

**Middle Tennessee Council, Inc., Boy Scouts of America**  
**Annual Business Meeting**  
**Tuesday, January 18, 2022**  
**Gaylord Springs Golf Links**

Attending: Board: Tim Acree, Tom Adkinson, Clark Akers, Chuck Allen, Rajeev Amara, Chris Armstrong, J. B. Baker, Karen Bengtson, Jeff Bradford, John Bryant, Jim Bryson, Mark Buchanan, Eric Burk, John Bright Cage, Don Cochran, Justin Crosslin, Joseph Day, Jerry Deal, Jim Felch, Harry Fisk, Wyatt Foutch, David Garrett, Howard Gentry, Robert Guisinger, John Harney, Howard Harris, Robb Harvey, Don Haynes, Scott Heard, Bill Hickman, Adam Hicks, Hank Ingram, Bill Ketron, Teresa Kingery, Hunter Kitchens, Jim Larson, Nancy Leach, Kim Looney, Brad Marks, Brad McAlister, Don Miller, Dan Mohnke, Roland Myers, Gary Parkes, Chuck Pierce, Carolyn Rambo, Jim Reed, Rod Roudi, Patrick Sheehan, Fant Smith, Montee Sneed, Chris Snoddy, George Stadler, Chuck Steiner, Sol Steiner, Eric Strickland, Jack Stringham, Jorge Tarajano, Bob Van Cleave, Giles Ward, Pete Williston and Beth Winstead.

Guests: Chad Armistead, Jacob Armistead, Kristine Ball, Chris Bartz, Patrick Charles, Greg Hunter, Alec Jakalski, Jared Jakalski, Ella and Norfleet Johnston, Triston Pendarvis, Reggie Randolph, and Sheryl and Jim Tannahill.

Staff: Jeremy Belk, Larry Brown, Linda Carter, Andrew Dilliner, Will Dugger, Jason Flannery, Scotty Harrell, Phillip Heikkinen, Daniel Holden, Exavier King, Vance Lackey, Victoria Leuang, Kevin McMurrian, Jacob Moseley, Brandon Neal, Rhyan Preyer, Zach Ross, Candy Ruiz, Warren Sawyers, Anthony Spencer, Dylan Theg, Donna Vaughn, and Andrew Weisbrot.

- I. President Dr. John Bright Cage opened the meeting by saying that it has been an honor to serve as Council President in 2021. He welcomed everyone to the 101<sup>st</sup> Annual Meeting of the Middle Tennessee Council, Boy Scouts of America. Sadly, we have had several Scouts, volunteers and friends of Scouting pass away in 2021. Dr. Cage asked for a moment of silence in memory of those board members or Scouters that we lost in 2021. Before turning the opening over to the Order of the Arrow, Dr. Cage said that board members could find some of the successes achieved in 2021. We are on the rebound from COVID-19 and are in a good position to expand our Scouting programs in 2022.

Dr. Cage then introduced Eagle Scouts Jacob Armistead from Troop 341, chartered to Gladeville United Methodist Church and Alec Jakalski from Troop 2015, chartered to Music City Baptist Church. They recently were in the news for saving the life of three people and two dogs during the Waverly floods on August 21, 2021. Jacob led the Pledge and had the invocation and Alec led the Scout Oath and Law.

- II. Dr. Cage thanked the Scouts and told them they have bright futures ahead of them. He said that he is proud of them as leaders in Scouting. Dr. Cage then said that dinner would be served.
- III. After dinner, President Cage said that several Chartered Organization Representatives were in attendance and asked them to please stand when their name is called. These volunteers represent churches and community organization that we partner with to provide a quality Scouting program to the youth of Middle Tennessee. They are greatly appreciated.

Dr. Cage recognized a volunteer Scouter who has made a positive impact on Scouting worldwide. Even though a native of St. Louis, he grew up in Lawrence County where he started Scouting in 1947. He enlisted in the Navy after graduating from Princeton. He spent 22 years in banking and insurance and 11 years at Exxon Mobile. He and his family co-founded the first BSA Scouting Museum adjacent to the National Office of the Boy Scout Office in New Jersey in 1959. The family trust still provides support to the museum which is now located at Philmont Scout Ranch. He has served several Councils including Executive Board Member and Council President. Dr. Cage then introduced Fleet Johnston and his wife Ella. Scout Executive Larry Brown and Council President Dr. Cage presented a token of appreciation for all the work he has done for Scouting over many years.

- IV. Dr. Cage asked for a motion to approve minutes that had previously been emailed to the board. **Montee Sneed made the motion to accept the January 2021 Annual Business Meeting Minutes, September 2021 Executive Board, and the December Executive Committee Meetings Minutes. Erik Burk seconded, and the board approved.**

Dr. Cage continued by saying that everyone should have received the Executive Board Directory and Handbook vis email. The board needs to approve the Council Executive Board Organization Chart which lists the officer positions and structure. **Carolyn Rambo made the motion to accept, Chris Snoddy seconded, and the board approved.** The next item to vote on and accept was the religious policy and conflict of interest. **Bob Van Cleave made the motion, Jim Larson seconded, and the board approved.**

- V. Council co-attorney Robb Harvey gave an update on the National BSA bankruptcy. **[The following section is privileged/confidential.]**

Co-Council Attorney, Robb Harvey, began his update on the National BSA bankruptcy by reminding everyone of their duties to the Middle Tennessee Council and the fact that his the information and advice he provides is privileged and confidential.

Harvey identified several lawyers who are Executive Board members and others who are his partners or associates at Waller Lansden as having provided volunteer legal services for the Council.

Harvey provided the following summary of the bankruptcy and where things stand right now.

A. National BSA filed its bankruptcy proceeding in February 2020. National BSA's primary goal is to get the filed lawsuits and potential sex abuse claims resolved by the creation of a Victims Trust through the bankruptcy court, and do so in a fair way that will also allow the Scouting movement to survive.

Early in the bankruptcy process, National BSA asked eight councils to serve as the Ad Hoc Committee of Local Councils. The Ad Hoc Committee includes large and small, and councils across the country. Harvey reported that the Ad Hoc Committee's selfless service has been phenomenal, and they have dealt with numerous mis-steps by National BSA, which has not acted in a way that local councils agree with at times.

B. A long-running mediation process has been taking place while the bankruptcy process proceeds. The outlines of a settlement have been hammered out, bringing on board former adversaries to support National BSA's Plan of reorganization. There still are numerous objecting claimants. Following is the general outline of the resolution to be offered to the Court during the "trial" to present the Plan of reorganization:

1. National BSA and Local Councils collectively will pay something along the lines of \$820 Million in cash and property into a to-be-formed victim's trust. They will also be required to assign certain insurance rights to the Trust. The details are still being worked out.

2. The ask from the Ad Hoc Committee to the Middle Tennessee Council is approximately \$3.6 Mil. The MTC Executive Committee and MTC Executive Board last year approved a conditional letter of intent to fund that request. The principal condition is that the Plan of Reorganization presented by National BSA and (hopefully) approved by the bankruptcy court must be acceptable to our Local Council. Every council in the country agreed to similar letters of intent, totaling \$515 Mil. Our Resolutions delegate to Council President John Bright Cage and/or Scout Executive Larry Brown the obligation to make a decision about whether the terms of the conditional letter of intent have been met.

2. Second, there is a non-recourse Note that would increase by \$25Mil to \$125Mil, and that is only if Scouting has grown by at least 50% by the end of this decade. Ad Hoc refers to that as a Hope Note.

3. National BSA and Local Councils would pay up to another \$100Mil to the victim's Trust out of future additional revenue, which basically requires that we exceed expectations.

4. The biggest benefit our Local Council receives from participating in the victims' trust is that MTC will receive a Channeling Injunction. That that all claims up to a date the Court sets are barred, and will be administered through the trust. We also receive a resolution with the Pension Benefit Guaranty Corporation, which is a significant claimant.

5. The Ad Hoc Committee has been working hard to include all Chartered Organizations in a settlement so they will also receive a Channeling Injunction, at least back to insurance policies in the mid-70's. Some national church organizations have agreed to contribute to the Victims Trust. Negotiations continue with the Ad Hoc Catholic committee. The mediation continues to address issues regarding Chartered Organizations.

6. Insurance companies have been pressed hard, and the two biggest insurers, covering a period from about 1976 forward, have agreed to contribute about \$1.5 Billion to a victims' trust.

7. All in all, this will be largest sex abuse settlement of all time, but there is still a long way to go, including the Plan confirmation. [Post-note -- after a series of extensions, the hearing begins Monday, March 14, 2022.

8. Three final issues merit mention:

a. The Directors and Officers policy that MTC purchases through National excludes claims arising out of the bankruptcy. MTC's Key Three is committed to making sure our Council acts appropriately, and that insurance exclusion never becomes an issue.

b. At the end of November 2021, National BSA filed Bylaws in the bankruptcy court proceeding, seeking approval from the bankruptcy judge. Many local councils object to these Bylaws. The main change demanded by National BSA is that Local Councils will be subject to assessments by National in the future up to the amount of the local council's unrestricted assets. As the MTC has learned during the bankruptcy, National BSA and MTC (as well as other local councils) do not necessarily agree on what is restricted and what is not. [Post-note -- National BSA later withdrew these Bylaw, although they could be introduced again post-bankruptcy.]

c. The "vote" by victims to approve the National Plan of Bankruptcy came in at about 73%. It wasn't the ringing endorsement that National was hoping for.

