



2023
Annual Report

**First Congregational Church of
Hanover, MA**

United Church of Christ

January 28, 2024

ANNUAL REPORT FOR THE YEAR ENDED DECEMBER 31, 2023
FIRST CONGREGATIONAL CHURCH OF HANOVER
UNITED CHURCH OF CHRIST
ANNUAL MEETING HELD January 28, 2024

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Message from the Senior Pastor

As we enter 2024, our third year as pastor and congregation, we have much to reflect on, and much to be thankful for. Much of the information on the various ministries we provide will be covered in other reports in this document. This year, I offer you my **Four Es of Ministry**:

ENGAGING

Worship is the church's primary activity. This year we've seen some growth in worship participation, both in person, when we've had about 60 participants, and online, where we've had about 45 people tuning in on Facebook and YouTube. We've also seen some growth in membership. In December, we welcomed 8 new members to our church: Steve and Debbie Patt, Rev. Dr. Laura Delaplain, Mark and Rev. Dr. Mary Lou Gifford, Don and Christine Nelson, Bob Cluett. We continue to welcome new people into the fold. Our worship technology continues to improve.

ENRICHING

This fall, we welcomed a new Field Education Student, Kim Engle. She brings great questions and insights to our work, and we're blessed to have her for the spring 2024. We look forward to her ecclesiastical council and ordination this year. Our former student, Lori Bruni serves as the pastor of Wollaston Congregational Church, UCC, in Quincy.

Our faith formation programs continue to teach our youngest Christians. We look forward to a new confirmation class in the spring.

ENVISIONING

As in many churches, 2024 will present its own set of things which we celebrate and things which challenge us.

This year we were able to conduct a full audit of our financial procedures. This required a lot of work from the finance committee and the moderator but will ultimately yield better accounting procedures and provide more transparency in our financial dealings. Some of this work includes improving our personnel policies and procedures.

We continue to listen to God's voice in setting a vision for ministry for 2024.

EXPANDING

Beyond the Local Church, I continue to serve as the Vice Moderator of the Pilgrim Association, on the Committee on Ministry and on the Leadership Development Task Force of the Southern New England Conference, UCC.

"For I know the plans I have for you," declares the LORD, "plans to prosper you and not to harm you, plans to give you hope and a future. - Jeremiah 29:11

God has truly blessed us with a faithful and caring church. I look forward to our ministry together in 2024.

Faithfully,
Reverend Peter Johnston, Senior Pastor

Message from Minister of Faith Formation

“You shall love the LORD your God with all your heart and with all your soul and with all your might. And these words that I command you today shall be on your heart. You shall teach them diligently to your children and shall talk of them when you sit in your house, and when you walk by the way, and when you lie down, and when you rise. You shall bind them as a sign on your hand, and they shall be as frontlets between your eyes. You shall write them on the doorposts of your house and on your gates.”- Deuteronomy 6:59

As Minister of Faith Formation, I have worked with the CE Committee to create and envision a way-forward-movement for faith formation at FCC Hanover. Scriptures call us to infuse our children with a love for God and equip all with ways in which to honor and express that love. Psalm 127:3 states, *“children are a heritage from the Lord, offspring a reward from God.”* Believing children have been entrusted to our care, Rev. Peter, the CE Committee, and I continue to create and develop an inclusive faith formation ministry.

Faith is transmitted from generation to generation in extended families and intergenerational congregations. The guideposts of my ministry at FCC Hanover are to help build for the church a vibrant faith-forming program while creating a welcoming environment of hospitality and care that is conducive to promoting faith growth and mutual support across all generations. My goal is to help fashion and establish caring relationships among the generations through worship, learning, service, and community events and activities which become signs of and instruments for the full experience of the Body of Christ by all ages and generations. There is still much work to be done and developed.

My ministry continues to advocate for and try to involve all generations in Sunday worship. I would like also to intentionally engage all generations together in learning experiences that teach the Bible, the Christian tradition, and form disciples of all ages in Christian identity. Programs need to be developed to nurture the spiritual life of all generations together through the community’s prayer life, rituals, and blessings. All generations need to engage together in service to the poor and vulnerable, in the works of justice and advocacy, and in care for creation. Strategies for enhancing and further developing an intergenerational faith formation ministry will be to design all ages faith formation around church events, transforming generational events and programs into intergenerational and multigenerational experiences. Another strategy is to transform current age-specific faith formation programs into intergenerational faith formation making intergenerational learning central to church life while also designing new intergenerational initiatives. An example of these ideas is the way this year’s Pageant was offered during worship involving all ages and all gathered and present that morning.

I recommend making the weekly bulletin more accessible to all ages, especially non-readers as well as having weekly power point of the great hymns of our faith that are being sung in worship and written upon our hearts. Our young and early readers cannot read the hymnals easily as the print is too small for their reading capabilities. Hymns are important theological proclamations of our beliefs, and all should have access to the words to enable them to participate in singing with the congregation as part of their worship.

I wish to especially thank Rebecca Wolongevicz for her steadfast and graceful leadership as Chair of the Christian Education Committee. She has been faithful to keeping the faith formation program strong and vibrant while handicapped with a shortage of members on the committee. Thank you to Karen Ventura and Jen Riendeau for their participation as committee members. I also wish to thank Kristyn Falcione for her talented dedication to the entire faith formation program. She is a shining star! And I would be remiss without thanking FCC Hanover’s office administrator, Susan Vetterlein who is always helpful and generous with her support of the program.

Respectfully submitted with love,
Elsa Marshall, Minister of Faith Formation

Message from the Youth Director

As the Youth Director of FCC Hanover, I have had the pleasure of facilitating mission projects as well as fellowship opportunities for our youth. In the beginning of January, Youth Fellowship went to Boston Bowl for a fellowship event. The youth also participated in an Animal Shelter Mission Project. For this project, the youth created toys for cats and dogs at the Quincy Animal Shelter. In March, Youth Fellowship collaborated with Scouts (some of the youth fellowship members are also scouts) for a Food Packaging Mission Project. In May, there was an end of the year field day to celebrate the end of the school year and summer arriving.

In October, there was a Halloween Social, which was a Halloween-Themed Opportunity for Fellowship. In November, the youth participated in the "Cookies for College Kids" Mission Project, which is when FCC Hanover College Students receive cookies to remind them that they always have a place in this congregation as well as encouragement to get through the challenges of finals. In December, we had a Christmas Social, which consisted of decorating ornaments and decorating cookies. The lowest number of youths at these events was two and the highest number of youths was seven.

Throughout this past year, I have learned that it is challenging to schedule two socials per month as the youth's schedules are very busy. My focus has shifted from last year as I am more involved in faith formation by teaching/supporting three Sundays per month. Along with supporting faith formation three Sundays per month, I am also holding monthly Youth Fellowship Events. I have changed the time of these meetings, which I am hoping will increase attendance.

Respectfully submitted,
Kristyn Falcione

Report of the Church Clerk and Membership Records as Recorded by Church Office

The call for the Annual Church Meeting for 2023 was posted as required by the Church By-laws on February 5, 2023.

Minutes were recorded of Church Cabinet Meetings held on the following dates in 2023:

March 2, 2023 June 1, 2023 September 7, 2023 December 8, 2023

Minutes were recorded of Church Meetings held in 2023:

July 30, 2023 October 8, 2023 December 3, 2023

The below changes were taken into account for 2023 as recorded by the Church Office:

SUMMARY:

Membership reported in Last Annual Report: 170

Total Active Membership in 2023, which includes the following: 174

Additions: 9

Subtractions

Transfer 3

Deaths: 2

The following recordings were entered in 2023 in the official records.

Baptisms:

Deaths: Patricia Henderson and Edward Melchin

Respectfully Submitted,
Irene MacAskill, Church Clerk

Report to the Congregation from the Moderator

Key highlights for 2023:

- Held a properly called Annual Congregational Meeting with a proper quorum in February 2023 as per the Bylaws.
- Held and chaired four (4) Quarterly Church Cabinet Meeting (March, June, September, and December) in 2023 as per the Bylaws.
- Held two Church Business Meetings in 2023 – one on July 30th and one on October 8th.
- Participated as a member of the Church Committee to help welcome new members as per the Bylaws.
- Participated as chair of the Staff Relations Committee as per the Bylaws.
- Functioned as FCC of Hanover's representative during the mediation sessions associated with the Massachusetts Commission Against Discrimination claim.
- Served as the point of contact for our outside legal counsel during the MCAD resolution period (August – November).
- Received and reviewed the final report of the Audit Findings as per our church Bylaws.
- Collaborated extensively with the Auditor, Chair of the Finance Board, Finance Board members, and our new Bookkeeper (Valerie Fink) to resolve open issues outlined in the Audit Findings. Provided frequent financial updates to Boards/Committees in this post-audit period.
- Worked with the Stewardship Committee and the Finance Board to fine-tune the Stewardship Campaign outreach action plan and provided 1:1 outreach to help gain pledging commitments from assigned church members.
- As a member of the Pastor Review Committee, helped the Diaconate Co-chairs conduct the Senior Pastor's 2023 Annual Performance Review by gathering performance management feedback from non-Diaconate SRC members and providing direct feedback during the review meeting in late November.
- Met frequently with the Senior Pastor at the Church Office throughout the year.

According to the Bylaws ([BY-LAWS \(fcchanover.org\)](https://www.fcchanover.org)), once the Moderator two-year term has ended, the Bylaws must be reviewed during "Year 3". Therefore, I will begin this process in February and plan to have a final document for review by the Church Cabinet by Fall 2024. If necessary, I will appoint a committee that will reach out to church staff, church officers, Board and Committees, and Church Cabinet during the spring and summer to ensure broad input into any proposed changes. The focus will be on (1) enhancing organizational efficiency and streamlining operations, (2) improving the speed and clarity of decision-making, and (3) modernizing sections as needed. Any proposed changes will need congregational approval at a properly called church meeting.

