

**Minutes of the Annual Meeting of
Christ Congregational Church UCC
June 5, 2016**

Moderator Tim Carrigan called the meeting to order at 11:52 a.m.

The Moderator appointed Dan Pence as Parliamentarian and Betsy Thomas and David Bell as tellers and declared a quorum.

Senior Minister, the Rev. Dr. Matthew Braddock, offered an opening prayer.

Tim reviewed the agenda. Without objection, the agenda was approved.

Adoption of Minutes

Jackie Walters, Church Clerk, moved the adoption of the minutes of the 2015 Annual Meeting. Dave Ackerman seconded the motion. The motion carried.

The Church Clerk moved the adoption of the minutes of the Congregational Meeting on January 31, 2016. Bill Kaupert seconded the motion. The motion carried.

The Church Clerk moved the adoption of the minutes of the Congregational Meeting on March 13, 2016. Betsy Thomas seconded the motion. The motion carried.

Adoption of FY2015-16 Annual Report

The Moderator asked for any changes or corrections to the Annual Report. Judy Cox will be making technical changes to the report related to the leadership roster, and the report will include the final report of the Treasurer for the fiscal year.

Barbara Callander moved the adoption of the Annual Report as amended; Dave Ackerman seconded the motion. The motion carried.

Report of Clerk of the Rolls

Since the preliminary report was included in the Annual Report, Dave Main noted a number of changes that have occurred since its publication. On p. 17, (1) Total membership as of May 4 should be 468 (not 471) and (2) the total number of Membership Increases is 17 (not 11).

The number of deaths increases from 10 to 13 with those of Gerald Cox, Pennie Harvison, and Katherine Mason. As of today, there are 507 members after deaths, transfers, and removal to inactive status. Mary Stone moved to adopt the Clerk of the Rolls report; Susan Hill seconded. The motion carried.

Report of the Retreat House Task Force

Rick Sniffin provided a brief summary of the work to date and next steps. Engineers have been out to the house; upon completion of their report, Reader & Swartz will develop 65% complete construction drawings. The Task Force will work with architects and builder to review and refine the plan. Once approved, drawings will go out for pricing. Rick reported on the

Hampshire County Health Department's report that it has no interest in the septic field or the kitchen plans. Need to install a culvert over a drainage ditch – State Highway Dept. [Use Kevin's email]

Congregational Strategic Planning – Next Steps

Moderator-Elect Gwen Garrison stated that, in April, Tim asked her to provide continuity as the point person for planning and processes following receipt of report from the Center for Progressive Renewal (CPR). Her remarks for this Annual meeting focused on three points: how we are sharing that report, what are the initial next steps with the report and my brief comments about two key highlights.

The constitution vests the Executive Council with the function of recommending church-wide priorities to the congregation. With that in mind, we received the CPR report from Bill McKinney late last week. After review for factual accuracy of the content and polishing it for readability, it was sent out to the FY16 Executive Council members. At tomorrow's EC meeting we will discuss the report with Bill McKinney and then release the report in full to the entire CCC membership.

Our initial next step is to reconvene the Planning group, who will identify the necessary Ministry Teams to explore, investigate and recommend actions. These task groups will be given charges and timelines to complete their work hopefully in time for this fall's Executive Council Retreat. From that point we hope to move forward with recommendations and ramp up our communication activities to share in the journey together.

Finally, Gwen indicated she read and digested the report in several intervals and concluded "there are lots of rich description and comments for us all to talk and engage each other in the assumptions, recommendations and ideas. Here are two that stand out for me."

