

Notes from UUFB Town Hall
January 23, 2022
11:45 am by Zoom

Present: UUFB Members logged into the Zoom meeting using 49 different accounts, and several had two people attending. The estimated total attendance was 53-56.

Neil Schwarzwalder (Board President) opened the meeting. He announced that this is a Town Hall to discuss the 2022 budget. Ballots were sent by mail and must be returned and postmarked by January 31 to be counted. He presented the agenda for today's meeting and explained how to "raise hands" and use the "chat" features on Zoom to ask questions. He noted that questions about the Minister Transition will not be answered today but saved for a response to the whole congregation later.

Bruce DePriester (Chair, Finance Committee) announced that he had distributed to the Listserv: (1) a document titled "Budget Assumptions", and (2) a spreadsheet that compares the 2021 actual budget to 2022 projected budget.

Bruce stated that the agenda today will include (1) A summary of UUFB's current financial position, (2) financial results from the 2021 budget year, and (3) the 2022 project budget.

Current Financial Position: Bruce thanked all donors for their contributions to making 2021 a strong financial year. In 2020 when Covid hit, the finance committee was worried about decreased revenue due to the lack of in-person services and personal financial uncertainties, but fellowship members continued donating and following through with pledges and so we are entering 2022 in good financial shape.

Bruce explained UUFB's Reserves and Endowments. There are three reserve funds: (1) Long-term facilities reserve for major repairs/additions to the building, (2) Minister sabbatical reserve to pay a substitute minister when the minister takes sabbatical, and (3) Operations reserve for unexpected short-term operating expenses. Overall, we have gained from investing these funds due to growth in the stock market. This enables us to weather some unexpected financial setbacks. The endowment fund has about \$20,000 currently.

Bruce noted that other congregations have suffered financially during the pandemic, and he again thanked UUFB donors for their contributions.

Budget Results 2021

Bruce continued. Hopefully we will be able to meet in person again soon. The summer of 2021 looked hopeful in terms of "returning to normal" but we had to close again due to Covid variants. The finance committee assesses every month and in the Fall of 2021 were concerned again because of in-person services being cancelled. But 2021 ended with a great surge of pledges. There was a 99% collection rate on 2021 pledges, which is practically unheard of in congregations.

2022 Projected Budget

The projected budget for 2022 is \$40K higher than 2021 for two primary reasons. First are expenses related to the minister transition. Rev. Duffy works 80% time but the Interim Minister position is being recruited at 100% time. The professional expense for the minister position was increased to help attract ministerial candidates, and there will also be expense associated with the interim minister search. Secondly, there are staff changes including adding a technical associate to operate the livestream equipment on Sundays. In addition, staff will be given a 5% cost-of-living increase, staff hours for the Religious Ed coordinator will be slightly increased, and the building will be cleaned more often if and when in-person services begin again.

Pledges are 90% of UUFB revenue. 2022 pledges represent a \$15K increase over 2021 pledges. An additional \$3K was given to UUFB through a UUA grant awarded to the OWL (Our Whole Lives) program.

The Interim Minister search expenses can be drawn down from the minister sabbatical fund, which Rev. Duffy will not be using.

The 2022 budget projects \$10K in fundraising. Hopefully Covid conditions will allow in-person events this year to expand opportunities for fundraising.

Even though pledges are not quite 100% of the 2022 budget it is a very workable budget in the judgment of the finance committee. The \$12 deficit that appears at the bottom of the budget projection will actually be mitigated by using minister sabbatical reserve funds for the interim minister search process (est. \$10K). The actual deficit is closer to \$2K.

Questions:

Cathy C: Why is there so much in the checking account at the end of 2021? Shouldn't that be in an interest-bearing account?

Bruce: Great question. We've been so busy this year we didn't pay much attention to the checking account balance. The finance committee will address this. We also need to address how much we need in the reserve accounts so that any extra is also bearing interest. The Finance Committee will address these two questions and make a recommendation to the Board.

Peg: There is also a bulge in the checking account in December because people are paying 2022 pledges before the end of the tax year.