The church had no one willing to serve as Vice-Moderator for 2023 (or 2022), so managing the Nominating Committee responsibilities and Nominating Report process was difficult. Looking forward, I do not support leaving this church officer position open. Staffing our Boards and Committees is a critical and ongoing task, and we need a Vice-Moderator to help lead this process. In addition, the church needs a Vice-Moderator to ensure a smooth transition to the new Moderator. For 2024, I pray that strong Moderator and Vice-Moderator volunteers step forward and help guide the church into the future and towards its 300th year anniversary.

In closing, I thank the entire congregation for their support and understanding during my Moderator term as it was a difficult period. We have great people in our church family. We have a great church today. We will have a great church in 2024 and beyond, especially if we continue to support each other, see the good in each other, and act as Christians toward each other ... and the community at large.

Respectfully submitted,
James Hoyes - Church Moderator

Required Steps to Hold an Annual Meeting as per the Approved Church Bylaws (Article 35¹)

Required Step to Hold an Annual Meeting	Status
Annual Meeting to be held no later than the sixth Sunday of the calendar year ² .	<ul style="list-style-type: none"> ✓ Meeting set for January 28, 2024 (fourth Sunday of the calendar year)
Be announced to the parish by an official "Call." Such Call shall be in the form of a written statement prepared and displayed in the church at least seven (7) days before the meeting by the Clerk and stating the purpose(s) of the meeting. The Call shall also be read during the church service on the Sunday preceding the meeting.	<ul style="list-style-type: none"> ✓ Call read by the Church Clerk on Sunday, January 7, 2024. ✓ Reminder messages placed in church newsletters, Sunday bulletins and FCC of Hanover social media pages. ✓ A congregational announcement was made during the January 21, 2024, Worship Service.
Require a quorum of twenty-five (25) covenant members.	<ul style="list-style-type: none"> <input type="checkbox"/> To be confirmed at the meeting.
Consider and act on reports of the church's Pastors, officers, boards, committees, organizations, delegates, and alternates.	<ul style="list-style-type: none"> ✓ Items are contained in the Annual Report or placed on the Meeting Agenda. <input type="checkbox"/> Voting to accept the reports will occur at the meeting.
Hold a vote to approve the proposed budget for the ensuing year.	<ul style="list-style-type: none"> ✓ Item is on the meeting agenda. <input type="checkbox"/> Voting to approve the budget will occur at the meeting.
Elect officers, board members, committee members, and delegates.	<ul style="list-style-type: none"> ✓ Item is on the meeting agenda. ✓ The Nominating Committee Report will be available prior to the meeting. <input type="checkbox"/> Voting will occur at the meeting.
Transact any other business which may legally come before the Annual Meeting.	<ul style="list-style-type: none"> <input type="checkbox"/> TBD, a congregation member(s) may make a motion(s) at the meeting. If a proper motion is seconded, and followed by open discussion, such a motion(s) may be voted upon at the meeting.

¹ BY-LAWS (fcchanover.org)

² In case of emergency, the date may be changed by a unanimous decision of the Moderator, Senior Pastor, and Clerk.

Messages from Church Committees & Related Organizations

The following section contains messages from Church Committees, as presented to the congregation by the respective committee Chairperson(s).

Called to Care & Prayer Chain Ministry

Called to Care has returned to in person visitation. Called to Care participants have been using the home bound list and names included under prayer requests, found in the church bulletin, to call, email or send cards. We have also been assisting in mailing or delivering prayer shawls.

With the guidance of Pastor Peter, we look forward to restructuring the Ministry. Educational opportunities will be planned and will be available to the congregation.

If you are interested in someone being contacted by a member of Called to Care, you can do so by contacting the Pastor. If you are interested in joining this ministry, please contact the pastor. There is no term limit to how long you can be a member of the Called to Care Ministry so you can be involved as much as you are able.

Our ministry is prayerful and confidential.

Respectfully submitted,
Linda Sheldon Gilardi

Christian Education

The Christian Education committee has had a transitional year. Kate Gilligan stepped down as Chair in January, leaving the committee, and three (3) of our long-serving committee members stepped down at the end of the school year in June, leaving only three (3) members including myself as Chair. We voted upon and awarded scholarship money to four (4) graduating high school seniors in June. Members of the committee continue to discuss ways to engage youth and youth families with the support of staff members Elsa Marshall and Kristyn Falcione. We had a successful kick-off event on the first fall Sunday in September, providing slushies and other refreshments for the children and families during coffee hour. We strive to provide Faith formation three (3) Sundays a month with the challenge of varied ages of the children and small volume. We aim to provide a welcoming environment for children in worship services. I have personally reached out to new families to ensure they feel welcome and know what opportunities are available to their kids and families. Kristyn has been leading a Jr./Sr. High fellowship group monthly. We planned and looked forward to a new take on the Christmas Pageant Sunday, December 17, 2023. We have been aware of the need for budget changes and will work with the Finance committee to come to a reasonable agreement in 2024.

We are looking for at least three (3) more members.

Respectfully Submitted,
Rebecca Wolongevicz
Chair, Christian Education Committee

Conference Delegate United Church of Christ

I attended two meetings of the Pilgrim Association in 2023. The National Conference was held in Indianapolis. I was not appointed by the Pilgrim Association to be a delegate to attend. I hope to be appointed in 2024 so that I may attend the Conference in Cleveland. I enjoy the connections with other Churches.

Respectfully submitted,
Karen Tripp, Conference Delegate

Diaconate

The Diaconate met once a month throughout 2023, except in July, to plan worship services, review worship services and assist Reverend Peter.

January: On January 1, 2023, Diaconate members and Reverend Peter shared in preparing the meal for Main-spring House, Brockton, MA and served the meal.

February: Four (4) new members were added in 2023. The Committee has ten (10) members. The Committee reorganized and Ava Sigsby joined Tina Donovan as Co-Chairs, Karen Tripp as Secretary, liaisons to Memorial Committee are Karen Tripp and John Fox. Planning began with Reverend Peter for Lent and Ash Wednesday service on 2/22/2023.

March: Lenten season continued. Planned and assisted Palm Sunday, Maundy Thursday, and Easter Services with Reverend Peter.

April: Maundy Thursday service was held on 4/6/2023. There were two (2) Easter Sunday services on 4/9/2023. A sunrise service followed by our traditional Easter service.

May: One (1) youth was confirmed. Planned and assisted Reverend Peter for Memorial Day service.

June: Last Benchmark sermons for the summer. Will re-evaluate the Benchmark ministry in the fall.

July/August: Provided pulpit supply for Rev Peter's time off. Assisted with two (2) outdoor worship services. Held a successful Blessing of the Pets during one of the outdoor services.

September: Fall's First Sunday/Rally Sunday was held on 9/10/2023. Decided for now that the best use of resources and Reverend Peter, would be to put on hold returning to Benchmark. Diaconate discussed the low participation of residents at the services, the difficulty of bringing our own supplies/equipment each time, the lack of communication from the staff person at Benchmark who asked us to come and the fact the Reverend Peter was absent from coffee hour to hold the Benchmark service at 11:00am all contributed to the decision to put the Benchmark ministry on hold and to revisit it at another time.

October: Working on Diaconate goals for 2024. Planned and assisted Reverend Peter with Thanksgiving services.

November: Planned Advent season, Christmas Eve, and Christmas Day services. Planned and assisted Reverend Peter with honoring Veteran's during church service for Veteran's Day.

December: Eight (8) new Church members joined on 12/17/2023. Bell Sunday and Brown Bag Pageant were also on 12/17/2023. We had 86 people in attendance on 12/17/2023. Due to Christmas Eve being on a Sunday this year, on Christmas Eve day we had our typical 9:30 am church service and had 80 people in attendance. Christmas Eve night we had one service. Our traditional candlelight Christmas Eve service was held at 7:30 pm and we had 105 people in attendance. The railings on the stairs to access the altar area were installed. Waiting for the schedule of a finish carpenter to install the decorative railings on the top.

In 2024: Hal Thomas' term will expire. According to our Bylaws Hal may stay on for an additional one year and Hal has said he will remain on Diaconate for another year. An enormous thank you to David Fiske for his tireless efforts to sketch up, obtain Trustees permission, chase estimates and vendors and the installation of new railings on the stairs to the altar. It was a Diaconate goal that he brought to fruition for us. Thank you to the Trustees for helping us fulfill our goal of helping make the altar easier to access.

Respectfully Submitted,
Tina Donovan and Ava Sigsby, Co-chairs

Deacon's Fund

The Deacon's Fund is administered on a confidential basis by the Pastor and may be used for those in need, at the Pastor's discretion. It is funded through special offerings on Communion Sunday and special donations. During 2023, donations totaled \$1,605.00 and \$937.91 was dispersed. The fund has been used in the past to buy food, pay utility bills and other essentials for those in our community facing difficult times.

Respectfully Submitted,
The Diaconate

Flower Committee

The Flower Committee provides weekly flower arrangements for the sanctuary altar. Hanover Country Florist has continued to create beautiful arrangements for our church with the very reasonable price of \$25 per week. This year, 25 members of the congregation ordered flowers and the Flower Committee provided the arrangements on 27 Sundays throughout the year.

The owner of Hanover Country Florist contacted us about the need for a key to the front entrance for his delivery person to make safe deliveries. Concerns were cited about parking at the rear of the church and using the back entrance, particularly during the winter months. The Flower Committee would like to thank the Board of Trustees for installing a lock box for the front entrance key entry. This allows us to continue weekly delivery by Hanover Country Florist which is included in the \$25 flower price he charges our church.