1. Dr. McKinney devoted several pages to describing the two-mile radius around CCC as a rich field for mission engagement. Listen to these stats: 6-10 people are unaffiliated with a church and, 1/3 or 2, could be affiliated with a little coaxing. Given that there are approximately 110,000 people in Silver Spring this means about 20,000 people. If we seek to engage and draw into our membership just 1/2 of 1 percent we would double our annual membership intake. Gwen thinks this is a worthy and doable goal and that "We should be the light on the hill, a beacon of progressive religion in covenantal community."
2. Our business model to get things done has served our church very well through the first fifty years. It contributed to our longevity and stability. But times are changing around us and we need a new model of getting the necessary 'business' of the church done that accentuates new ministry endeavors in the next ten years. Our current structure, finely tuned for a past cultural moment, now burdens and tires us. In order for us to care for ourselves and those in our wider Silver Spring radius, we need to release ourselves from the older model and seek through the Spirit a new model. Gwen shared her confidence that "we can discern this together, setting our eyes on the result will release into us joy and vision. Much more is to come."

Finances

Treasurer's Summary Financial Report: Dean Ripple, Treasurer, presented a narrative summary of the financial report. He indicated many numbers presented reflect information through April 30, 2016.

- Income for current year is on track; pledge income is as expected; and loose plate and regular non-pledge contributions are also as expected.
- Personnel was under-budget due to delayed hiring of the Cooperative Youth Minister and Office Assistant, but those savings were offset by unexpected emergency capital expenses (*e.g.*, replacing the water heater).
- While there is a small surplus, there is not enough money to meet obligations to the Retreat House; endowments have dropped due to the national investment return picture; meeting operating expenses will remain a challenge.
- CCC's assets besides our buildings include these endowment funds (Tate Fellowship, which supports the Unified Budget); unrestricted endowment (funds from which the congregation approved using to retain the Center for Progressive Renewal; and other endowments (*e.g.*, music, scholarship (Ruth Richardson))).
- Big change this year is what the church owes: (1) Sun Trust loan (mortgage) is \$0 this year compared to last year -- \$58,124; member loans are down \$10,000.

Presentation of the Proposed Budget for FY2016-17: John Gipson, Chair of Trustees, first presented some background on the budget describing how we got to where we are today.

News – The good news is CCC has no mortgage; our only indebtedness is \$82,500 in member loans. Last year's budget was passed with a \$45,000 deficit; we expect the year to end with a small surplus. Our building serves us well; we have a vibrant, healthy congregation.

John described the “not so good news”: Last year CCC had more obligations than assets, and it was borrowing money from restricted funds to pay bills, *i.e.*, spending money the church didn't have in operating funds to meet our obligations.

While the cash situation has improved, CCC simply cannot fund a deficit budget. The church needs \$150,000-\$200,000 in cash to pay bills and to handle unforeseen contingencies.

Trustees' Draft Budget – January 2016 – To help establish goals for the annual stewardship campaign, the Trustees prepared a draft budget in January. Notable changes included:

- (1) An increase of \$10,000 from the current budget for major maintenance because the Trustees believe \$40,000 is a realistic number to begin taking care of needed repairs on the building.
- (2) The Trustees also had a goal of planning to pay off member loans.

The Trustees concluded that \$685,000 in pledges were needed to support the draft budget. As of today, current projected pledges are estimated at \$600,000, leaving an \$85,000 shortfall.

Pledge History – John then reviewed CCC’s pledging history. While there has been a continuing decline in the number of giving units (from over 300 in 1992 to around 150 today), pledging continued to increase until about 2008. Since 2008, pledge income has been somewhat erratic, but the trend is toward a steady decline.

Expenses – Using a pie chart, John demonstrated most of the operating budget (56%) supports payroll. He noted CCC’s Constitution requires a 10% tithe from the operating budget to support the denomination (Our Church’s Wider Mission (OCWM)) and to the Potomac Association, the local organizational component of the United Church of Christ (UCC).

Budget Exercise – John described the budget exercise the Trustees developed to engage the congregation in setting priorities and determining what the operating budget should fund.

1. Trustees developed assumptions they thought most members could agree on:
 - Keep the Senior Minister
 - Pay for maintaining the building
 - Abide by our constitutional requirement to give 10% of operating budget to OCWM
 - Keep program budget the same
2. The Trustees zeroed out everything else and developed an exercise to engage the congregation in identifying priorities and ways to meet the \$85,000 gap between pledging and the need for a balanced budget.
3. John specifically addressed two major staffing changes emerging from the exercise that helped reduce the shortfall:
 - a. Sam Wack offered to serve as the sustaining Director of Music on a half-time basis for the next fiscal year;
 - b. Eliminating the Minister of Christian Education half-time position and creating a church school superintendent stipend position

John concluded his remarks with the observation that if income doesn’t change, next year’s situation will be the same.