During the confirmation hearing regarding National BSA's Plan of reorganization, National BSA is required to prove that the Plan is confirmable, and it will emerge from bankruptcy with sufficient financial solvency to survive and thrive. Harvey stated that he wanted to make sure that Executive Board members understand that numerous obstacles and challenges remain, and called for questions.

**[End of privileged section.]**

Dr. Cage thanked Robb for all his work as well as his law firm Waller Lansden Dortch and Davis.

VI. Dr. Cage said attendees would find reports from Council committees in their packets. He thanked everyone that has worked diligently on committees to ensure success.

- VII. Council Commissioner Karen Bengtson began by saying that unit service is an important part of the Scouting program. Commissioners provide service to units by helping resolve issues before they become problems and by ensuring the highest quality standards are being met for leadership and program. Ms. Bengtson asked commissioners present to stand to be recognized. She referred everyone to packets where they would find the 2021 Commissioner report. The Council hosted a hybrid College of Commissioner Science in November, offering classes both in-person and virtually. We were one of only a handful of Councils to provide training in this format and had participants from 28 councils in 20 states in attendance.

In 2021, 90% of units were contacted at least once, 75% of units had an assigned commissioner and 72% of units had a detailed assessment completed. In 2022, the primary focus of commissioners in the Council will be on recruiting and onboarding more commissioners and assigning those commissioners to units following the priority list developed by the National Service Team. Commissioners will also support membership goals of the Council by empowering unit leaders to provide the best possible programs for youth.

Ms. Bengtson said if you are looking for a way to volunteer in Scouting that directly impacts units, we always have openings and would welcome you to our Commissioner Team. It is a unique, personally fulfilling way to engage directly with one of our many Scouting programs.

- VIII. Commissioner Bengtson said it is an honor and a privilege to introduce our *Scouts of the Year*. These Scouts are youth who have distinguished themselves by achieving great success in Scouting as well as in their schools and communities. We are going to continue to recognize them and celebrate their achievements throughout 2022.

The first Scout is Silas Miller, an Arrow of Light Scout from Pack 643 in Lebanon. He has a heart for service to the community and it shows in his participation through his cleanup efforts in the community and on the Stones River. He assisted with tornado damage cleanup, placed flags at the cemetery, collected items for Scouting for Food and supported the local animal shelter with a bake sale. He is a role model to other Scouts and an example to all of us in how to serve our communities. Unfortunately, Silas was unable to attend

Alec Jakalski is a Life Scout from Troop 2015 in Mt. Juliet. While on an annual camping trip along the Piney River with his family and friends in August, Alec assisted in the rescue of other campers who were in a desperate situation because of rising flood waters. He plans to attend Cumberland University to complete an Associate's Degree before majoring in global communication at MTSU. Alec was given a round of applause.

Jacob Armistead is an Eagle Scout from Troop 341 in Gladeville. His family was camping with Alec's during the flooding in Waverly. As flood waters rose, Jacob used the skills he learned in Scouting to help rescue stranded campers. Jacob is a Lieutenant in NJROTC and a senior at Wilson Central High School. He plans to attend UT Knoxville next fall. With us tonight are Jacob and his father Chad. Jacob and his family were given a round of applause.

Both Alec and Jacob were awarded the Meritorious Achievement ribbon, the highest honor a cadet can receive, given to a Navy Junior ROTC cadet for outstanding achievement or for performance of an act. Master Chief John Ferguson described them both as dedicated and hardworking and said they were role models in and out of the classroom.

Hannah Bailey has earned both the Summit and the Eagle Scout award and is registered with Crew 309. She has served as President for the Southern Region Area 6 Venturing Officer's Association and has staffed National Youth Leader Training and National Advanced Youth Leadership Experience multiple times. Hannah also earned the Glenn A. and Melinda W. Adams Service Project of the Year for the Southern Region for her Eagle project which focused on river safety. She is a junior at Tennessee Tech University. Hannah was unable to attend but was given a round of applause.

- IX. Membership Vice President Harry Fisk said going into 2021, the goal was to bring new families into the program. The goal was to recruit 3,500 new youth and we ended the year with 5,543. We ended 2021 with 11,827 youth and 438 units, well over our goal of 9,000 youth. We have cut our loss in total membership to 9.1% and a 14.5% loss in total units. The success this fall has resulted in a 39.1% positive change in our youth and a 13.7% change in our units since our low point in May of 2021. Bledsoe Creek, Caney Fork, Elk River and Highland Rim have seen growth. Another goal was to restart or reorganize units that had stopped meeting during 2020. Through the work of volunteers and staff, we have brought 33 units back during 2021. In addition, we organized another 33 brand new units to serve youth in the Council.

Another big priority currently operating is our 2020 Unit recharter cycle. Once our unit rosters are updated, we are projecting to have around 7,500 members compared to 6,800 at this same time last year.

- X. Vice President Scoutreach, Howard Gentry, said that we have some new board members who may not be aware of our Scoutreach Program. The program was created by the Executive Board of the Council to expand the Council's efforts to serve inner-city, urban, and low-income youth. The program serves 1,133 youth in Davidson County. Scoutreach is alive and well, but COVID-19 did have a negative impact on all the programs including Scoutreach. The committee feels that now is a good time to invest in a major emphasis on increasing Scoutreach participation and improving the positive impact of our programs on the youth served through Scoutreach.

The Middle Tennessee Council Finance Committee and Executive Committee have approved the hiring of a contract employee of the Council for one year to lead the overall Scoutreach Program in the Council. If this position is as successful as we think it will be, we will come back to the board with a recommendation that we continue the position for future years. We have hired Bill Hickman to serve in this role. Bill is an Eagle Scout and native of Columbia. His father is Waymon Hickman, long time Scouter in the Council. After retiring as a Major General in the Army, Bill recently joined the Council Executive Board and immediately became active at all levels of Scouting including serving as a commissioner to several units. He is also helping with the Skilled Trades Center and the Veterans Gateway at Boxwell. He started working with Scoutreach before his official start date of January 1 and has some preliminary information he would like to share with the group.

- XI. Executive Board Member Bill Hickman said that leading the Scoutreach program over the next year is an honor and especially being a part of such a special important mission for the Middle Tennessee Council. Scoutreach is a program the Council has supported for many years and as a result young people have been a part of Scouting and experience excitement of Scouting because of the Scoutreach program. We want to build from that success as we go forward.

The Scoutreach values are the same as all Scouting. The programs' values are the Scout values as described in the Scout Oath and the Scout Law. The program strives to enable Scouts to dream about their future and to develop memories for a lifetime.

The program is based on four ideas: 1) Orient and adapt the program to the needs of each neighborhood; 2) Recruit caring leaders; 3) Enjoy adventures and make new friends; and 4) remove barriers to participation. To better understand and implement these big ideas, the program's foundation will be based on listening and communicating with parents and community leaders and maximizing partnerships. With the values, program foundation, and big ideas, we are striving to accomplish a Scoutreach vision. A vision for each Scout is to prepare leaders for tomorrow, today and to provide youth an opportunity to think and dream beyond what is in front of them

Our Scoutreach program has four major goals to reach success. 1) Increase and strengthen Charter Organization and leader commitment. Leadership is the key to strong Scout programs; 2) Support families and their Scouts. Communication with parent and other community leaders is critical to reaching the Scouts and a successful program; 3) Strengthen community support and partner commitment. We must be open to new ways and new opportunities to gain momentum and reach many young people. We will do this with our partners; 4) Increase resource availability and improve utilization. Growth will require an increase commitment not just to dollars but time, talent and other resources. With a successful program, community businesses, service organization, and other will gladly support our program.

With these goals, we will increase the youth membership, increase rank advancement, increase the number of Scoutreach youth participating in long-term camping opportunities and increase community service.

- XII. Vice President Marketing Dan Mohnke said that the Marketing Committee had an exciting year in 2021. It has been a challenging time with the coverage that the national office has received. We grew our main two Council social media platforms by wide margins. Several exciting news stories was executed throughout the year, especially the coverage on our inaugural female Eagle Scout Class. They were honored virtually at the Grand Ole Opry House. Also, a promotional video library was created with over 50 resources of Scouts and volunteers to promote our programs. We have a few key goals to accomplish through marketing in 2022. We want to continue the growth of our social medial platforms and get Facebook to 7,000 and Instagram to 1,000. We want to execute two new corporate partnerships in 2022 and are targeting the Nashville Grand Prix and Nashville NASCAR race. We also want to grow our MTC TV program and complete 24 episodes on Scouting throughout the Council service area.
- XIII. Vice President Program Robert Guisinger said that the results of the 2021 programs could be found in packets. During COVID-19 we have faced some tough programming challenges, but we met these head-on and in 2021 we held a camporee, summer camp at Boxwell and the 100<sup>th</sup> Anniversary Jamboree. Bob Van Cleve, Vice President of Camping, is working with Camping Director Jason Flannery to develop another exciting program for Scouts BSA Sumer Camp and Cub Scout Resident Camp this summer. Currently we have 119 Troops registered to attend Scouts BSA Summer Camp. Our goal is to have 525 Cub Scouts and 2,100 Scouts BSA youth attend summer camp in 2022. This summer we are again able to offer an ATV program for older Scouts, with brand new ATVs. We are excited that the new skilled Trades Center will be completed and ready for use at summer camp. We will offer nine merit badges for our Scouts to earn during summer camp.
- XIV. Executive Board Member David Garrett served as the 100<sup>th</sup> Anniversary Jamboree Chair. Even though many activities and events were postponed or cancelled over the past two years, the Council with the help of volunteers and staff, was able to provide Scouts with traditional in-person quality programs.