As parishioners do not typically order flowers during July and August, we decided to use a large planter for the altar for these two months. One planter was purchased for week after week use, reducing the expense of ordering weekly flowers. The planter was well received, and many compliments were given. The Flower Committee members would like to recognize and thank Karen Tripp for watering the planter and keeping it looking healthy for the summer months. Now this lovely planter is in the vestry and is often used to enhance the coffee hour table.

We continue to update our wreaths for the front door of the church. Last year, we purchased new Christmas wreaths; this year two new dogwood wreaths for the Spring months were purchased. Our plan is to update summer wreaths and fall wreaths in 2024.

During the Easter season, congregation members purchased lilies for the altar in memory of or in honor of loved ones. A total of 29 were ordered from members of the congregation to grace the sanctuary, and of these, 11 plants were donated and delivered to homebound parishioners.

The Christmas season brought the sale of poinsettias to beautify our sanctuary. This year, the price increased slightly from \$10 to \$15 per plant. We received 30 orders from the congregation, and 12 deliveries were made to members of our congregation. The Flower Committee would like to recognize and thank those members of our congregation who kindly responded to our plea for assistance in making deliveries during a busy time of year.

Glenda Larson and Janet Cook are the only two members of the Flower Committee. We hope to have another person volunteer to join the Committee in 2024.

Respectfully submitted,
Glenda Larson, Janet Cook

Hospitality Committee

The Hospitality Committee is a much-valued group that provides refreshments throughout the year at special church events and for the after Sunday service coffee hour. Consisting of six members, each member is responsible for two months of the year to organize and recruit volunteers to host coffee hour. We are fortunate that many members of the church signed up to take a turn at hosting coffee hour. The committee has a very small budget of \$300 to be used as needed. However, it depends upon the good will of those hosting coffee hour and those who generously place money into the donation container at the end of the refreshment table. This collection helps defray the cost of purchasing paper goods, coffee, and other related supplies when they are depleted.

For special events, such as the brass quintet concert that was held in December 2023, the *ad hoc* members of the committee swell to include the members from the church fair and the thrift shop, or anyone who enjoys baking. It is a testimony to the people of this church that many respond when the call for refreshments goes out. A special thanks to Priscilla Cedrone who has chaired this group for the past three years. She will be leaving the committee in the capable hands of Jessie Berry, her successor.

Respectfully submitted,
Priscilla Cedrone, Ginny Hunt, and Jessie Berry

Investment Committee

Entering 2023, investment portfolios were reeling. Stocks finished the previous year down nearly 20% and conservative intermediate maturity fixed income securities were down over 8%. Inflation was grudgingly slowing down, but fears that the Federal Reserve's inflation fight would inevitably cause a recession was the base case of most investment professionals. Surprising to many, the Fed has succeeded in bringing inflation much closer to their 2% target and the US economy looks to have grown about 3%.

The endowment portfolio had a strong year. Our equities returned over 26% and bonds were up 5.5%. Overall, the portfolio returned 16.2% for the year. The Investment Committee continues to feel that our year end asset allocation between stocks (56.7%), bonds (30.1%), and short-term securities (13.2%) is appropriate for our Church's endowment.

2024 begins with equities near all-time highs, a country divided politically and socially, and political campaigns that will test everyone's patience. Indicators suggest a good economic environment, but non-economic shocks are likely to be more influential to investment returns this year. The endowment portfolio is currently well positioned and has the flexibility to allow the Committee to adjust quickly in response to market disruptions.

Respectfully submitted,
Hal Thomas, Deborah Springhetti, Deborah Zawalich, Rich Zawalich

Statement of Changes to the Endowment Fund For the year ended December 31, 2023

Endowment Fund:

	Beginning Balance	Deposits	Withdrawals	Gain/Loss	Ending Balance	Annual % Gain/Loss	3 Yr Annualized Rate of Return
General Endowment	\$460,856	-0-	-0-	\$74,420	\$535,276		
Special Projects (Fair Fund)	70,144	-0-	-0-	11,336.	81,480		
Other Restricted & Targeted Endowment Funds							
Clapp	8,025	-0-	-0-	1,324	9,349		
Whiting Elderly	14,041	-0-	-0-	2,269	16,310		
Memorial	12,619	-0-	-0-	2,073	14,692		
Flower	12,281	-0-	-0-	1,990	14,271		
Haupt Bible	5,906	-0-	-0-	914	6,820		
Audit Reserve	8,025	-0-	-0-	1,326	9,351		
Pastor's Sabbatical	13,368	-0-	-0-	2,168	15,536		
Sub-Total	74,265	-0-	-0-	12,064	86,329		
Total: Endowment Funds at Fidelity	\$605,265	-0-	-0-	\$97,820	\$703,085	16.2%	4.4%
Christie (Invested Separately) ¹	38,909	-0-	7,800	1,770	32,879	5.5%	-1.7%
Grand Total	\$664,174	-0-	7,800	\$99,590	\$735,964		

¹ Christie Fund is managed separately under the terms of the donation (i.e., not part of Fidelity Portfolio for Endowments).

Investment Mix (Ending December 31, 2023)

Fidelity Fund	Percent Allocation
Fidelity Total Market	56.7%
Fidelity Intermediate Bond	30.1%
Fidelity Government	13.2%
Total - All Funds	100.0%

Report to the Congregation Regarding Post-Audit Account Transfers (True-Up Transfers)

During the Church Audit conducted over the June -September 2023 period, it became apparent that over the last 10 years, account transfers between non-restricted accounts and restricted accounts were not always kept up to date. The Audit Findings recommended FCC of Hanover rectify this situation.

Addressing Required Transfers From Endowment Funds - The first step to correct this situation was to focus on accounts held at Fidelity Investments (restricted endowment accounts) and at Rockland Trust (the Operating Budget checking account). **The total value of all the accounts was correct;** however, the value of some individual accounts was incorrect. For example, the dollar value of eight (8) accounts was either overstated or understated while two (2) accounts were up to date (and no transfer was required). The net result of this audit finding is that transfers (which we are calling “true up transfers”) were analyzed, calculated, and reviewed by the outside auditor, the Moderator, the Finance Board, and the Investment Committee. **Transfers totaling \$78,094 were made to our Rockland Trust Operating Budget checking account in early January 2024 and are reflected in the chart below.**

Statement of Changes to the Endowment Funds
Post January 2024 True Up Transfers for 2013-2023 Period (FINAL)

Endowment Fund Restricted Account	Ending \$ Balance December 31, 2023	Transfer from RT ¹ to Fidelity Account	Transfer to RT ¹ from Fidelity Account	Ending \$ Balance Post Transfers
General Endowment Fund	\$ 535,276	\$ -	\$ 25,750	\$ 509,526
Special Projects (Fair Fund)	\$ 81,480	\$ -	\$ 57,077	\$ 24,403
Other Restricted and Targeted Endowment Funds:				
Clapp	\$ 9,349	\$ -	\$ 591	\$ 8,758
Whiting Elderly	\$ 16,310	\$ -	\$ -	\$ 16,310
Memorial	\$ 14,692	\$ 20,974	\$ -	\$ 35,666
Flower	\$ 14,271	\$ -	\$ 3,901	\$ 10,370
Haupt Bible	\$ 6,820	\$ -	\$ 1,398	\$ 5,422
Audit Reserve	\$ 9,351	\$ -	\$ 9,351	\$ -
Pastor's Sabbatical	\$ 15,536	\$ -	\$ -	\$ 15,536
Sub-Total	\$ 86,329	\$ 20,974	\$ 15,241	\$ 92,062
Total: Endowment Funds at Fidelity	\$ 703,085	\$ 20,974	\$ 98,068	\$ 625,991
Net Transfer Endowment Funds at Fidelity		\$ 77,094		
Christie Fund (Invested Separately) ²	\$ 32,879	\$ -	\$ 1,000	\$ 31,879
Grand Total	\$ 735,964	\$ 20,974	\$ 99,068	\$ 657,870
Total Transfer of Funds from Fidelity to Rockland Trust		\$ 78,094		

Account Totals Reflect Fund Totals Prior to the January 2024 True Up Transfers for the 2013-2023 Period as Identified in the Post-Audit Analysis

¹ RT = Rockland Trust Operating Budget Checking Account

² Christie Fund is managed separately under the terms of the donation (i.e., not part of Fidelity Portfolio for Endowments).

Thus, the balances at Fidelity and Rockland Trust have been level-set and reflect an accurate starting position for 2024.

Significant work went into completing this analysis which covered the 2013-2023 period. Core data sources were:

- Investment Committee reports from this 10-year period.
- QuickBooks entries showing “fund reimbursement”, “income” and “expenses” over this 10-year span.
- Annual Meeting Minutes and Reports reflecting congregational votes.
- Rockland Trust bank statements
- Financial workbooks in Excel supporting the line-item detail.
- A supporting PowerPoint deck outlining the step-by-step approach used to identify the transfer amounts.

While the \$78,094 transfer to Rockland Trust (RT) seems large and potentially concerning, I would point out that much of the transfer activity reflects recent (2022-2023) activity. This includes:

- A \$10,000 transfer from the Fair Fund to RT
- A \$9,351 transfer from the Audit Reserve to RT
- A \$9,520 transfer from the General Endowment Fund (2022 Operating Budget loss coverage) to RT
- A \$16,230 transfer from the General Endowment Fund (2023 Operating Budget loss coverage) to RT
- 2023 Memorial Fund transfers reflect transactions including expenses of \$10,043 (White Family support for worship service live-streaming costs) and income of over \$20,000 (a bequest from the estate of Evelyn Jenkins and memorial donations for Ed Melchin)

Moving forward, approved transfers will be made twice a year (in July and in December) so that all account transfer transactions are accurately reflected in year-end financial statements and are included on the December 31st Balance Sheet. If anyone in the congregation wants to discuss or review additional details related to the 2013-2023 true-up analysis and calculations, please contact Jim Hoyes (jeh56@icloud.com) or the incoming Finance Board Chair (TBD).

