

**Minutes of the Winter Meeting of the Church of Christ at Dartmouth College
February 9, 2014**

Tom Csaturi, Acting Moderator in David Pierce's stead, called the meeting to order and asked Carla Bailey to lead us in prayer.

Tom then asked for approval of congregational meeting minutes from June 2013, which had been sent out previously: they were approved unanimously.

Treasurer's Report: Elders President Evan Smith presented the financial report in the absence of the treasurer (report available at the church's website: ccducc.org) As to the 2013 Expense management, the church had a positive variance of 2%, or \$13,586.00. In all categories we underspent the budget. There was, however, a negative variance in income, due to a shortfall in pledges, for the most part. The church ended 2012 with a deficit of about \$12,000, which was carried over to 2013. Leases and rents came in on budget. Other revenues were good. A graph showed that historically we have had almost a 100% yield from pledges and other giving. But for the last two years, we have had a deficit. We actually have more total assets at the end of 2013 than at end of 2012 because our investments did much better.

Tom Csaturi asked for approval of the 2013 financial report. The vote was unanimous in favor.

Evan then turned to the 2014 proposed budget. His full report is available electronically (or by hard copy if requested). Since the deficit was about 6% last year, Elders decided to make more conservative assumptions for this coming year in budgeted pledges- so we budgeted \$428,000 about 3% less than last year. On the plate offerings, we budgeted 6% below historic averages and 17% below the 2013 budget. Elders propose to take last year's deficit "off line", meaning deal with it separately, so as not to distort this year's operating budget. The property tax Hanover assesses for our cell phone company renters has been taken out of the budget since all those taxes are now passed on to the cell phone companies themselves. Our plate offerings have declined recently, so we set this year's estimate at \$19,000. Other giving is very volatile, and since it was down in 2012 and 2013, we have also lowered that estimate. As for expenses, the biggest hit will come in worship and music- coming out of the line for guest musicians and repair of instruments. Finally, our OCWM pledge is held flat, as in the last few years (\$91, 200).

Before acting on the proposed 2014 budget, Evan turned to the report of the working team from the Elders financial sustainability priority.

Brian Edwards spoke for the Elders' working team, which includes Steve Bensen, Jay Benson, Tom Csaturi, Brian Edwards, Trish Jackson, Evan Smith, and Carla Bailey. This group was chartered by the Elders to look for important trends, to suggest possible new sources of income, and to make recommendations to create more financial stability and sustainability.

Jay Benson described the church's revenue sources. The church has been frugal and reasonable in its spending over the years, and he is glad to note that **we have no debt**. He pointed out that church revenue has grown on average 2.3% a year. We have 2 main sources of income - rental and plate/pledge. He showed a graph of the past ten year revenue levels. In 2013, the church received \$177,000 in rental income. All our cell leases are renewable 5-year leases with built-in increases based on CPI. Cell companies send us checks every month, which is very helpful to the budget and a reliable source of steady income. The longest lease goes to 2037. The cell phone companies don't

need any parking places! Other rental spaces include Dartmouth offices, Toddler Morning Out classrooms, and North Country Chordsmen. Only the former Creche space is not occupied at present. One of the Dartmouth offices may become vacant soon, that of the Ombudsperson. If it is vacated, we will advertise for its rental. The former Crèche space is valuable for preparing for events like the Christmas Market, so Stewardship is considering making it into two spaces and move the current activities in the 4th floor classroom to the renovated space. TMO might use one more of the Sunday school classes. We want to make sure the tenants support the mission of the church.

There was a question about the history of the formula in giving to OCWM. Carla explained that a number of years ago, the congregation encouraged the Elders to increase giving to OCWM by 1% per year until we were giving 20% of our budget to OCWM. Since that time, we have leveled out at approximately 15%. Of that, the New Hampshire Conference determines that 55% remains in NH to support the work of the NH Conference and 45% goes to the national church.

Brian and Jay continued their presentation by looking at a ten-year history of our pledges and plate offerings. These two combined represent 65-67% of overall income. The average pledge last year was \$2,745. Individual pledges are more likely to increase or remain unchanged year to year than to decrease. 44% were increased, 32% stayed the same, 12% were decreased. For the past 13 years, actual pledge receipts have come in 2% under budget. Plate income fluctuates but was 21% under budget this past year. The working team believes there is opportunity to grow income; rental income is well balanced and cellular contracts are long term. Pledges can use more work.

Trish Jackson noted that the Elders have authorized a committee to develop a program for Planned Giving for CCDC. Finding how many of us have already mentioned the church in our wills is one of their quests. Also, how many are interested in ongoing gifts - annuities, etc. throughout our lives? The UCC has excellent resources on this subject. The committee will make this material available and develop other planned giving education opportunities. Our endowment provides approximately 4% of our operating revenue. The committee will periodically review gift acceptance policies, planned giving programs, and the church's endowment spending policy.

Brian on expenses: Our expenses have stayed in line with revenue growth. Energy costs, facility costs and benefit costs have all risen. **Our rental income covers ALL the costs of maintaining this building.** Our major expenses are OCWM, Stewardship (facilities), and Personnel. The Financial Sustainability Working Team will look at rental income to see where it may be increased, do further analysis of pledge giving history, develop programs to attract new pledge units and expand existing pledge units. We will develop our thinking around a Building Reserve Fund to cover replacement of existing infrastructure. We expect to formalize the planned giving committee and share materials with the congregation. We will complete our analysis of historical data trends. We will create opportunities for congregational input and discussion, including a possible second hour presentation. Finally, we will make a report at the June congregational meeting.

Evan reported that the Elders have put forth a balanced budget for 2014.

There was a call for the question: a motion to approve the 2014 budget as presented. The budget received a unanimously favorable vote.

The moderator then adjourned the meeting at 12:30.

Respectfully submitted,
Sylvia Field, Clerk