Mr. Garrett wanted to update everyone of what we did the past year:

1. In May we held the re-scheduled Camporee at Boxwell, with 925 Scouts participating in Viking Warrior Camporee.
2. Boxwell Summer Camp was held with 1,916 total Scouts participating in traditional summer camp. During the summer we celebrated the 100<sup>th</sup> Anniversary of Boxwell Reservation and held a gathering of camp staff alumni, with almost 100 members and their families participating in the celebration.
3. In September the Council held the highlight of the Centennial celebration, the 100<sup>th</sup> Anniversary Jamboree at Boxwell Reservation. This was the single largest Scout



event in 2020 and 2021 throughout the entire country with 4,279 in attendance. The event would not have been possible without the staff and volunteers.

4. two books were produced in celebration of the 100<sup>th</sup> Anniversary. Grady Eades wrote and published the history of Boxwell and Tracy Rodenbach led in the production of the Council coffee table book.

- XV. Jack Stringham gave the Endowment Trustees Report. He referred everyone to their Executive Board Directory, and they would find the 10 Trustees of the Council.

Mr. Stringham said the Council currently has 16 funds that are within oversight of the Endowment Trustees. The total Council Endowment ended 2021 at \$22,163,979 compared to \$20,235,623 in 2020. The Council also has a Board Designated Unrestricted Operating Reserve Fund that is also part of the managed endowment funds. As of 12/31/21, the fund had a balance of \$2,687,073 compared to a balance of \$2,362,645 on 12/31/20. The Executive Board voted to liquidate this fund and use the proceeds to pay the majority of the council's \$3.6 million share of the victims' trust that is a part of the BSA Bankruptcy.

The Executive Board approved paying the remaining approximate \$900,000 needed for our contribution through a three-year loan with Pinnacle. The Endowment Trustees voted to fund the cost of paying this loan by temporarily increasing the Boy Scout Endowment Trust spending policy from 4% to 6%. The increase in the spending policy will provide approximately \$300,000 per year to pay down the loan with Pinnacle.

The Middle Tennessee Council Endowment Fund remains strong and is a major source of support for Scouting in the Middle Tennessee Council. In 2021 the Council Endowment Fund provided \$619,701 in support of the Council's programs and operations.

The Heritage Society is our Council recognition program for donors of \$25,000 or more to the Council's Endowment. This can be an outright gift paid one time or over five years. Donors can also qualify for the Heritage Society with a \$100,000 deferred gift to the Councils Endowment fund. A list of Heritage Society members was in packets.

- XVI. Council Treasurer Carolyn Rambo asked the board to refer to their packets where they would find the December 9 Finance Committee Minutes. **Bob VanCleave made a motion to approve the minutes, Pete Williston seconded, and the board passed.**

Ms. Rambo continued with the Statement of Financial Position. In the Operating Fund: 1) Cash is \$1,408,516 compared to \$1,332,422 in 2020; 2) Interfund Loans is \$693,408 compared to \$498,613 in 2020. This represents money that is owed to the operating fund from the Properties Trust. This money will be repaid after the National BSA bankruptcy. 3) Contributions Receivable in Non-current Assets is \$469,180 compared to \$428,384 in 2020. This represents FOS pledges for 2022; 4) Total Assets is \$3,037,663 compared to \$2,788,656 in 2020; 5) Accrued Expenses is \$100,000

compared to \$0 in 2020. This increase represents money that will be used for employee performance raises in 2022; 6) Total Liabilities is \$543,291 compared to \$494,889 in 2020.

Capital Fund: 7) Cash in the Capital Fund is \$4,390,445 compared to \$3,797,583 in 2020.

Endowment Fund: 8) The Board Designated Unrestricted Operating Reserve Fund is \$2,687,073 compared to \$2,362,645 in 2020. This money will be used to help pay a portion of the National BSA bankruptcy victim's fund. 9) Long Term Investments in the Endowment Fund is \$19,476,906 compared to \$17,872,978 in 2020.

### **Comparative Statement of Budgeted Operations**

#### **Page 1 of 1 - Support and Revenue (numbers below align with line numbers on page)**

1) Total Direct Support is \$2,735,643 compared to \$2,455,796 in 2020; 2) Net Sale of Scouting Supplies is \$344,161 compared to \$185,944 in 2020. This represents the increase of Scouts being recruited this fall post COVID who would purchase Scout supplies; 3) Net Product Sales is \$451,984 compared to \$366,029 in 2020. This represents the increase of Scout units post COVID that sold camp cards and popcorn in 2021. 4) Total Investment Income is \$619,701 compared to \$677,757 in 2020. The decrease represents a board approved decision to not take the 4% income (spending policy) from the Board Designated Unrestricting Operating Reserve Fund for 2021. This money will be used to help fund a portion of the National BSA bankruptcy victim's fund. 5) Camping Revenue is \$1,121,262 compared to \$257,642 in 2020. The decrease represents many of the spring, summer and fall camping events being held post COVID; 6) Activity Revenue is \$262,422 compared to \$114,154 in 2020. The increase represents several big events being held post COVID including Philmont, 100<sup>th</sup> Anniversary events and Council Jamboree. 7) Other Revenue is \$813,778 compared to \$675,775 in 2020. This represents the Paycheck Protection Program (PPP) 2<sup>nd</sup> draw loan of \$626,890 and the \$151,000 in the Employee Retention Credit the Council applied for and was rewarded. The PPP 2<sup>nd</sup> draw loan was forgiven. 8) Total Support and Revenue is \$6,399,078 compared to \$4,815,755 in 2020.

#### **Page 1 of 1 – Expenses**

9) Total Employee Compensation is \$3,644,245 compared to \$3,456,680 in 2020. This is \$214,424 under budget. The Council currently has a full staff. 10) Program and Other Supplies is \$741,055 compared to \$331,992 in 2020. The increase represents many camping events, fundraising events and activities being held in 2021 post COVID. Many of these events were cancelled in 2020.

#### **Page 2 of 2 - Expenses**

11) Other Expenses is \$82,322 compared to \$50,010 in 2020. This represents an increase in credit card fees due to event registrations in 2021. Many of these events were cancelled in 2020 due to COVID; 12) Total Expenses is \$5,694,248 compared to \$4,944,047 in 2020; 13) The budget has a surplus of revenue over expenses of \$704,830 compared to a deficit of \$128,291 in 2020; 14) Transfers Between Funds is

\$600,000. \$300,000 will be transferred to the Board Designated Unrestricted Operating Reserve Fund and \$300,000 will be transferred to the Ongoing Properties Trust; 15) Unrestricted Net Assets – End of Period is \$1,775,625 compared to \$1,670,795 in 2020.

**Don Miller made a motion to approve the Council Operating Budget, Chris Snoddy seconded, and the motion passed.**

Ms. Rambo continued with the 12/31/21 Ongoing Capital Budget and the Capital Campaign Budget. These two accounts were moved to the Properties Trust in 2020 and are administered by the Properties Trustees. We will continue to share information about these these accounts with the Executive Board since this is a supporting organization of the Council.

The Finance Committee, Executive Committee and Executive Board approved an initial 2022 Council Operating Budget in the fall of this year. The board was informed that if there were material changes needed in the 2022 budget, the budget would be revised and presented for board approval at the Annual Business Meeting. As you might expect, budgeting has been a challenge with COVID and the BSA Bankruptcy

## **INCOME**

Net Friends of Scouting - We are budgeting \$2,360,000 in net Friends of Scouting. This is a \$21,757 increase over 2021. We are budgeting for an 8% pledge loss.

Other (Navigator) - We are budgeting \$38,000 for 2022 compared to \$0 in 2021. This represents the Shoney's Navigator Scholarship program being completed and remaining funds will be transferred to income.

Net All Special Events - We are budgeting \$291,250 combined net on our Sporting Clays, Golf Tournament and Extravaganza. This is a \$22,636 decrease over 2021.

Other Contributions – STEM - We are budgeting \$140,000 compared to \$40,000 in 2021. This \$100,000 increase represents an increase in Scoutreach grants to support the new Scoutreach consultant position for 2022.

Total Direct Support - We are budgeting \$2,829,250 compared to \$2,735,643 in 2021. This is a \$93,607 increase.

Total Indirect Support – United Way - We are budgeting \$47,600 compared to \$50,127 in 2021. United Way income will continue to decrease.

Net Sale of Scouting Supplies We are budgeting \$380,700 compared to \$344,161 in 2021. This is a \$36,539 increase.

Net Product Sale We are budgeting \$530,500 compared to \$451,984 in 2021. This is a \$78,516 increase. This includes our spring camp card sale and our fall popcorn sale.

Investment Income We are budgeting \$924,612 in investment income from our endowment funds in 2022. This is a \$304,911 increase from 2021. This represents a change in the spending policy from a maximum 4% of a 3-year rolling average to 6%. The endowment trustees approved the 2% increase in October to help fund part of the MTC's contribution to the BSA Bankruptcy Trust.

Camp Revenue We are budgeting \$1,364,750 compared to \$1,121,262 in 2021. This is a \$243,488 increase. The MTC Camping Committee approved the increase of \$40 in the summer camp fee. Camp expenses have risen significantly over the last couple of years. Our camp fee is in line with other Councils in our area.

Activity Revenue We are budgeting \$282,074 compared to \$262,422 in 2021. This is a \$19,652 increase.

Total Support and Revenues We are budgeting \$6,403,486 compared to \$6,399,078 in 2021.