Addressing Bank Account Mix at Rockland Trust - Once fiscal year 2023 is officially closed, the second step in this account true up process will be initiated which will focus on streamlining our bank account portfolio (currently numbering six accounts) at Rockland Trust. At a minimum, the church needs a day-to-day Operating Budget checking account, a money market savings account, and a Building Fund savings account. The Treasurer and Finance Board will evaluate this issue as soon as possible in 2024.

Summary - The Audit Findings were very insightful and helpful. They provide a great roadmap to strengthen our financial foundation in the coming years. The analysis and review of Endowment Fund and Christie Fund expenses also highlighted that FCC of Hanover does use its restricted endowment funds but uses them in a way that preserves the account basis while utilizing a portion of the investment gains, new income, and new donations. Over the 2013-2023 period, \$313,739 of FCC of Hanover endowment funds were utilized for special projects including capital projects support, college scholarships, and Operating Budget support. For 2013-2023, endowment funds usage averaged \$31,374 per year.

Respectfully submitted,
James Hoyes – Moderator

Laura’s Country Church Fair

The Annual Church Fair was held on Saturday, November 4th, 2023. The new PEACE LOVE AND KINDNESS table was introduced and proved to be a success. Adrienne Rafferty will be joining the Church Fair Committee for 2024.

In the past, Church Fair proceeds have helped in the funding of many church projects. Some of these projects include but are not limited to the church elevator, DVD projector and screen, computer and software, choir stoles, children’s choir robes, Labyrinth printed materials, curtains in Riley Hall, replacement of windows in Riley Hall, helping fund pew cushions, purchase of card and banquet tables for Riley Hall, funding a church survey for the Timothy Project, mission trips, Sunday School projects, new appliances for the parsonage, the restoration of the Bells, work needed in Riley Hall and assistance in church window renovation and purchase of new organ.

The proceeds of the individual tables are as follows:

Food/Cookie/Candy/ Jam Table	2,167.00
Plant Table	327.00
Café	644.40
Holiday Decorations	1,727.00
Knitted Wear	1,132.50
Peace Love Kindness Table	535.00
Jewelry	768.00
Woodcraft	291.00
Bits & Pieces Table	1,268.80
Progressive Auction	170.00
Total	\$9,030.70

We wish to thank all who made the Fair a happy and successful day. Looking forward to your continued support for the 2024 Church Fair, which will be held on Saturday November 2, 2024.

Respectfully submitted,
Amy Crosby, Karen Tripp, Ruth Hall, Irene MacAskill, Tina Donovan, Linda Gilardi, Adrienne Rafferty

Memorial Fund

Donations to the Memorial Fund were gratefully received specifically for the Clavinova in memory of Janet Greene, Johanne Morrison, and Beverly Frattalone. Donations were also gratefully received in memory of Peter Walsh, Graham Bradbury, and Robert Bradbury. All gifts were acknowledged with a thank you note.

The Memorial Fund Committee awarded scholarships to the following high school seniors: Julia Donovan, Anthony Pires, Sydney Pires, and Ryan Ventura. These students were all active volunteers in our church. Thank you to those who have contributed to the Memorial Fund and made these scholarships possible.

A donation was also given for the new Advent hangings to enhance the Advent and Christmas worship services. Thank you to Mark and Rev. Mary Lou Gifford for this donation.

As a committee, we also decided to give money to Care Notes which are on display in the entrance of the church. We were able to purchase six sets. Thank you to church member Ruth Hall for reaching out to us for these notes.

The members of the Memorial Fund Committee extend our special thanks to Marilyn Melchin and Lee Fiske who faithfully served as committee members and are leaving our committee. Also, we would like to welcome Sandy Vaughn for agreeing to serve on the committee.

Thank you to committee members Bob Sigsby, Bob Meader, Karen Tripp (Daconate Representative) and John Fox (Daconate Representative) for their dedication and support throughout the year.

Respectfully submitted,
Sally Romano, Chairperson

Merriweds

Merriweds is a church sponsored adult fellowship. In 2023, the Merriweds did not gather for a scheduled event. The plan in 2024 will be to meet in the Spring & schedule the year's events.

All adults interested in participating in the Merriweds' activities are always welcome. Notices of Merriweds' events are emailed to those on the Merriweds' email distribution list, published in both the church bulletin and the Spire, and posted on the church calendar.

Respectfully submitted,
Sandra Adami & Linda Wall, Co-Chairs

Moonlighters

Moonlighters is a group of approximately 14 women who meet on the third Wednesday of each month from September through June. We collaborate for an evening of fellowship, community service projects, crafts, and the Annual Church Fair. Typically, we meet at Riley Hall at 7 pm.

January- We celebrated our birthdays with cake and a small Yankee swap item.

February- we worked on fabric covered Styrofoam balls to sell as ornaments at the Church Fair. February 5th we also prepped/cooked and delivered a meal for MainSpring house which included chicken casserole, vegetables, and dessert.

March- Sandy Vaughn hosted our Annual International potluck dinner. All members brought either international specialty, salad, main course, or dessert.

April- We met and discussed ideas for next year's craft fair and possible fundraiser.

May- Game night was held with lots of fun and laughter.

June- Dayna Scribi planned a mystery Ride Dinner to Christina's Restaurant in Pembroke. Much conversation and food for all who attended.

September- We met at Riley hall for Welcome back with iPhone picture show of our family activities/trips over the summer. We elected co-presidents of Deb Jackman and Libby Ritchie.

October- Assembled our baskets for the Annual Church Fair, signed up for delivery of shut-in treat baskets.

November 4th- Church Fair activity consists of set-up on Friday and working the craft tables from 9 am-2:30 pm. We had a good year selling our baskets and other beautiful handmade items by members such as table runners, pillowcases, wreaths, fall and Christmas wooden decorations, and Christmas ornaments.

November 15th- We bought and assembled the items for Thanksgiving Shut-In bags. They were delivered the following week to 12 members of the church.

We organized sign-up for the SS Friends of the Homeless gifts to go to several families.

December- Deb Jackman hosted our annual Christmas Potluck Party and Yankee Swap at her beautifully decorated condo. We had a great time enjoying each other's company and sharing our food and gifts.

Dayna Scribi organized the delivery of our gifts to the Friends of the South Shore Homeless.

We look forward to another positive year of community service and gatherings in 2024. We are always looking for new members to join in on our fellowship for the church.

Respectfully submitted,
Libby Ritchie & Deb Jackman

Music Committee

This year was another busy year for the music committee. In early spring, the Church raised funds to purchase a new *Yamaha Clavinova* for the sanctuary. Many thanks to those who donated so quickly when it was determined that the old *Clavinova* was on its last legs. The new instrument was installed the week after Easter, and we continue to enjoy Chad's amazing music during the service.

The *Lorenz Publishing Company* has unfortunately gone out of business. This publishing house was a valuable resource for choir books that provided the many anthems sung during the Sunday service. Finding a new source for purchasing music will be a priority. The church has an account with JW Pepper that may be a future resource. The Church increased the substitute organist pay to compete with churches in the area. Our drummer continues to support the music during the service three Sundays a month during the church calendar year that does not include summers. Tim does not play on Communion Sundays. It is felt that a quieter service during that time better reflects a feeling of thought and meditation.

The holiday concert in December 2023 featuring the *Cranberry Brass Quintet* was a great success. It was gratifying to see the sanctuary filled with so many music lovers, and with many students from local schools. A free will donation was taken at the end of the concert and those attending were quite generous. \$600 was collected. Refreshments following the concert were many and varied, and no one went away hungry or thirsty. A special thanks goes to Ava Sigsby for finding this group and organizing this wonderful event.

Respectfully submitted,
Ginny Hunt, Sandy Adami, and Maddie Thomas

Outreach and Service

The objective of the Outreach & Service Committee is to utilize their time and talents to provide funds and resources both locally and across the globe.

One of our missions is to provide a meal at MainSpring House (homeless shelter) in Brockton on the first Sunday of each month. Recently, members of the congregation have been preparing a meal for 130 plus people. Since Covid we now have the option to either provide the meal on Saturday or prepare and serve on Sunday. Individuals, families, or groups are always welcome to sign up (in the coat room) for this worthwhile and rewarding mission. *(Figures below based on preliminary 2023 Financials. See Finance Section for Outreach and Services final 2023 figures.)*

During 2023 we participated in these ministries.

- a. **February:** We sold 65 blankets for a total of \$700.00. This donation was made to Church World Service. (CWS)
- b. **March:** We collected One Great Hour of Sharing donations in the amount of \$390.00 for CHW.
- c. **April:** 121 hygiene kits were assembled, donated, and sent to CWS.
- d. **November:** \$980.00 in supermarket gift cards was collected and given to the Hanover VNA for distribution to needy members of our community.
- e. **December:** For Christmas, \$1,500.00 in gift cards was generously donated and given to the Hanover VNA for distribution.
- f. **Ongoing:** \$74.00 was collected from redeemed bottles and cans; \$130.00 was collected in Christmas Cards. This total of \$204.00 was donated to Heifer International.

Our committee disburses money from our budget which equals 10% of the total church budget. Below is a list of our missions and the monies allocated in 2023.