Responses to Questions

- Church School Superintendent position is budgeted for a \$10,000 stipend (10 hours per week)
- Eliminating the Assistant Director of Music position (which Sam currently holds) for the coming year; the future for that position depends on income
- Matt asked that questions about staffing await Bill McKinney’s report since a future staffing model may be quite different from what it is now.
- Jackie Walters, Music Committee Chair, indicated the Music Committee will be meeting later this summer to look at potential gaps in the program, including leadership of the Chapel Choir, and consider how best to meet them.

- Gwen addressed ongoing conversations about special fundraising outside the unified budget. The Board for Social Witness will be liberated from the special fundraising process because it needs to raise money for the church's missions; other groups will continue to work with the Moderator-Elect within the existing process.
- The Center for Progressive Renewal report addresses neighboring demographics that might support CCC's outreach to, and engagement with, them.

Review of the Proposed Budget – John made the following points:

- Assume *actual income* from pledges will be \$582,000
- Amounts provided for other income (rents, plate offering, assumption of increase in income from non-pledge regular givers) is based on historical tracking of data – those numbers have been consistently rising
- Mission giving – the amount set by Constitution is fixed; the Trustees propose \$5,000 for Social Witness discretionary funds (down from \$13,400 in the previous year)
- Reduction of \$66,000 in personnel costs from the previous year by eliminating two positions; by reducing the Director of Music position to half-time; and by not providing a COLA
- Utility costs were down but maintenance costs were up due to unforeseen emergencies and deferred, preventive maintenance, so adjustments to those items were made on that basis
- Program expenses remain essentially the same

Responses to Questions

- Reviewed the details of personnel expenses (staff, custodians, substitutes and guest organist)
- \$1,000 was allocated to Riderwood; it is for transportation reimbursement for numerous pastoral visits

John moved the adoption of the proposed budget of the Board of Trustees. Mary Pence seconded the motion. No further discussion being proffered, the motion to adopt the proposed budget for FY2016-17 passed with 4 abstentions and no nays.

Tim offered words of gratitude for collaboration between the Boards of Trustees and Stewardship, for the excellent communication among those concerned with developing a balanced budget, and for the level of congregational engagement in the budget process.

Elections

Report of the Nominating Committee: Olen Stephens, Nominating Committee Chair, noted the proposed leadership roster is posted. Many new members agreed to serve. Olen believes having fewer positions to fill will be beneficial. He briefly reviewed open positions.

Mary Pence moved the adoption of the slate presented by the Nominating Committee. Allen Hill seconded the motion.

Discussion

- Olen read the names of the candidates for officers on the slate.
- Dean Ripple strongly encouraged someone to volunteer for the Auditor position.
- David Main reviewed the number of vacancies on each board.

Hearing no further discussion, the Moderator called for a vote and the motion carried with 1 abstention.

Tim thanked Olen for his leadership as chair of the Nominating Committee.

Transition

Tim introduced Gwen Garrison as the new Moderator. In her remarks, Gwen acknowledged the spirit of Past Moderator, Holly Brooks, who invited her to accept the position and advised her to “surround yourself with people who care. Gwen acknowledged Alison Petersen and John Malone, new Moderator-Elect.

Gwen thanked Tim for his inclusive leadership and mentoring and presented him with an apron from the 2016 Executive Council (Tim is an enthusiastic baker). The congregation showed its appreciation for Tim’s work as Moderator with a standing ovation.

The Rev. Dr. Matt Braddock offered a closing prayer.

Following a motion to adjourn, a second and an affirmative vote, Gwen Garrison, Moderator, adjourned the meeting at 1:14 p.m.

Respectfully submitted,
Jackie Walters, Church Clerk