## **EXPENSES**

Total Employee Compensation We are budgeting \$3,632,561 compared to \$3,644,245 in 2021. This is a \$11,684 decrease.

Total Other Expense There is a material change in overall other expenses budgeted for 2022. The breakdown in the 2022 budget for other expense is:

- Professional fees increased from \$67,225 in 2021 to \$150,200 budgeted for 2022. This is because of the new Scoutreach consultant position that was mentioned earlier.
- Also, you will see on line 89 that other expenses, as a single line item in the budget, went from \$82,322 in 2021 to \$440,170 budgeted for 2022. \$350,000 of this amount is the loan repayment that is part of the MTC's contribution to the BSA Bankruptcy Victim's Trust.

Total Expenses We are budgeting \$6,370,058 compared to \$5,694,248 in 2021. This is a \$675,810 increase.

Surplus/(Deficit) Rev/Exp We are budgeting an \$33,428 surplus for 2022.

**A motion was made by Don Haynes, Chris Snoddy seconded, and the board approved the 2022 Ongoing Capital Budget and the Capital Campaign Budget.**

- XVII. Board Member George Stadler said he was filling in for Dr. James Hildreth, the 2022 Friends of Scouting Chair. Dr. Hildreth, an Eagle Scout from Camden, Arkansas, is very committed to leading the campaign. He credits much of his success to the foundation he built growing up as a Scout.

Mr. Stadler said there are some key benchmark dates that we need to achieve to ensure we reach 100% of goal by May 28. The first benchmark is 25% of goal by tomorrow (January 19, 2022).

We created a new donor recognition level in 2015, the Eagle Club which is for donors who contribute \$5,000 or more to the Friends of Scouting Campaign. In 2014 we began with 91 donors and now have 148. We have six new members so far this year. The goal is to have 170 Eagle Club members in 2022.

The Patron Luncheon plans are in place, and we are expecting over 800 people in attendance. The lunch will be held on March 23, 11:30am at the Omni Nashville Hotel. John Maxwell, New York Times bestselling author and leadership coach will be the guest speaker. Four Scouts of the Year will be recognized. Our goal is to achieve \$1,900,000 in Friends of Scouting by the end of the event. At the end of last year's event, we raised \$2,453,600 but it was held in September because of COVID. Currently we have 109 table hosts and board members are welcome to fill out a commitment form in the packets if they would like to participate.

- XVIII. Executive Board Member Jay Hollomon referred everyone to their packet where they would find a spreadsheet that shows a 10-year history of United Way, Friends of Scouting and Special Event income for the Council. You can see how important our Friends of Scouting Campaign is to our success. Our Friends of Scouting Stretch Goal for 2021 is \$2,766,000. There are some key benchmark dates that we need to achieve to ensure we reach 100% of goal by May 28. Our first benchmark is 25% of goal by January 20.

- XIX. Dr. Cage returned to the podium and said as business and community leaders, as well as Middle Tennessee Council Executive Board Members, we have the responsibility to set the example and lead the way in ensuring we have the resources to fund the Scouting program in the Middle Tennessee Council. Commitments made at the meeting will set the stage for a positive campaign. Everyone received an FOS card upon arrival and an amount was penciled in to be considered for their 2022 Friends of Scouting gift. Dr. Cage called on Kevin McMurrian, Director of Finance Service, to explain how to fill out the pledge card. Staff will collect, add them up and a report of the success will be given at the end of the meeting.

- XX. Properties Vice President Mark Buchanan said the committee has been very busy. Our 2021 Council Properties Committee Report and our goals for 2022 could be found in packets. Following those pages is a list of priority projects for the Council's Capital Campaign. You will also see the status of these projects. For 2022, we will build a 100<sup>th</sup>

Anniversary Veterans Gateway, this project was on the books to be completed in 2021, but the cost of the project as it was originally designed was going to be significantly over budget. We had to go back to the drawing board for a new design and we have now. The new design was completed pro bono by Architect Rob Ponder who worked on camp staff in the 1970s. I believe the new design for the gateway is excellent. We have broken ground on the skilled trades center and plan to have it completed before summer camp. The estimated costs of the projects for the capital campaign were done in 2017.

- XIX. Dr. Cage referred the board to their packet where there is a chart in packets that shows where we are with the campaign. To date, we have raised \$6,763,631 which is 64% of the current \$10.6 million goal. The Capital Campaign goal was developed based on construction estimates from 2017. Mark and his team are putting updated estimates together now. We expect the goal to be increased. Due to COVID-19 and the negative publicity surrounding the BSA bankruptcy, we put the campaign on hold in 2020 with plans to restart the capital campaign once BSA has emerged from bankruptcy. The timeline is uncertain, but it is expected to be in the second quarter of 2022.
- XX. Vice President Manpower Pete Williston presented the Council's Nominating Report. The committee met in the fall and developed a slate of board members, advisory board members and officers for 2022. Mr. Williston thanked the committee for their service. Mr. Williston held up the board directory and said that would serve as the ballot to vote. The first vote would be for the board and officers. He asked for a motion to elect the following: Officers, Executive Committee Members, National and International Representatives, Youth Board Members, District Chairs and Executive Board Members at Large. **Jim Larson made the motion to elect individuals listed for Officers and Executive Committee Members, National and International Representatives, Youth Board Members, District Chairs and Executive Board Members at Large, Eric Strickland seconded, and the board approved the slate.** Next was the election of our slate of Officers and Executive Committee for 2022. **Roland Myers made the motion; Chris Snoddy seconded, and the motion passed.** Next was the approval of the National Council Representatives for the Council. These Scouters carry our vote to the National Meeting of the Boy Scouts of America. **Chris Armstrong made a motion to accept; John Bryant seconded, and the motion was approved. Dr. John Lea made a motion to approve the Advisory Board; Jim Reed seconded, and the motion passed.** Mr. Williston said that we have several new board members he would like to introduce. He requested they stand when their name was called.

Chris Bartz came forward for the installation of the officers and board.

- XXI. Scout Executive Larry Brown began his closing comments by thanking all the volunteers for their service to the youth and the Council. He said the Middle Tennessee Council is the best Council he has worked with since he has been in Scouting. Mr. Brown updated the board on staff changes. We have four new District Executives: Will Dugger in Natchez Trace, Anthony Spencer in Cumberland, Exavier King in James E.

West, and Scottie Harrell in Highland Rim. He said that the council had had hard challenges in the last two years. However, we are headed in a positive direction. He did want to thank our Council President, Council Commissioner and Council Attorney was all they have done for the Council and our youth in the last two years.

XXII. Dr. Cage said it is an honor to serve as President of the greatest Council and appreciates the opportunity. We have an outstanding board and professional staff. Dr. Cage continued by saying that when the skilled trades center is complete, it would be the only one in the country. He closed the meeting by saying that we had raised \$67,150 tonight for a total of 31% of our 2022 Friends of Scouting Goal.

XXIII. The Annual Business Meeting was adjourned.

Respectfully submitted,

Respectfully submitted,

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Dr. John Bright Cage, Council President

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Larry Brown, Secretary to Board

**Middle Tennessee Council, Boy Scouts of America**  
**Fall Executive Board Meeting**  
**Tuesday, September 13, 2022**  
**Beaman – Curb Conference Center**  
**Presiding – President Dr. John Bright Cage**

Attending: Board Members: Tim Acree, Clark Akers, Rick Archer, Chris Armstrong, Craig Becker, Karen Bengtson, Chad Blackburn, William Braddy, Clay Bright, Summer Bryan, John Bryant, Mark Buchanan, Dr. John Bright Cage, John Chobanian, Stephen Crawford, Justin Crosslin, Joseph Day, Jerry Deal, Ron DeBerry, Steve Dix, Harry Fisk, Cy Fenton, Robert Flack, Wyatt Foutch, David Garrett, Howard Gentry, Robert Guisinger, Carl Haley, John Harney, Robb Harvey, Harris Haston, Don Haynes, Scott Heard, Bill Hickman, Adam Hicks, Damon Hinger, Stephen Kalb, Teresa Kingery, Jim Larson, Dr. John Lea, Nancy Leach, Kim Looney, Don Miller, Roland Myers, Gary Parkes, Clay Petrey, Chuck Pierce, David Raiford, Carolyn Rambo, Col. James Reed, John Richardson, John Roe, Dr. Ian Romaine, Dan Ryan, Craig Salazar, Patrick Sheehan, Chip Smith, Fant Smith, Garrison Snell, Chris Snoddy, Lelan Statom, Sol Steiner, Linda Stinson, Eric Strickland, Jack Stringham, Hoover Sutherland, Hugh Tanner, Bob Van Cleave, Bradford Vieira, Andrew Wall, Giles Ward, Ken Weaver, Pete Williston, Charles Womack and Walt Wood..

Guests: Allen, Bennett, Camyrn, Donna, and Suzanne Buchanan, Patrick Charles, Don Cochran, Jim and Ramsey Doran, Amy Fenton, Rob Hersh, Davis, Michelle, and Penny Lafalette, Ellen Lea, Ed Mason, Jonathan Price, Lyra Robbrecht, Nikita Robbrecht and Jeff Yarbro.

Staff: Larry Brown, Linda Carter, Jason Flannery, Vance Lackey, Victoria Leuang, Kevin McMurrin, Merilee Scott, and Donna Vaughn.

- I. President Dr. John Bright Cage welcomed everyone to the Fall Executive Board meeting. In addition to in-person, we had some board members joining via Zoom. Dr. Cage said one of the highlights of the meeting is the recognition of the 2021 National Outstanding Eagle Scout Recipients and the Latimer Society inductees.

