36		10,610.52	530.76		37,453.03	131.47		9,277.06	57,340.61
12/31/2008	152.53		10,763.05	538.39		37,991.42	133.36		9,410.42	58,164.88
3/31/2009	154.72		10,917.76	546.13		38,537.54	135.27		9,545.69	59,001.00
6/30/2009	156.94		11,074.71	553.98		39,091.52	137.22	-518.10	9,164.81	59,331.04
	614.55			2,169.25			537.32	-518.10		
9/30/2009	159.20		11,233.91	561.94		39,653.46	131.74		9,296.56	60,183.93
12/31/2009	161.49		11,395.39	570.02		40,223.48	133.64		9,430.20	61,049.07
3/31/2010	163.81		11,559.20	578.21		40,801.69	135.56		9,565.76	61,926.65
6/30/2010	166.16		11,725.37	586.52	265.00	41,123.22	137.51	100.00	9,603.26	62,451.85
	650.66			2,296.70	265.00		538.45	100.00		
9/30/2010	168.55		11,893.92	591.15		41,714.36	138.05		9,741.31	63,349.59
12/31/2010	170.98		12,064.89	599.64		42,314.01	140.03		9,881.34	64,260.24
3/31/2011	173.43		12,238.33	608.26	-2341.91	40,580.36	142.04		10,023.39	62,842.07

Asset Class	Fund or ETF	TJMCUU Endowment 3/31/2012	Actual Weights	Target Weights	Over/ (Under)	TJMCUU Cheetham Fund 3/31/2012	Actual Weights	Target Weights	Over/ (Under)	TJMCUU Abrahamse Fund 3/31/2012	Actual Weights	Target Weights	Over/ (Under)	TJMCUU Bristol Fund 3/31/2012	Actual Weights	Target Weights	Over/ (Under)
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Total US Equity		138,441	**47%**	**35%**	**34,361**	0	**0%**	**0%**	-	0	**0%**	**0%**	-	0	**0%**	**0%**	-
International Equity																	
Developed Markets	iShares MSCI EAFE Index Fund (EFA)	99,351	33%	30%	10,140	0	0%	0%	-	0	0%	0%	-	0	0%	0%	-
Emerging Markets	iShares MSCI Emerging Markets (EEM)	22,546	8%	5%	7,678	0	0%	0%	-	0	0%	0%	-	0	0%	0%	-
Total International Equity		121,897	**41%**	**35%**	**17,817**	0	**0%**	**0%**	-	0	**0%**	**0%**	-	0	**0%**	**0%**	-
Total Equity		260,338	**88%**	**70%**	**52,178**	0	**0%**	**0%**	-	0	**0%**	**0%**	-	0	**0%**	**0%**	-
Fixed Income																	
	TJMC Bonds 5.75%	14,936				10,292				12,957				42,965			
	US Treasury 6.25%, 8/15/23	6,925				0				0				0			
	Ford Credit 7.25%, 10/25/11	0				0				0				0			
Total Fixed Income		21,861	**7%**	**25%**	**(52,482)**	10,292	**100%**	**100%**	-	12,957	**100%**	**100%**	-	42,965	**100%**	**100%**	-
Cash	Fidelity Money Market and Cash	15,172	**5%**	**5%**	**304**	0	**0%**	**0%**	-	0	**0%**	**0%**	-	0	**0%**	**0%**	-
Total		297,371	**100%**	**100%**	-	10,292	**100%**	**100%**	-	12,957	**100%**	**100%**	-	42,965	**100%**	**100%**	-

See adjustments worksheet for performance adjustments

Endowment and Bond Explanation

1. We currently have $110,000 in bonds.
2. The restricted funds bought the bonds in order to take advantage of the 5.25% interest. The remaining amount was purchased by the common endowment.
3. The endowment committee was dissolved, and the common endowment was moved to the UU Common Endowment Fund (UUCEF), **except** for the amount that was used to purchase bonds. There are currently **no commingled funds** in the UUCEF.
4. The bonds owned by the restricted funds and the common endowment total to $110,000.
5. The budget needs to account for the 5.25% interest on the $110,000 Bonds "held" by the funds and CEF. This is prorated between the 4 funds.
6. Any unspent amount from the CEF will go to the principal.
7. Any unspent amount from the restricted funds will go to buy bonds held by the CEF.
8. Any donations to the individual restricted funds will be used to buy bonds from the CEF.
9. Restricted funds can purchase the CEF bonds until all $110,000 is owned in total between all three of the restricted funds.
10. Once all $110,000 is split between the restricted funds, any further amounts donated must be invested in the UUCEF, or another account as directed by the Trustees of each individual fund.
11. The Bristol Endowment Trustees are Stephanie Lowenhaupt and Ned Michie.
12. The Bristol Endowment runs on a calendar year and not a fiscal year.
13. The Cheetham Fund Trustees are the MFD and the RE committee
14. The Abrahamse Fund Trustees are the DOM and the Music committee

Accounts

As of EOFY 2021

1100	Endowments	(total of the following 4 accounts)
1101	UUCEF	$532,335.33
1101-01	Cheetham Endowment	$0.00
1101-02	Bristol Endowment*	$0.00
1101-03	Abrahamse Endowment	$0.00

*Bristol Endowment may possibly be under a different investment and will have a different number, and not affect the total in 1101, but will still affect 1100.

Sub accounts 1101-01,1101 -02, and 1101-03 will not change until account 1102 is paid off.

1200	Member Bonds	(Total of the following accounts)	
1201	Restricted Funds		
1201-01	Cheetham Bonds Principal	$14,957.16	13.6% of Bonds Total
1201-02	Bristol Bonds Principal	$57,586.67	52.4% of Bonds Total
1201-03	Abrahamse Bonds Principal	$14,543.47	13.2% of Bonds Total
1202	Common Bonds Principal	$22,912.70	20.8% of Bonds Total

1201+1202 = 2231

2231 Summit House Bonds $110,000.00

5503 Budget Account Item used to pay off Bonds $0

5600	(New Account) Bonds Interest Payouts	(total of the 4 accounts below)	$5775.00
5601	Cheetham Bond Int to be used for RE	$5775.00 * 20.8%=	$1201.20
5602	Bristol Bond Int to be used for Buildings	$5775.00 * 52.4%=	$3026.10
5603	Abrahamse Bond Int to be used for Music	$5775.00 * 13.2%=	$762.30
5604	CEF Member Bonds Int	$5775.00 * 20.8%=	$1201.20

Since nothing was spent from expense accounts for FY 2021:

1202 should be reduced by $4573.80
1101 should be increased by $1201.20
1201-01 should be increased by $785.40
1201-02 should be increased by $3026.10
1201-03 should be increased by $762.30