Bethesda House (Temporary Shelter Young Mom's - Pembroke)	500.00
Carolina Shelter (Temporary Homeless Shelter)	500.00
Christian Appalachian Project	1,000.00
Congregational Library	100.00
First Congregational Church of Spencer (Fire)	513.00
Food Pantries: Pembroke, Whitman, Hanson, Rockland, Marshfield (\$500.00 each)	2,500.00
Friends of the Homeless of the So. Shore (Emergency Shelter)	500.00
Habitat for Humanity	500.00
Hanover Food Pantry	1,000.00
Heifer International	1,000.00
Magic Moon (Supporting Kids with Cancer)	500.00
Mainspring House	2,000.00
Pilgrim Association	221.00
Seafarers' Friends	500.00
Student Minister	1,500.00
Teen Challenge of Brockton (Faith-based Addiction Treatment)	500.00
UCC Basic Support	\$3,832.00
Total	\$17,166.00

Respectfully submitted,
Dayna Scribi

Prayer Shawl Ministry

The Prayer Shawl Ministry continues to meet the 1st Wednesday of the month at a new time, 6:00PM, in the Church Office.

The Prayer Shawl participants are always looking for ways to share with the greater community. We are still discussing ways of making large prayer squares and putting them together to make blankets for the homeless.

All are welcome to join the Prayer Shawl Ministry. Members of our Church have been donating their time and talents by creating knitted, crocheted, sewn and tied shawls, lap blankets, baby blankets, booties and Seafarers hats. More participants are welcome so that we have more items we can share. As a member of the Prayer Shawl Ministry, you are welcome to come to any or all meetings. If you would like a knitting or crochet lesson either on a continuous or drop-in basis, please join us. We have been providing lessons for those interested.

A carrying bag for the shawls remains a part of the Prayer Shawl Ministry.

Throughout the year we have had blessings of the Prayer Shawls during our Sunday Worship Services. It is our hope that the shawl helps the wearer feel the loving warmth of our Lord. We have been able to provide Prayer Shawls for Church members, friends, and the greater community. If you know someone that might like a prayer shawl, please contact Pastor Peter or the Church Office.

Respectfully submitted by the Prayer Shawl Members
Linda Sheldon Gilardi

Staff Relations Committee

2023 was a highly active year for the Staff Relations Committee (SRC). This committee, which is chaired by the Moderator and includes the Chairperson of Diaconate, Christian Education, Music, Finance, and Trustees as well as the Senior Pastor. Historically, this committee convened 1-2 times per year primarily to coordinate year end performance reviews. However, this committee does serve as the “HR function of the church” and therefore had a full agenda in 2023. SRC topics were included in all four of the 2023 Church Cabinet quarterly meetings as Human Resources, Employee Relations, and Employment Practice items were relevant throughout the year.

The progression of activities through the year:

- The SRC self-identified HR gaps and action areas in early 2023 and met to review agenda items such as on-boarding for new employees, initial training programs, and the Safe-Church platform.
- In mid-2023, the committee had to deal with multiple complex issues related to the Massachusetts Commission Against Discrimination (MCAD) claim filed by our Senior Pastor.
- In late 2023, just as the MCAD claim was being favorably resolved, several HR policy and procedure gaps, and employment practices deficiencies were identified in the Church Audit. Many of these items overlapped with the early 2023 items on the SRC “to do” list.

The SRC met in-person and via Zoom/teleconference throughout the year, as well as engaging in numerous group email exchanges. SRC also met jointly with the Pastor-Parish Relations Committee in August to ensure alignment across committees.

MCAD Claim - Due to the importance and time-consuming nature of the MCAD issue, this was the sole focus of SRC from July until early November. The committee utilized outside counsel (Rodman Employment Law, Attorney Elisa Filman) for legal support. Much of this work product was Attorney-Client Privileged and all communications were subject to a document preservation mandate requested by MCAD. During this period, the SRC Chair, our Senior Pastor and two mediators (Rev. Kim Murphy representing the Pilgrim Association and Rev. Liz Garrigan-Byerly representing the SNEUCC) met for multiple mediation sessions. The goal of mediation was to

resolve the situation in a way that addressed the issue in a meaningful way and avoided financial liability and punitive damages exposure to the church. The outcome included:

- Agreement by all parties on a 5-part action plan
- Withdrawal of the discrimination claim
- Support by MCAD for the claim withdrawal

Everyone involved is now looking forward to implementing the action plan, strengthening the church, and moving to reconciliation and forgiveness.

The SRC understands that this discrimination claim was upsetting to the congregation, and that many in the congregation wanted to know the full details of the situation. The SRC hopes that everyone understands the sensitive nature of HR actions, the legal constraints, and the need to support our employees and not allow for any retaliation was critical to achieving a positive outcome of (1) addressing the underlying issue and developing meaningful change, and (2) claim withdrawal with no liability exposure, punitive damages, or external reputational harm. This outcome met the goals discussed at the July 30th Church Business Meeting and are aligned with the update on this situation provided at the October 8th Church Business Meeting. Of note, although up to \$10,000 was approved at the July 2023 Church Business Meeting for outside legal counsel, less than half of this amount was utilized as legal hours were judicially utilized.

Church Audit - The Audit Findings found several gap areas related to employment practices; critical items included:

- Errors in the calculation of the pension contributions for our Senior Pastor – *now corrected, missing payments rectified, 2024 confirmed as correct.*
- Incorrect employee categorization (hourly vs. salary category) for several positions – *corrected for 2024.*
- Incorrect ADP payroll timing – *Staff paychecks moved to twice a month beginning in 2024.*
- Inconsistent issuance of IRS 1099 Forms – *For 2024, the control systems are set, and 1099 forms will be issued to individuals who received \$600 or more in compensation in 2023 (for example, a guest musician receiving multiple payments totaling more than \$600).*
- Resolution of an open MA unemployment insurance certification issue – *should be resolved by our new bookkeeper with no financial exposure for the church.*

The Audit Findings relevant to the SRC mandate are all either fixed as of January 2024 or will be fixed by the end of 1st Quarter 2024.

Performance Management - In late November, the SRC provided 2023 performance feedback to the Diaconate Co-Chairs for inclusion in Rev. Johnston's annual performance review which was completed on November 28th. Performance reviews were also conducted for staff by the boards and committees that they "report to" (Trustees and Christian Education).

Looking Ahead to Next Year - Heading into 2024, the open items for the incoming SRC are

- Ensuring implementation of the 5-Point Action Plan; core items are development and implementation of
 - (Item 1) a Behavioral Covenant for the church which will supplement the Vision and Mission Statements (Diaconate leads),
 - (Item 2) a Facilities Use Policy for the Church Campus (Trustees leads), and
 - (Items 3-5) various training, on-boarding materials (including an Employee Handbook) for new hires, current staff, church officers, SRC and possibly Church Cabinet (SRC leads, with external support).
- Reconfiguring and implementing a 2024 Safe-Church policy.
- Ensuring 2024 objectives are set for staff and ensuring 2024 annual performance reviews are conducted as outlined in the Bylaws.

Closing - Lastly, 2023 was a huge workload for SRC, well beyond that of a normal year, and I thank the Staff Relations Committee members for their overall dedication, commitment to confidentiality, and perseverance as the committee worked through many difficult issues.

Respectfully submitted,
James Hoyes - Church Moderator and Chair of the Staff Relations Committee

Stewardship Committee

The stewardship committee thanks everyone who has submitted a pledge for the upcoming year. It has been very helpful in planning to further the mission and objectives of the church. We are grateful for all of them. We received new pledges from new members and some of you were able to increase your pledges over last year. The effort to get them early has also been tremendously helpful.

We had the opportunity to be reminded of some of the things we do so well to take care of each other by Karen Tripp. We also heard from the Visiting Nurses Association and South Shore Habitat for Humanity, just a couple of the many organizations we support. We are looking forward to the opportunity to grow in 2024.

Respectfully submitted,
Stewardship Committee

Technology Team Report to the Congregation Regarding the New Communications/Technology Platform Approved at the February 2022 Annual Meeting

In February 2022, the congregation approved a motion that provided a budget of “up to \$20,000” (*to be paid from the restricted Fair Fund*) for Communications and Technology Platform Upgrades in the 2022-2023 period. This report summarizes the expenses associated with this initiative.

- FCC of Hanover made great strides in launching and upgrading our communications and technology platform over the 2022-2023 period.
- There were four (4) areas targeted for potential upgrade investment:
 1. Communications Technology
 2. Worship Technology
 3. Building Technology
 4. Office Technology
- In the 2022-2023 period, FCC of Hanover expended the approved \$20,000 in potential funding (*actual expenses are \$20,043; \$43 over budget*).
- The actual expenses of \$20,043 fell into these categories:
 1. Communications Technology: \$1,025 (primarily a 70” flat screen Smart TV)
 2. Worship Technology: \$9,752 (primarily associated with supporting Live-Streaming of Worship)
 3. Building Technology: \$7,561 (Fire Alarm system upgrade for Riley Hall)
 4. Office Technology: \$1,705 (new computer for Pastors Office and new Printer Service Contract)

Final funding will only require usage of \$10,000 in Fair Fund monies as we are benefiting from a large Memorial Donation provided by the White Family that was given in memory of Don White. Roughly 50% of this donation was directed towards technology as Don White was an enthusiastic and faithful supporter of our prior Worship Service YouTube Channel program and an advocate for live-streaming. **This generous donation by the White family will cover the other \$10,043.13 related to this project.** The Church Cabinet recommends that the Memorial Committee place a plaque in the Sanctuary recognizing this significant Memorial Fund donation and highlighting Don White’s support of broadcasting the weekly worship service.

This motion, as approved by the congregation for the 2022-2023 period, is now considered closed.

Respectfully submitted,
James Hoyes, Church Moderator

Silver Street Thrift Shop

The *Silver Street Thrift Shop* seems to be growing in leaps and bounds still. Donations continue to come in and with the extra space given to the shop this past fall, sales are up. The increase in business is monetarily rewarding for the church. The shop remains open Wednesday and Saturday from 10:00 to 2:00. The holiday season saw extended hours.

