

**Casas Adobes Congregational Church, UCC, ONA**

**Annual Budget Meeting, January 21, 2024**

Minutes recorded by Ann Faith, Clerk

Meeting called to order at 10:30 am by Owen Clymer, Vice Moderator.

Pastor Michael Bush offered opening prayer.

Owen welcomed those in the sanctuary and online thanking them for their attendance and participation.

Quorum confirmed by count of 71 members present in sanctuary and 9 on Zoom.

Owen invited participation in question session by anyone present as friend of CAUCC but reminded them they are not permitted to vote.

Dennis Thomas moved to approve minutes of 2023 Annual Budget Meeting. Margaret Maxwell seconded. Motion passed.

Treasurer Dennis Thomas launched in-depth Power Point presentation beginning with 2023 Financial Review including explanation of F.A.R.M. team function. He highlighted 2023 mission support (budget and other) totaling more than \$100,000. He noted current CAUCC assets of more than \$1,000,000 and added that year end 2023 deficit is not carried over to 2024.

Dennis continued with review of various accounts:

- Reserve Fund is used for unbudgeted repairs, projects, etc. and can be used to balance deficit in operating budget. This fund maintains minimum balance to cover six months of annual operating budget.
- F.A.R.M. investment strategy focuses on capital growth and recently added component of short term bond ladder.
- Legacy Fund provides second tier of available operating support after fund reaches \$500,000.

Citing 2023 deficit, Dennis noted effort will be made to start tracking pledge/plate income and expenses month by month going forward. Contributing to deficit was Nov/Dec income at only 12% of annual pledge/plate. Historically same time period has generated 19% of pledge/plate. He encouraged contributions utilizing RMD which provides tax advantage.

Dennis reviewed Ministry Vision/Pledge History beginning in 2018 when CAUCC sought settled senior minister and began adjusting compensation for Spiritual and Community Relationships Minister. Deficit budgets have been standard for last several years. Reality is CAUCC faces unfunded vision as costs increase and church has lost some committed donors. Dennis observed finances may be at point where we dip into savings.

Reviewing 2024 projected income and expenses, Dennis pointed out expenses up only 1.5%. As church has matured pledge units have decreased but average pledge has continued to increase. Dennis proposed to alleviate \$80,593 deficit in 2024 budget by increasing pledge units/amounts or using Reserve Fund.

Charlie Wipperman moved to adopt budget. Margaret Maxwell seconded.

Questions: Gypsy Lyle asked if certain ministry wants to go over their budget allotment, what is process. Dennis explained request should be made to treasurer who then brings matter to Council for approval. Steve Stearns complimented presentation. He raised concern that \$80,000 is 17% of Reserve Fund. Investment strategy accepted practice maintains withdrawal should be limited to 5% to keep Reserve Fund sustainable. He called for development of five year plan to ensure church is not embarking on financial track we can't recover from.

Jud Jones cited deficit as not sustainable over time and asked how can we do better job of not dipping into Reserve Fund? Jean Marie Huisjen agreed with Jud and Steve and voiced support for 2024 budget and five year plan. She remarked that solution doesn't just lie with Council. Members need to think about solutions, think outside of box and come up with ideas. People need to assist Council in making difficult decisions going forward. Jean-Marie called question. Margaret Maxwell seconded. Motion passed.

Motion to adopt 2024 budget passed with 71 votes to approve, 10 proxies in favor, 6 votes opposed and 1 abstention.

Marilyn Weleck, member of Ministerial Relations Committee for Pastor Michael, informed congregation about \$60,000 clergy renewal grant offered by Eli Lily Endowment and Christian Theological Seminary. Pastor Michael is eligible for three month sabbatical after September 2024. Funds are available to cover pastor's sabbatical expenses with \$20,000 earmarked for coverage of pastoral duties and programs while pastor is away. Congregation voiced its support for proposal.

At Feb. 11 meeting Pastor Michael will present plan for his sabbatical, and there will be opportunity for members to generate ideas for programs/plans to occur during his absence.

Patty Warren moved to adjourn. Grace Bunker seconded. Motion passed.  
Meeting adjourned at 11:18am.

Pastor John Angiulo offered closing prayer.