Dr. Cage said that it is a pleasure to introduce brother and sister Eagle Scouts Kyra and Nikita Robbrecht from Troop 777. They are two of the three Robbrecht siblings who received their Eagle Scout ranks at a Triple Eagle Scout Court of Honor. The third is Kiril who was the first of the three family members to achieve this honor and is currently attending The Citadel University. Their parents, Ivo and Rachel said, “At the Robbrechts’ house, we require the kids to become Eagle before they can drive or get a car. Kiril was adopted in 2005, and then Lyra and Nikita were adopted in 2013, all from Ukraine. The parents were thankful that Scouting was available when they arrived with their family.

Dr. Cage thanked them for leading the Pledge, Scout Oath, Scout Law and had the invocation. He said we are all praying for their birth country, Ukraine.



The meeting was then turned over to Executive Board Member Chris Snoddy for the presentation of the 2022 NOESA Awards. Chris, in addition to serving on the Executive Board, has been an active leader for our Order of the Arrow Lodge and recently recognized by Goodpasture when they named their Athletic Training Facility after him. He has served over 40 years as an athletic trainer. He currently serves as the chair of the NOESA Awards Committee. This award recognizes Eagle Scouts who have brought honor to the Boy Scouts of America through their personal and professional contributions at local, state, and regional levels. Those recipients are: Cy Fenton, Jim Doran, and Senator Jeff Yarbrough. Pete Delay is also a recipient and unable to attend and will receive his award at a later date.

Mr. Snoddy then asked Dr. John Lea and his wife Ellen to come forward. Dr. Lea was the recipient of the Alumnus of the Year.

Dr. Cage asked John Harney to come forward for the presentation of the Latimer Society inductions. Mr. Harney, an Executive Board Member, was instrumental in the development of Latimer Reservation. He said that the promise of an outdoor adventure is a big reason why a young person joins the Scouting program. Our Council is fortunate to facilitate and enhance the development of not only camping skills, but also life skills through our four Council-owned and operated camping locations. Each year, thousands of youth participate in programs at these reservations, either for a week-long experience, a weekend campout or an exciting float trip. Because of the importance that camping programs have in building character and confidence of our youth, the Latimer Society was created to honor those who have given exceptional service and dedication to our Council camps.

Bill and Carol Latimer have spent their lives helping prepare young people for a better future, whether it be through the United Methodist Church, The Union County School Board or through Scouting. The Latimer's saw that adding a high adventure camp in Middle Tennessee Council would not only serve and help develop citizenship, character and reverence in hundreds of thousands of the youth in Tennessee, but also the entire Southern Region. Since 2008, Bill and Carol have helped build, develop and coordinate Latimer High Adventure Reservation. Because of this dedication and forethought, the Middle Tennessee Council of the Boy Scouts of America established the Latimer Society. Scout Executive Larry Brown and President Cage presented the awards since Bill and Carol were unable to attend.

The inductees were: Ed Mason, Rob Hersh, and Mark Buchanan. Greg Cashion is also a recipient unable to attend and will receive his award at a later date. The inductees were thanked again for their dedicated service and support of our camp properties.

- II. Dr. Cage congratulated and thanked all the NOESA recipients and Latimer Society inductees for attendance at this celebration. He said all are welcome to stay for the board meeting, but free to depart if they wished.

Dr. Cage informed the board about the passing of one of our most dedicated Executive Board Members, Dave Mullendore. Dave was very active in Troop 31 as well as the James E. West District. His leadership of our Council and his mentorship of Scouts in Troop 31 will be missed but not forgotten.

**Dr. Cage asked for a motion of approval of the June Executive Board Minutes and the Executive Committee Meeting minutes. Carl Haley made the motion, Chip Smith seconded and the motion passed.**

Dr. Cage said that Vice President of Manpower, Pete Williston has agreed to serve as the 2023 Council Nominating Committee Chair. If you have someone you would like to nominate as an executive Board Member, please let us know. **Ron DeBerry made a motion to approve Pete Williston as Council Nominating Chair, with David Garrett seconding, and the board approved.**

The next item to be voted on is the Council Compensation Committee. **Pete Williston made a motion to approve Damon Hininger as the 2023 Compensation Committee Chair and approve the proposed members listed in packets. Chip Smith seconded and the motion was approved.**

Dr. Cage reminded everyone of the deadline of November 30 for Silver Beaver nominations. This is the highest award a volunteer can be recognized with at the Council level.

III. Co-Council Attorney came forward to speak on the bankruptcy.

**[The following section is privileged/confidential/privileged.**

**BELOW IS COPIED FROM MESSAGE FROM NATIONAL THAT WAS SENT ON DAY OF BOARD MEETING.**

### **Bankruptcy Court Confirms the Boy Scouts of America Plan of Reorganization**

This ruling brings us only one step away from emergence. In addition to approval from Judge Silverstein, the BSA's Plan of Reorganization has also won overwhelming support from survivors of past abuse in Scouting, with more than 85% voting to approve it.

### **What happens next?**

Because certain parties have communicated their intent to appeal the confirmation order, we will next begin a District Court appeal process in order to emerge from Chapter 11, which will allow survivors to be equitably compensated and preserve the mission of Scouting for future generations. We do not know exactly when emergence will take place, but we expect it to be sometime this fall or winter. As always, we will keep you informed as the BSA navigates the final stages of this process with the District Court.

As it pertains to the national organization's financial restructuring, we ask that you please refer any medal inquiries on this topic to [PR@Scouting.org](mailto:PR@Scouting.org). Additionally, in case you have any questions regarding this update, or receive any questions from the Scouting community, Scout Executives received an FAQ last week that can be reference

**[End of privileged section.]**

- IV. Co-Council Attorney Jack Stringham referred everyone to their packet where they would find a document that outlines the plan to pay the Middle Tennessee Council's portion of the BSA Bankruptcy Trust Contribution. The total contribution is \$3,586,493. \$2,674,361 of the contribution will come from the Board Designated Unrestricted Operating Reserve being liquidated. This leaves \$912,132.

To secure the funds to pay off the loan, The Endowment Trustees voted last October to increase the Endowment's Spending Policy from 4% to 6%. This should provide approximately \$300,000 per year to pay off the loan. The Spending Policy is based on a three-year rolling average so the dip in the market can affect how much is generated to pay off the loan.

The increase in the Spending Policy stated on January 1, 2022, so we have accrued approximately \$225,000 toward the contribution in 2022. We will need to borrow approximately \$699,000. We plan to use Certificates of Deposits as collateral. We will have three one-year Certificates of Deposits of \$230,000 each. This way we can liquidate the Certificates of Deposit as we pay down the loan.

Mr. Stringham thanked Executive Board Members Jim Darter and Bradford Vieira for their work in securing a very low interest rate for the loan. Mr. Stringham asked Mr. Vieira to explain the loan.

Mr. Vieira said we will need to borrow approximately \$688,000. We will also need to secure three CDs (approximately \$239,999 each) through Service First Bank. The first CD will be for one year, the second for two years and the third for three years.

Mr. Stringham said the loan has been approved by the Council Finance Committee. **Eric Strickland made a motion to approve the approximate \$688,000 loan to pay a portion of the Council's contribution to the BSA Bankruptcy Trust. Chris Snoddy seconded and the board approved.**

- V. Council Commissioner Karen Bengtson said the commissioner corps at the Middle Tennessee Council remains 2<sup>nd</sup> in the country for the percentage of units with detailed assessments logged in Commissioner Tools. Only three Councils meet the unit service standard of 70%. Our 82% rate is just shy of the 85% goal set at the beginning of this year.

In spite of our success, we still do not have an adequate number of commissioners to ensure that every unit in our Council has an assigned commissioner. Focus areas for commissioners through the remainder of the year are to identify and recruit more commissioners, to support membership growth by ensuring units are prepared to welcome new families and to support units toward the goal of rechartering on-time.

Assistant Council Commissioner, Kevin Phillips, will conduct a Council-wide recharter training at the end of September to walk unit leaders through the recharter process step by step. This training will also address typical defects which prevent unit charters from being processed and posted. The numerous system glitches from last year have been addressed

and corrected at the National level and we anticipate that those improvements will result in a higher number of units completing recharter on time.

The College of Commissioner Science which is usually held the first weekend of November has been rescheduled to January 21<sup>st</sup>, 2023. Our college Dean, Tracey Rodenbach has secured past National Commissioner, Ellie Morrison, as the Keynote speaker. With most colleges going back to in-person formats, we will be one of the only Councils in the country conducting a hybrid college offering both in-person and virtual options.