Volunteers met this fall to discuss adding a credit card and/or Venmo option so shoppers have these methods of payment in addition to cash or check. The shop committee feels that these methods would help move more items along to new homes and may be instituted in the new year. The group has also discussed opening the shop an additional day, but additional volunteers would be needed. Split shifts can be arranged if you can only give an hour or two here and there. Please consider joining the group. Most volunteers enjoy a wonderful fellowship.

Last fall, several volunteers from the shop traveled to the Cape to visit other thrift shops in the area. Our prices at *Silver Street* seem to be in line with these shops. Big items like furniture and smaller items such as a Keurig machine or Pyrex glass baking dishes usually find new homes in no time. Our items are cleaned and displayed well. Shoppers constantly tell us how much they enjoy visiting the shop and browsing through the rooms. Because the stock changes weekly, there is always something new. It is a quirky observation that if an item hasn't sold, simply moving it to a new location in the shop seems to solve the problem.

Many thanks go out to all those volunteers who continue to make the shop successful.

Thrift Shop Net Income (sales + donations, less sales tax) for 2023 = \$24,161.63. Since its launch in 2016, the Silver Street Thrift Shop's Net Income now totals an impressive \$147,940.66.

Respectfully submitted,
Sandy Vaughn, Marilyn Melchin, and Ginny Hunt-Burbine

Trustees

Under the watchful eyes of Facilities Steward Jim Millins, the church completed numerous routine maintenance projects including some exterior painting of Riley Hall, gutter and soffit repairs, septic system maintenance, a roof leak and ceiling damage in the sanctuary, window hardware replacement in Riley Hall, installation of a granite slab at the back entrance of the church, and preparation of the buildings and grounds for seasonal changes. Jim is currently working with Mass Save to complete an energy audit and formulate a recommendation for the critical need to replace the church boilers.

Jim's goal is to take a proactive approach to maintenance by looking into the future and making intentional plans today to avoid significant maintenance problems. Jim is utilizing facility audits and assessments to prioritize and address numerous updates and repairs that are needed.

As we close the year, the Board of Trustees is concerned that a budget shortfall could result in further deferred maintenance of the church properties. Church facilities maintenance can be summarized as "pay for it now to keep it healthy or pay much more to fix it later." No matter how limited the budget is, FCC Hanover's church facilities must remain functional and safe. This will require strict budgetary controls.

During this period of financial uncertainty, the Board of Trustees advises the church to address deferred maintenance in the annual budget. The church should work to address the identified priorities by using available funds within the budget to chip away at projects, even during difficult financial times. When budget allows, the church should use funds to do bigger deferred maintenance projects. The Board recognizes that

maintenance projects such as boiler replacement or chairlift repairs are not glamorous, while acknowledging other projects such as recarpeting and refinishing the floors in the sanctuary are more visible and are more likely to energize the church and prompt more generosity. The Board has identified the following projects within two classifications, Critical and Necessary.

Critical Projects:

Church Boiler Replacement: Cost Estimate \$40,000.

Rationale: During regular off-season maintenance and cleaning of the boilers it was discovered that the dual boiler system was approaching end-of-life, with an estimate of two (2) years remaining. Just months later, in November, boiler #1 failed. It was taken off-line due to corrosion and poor ventilation, resulting in a carbon monoxide leak. The dual boiler heating system is now operating on a single boiler. It is prudent to replace the boiler system as soon as possible. The BoT has secured cost estimates from two vendors and is now consulting with Mass Save to determine the church's eligibility for rebates and other savings.

Replacement/Repair of Riley Hall Chair Lift: Cost Estimate: \$49,000. to \$69,000.

Rationale: The Riley Hall chair lift has been out of service for over a year. The lift is over 20 years old. Replacement parts for the unit are no longer in production, although parts can be obtained by searching current inventories of vendors. The Board has identified two options to address the existing lift: Option 1 Modernization of the existing inclined platform lift. Estimated cost: \$49,000.00; Option 2 Replace the current inclined platform lift with a vertical platform lift. Estimated cost: \$69,000.00.

Necessary Maintenance Projects:

Church Driveway Repaving and Creation of Accessible Parking: Cost Estimate: \$28,000.

Rationale: The driveway has deteriorated and has become unsightly. The proposed project would replace the driveway, install granite curb at the northwest side of the driveway, and add accessible parking on the south-east side of the driveway.

Pew Cushion Replacement: Cost Estimate: \$10,000.00

Rationale: The current pew cushions are showing wear and have faded. Replacement of the pew cushions would provide an opportunity for color change to coordinate with wall colors and carpet replacement.

Church Sanctuary Carpet Replacement: Cost Estimate \$12,000.00

The current carpet is showing wear and needs to be replaced. Replacement of the carpet would provide an opportunity for color change to coordinate with wall colors and new pew cushions.

Church Sanctuary Wide-Pine Floor Refinishing: Cost Estimate \$10,000.00

The finish on the historic wide pine floor is worn with visible bare spots with dents, scratches, staining, cupping, splintering, and color fading. Refinishing will require sanding, staining, and resealing.

Riley Hall Parquet Floor-Repair and Refinish or Replace: Cost Estimate \$10,000.00

The finish on the hall parquet floor is worn with visible signs of wear and tear. As a result of a piecemeal approach to repairs, numerous sections of the floor are damaged, loose, or missing and must be replaced. If it is determined that damage is beyond repair, the floor should be replaced.

Energy Conservation Measures: Cost Estimate To Be Determined

The church is consulting with Mass Save for technical guidance and support and will undergo an energy audit. Following the audit, Mass Save will provide the church with a report containing recommendations and measures to take to reduce energy consumption. Recommended actions will include heating system replacements, updates to lighting/re-lamping, and insulation measures. Pricing incentives, grants and other savings measures could help to reduce the cost of Mass Save's recommendations.

This Old House of Worship is a symbol of faith, hope, and history. But as an historic building, it presents unique challenges and requires special stewardship to maintain its architectural character.

Ushering Committee

The Ushering Committee presently has nine (9) members who are assigned one week out of the month to cover the regular 9:30 AM service. Two alternate ushers are also available. This committee needs three additional ushers to cover the normal four per Sunday. During the church year we also assign ushers and volunteer church members to cover the two Easter and Christmas services.

Due to the reduced attendance, we have not needed four ushers every Sunday and have utilized only two for most of our services.

Anyone interested in serving on the Ushering Committee, please contact Ruth Hall or Al Alexander and we will add you to the list. This year there will be four months with five Sundays (March, June, September, and December) during which time we ask available ushers and or alternates to help with the ushering duties.

Respectfully submitted,
Al Alexander & Ruth Hall

First Congregational Church of Hanover – Financial Reports

(Financial Commentary, 2023 Final Financial Statements, and Proposed Operating Budget for 2024)

First Congregational Church of Hanover – Financial Report for 2023

Approved Budgets for 2023– As a reminder, three budgets for 2023 were approved by the Congregation. The Outreach & Service and Building Fund budgets were approved at the Annual Congregational meeting. The Operating Budget was given conditional approval at our annual meeting in February and final approval in October at a special meeting.

- **Operating Budget (unrestricted) = \$271,777**

Sources of Operating Budget Income - Approved 2023 Budget		
Major Income Categories	Budget Income Amount	Actual Income Amount
Offerings	\$165,610	\$171,652
Rentals	\$15,980	\$10,585
Other Donations	\$700	\$0
Fundraising	\$4,000	\$0
Thrift Shop	\$18,200	\$25,071
Other Investment Income	\$505	\$789
Misc. Income Statement Items	\$0	\$1,110
Subtotal:	\$204,995	\$209,207
Endowment/Prior Year Income Transfers:		
Prior Year Pledge	\$30,000	\$30,000
Endowment Fund Transfer	\$36,782	\$16,490
Total Operating Budget	\$271,777	\$255,697

- **Outreach & Service (Restricted) = \$19,801**
- **Building Fund (Restricted) = \$23,337**

Budgeting Background -- The Outreach & Service and Building Fund budgets are set by Pledge amounts designated to these uses and the allocation is either 80% Operating Budget, 10% Outreach & Service Budget and 10% Building Fund Budget or allocation percentages set by each member who submits a Pledge. Uses (expenses) of the Outreach & Service Budget are controlled by that specific committee and use is restricted to the committee activities. Uses (expenses) of the Building Fund Budget are controlled by the Trustees and use is restricted to the Trustee Board’s activities which are all related to the care and maintenance of the church campus. The church approves the Income budgets, and the committees spend the budgets as they see fit and must maintain annual spending in alignment with the approved budget. The Outreach & Service committee also raises money throughout the year for specific projects (e.g., Heifer Project or disaster relief fundraising) and any raised funds are then passed through on a 100% basis to that specific organization.

The Operating Budget, which is an unrestricted fund, supports the operations of the church including staff salaries and benefits, Call Letter components, utilities, supplies, etc. The budget is set and approved annually; however, throughout the year, monies can be moved within the overall budget categories to address specific

expenses if the total expense does not exceed the approved Income budget. This allows the flexibility to manage the church's day-to-day operations, yet still have a control on the ceiling for spending. Any expenditure above the budget requires a separate congregational vote providing an important check and balance to church finances.

The Operating Budget can use part of the General Endowment Fund investment income to support the overall budget. This investment income is a specific line item in the budget and is subject to the congregation's approval. Unless there is an extraordinary event, the principle of the General Endowment fund is not utilized and is preserved as the base for annual investment gains. All the other Endowment Funds (i.e., Christie Fund, Memorial Fund, etc.) are never used to support the Operating Budget and remain restricted to the specific use guidelines for that fund.