Bruce: We do need to establish a base level for the checking account.

Cathy: At least in a money market account, bond or CD.

Bruce: I looked into CD/MMA accounts and they're only making .5 to .6% right now but maybe we can move some into reserves so it can earn.

Janine: We do need a good-sized piece to be accessible.

Bruce: We're also reluctant to put pledges into reserves because if the market downturns we can't replace those pledges.

Amanda C.: We have \$91K in reserves now?

Janine: Yes

Rose T.: Didn't Rev. Duffy earn the right to take a sabbatical...Is this unspent money ours to use?

Peg: Only if he took a sabbatical. Otherwise the money belongs to the fellowship.

Suzy S.: We used to have a savings account where we could transfer money back and forth between checking and savings.

Bruce: Unfortunately, a savings account doesn't earn much either.

Peg: We still do have about \$10K in a savings account. The rest is shifted to reserves to get a better return.

Bruce: Expenses with owning a building are unexpected and can be major. Now with our reserves we can withstand some bad luck. We're not on a shoestring anymore.

Peg: This should make us attractive to a potential minister.

Bruce: When Duffy started we weren't nearly as stable financially.

Pam P.: I understand there are funds for the interim minister search. Are there additional funds reserved for the permanent minister search?

Peg: We have \$26K in the sabbatical fund, so we'll use \$10K for the interim search and the rest will be for the settled minister search.

Amanda C.: Thank you for the clear explanation of the projected budget. Thank you Bruce, Finance Committee, and Janine.

Neil: Remember to have your ballots postmarked by Jan. 31. Any other questions?

David A.: What if we don't get a quorum for the vote?

Neil: We'd have to do it again.

Peg: We need 70 ballots for a quorum.

Janet L.: Back to the budget, how much increase in revenue do we need this year vs. last year?

Bruce: We averaged \$10K - \$15K underspending our projected budget over the past few years. So since we're short only \$2K for 2022 projections, I don't worry about meeting our expenses this year.

Diane K.: Can we drop ballots at UUFB?

Christy : Yes, if I'm there I can receive it. If not, put it into the top slot of the mailbox and push it in to make sure it drops.

Peg: You'll find budget documents in Neil's email which was sent last Saturday.

Neil: Other questions?

Peg: There will be a 20-question survey coming by email from the Minister Search Committee. Since we need to describe ourselves as a fellowship to the potential candidates, we need to gather this information. It will be done anonymously. There will also be a few questions regarding Covid and feelings about reopening the building. Later, there will be another more complete survey when it comes to the Settled Minister Search.

Kitty D.: How will the survey be done anonymously?

Neil: Survey Monkey is a anonymous tool.

Peg: It's a 3rd party survey tool. We get the answers but no identifying information about the respondents.

Amanda: I put out a request to host small group meetings in private homes. Sherrill D. and I are both hosting groups in our homes.

Rose T.: How does the Board reach decision about Covid policy?

Neil: We use CovidActNow data and other sources.

David: I support small group meetings but it would be safer to meet in the sanctuary than meeting in private homes.

Sara W.: How would someone do a proxy or other ballot if they are out of town?

Neil: They can contact Christy and she can help them figure out how to get a proxy or receive a PDF ballot by email.

Sandra O.: I would be interested in hosting a small group once the numbers in the county are much lower.

Janet L.: Wouldn't it be more efficient to post a ballot to the whole congregation?

Neil: The problem there is confidentiality.

Pam P.: Amanda and Sherrill, what COVID measures did you take?

Amanda C: N95 masks, vaccination/booster required and 3-4 foot distancing between seats.

Bonnie A.: What is the Interim Minister process?

Peg: You can find out more on the website under "Members and Friends". Briefly, we are assembling an electronic packet now and potential ministers are doing the same, and the "match" will happen in late April or early May.

Neil: The Interim Search Committee is a subset of the Board plus Diane K. from the Committee on Ministry.

Neil: Regarding Covid prevention, we are still looking at affordable ventilation options.

Ballots were sent out and returned by mail. All items were passed unanimously.