- VI. Ms. Bengtson continued with discussion of the UMC and Chartered Organization Update. She said that there had been discussions previously at board meetings, that the Tennessee and Western Kentucky Conference of the United Methodist Church has advised their churches to not sign a traditional charter agreement as they have in the past, instead they are advising them to sign an Affiliation Agreement with the unit and Council. There is still the option of the unit finding a new non-UMC Chartered Partner and signing a traditional charter with that organization. An updated Affiliation Agreement between the United Methodist Churches, local Council and units could be found in packets. If the church, unit and Council sign this agreement, it will make the unit a Council Registered Unit. This means the Council will provide the unit our EIN number and technically the Council will be the owner of the unit's assets including checking accounts and equipment valued over \$5,000. Trailers are the most common item that might be valued over \$4,000. We are working with units to try and not have the Council own equipment. In some cases, the United Methodist Churches may continue to own the equipment and allow the units to use it, along with their other church youth groups. In other cases, individuals may own the trailers and other equipment. If there are no other options to ownership, the Council will accept ownership of the trailers and other equipment valued over \$5,000. Currently we do not have any Council Registered Units, but we are expecting that there will be some moving forward. We also expect the Catholic Churches will make a similar decision as the Methodists and not allow their churches to use the traditional charter. The decisions related to units signing UMC traditional charter, find a new traditional charter or becoming a Council registered unit are situational and we are working with the units and churches to find the best possible path forward. There are really two different relationships at play here, one is the business association between the unit, Council and church, and the other is the Scouting relationship between the three. We want to focus on our efforts on strengthening the Scouting relationship. Most United Methodist Churches want to keep their Scouting relationship and we need to work with them to strengthen that relationship.
- VII. Vice President Membership Harry Fisk said he has some positive news from Membership. Our "Adventure On" Fall Recruitment Campaign is going extremely well. Since we started our fall roundup in August, we have added 2,077 new Scouts and their families to the program as well as 257 new adult leaders. When you compare the number of Scouts recruited at school roundups so far this year to the same schools last year, we have an increase of 221 Scouts. Our goal is to recruit 6,000 Scouts by the end of October, and we still have 200 roundups remaining. Last year at this time we were second in the country in number of new youth recruited. So far this year, we again are number two in the country behind Dallas in recruiting. We are working hard to be number one.

The August membership report could be located in packets. We had an 11% increase in membership and a 7% loss in units. We will keep this positive trend of membership growth going through the end of the year. We are still working to organize new units or reorganize units that have dropped. Our volunteers and staff have done a great job during this busy time to bring the fun and excitement of Scouting to each community.

- VIII. Robert Guisinger, Vice President Program, said we had another outstanding summer camping season at Boxwell. The surveys and comments from the leaders and Scouts who attended are very positive and they are very pleased with the programs we offer. Attendance numbers for both Scouts BSA and Cub Scout summer camp at Boxwell could be found in packets. Also listed are numbers for Latimer, Grimes and Parish. We were down in summer camp attendance this year. With COVID-19 restrictions being lifted, many of our Council Troops decided to travel to other camps across the country this summer for something different. We are working diligently to get those troops to return and reach out to troops in other Councils to attend Boxwell in 2023. In addition to Scouts BSA youth attending Boxwell, we need to execute a strong camp promotion plan for our Cub Scouts to attend Cub Resident Camp and Cub Scout Day Camp.

The new skilled trades merit badges were very popular again this summer at Boxwell as we grew from last year to this year. We had 289 Scouts earn merit badges in welding, home repair, automotive maintenance, plumbing, electricity and more. We are very excited that the new skilled trades center will be completed before 2023 summer camp. With this addition of the Skilled Trades Center, the current STEM Center, Pfeffer Boat Harbor and our shooting sports. Boxwell can provide the programs that most Councils can only dream of offering. The past weekend we had over 400 Scouts BSA come out to Boxwell for the Fall Merit Badge Days. Scouts were able to pick from 15 different merit badges and earn two badges during the weekend. Cub N Family campouts will be held in September and October and we are expecting a tremendous turnout, especially with all the new Cub Scouts that have been recruited. They will be able to shoot BB guns, Bows and Arrow, Crafts, Fossil Digs and more. The theme this year is Jurassic Park and this should be a fun and great program for our Cub Scouts. The Scouts BSA is gearing up for the 20<sup>th</sup> Annual Winter Camp at Boxwell. This program is led solely by the youth of the Order of the Arrow Wa-Hi-Nasa Lodge. This year's theme is "Sky's the Limit". Webelos Winter Weekend is also in the works for our Webelos Scouts in January and the theme is a "Minions – The Rise of the Webelos Scouts." We are looking forward to having a great fall and winter program for our Scouts and families in the Middle Tennessee Council.

- IX. **Council Treasurer Carolyn Rambo asked for a motion to approve the September 8, 2022 minutes from the Finance Committee. Chris Snoddy made the motion, Chip Smith seconded and the motion was approved.**

Council Treasurer Carolyn Rambo asked the board to refer to their packets where they would find the Statement of Financial Position. In the Operating Fund: 1) Cash is \$3,965,201 compared to \$1,495,958 in 2021, \$2,674,361 is money that was transferred from the Board Designated Unrestricted Operating Reserve Fund to help pay a portion of the BSA Bankruptcy Trust; 2) Interfund Loans is \$728,020 compared to \$3666,408 in 2021. This represents money that is owed to the operating fund from the Properties Trust.

This money will be repaid after the National BSA Bankruptcy; 3) Total Assets is \$6,158,327 compared to \$3,534,825 in 2021; 4) Accrued Expenses is \$3,586,493 compared to \$0 in 2021. This represents the MTC's contribution to the BSA Bankruptcy Trust. This contribution will be paid when there is a legal confirmation order; 5) Other Deferred Revenue is \$237,845 compared to \$119,304 in 2021. The increase represents the quarterly disbursements from investment income to help pay a portion of the BSA Bankruptcy Trust contribution; 6) Total Liabilities is \$4,270,763 compared to \$1,193,762 in 2021.

Endowment Fund: 7) The Board Designated Unrestricted Operating Reserve Fund is \$0 compared to \$2,693,296 in 2021. This money was transferred to checking to help pay a portion of the BSA Bankruptcy Trust contribution; 8) Long Term Investments in the Endowment Fund is \$16,778,373 compared to \$19,180,224 in 2021.

### **Comparative Statement of Budgeted Operations**

Page 1 of 1 - Support and Revenue: 1) Total Direct Support is \$1,737,597 compared to \$1,276,091 in 2021; 2) Investment Income is \$527,695 compared to \$352,508 in 2021. The increase represents the Endowment Trustees approving the spending policy increase from 4% to 6% to help pay off an approximate \$900,000 loan to go towards the BSA Bankruptcy Trust. We project to pay off this loan in three years; 3) Total Support and Revenue is \$3,542,479 compared to \$3,094,173 in 2021.

Page 1 of 1 – Expenses: 4) Total Employee Compensation is \$2,075,891 compared to \$2,164,563 in 2021. This is \$131,336 under budget; 5) Professional Fees is \$111,792 compared to \$45,435 in 2021. This increase represents the addition of the Director of Scoutreach position.

Page 2 of 2 – Expenses: 6) Total Expenses is \$3,586,900 compared to \$3,350,346 in 2021; 7) The budget has a deficit of revenue over expenses of -\$44,421 compared to a deficit of -\$256,172 in 2021; 8) Unrestricted Net Assets – End of Period is \$788,013 compared to \$1,414,623 in 2021. The decrease in unrestricted net assets is a result of the \$3.6 million contribution to the BSA Bankruptcy Trust.

**Ms. Rambo asked for a motion to approve the Finance Statement. A motion was made by Fant Smith, Rick Archer seconded, and the motion passed.**

Next was the 2022 MTC budget forecast and the 2023 proposed MTC operating budget. The notes could be found in packets.

Net Friends of Scouting – we are forecasting a total net of \$2,486,895 in Friends of Scouting for 2022. This is a 92% pledge collection rate. This is an increase of \$105,138 over 2021. This is \$126,895 more than budgeted.

Investment – We are forecasting \$915,584 compared to \$924,612 budget in investment income from our endowment funds in 2022. The Trustees of the endowment fund approved increasing the endowment fund spending policy from 4% to 6% to pay for an approximate \$900,000 loan to help pay part of the total MTC contribution to the BSA Bankruptcy Trust

Total Support and Revenue – We are forecasting total support and revenue to be \$6,034,501 compared to \$6,403,486 budgeted in 2022. This is a decrease of \$363,799 over 2021 and \$368,985 less than budgeted. The decrease from 2021 is due to PPP funds the Council received.

Total Expenses – We are forecasting \$5,835,591 in total expenses. This is an increase of \$111,058 over 2021 and \$534,567 less than budgeted.

Surplus (Deficit) of Revenue over Expenses – We are forecasting a surplus of \$198,910 for 2022. Reaching the surplus by year-end will depend on 2022 FOS payments reaching at least 92% and a good popcorn sale.

- X. Ms. Rambo continued with the proposed 2023 Council Operating Budget. She said over the past few months the staff and volunteers met to develop each 2023 cost center budget they are responsible for. These budgets were added to the overall Council budget. The overall budget was approved by the Council Finance Committee on September 8.

Ms. Rambo said that she would review some key changes in the 2023 budget as compared to the 2022 projected year-end budget. Net Friends of Scouting – we are budgeting \$2,576,000 in net Friends of Scouting. This is a \$89,105 increase over the 2022 forecast. We are budgeting for an 8% pledge loss; Total Support and Revenues - we are budgeting \$7,557,790 compared to \$6,034,501 forecast for 2022. This is a \$52,289 increase; Total Employee Compensation – we are budgeting \$3,683,504 compared to \$3,473,859 forecast for 2022. This is a \$209,645 increase; Total Expenses – we are budgeting \$6,241,882 compared to a \$5,835,591 forecast for 2022 This is a \$506,291 increase; Surplus (Deficit) Rev/Exp – we are budgeting a \$315,908 surplus for 2023. The surplus is mainly due to the increase in endowment fund spending policy from 4% to 6%. The Council needs this surplus to cover the expense of the loan repayment for the National BSA Bankruptcy Trust contribution. We expect to repay the loan in three years.