There is one other restricted fund, the "Fair Fund", which is funded by the proceeds from the Annual Church Fair. Usage of these funds requires a specific congregational vote to release monies. In years past, the Fair Fund has been used to provide financial support for special projects such as new roofing on the Church and Riley Hall, the Window Replacement Project, and the Church Organ Replacement Project. Fair funds were used in 2021 to pay for the painting and repair of our church steeple and in 2023 for some of our technology upgrades. In recent years these funds have not been used to support the Operating Budget.

Financial Framework for Year Ending 2023

We ended the year with an operating income deficit of \$46,490, which is \$20,292 less than the planned budget deficit of \$66,782. We used \$30,000 from prior years' retained earnings and \$16,490 from our general endowment to bridge this gap. Using these funds enabled us to continue to provide all our programs and ministries to the Congregation and to remain a vigorous member of the community at large. Budget vs. Actual line-item detail is provided at the end of this commentary section.

Restricted Actual vs. Budget Review

Outreach & Service:

The Outreach & Service Committee disbursed funds during the year to a variety of local and global charities as listed below. Pledge income was \$20,789 vs. a budget of \$19,801 and was supplemented by additional donations as detailed below for a total income of \$24,491. The \$3,832 donation to 8505 UCC OCWM represents 50% of our \$7,664 UCC Proportional Giving based on 2022 income. The other 50% is normally paid from our operating budget, but due to this year's large deficit, the Church voted to forego that contribution and just pay 50% from the Outreach & Service budget. The positive net income of \$3,690 is available in the restricted Outreach & Service bank account for future use.

First Congregational Church of Hanover Outreach & Service Income & Expense 2023		
Income		
4700 Outreach & Service		
4710 Pledges		20,789
4720 Food Pantry		520
4730 One Great Hour of Sharing		390
4740 Special Relief		1,712
4750 Church World Service		650
4760 Heifer Project		304
4770 Prior Year Pledge		126
4771 Next Year Pledge		-
Total 4700 Outreach & Service Income	\$	24,491
Expenses		
8500 Outreach & Service		
8505 UCC OCWM		3,832
8510 Pilgrim Association		221
8515 Mainspring House		2,592
8520 Habitat for Humanity		500
8521 One Great Hour of Sharing		500
8522 Church World Services		942
8525 Seafarer's Friends		500
8530 Hanover Food Pantry		2,000
8580 Student Minister		1,200
*** 8540 Other Donations (See Detail Insert)		8,514
Total 8500 Outreach & Service Expense	\$	20,801
Net Income	\$	3,690

Outreach & Service Income & Expense 2023	
*** 8540 Other Donations Detail:	
Bethesda House	500
First Congregational Church of Spencer	514
Hanover VNA	400
Hanson Food Pantry	500
Heifer Project International	1,000
Magical Moon Farm & Foundation	500
Marshfield Food Pantry	500
Pembroke Food Pantry	500
Pilgrim Association	500
Rockland Food Pantry	500
Teen Challenge Brockton	500
Whitman Food Pantry	500
***8540 Other Donations Total	\$ 8,514

Building Fund: Pledge income was \$24,649 vs. a budget of \$23,337.

Total Building Fund income and expenses are detailed below. Major expenditures this year include repairs and maintenance of our aging boilers, repairs to the Riley Hall stair lift (which needs to be replaced), elevator maintenance and inspections, and grounds maintenance. The positive net income of \$4,640 is available in the restricted Building Fund bank account for future use.

Building Fund Income & Expense 2023		
Income		
4800 Building Fund		
4810 Pledges		23,021
4820 Prior Year Pledge		1,628
4821 Next Year Pledge		-
4830 Special Projects		-
Total 4800 Building Fund Income	\$	24,649
Expense		
8100 Building Fund		
8110 Interior Paint & Repairs		2,918
8120 Exterior Paint & Repairs		1,712
8140 Grounds Maintenance		5,610
8150 Elevator Maintenance		5,202
8160 Boiler Maintenance		1,798
8170 Miscellaneous:		
	Pest Control	1,308
	Parsonage Septic Services	240
	Water Filtration System Maintenance	475
	Miscellaneous Hardware	746
Total 8100 Building Fund Expense	\$	20,009
Net Income	\$	4,640

Restricted Donations:

Our **Memorial Fund** received \$22,529 in donations this year that were given in memory of several beloved members of our Church.

Special Fund: \$6,040 was donated to cover the cost of our new Clavinova in the sanctuary.

Restricted Expense -Technology: We spent \$4,762 to complete the purchases and installation of our up-graded Church technology in the sanctuary and Riley Hall.

Unrestricted budget Review (Operating Budget)

The Operating Budget finished the year in a stronger position than we expected. Our overall operating income ended up \$4,212 over budget due to higher than planned income from Total Offerings and the Thrift Shop.

Sources of Operating Budget Income - Approved 2023 Budget		
Major Income Categories	Budget Income Amount	Actual Income Amount
Offerings	\$165,610	\$171,652
Rentals	\$15,980	\$10,585
Other Donations	\$700	\$0
Fundraising	\$4,000	\$0
Thrift Shop	\$18,200	\$25,071
Other Investment Income	\$505	\$789
Misc. Income Statement Items	\$0	\$1,110
Subtotal:	\$204,995	\$209,207
Endowment/Prior Year Income Transfers:		
Prior Year Pledge	\$30,000	\$30,000
Endowment Fund Transfer	\$36,782	\$16,490
Total Operating Budget	\$271,777	\$255,697

Actual pledged income in 2023 was \$148,479 vs. budgeted \$152,000 which is a 2.3% decrease of \$3,521. This was offset by loose and non-pledged income which was \$8,000 over budget for total offerings of \$171,652 vs. planned \$165,610.

Our rental income was less than planned by \$5,395 due to the Cake Wish Company's reduced hours.

The Thrift Shop raised \$25,071 vs. planned \$18,000 which is a 34% increase.

2023 Expense:

On the expense side of the financial statement our (Unrestricted) Operating Expenses were \$255,697 vs. a budget of \$271,777, which is a savings of \$16,080 and 5.9% vs. budget. We experienced savings primarily from reduced Payroll, Professional Development and UCC dues expenses. These savings were offset somewhat by increased electric, annuity, and copier expenses.

Our operating income covered 82% of our operating expenses. Our 2023 budget authorized an operating income deficit of up to \$66,703, which represents 24.5% of our Operating budget, in order to be able to continue to launch and run our programs and ministries. This included approval to transfer up to \$36,703 from the Endowment Fund and to use up to \$30,000 of previous years' surplus carry-forward (prior year pledges). In 2023 we needed \$46,440 which is 70% of those approved deficit funds. Our \$4,212 increase in income along with the \$16,001 savings in expense vs. budget enabled us to transfer \$20,292 less than planned from the general endowment fund.

- **Payroll expense** was \$128,781 vs. budgeted \$137,854, a savings of \$9,073. This savings was due to staff members working fewer hours than planned.
- **Annuity expense** was \$19,026 vs. budgeted \$17,741 which is a 10.8% increase due to additional payments made to correct prior years' annuity contributions. These payments bring our 2021-2023 annuity contributions into full compliance with the requirements stipulated in our Pastor's Call Letter.
- **Audit Expense:** The \$5,000 cost of our financial review was paid with our audit reserve funds. An additional \$4,523 was spent to provide auditor and bookkeeper support as we implemented the changes

recommended in the Auditor Review Report. The \$4,351 balance in our audit reserve fund was used with approval from the congregation to pay for this support. The remaining \$172 is our audit expense for 2023.

- **Copier Expenses** were \$5,893 vs. budgeted \$4,000, an increase of \$1,893 or 47% due to the high cost of color copies.
- **Professional Development** activities were deferred again this year as Rev. Peter focused his time and attention on keeping our Church programs and ministries up and running. The actual expense was \$4,475 vs. budgeted \$7,200. This was a savings of \$2,725 and 38%.
- **UCC Dues Expense** was \$3,832 less than planned. This represents the 50% of our proportional giving to UCC that is paid from our Operating budget. As approved at our church Business Meeting in October, we notified UCC that, due to our large operating deficit, we would not be paying this 50%. We did pay the \$3,832 that represents the 50% budgeted from Outreach & Service.
- **Utilities expenses** were \$34,236 vs. budgeted \$35,720, a 4% savings vs. our budget. Our electric expense was \$2,085 over budget and was offset by fuel expense that was \$4,322 less than budget.
- **Snow:** We are very grateful to P.A. Landers and the Landers family for the service and cost savings they provide with their snow removal and snow plowing. This allows the Church to use those savings for other expenses and ministries.

BUDGET/ACTUAL 2023 SUMMARY

Financially, 2023 was stronger than anticipated, and our operating income deficit of \$46,490 was \$20,292 less than our planned \$66,782 deficit. Our total offering income was \$6,043 and 3.6% higher than budgeted and was augmented by \$25,071 in Thrift Shop income. This 2023 operating deficit will be covered by the use of our \$30,000 of prior years' surplus pledge income and a transfer of \$16,490 from the general endowment fund. An operating income/expense summary is presented on the next page.

We are encouraged by the progress the Church has made in 2023 and we look forward to 2024: our programs and ministries are up and running and you can feel the energy in the Church. However, the \$46,440 deficit required to fund these activities represents 9% of our year-end general endowment fund balance.

We were fortunate to have \$30,000 in pledge income from prior years to use this year, so we needed to withdraw only \$16,490 from endowment funds. In the future, we will have to rely totally on our general endowment funds to bridge our deficits.

Our offerings have been declining. Pledged giving represents 85–90% of total offerings and it has declined by 17% since 2013. Our operating expenses have increased 4% compared with the average of our operating expenses since 2013 (not including the 2020-2021 pandemic years). Many of our expenses are fixed and they do not decline proportionally with declines in membership, attendance, and offerings.