Ms. Rambo said the board could approve “as is”, make changes and approve or do more work on the budget and reconvene later. **Carl Haley made a motion to approve the 2023 Friends of Scouting pledge goal of \$2,800,000, Pete Williston seconded and the board approved. Chip Smith made a motion to approve the 2023 total employee compensation of \$3,683,504, Robert Guisinger seconded and the board approved. Bill Hickman made a motion to approve the 2023 Specific Assistance to individual budget of \$110,000, Cy Fenton seconded and the board passed. Bradford Vieira made a motion to approve the 2023 Operating Budget, Chris Snoddy seconded and the board passed.** Ms. Rambo said if there are significant changes in revenue or expenses before the end of 2022, the finance committee will review the budget later in the year, adjust it and then it would be sent to the board for approval.

- XI. Continuing, Ms. Rambo spoke on the 2023 Friends of Scouting Campaign. She announced that we have secured our 2023 Patron Luncheon speaker. Former CIA Director, General David H. Petraeus as the 2023 Patron Luncheon speaker. The 2023 Patron Luncheon will be held on Tuesday, March 7, 2023 at the Renaissance Hotel Nashville. We need board

members commitment in becoming a table host for the event. Please complete the commitment form and turn in to Kevin McMurrian.

Board Member Eric Strickland said the 2022 Annual Boy Scout Sporting Clays Shoot was held in August at the Nashville Gun Club with 47 teams participating. The Council netted \$86,000 compared to \$82,000 in 2021, 1 5% increase. Chair Rick Archer and his team were thanked for their hard work in making the event a success. This is Rick's final year.

The 2022 BSA Golf Classic will be at the Governors Club on Monday September 26. Brown & Brown Insurance will be the 2022 title sponsor. Please let us know if you are interested in hosting a foursome for the event.

Board Member Landon Gibbs has agreed to chair the 2022 Extravaganza. The event will be held on Thursday, November 3 at Westin Hotel in Nashville beginning at 6:30pm. Mr. Gibbs thanked board members that brought their favorite beverage to put in the wheelbarrow. The in-person event will begin with a VIP event at 5:30 and the auction starting at 6:30

- XII. Properties Vice President Mark Buchanan said that board members could find in their packets a list of prioritized projects for Boxwell with projected or actual costs if completed. These projects are part of the "Building for the Next Century" Capital Campaign. The Capital Campaign was on hold until the BSA bankruptcy is settled but Harris Haston and his team are ready to get back to work.

Completions so far are the Craig Dining Hall renovations, built three of the six shower houses. renovated the head ranger's home and the 100<sup>th</sup> Anniversary Gateway. We expect to have the Skilled Trades Center completed in October. Work has begun on the final three shower houses which will be completed before 2023 summer camp.

The Council has met with the donor for the Family Lodge. We believe they will increase their donation and we can get started on that project after 2023 summer camp.

Our largest and most expensive project is the Harwell Leadership Center. We still need to raise an additional \$7 million for this project. If things go as planned, we will be able to raise the money to begin this project after 2024 summer camp.

- XIII. Harris Haston said with the positive news of the BSA Bankruptcy hopefully ending soon, we are ready to get back to work on the Capital Campaign. We have raised just shy of \$6.8 million for the campaign. Due to the unprecedented increase in construction costs, we increased our Capital Campaign Goal from \$10.6 million to \$14.5 million at our June Executive Board meeting. Construction costs have leveled off some and we will not have to increase the goal again. A line item was added to the budget for the Harwell Leadership Center for inflation in construction costs. A "Blue Ribbon" group of volunteers have agreed to work to get this done. They met in June and divided up prospects to contact and wrap up the campaign.

- XIV. Scout Executive Larry Brown said since its football season, he would use a football analogy. When it comes to the bankruptcy, we are on the one yard line and need to punch



the ball in for a touchdown and spike the heck out of it. Its's been a long two and a half years.

Mr. Brown reminded everyone of Donna Vaughn's retirement event on Saturday, October 29 at the Scout Office. Ms. Vaughn has over 27 years of experience as Executive Secretary for the Council. She has done an excellent job and will be missed. All board members are invited.

Mr. Brown introduced Merilee Doughton-Scott that will assume the role as Executive Secretary. Merilee has been doing an excellent job as an Area Specialist with the Council for three years.

There are some excellent successes happening in our Council. Mr. Brown thanked everyone for their dedication and additional support over the last few years, and not just the additional financial support, although we are very grateful for that. The board has stepped in to deal with opportunities before they became problems. The same thing can be said about the unit volunteers who work directly with the Scouts and our outstanding staff. There will be some challenges ahead, but as long as there are young people who want the adventure that Scouting promises and parents that want their children to grow up with strong values and resilience, we will be there for them. There is definitely a demand for Scouting in Middle Tennessee.

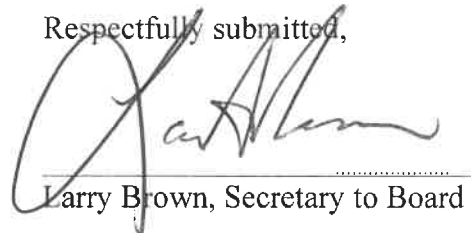
- XV. President Cage thanked Mr. Brown for his leadership and all the Middle Tennessee staff for making our Council great. He thanked everyone for trusting in the leaders and their leadership. The meeting was adjourned.

Respectfully submitted,

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Dr. John Bright Cage, Council President

Respectfully submitted,



Larry Brown, Secretary to Board

Middle Tennessee Council, Boy Scouts of America  
Executive Committee Meeting  
Tuesday, December 13, 2022 – 4:30 pm  
Beaman-Curb Scout Center

Attending-Executive Committee: Sam Belk, Karen Bengtson, Mark Buchanan, Andrew Byrd, Dr. John Bright Cage, Cy Fenton, Robb Harvey (on zoom), Robert Guisinger, Hank Ingram, Carolyn Rambo (on zoom), John Roe, Fant Smith, Jack Stringham, Bob Van Cleave and Pete Williston (on zoom). Staff: Larry Brown, Linda Carter, Jason Flannery, Vance Lackey, Kevin McMurrin, Merilee Scott, Dylan Theg, and Andrew Weisbrot

- I. President Dr. John Bright Cage opened the Executive Committee Meeting by welcoming everyone and asking Deputy Scout Executive Vance Lackey to lead the Pledge of Allegiance and invocation. Dr. Cage reminded the committee that they were emailed the minutes from the October Executive Committee and also asked if there were any questions about the October minutes before he asked for a motion for approval.

**Andrew Byrd made the motion to approve the minutes of the October Executive Committee Meeting. Sam Belk seconded the motion and the committee approved.**

- II. **Dr. John Bright Cage then reviewed the status of the 2022 Council Goals** that were in the meeting packet. Dr. Cage took a few minutes to review the minutes with the committee.

III. **Dr. John Bright Cage reviewed areas of major focus for 2023. They are:**

1. Continued membership and unit growth – strong emphasis on Scouts BSA Youth Recruitment.
2. Growth in Camp Attendance.
3. Continued emphasis on growing our Scoutreach Program.
4. Balanced Budget and operate with a full staff.
5. Reach Capital Campaign Goal

Dr. Cage said that the specific 2023 MTC Operational Goals will be presented at the Council Annual Business Meeting on January 17<sup>th</sup>, 2023.

IV. **Dr. John Bright Cage discussed the conditional Charter from National BSA.**

Dr. Cage discussed the fact that the Key Three and MTC co-counsel Robb Harvey recently had a Zoom meeting with National BSA Associate General Counsel to attempt to determine what National's real issues and intentions are. It was confirmed that neither of the letters received from National BSA were accurate. Dr. Cage reported that what appeared seemed to be a productive discussion was had, and that Mr. McNamer would get back in touch with us after he has concluded his review.

- V. **MTC Co-Council Attorney Robb Harvey provided an update on the BSA Bankruptcy. The following section is privileged/confidential.** Mr. Harvey provided an update on the

status of National BSA's Chapter 11 bankruptcy proceeding. Prior to the issuance of a ruling by United States Bankruptcy Judge Silverstein, the Plan of Reorganization was subject to a "vote" to determine the level of support the proposed Plan had from the survivors of past abuse in Scouting. The Plan had overwhelming support, with more than 85% voting to approve it.

Judge Silverstein issued a lengthy memorandum opinion approving the Plan of Reorganization. Because certain constituencies had voiced opposition to the Plan, primarily some survivors in particular jurisdictions and multiple insurers, we now have begun the appeal process before the United States District Court, District of Columbia. The District Judge has the appeal under consideration. It is not known when the District Court will issue an opinion. We hope that the District Court will affirm Judge Silverstein's ruling, and that affirmance will occur in the first few months of 2023. Either "side" may appeal that ruling to the United States Court of Appeals for the Third Circuit.

Nearly every local council in the United States made its contribution to an escrow account intended for distribution to claimants, and the Ad Hoc Committee of Local Councils is working with the few remaining councils to ensure that they do so promptly.

Mr. Harvey said that the BSA Chapter 11 Bankruptcy Emergence Plan is now in the District Court for confirmation. The plan has already been confirmed by the bankruptcy court.

Mr. Harvey said there is not a timeline for District Court affirmation, or that the National BSA will emerge from the Bankruptcy at all. Based on communications from the Ad-Hoc Committee supporting local councils, if the BSA does emerge it will be in the first quarter of 2023. **[End of privileged section.]**

**VI. Council Commissioner Karen Bengtson talked about the Scouts of the Year. She also gave an update on the UMC Charters.**

I am honored to present the Scouts of the Year for 2022. You have a summary for each Scout in your packet. All 5 of these Scouts have distinguished themselves through accomplishments beyond what is expected in their respective Scouting programs.

Wyatt Hensley is a Webelos Scout from Pack 358 who serves his community through a local food ministry and is a wonderful example of service and Scout spirit to others in his Cub Scout pack.

Matthew Pyle is a 2<sup>nd</sup> class Scout from Troop 593 who demonstrated heroic action on more than 1 occasion, including clearing roadways following an EF3 tornado and rescuing and providing lifesaving first aid following a serious car accident.

David Olakunle is a 1<sup>st</sup> class Scout from Troop 621. He excels at school and sports in his school and won an award for an app he developed for communication among neighbors

that creates a safer living environment. He also helps his church with streaming live services.

Jack Jones is a Life Scout with Troop 137 who saved the life of a fellow student at Page Middle School when that student choked on a bottle cap. Jack performed the Heimlich maneuver and was able to dislodge the bottle cap so that his friend could be safely transported to the hospital.

Hannah Neal is a Life Scout with Troop 2019 and is also a member of Venturing Crew 357 and Ship 1919. She is a Scout with a demonstrated ability to lead having served in several key positions of great responsibility. She plans to attend the Word Jamboree in South Korea next summer.

The Middle Tennessee Council is fortunate to have these wonderful examples of how Scouting can change lives and impact communities.

The Commissioner Summit was held on November 19<sup>th</sup> with all districts in attendance. The overall purpose of the Summit is to establish goals and priorities for district commissioners and provide in- depth training in several areas. One of our major focus areas for 2023 is for commissioners to help unit leaders develop a Unit Service Plan that will focus unit leaders on key areas of improvement such as membership, program, camping or advancement. Stronger units will attract more youth and retain more members. Helping units establish goals and focus areas will ensure that commissioners are fully engaged with the unit rather than acting as observers or reporters.

I am proud to report that we have exceeded our goal of 85% for detailed assessments logged in Commissioner Tools. At 87.27%, we continue to be one of the top councils in the nation for commissioner contacts. A comparison of Key Performance Indicators from last year shows consistent improvement and we meet or exceed all standards established for unit service.

Rechartering is in progress and most issues with the online system have been addressed at the National level and corrected. We continue to work with UMC units as they identify another charter organization or become a Council Registered Unit. Despite our numerous appeals for unit leaders to have early conversations with their churches, many have waited until this month to find out how the church intends to proceed. Several of our UMC partners have changed their earlier decision to sign a traditional charter because of a recent email from the conference stating that a traditional charter was no longer an option. Instead, those churches have opted to sign an Affiliation Agreement. Many UMC churches have expressed a strong desire that Scouting continue to be a key part of their ministry, regardless of how the unit is chartered. In response to concerns from unit

leaders, we are trying to ensure that units can maintain the established tenure they already have with their UMC partners.

Currently, we are focused on helping units through the CRU process so they can continue to meet and advance. In the next few months, the council will begin working on developing council-level policies for unit checking accounts in order to establish guidelines, encourage transparency and provide oversight for unit accounts.

#### **VII. Fant Smith gave the MTC Membership Report.**

He reported that our Fall Recruitment Campaign has wrapped up and we are proud to announce the Council is growing again. Thanks to our great volunteer leaders and fall recruitment team members for all the time they have committed.

Fant went on to talk about the November 30 Middle Tennessee Council Objectives Progress Report. The report shows how the council is performing by program. We ended the month of November with an 8% increase in membership and a 10.5% loss in units. We are finalizing a few remaining units before the close of the year and we will end with over 12,700 youth registered and 395 Scouting units. This exceeds our goal of 12,500 youth by year end. I am also proud to announce that 11 of our 13 districts are celebrating growth in membership as well. Congratulations to these districts and their leadership for a great year.

New youth was a key focus for this year. So far, we have recruited 5,260 new youth into the program with more to come. We still have a lot of work to do to return our membership to the 2019 level, but it is great to be celebrating growth again.

#### **VIII. Carolyn Rambo provided the Treasurer and Finance report.**

Carolyn asked for a motion to approve the minutes from the December 8<sup>th</sup> Finance Committee meeting.

**The motion to approve the minutes from the December 8<sup>th</sup> Finance Committee meeting was made by Andrew Byrd and was seconded by Sam Belk.**

The Finance Committee, Executive Committee and the Executive Board approved an initial 2023 Council Operating Budget in September. The Board was informed that if there were material changes needed in the 2023 budget, the budget would be revised and presented for approval in December. Due to increased costs communicated by National BSA and inflationary price increases from our vendors, the Council had to make several changes to the 2023 budget. We also had a reduction in investment income due to market declines. Carolyn said that she will be presenting an updated 2022 budget forecast and a revised 2023 MTC Operating Budget.

Carolyn Rambo went on to discuss the 2022 budget forecast.

We are forecasting total support and revenue to be \$6,294,448 compared to \$6,403,486

budgeted in 2022. This is a decrease of \$102,791 over 2021 and \$109,038 less than budgeted.

We are forecasting \$5,862,911 in total expenses. This is an increase of \$139,441 over 2021 and \$507,147 less than budgeted

We are forecasting a surplus of \$431,537 for 2022. Reaching this surplus by year-end will depend on 2022 FOS payments reaching at least 90%.

One point to remember is the Endowment Trustees increased their spending policy from 4% to 6% to help pay off the \$668,000 loan for the MTS's share of the BSA bankruptcy contribution. The 2% increase is approximately \$300,000 per year

**IX. Carolyn Rambo also went over the updated 2023 Council Operating Budget.**

She covered a few material changes to the 2023 Budget compared to the 2022 forecast.

We are budgeting \$2,576,000 in net Friends of Scouting. This is a \$146,000 increase over The 2022 forecast. We are budgeting for an 8% pledge loss.

We are budgeting \$909,393 in investment income from our endowment funds in 2023. This is a \$6,191 from the 2022 forecast. This represents a change in the spending policy from a maximum 4% of a 3-year rolling average to 6%. This will fund the loan repayment as part of the MTC's contribution to the National BSA Bankruptcy Trust

We are budgeting \$6,606,233 compared to \$6,294,448 forecast for 2022. This is a \$311,785 increase.

We are budgeting \$3,683,233 compared to \$3,473,859 forecast for 2022. This is a \$209,645 increase. This represents a full staff for 2023 and a 4% performance increase.

We are budgeting \$6,292,573 compared to \$5,862,911 forecast for 2022. This is a \$429,662 increase.

We are budgeting a \$313,660 surplus for 2023. The surplus is mainly due to the increase in the Endowment Fund spending policy from 4% to 6%. The Council needs this surplus to cover the expense of the loan repayment for the National BSA Bankruptcy Trust contribution. We expect to repay the loan in 3 years.

**The Motion to Approve 2023 updated Operating Budget was made by Pete Williston and seconded by Andrew Byrd.**

**X. Dr. John Bright Cage spoke about the 2023 Nashville Patron Luncheon is scheduled for Tuesday, March 7, 2023 at the Renaissance Nashville Hotel**

Our speaker will be Former CIA Director and retired U.S. General David H. Petraeus. We will be sending a save the date card and other information out soon. Dr. Cage went on to

talk about the Friends of Scouting 2023 Campaign. We have most of our leadership in place. We need a chair for the Highland Rim District to complete our Leadership.

The 2023 Friends of Scouting Campaign kicked off with a very successful FOS Leadership Orientation on November 29<sup>th</sup>. The 2023 Friends of Scouting budgeted goal is \$2,800,000 and the stretch goal is \$2,861,000. Currently, the campaign has raised \$306,116 with \$17,091 in new money. Since Friends of Scouting is our greatest source of income, a successful campaign will set the stage for the rest of the year. We will need everyone's support to make the campaign a success.

Winston Justice, Vice President of Alliance Bernstein will serve as the 2023 Friends of Scouting Chair. Clay Bright, CEO of the Megasite Authority of West Tennessee, will serve as the 2023 Nashville Patron Luncheon Chair.

Dr. Cage brought up the success of the Eagle Club. The Eagle Club is for Friends of Scouting donors of \$5,000 or more. This group of donors has made a significant difference in funding our Scouting programs. Before we started the Eagle Club, we had 91 donors at this level and today we have 164. He asked the committee to consider an Eagle Club level gift if they are not already an Eagle Club donor.

**XI. Mark Buchanan gave the properties report.**

He reviewed the list of Capital Campaign projects for Boxwell Reservation. Mr. Buchanan reported that the Skilled Trades Center and three new shower house facilities are in progress and will be completed before the 2023 summer camp.

**XII. Larry Brown gave the Scout Executive report.**

He informed the committee that the Council has had a good 2022 in serving young people with excellent Scouting programs throughout the Council. Mr. Brown said he expects the Council to make even greater strides in 2023. In addition to continuing membership growth, he said that it will take a strong effort by the Executive Committee and Executive Board to reach the Capital Campaign Goal of \$14.5 million by December 31, 2023. The success of the campaign is a major priority for the Council in 2023. He said the Capital Campaign will restart immediately after the BSA emerges from Chapter 11 Bankruptcy.

**XIII.** After President Cage's Scoutmaster's minute, he reminded the committee to put 4:30PM, March 14, 202, 4:30 PM on their calendars for the next Executive Committee meeting. The meeting was then adjourned.

Respectfully submitted,

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Dr. John Bright Cage, Council President

  
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Larry Brown, Secretary to Board