We need to work together in 2024 to develop and implement a strategy that increases our income and/or decreases our expenses so that we can continue to do God's work at home and in the community without depleting our endowment reserve funds.

2023 Actual Vs. Budget Operating Income & Expense				
Income Sources	2023 Actual	2023 Budget	Actual vs. Budget Variance	
Operating Income			\$	%
Offerings	\$171,653	\$165,610	6,043	3.6%
Rentals	\$10,585	\$15,980	(5,395)	-33.8%
Other Donations	\$0	\$400	(400)	-100.0%
Fundraising	\$0	\$4,000	(4,000)	-100.0%
Thrift Shop	\$25,071	\$18,200	6,871	37.8%
Other Investment Income	\$788	\$505	283	56.0%
Misc. Income Statement Items	\$1,110	\$300	810	270.0%
Total Income	\$209,207	\$204,995	4,212	2.1%
Deficit Funding				
Prior Years' Pledge Surplus	\$30,000	\$30,000	-	0.0%
***Endowment Fund Transfer	\$16,490	\$36,782	(20,292)	-55.2%
Total 2023 Deficit	\$46,490	\$66,782	(20,292)	-30.4%
Total Operating Income	\$255,697	\$271,777	(16,080)	-5.9%
Expenses				
Personnel	\$157,660	\$165,367	(7,707)	-4.7%
Substitute/Guest Services	\$6,200	\$6,500	(300)	-4.6%
Insurance	\$18,866	\$18,863	3	0.0%
Office Support	\$14,929	\$12,450	2,479	19.9%
Pastor Professional Expenses	\$4,475	\$7,200	(2,725)	-37.8%
Professional fees	\$14,065	\$15,000	(935)	-6.2%
UCC Dues	\$0	\$3,832	(3,832)	-100.0%
Committee Expenses	\$5,266	\$6,845	(1,579)	-23.1%
Utilities	\$34,236	\$35,720	(1,484)	-4.2%
Total Operating Expenses	\$255,697	\$271,777	(16,080)	-5.9%
Total Operating Income	\$255,697	\$271,777	(16,080)	-5.9%
- Total Operating Expenses	\$255,697	\$271,777	(16,080)	-5.9%
= Net Operating Income	\$0	\$0	\$0	0.0%

*** Endowment Fund Balance	
2023 General Endowment Funds	\$526,016
Less 2023 deficit fund transfer	<u>(\$16,490)</u>
= Net 2024 General Endowment Funds	\$509,526
+ Restricted Endowment Funds	<u>\$148,344</u>
=Total 2024 Endowment Funds	\$657,870

Respectfully submitted,
Deborah Springhetti, Finance Board Chair

First Congregational Church of Hanover
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	Actual 2023	Budget 2023	Last Year 2022	Variance 2023 Actual Vs. Budget		Variance 2023 Actual Vs. Last Year	
				\$	%	\$	%
Income							
4000 Non-Restricted Income							
4001 Offerings							
4010 Pledge Income	148,479	152,000	153,439	(3,521)	-2.3%	(4,960)	-3.2%
4020 Loose Offering	4,542	2,000	2,147	2,542	127.1%	2,395	111.5%
4030 Non-Pledged Offering	14,458	9,000	9,186	5,458	60.6%	5,272	57.4%
4040 Christmas Offering	2,175	1,500	1,760	675	45.0%	415	23.6%
4050 Easter Offering	875	1,000	1,185	(125)	-12.5%	(310)	-26.2%
4070 Initial Offering	120	110	110	10	9.1%	10	9.1%
4080 Prior Year Pledge / Retained Earnings	31,004	30,000	2,800	1,004	3.3%	28,204	1007.3%
4090 Next Year Pledge Income	0	0	275	0		(275)	-100.0%
Total 4001 Offerings	201,653	195,610	170,902	6,043	3.1%	30,751	18.0%
4005 Bank Interest	3	5	3	(2)	59.2%	0	3.5%
4006 On Line Giving Srvce Cost Offset	251	300	278	(49)	83.6%	(27)	-9.9%
4100 Rental Income							
4110 AA Wednesday & Thursday	2,275	2,100	1,925	175	108.3%	350	18.2%
4120 Future Tenants	0	11,880	8,790	(11,880)	0.0%	(8,790)	-100.0%
4130 Other Rentals	6,710	2,000	1,790	0	335.5%	4,920	274.9%
4150 AA Big Book Step Workshop	1,600			0		1,600	
Total 4100 Rental Income	10,585	15,980	12,505	(5,395)	-33.8%	(1,920)	-15.4%
4200 Other Donations							
4210 Baptisms	0	100	250	(100)	0.0%	(250)	-100.0%
4230 Funerals	0	300	0	(300)	0.0%	0	
4240 Other Miscellaneous Donations		0		0		0	
Total 4200 Other Donations	0	400	250	(400)	-100.0%	(250)	-100.0%
4250 Fundraising	0	4,000	3,436	(4,000)	0.0%	(3,436)	-100.0%
4251 Thrift Shop	24,096	18,000	23,762	6,096	133.9%	334	1.4%
4252 Thrift Shop Donation	975	200	550	775	487.6%	425	77.3%
4260 Other Investment Income	785	500	942	285	157.0%	(157)	-16.6%
4271 Endowment Inc. Dist - Prior Year	16,490	36,782	9,520	(20,292)	44.8%	6,970	73.2%
4280 Refunds for Overpayments	557	0	4,087	557		(3,529)	-86.4%
4285 NSF -Returned Checks	302	0	250	302		52	20.9%
Total 4000 Non-Restricted Income	255,697	271,777	226,485	(16,080)	-5.9%	29,212	12.9%
4300 Restricted Income							
4400 Donations							
4410 Flowers	1,607		1,573	1,607		34	2.2%
4420 Memorial Fund	22,529		23,837	22,529		(1,308)	-5.5%
4440 Church Fair	9,081		9,074	9,081		7	0.1%
4450 Misc Restricted Donations	6,062		3,414	6,062		2,648	77.6%
Total 4400 Donations	39,279	0	37,898	39,279		1,381	3.6%
4500 Deacon's Fund	1,605		2,827	1,605		(1,222)	-43.2%
4501 Thrift Shop Sales Tax	996		1,488	996		(493)	-33.1%
4503 Pastor's Discretionary Fund	0		10	0		(10)	-100.0%
4504 Technology	30			30		0	
4600 Youth Ministry Restricted	0			0		0	
4610 Vacation Bible School	0		120	0		(120)	-100.0%
4630 Youth Ministry Income	272		1,400	272		(1,128)	-80.6%
4640 Mission Trip Fundraising	47		223	47		(176)	-79.0%
Total 4600 Youth Ministry Restricted	319	0	1,743	319		(1,424)	-81.7%
4700 Outreach & Service							
4710 Pledges	20,789	19,801	20,101	988	105.0%	687	3.4%
4720 Food Pantry	520		100	520		420	420.0%
4730 One Great Hour of Sharing	390			390			
4740 Special Relief	1,713		4,836	1,713		(3,123)	-64.6%
4750 Church World Service	650			650			
4760 Heifer Project	304		247	304		57	23.1%
4770 Prior Year Pledge	126		350	126		(225)	-64.1%
4771 Next Year Pledge Income	0		54	0		(54)	-100.0%
Total 4700 Outreach & Service	24,491	19,801	25,688	4,690	23.7%	(1,197)	-4.7%

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	Actual 2023	Budget 2023	Last Year 2022	Variance 2023 Actual Vs. Budget		Variance 2023 Actual Vs. Last Year	
				\$	%	\$	%
4800 Building Fund			25	0		(25)	-100.0%
4810 Pledges	23,021	23,337	23,075	(316)	98.6%	(53)	-0.2%
4820 Prior Year Pledge	1,628		350	1,628		1,278	365.0%
4821 Next Year Pledge Income	0		83	0		(83)	-100.0%
4830 Special Projects	0		13,963	0		(13,963)	-100.0%
Total 4800 Building Fund	24,649	23,337	37,496	1,312	5.6%	(12,847)	-34.3%
Total 4300 Restricted Income	91,368	43,138	107,150	48,230	111.8%	(15,782)	-14.7%
Total Income	347,065	314,915	333,635	32,150	10.2%	13,430	4.0%
Expenses							
6000 Unrestricted Expense				0		0	
6100 Payroll				0		0	
6105 Salary and Wages	128,781	137,854	120,356	(9,073)	93.4%	8,425	7.0%
6110 Payroll Taxes	9,852	10,339	8,888	(487)	95.3%	964	10.9%
6115 Annuity	19,027	17,174	12,937	1,853	110.8%	6,090	47.1%
Total 6100 Payroll	157,660	165,367	142,180	(7,707)	-4.7%	15,479	10.9%
6150 Substitute/Guest Expenses				0		0	
6155 Guest Musicians	3,150	5,000	4,475	(1,850)	63.0%	(1,325)	-29.6%
6160 Substitute Organist	800	500	550	300	160.0%	250	45.5%
6165 Substitute Preacher	2,250	1,000	1,000	1,250	225.0%	1,250	125.0%
Total 6150 Substitute/Guest Expenses	6,200	6,500	6,025	(300)	-4.6%	175	2.9%
6200 Insurance				0		0	
6205 Health & Dental	1,164	1,122	1,680	42	103.7%	(516)	-30.7%
6210 Liability Insurance	17,702	16,600	16,582	1,102	106.6%	1,120	6.8%
6215 Life/Disability	0	1,141	88	(1,141)	0.0%	(88)	-100.0%
Total 6200 Insurance	18,866	18,863	18,350	3	0.0%	516	2.8%
6280 Returns/ Refund	437		4,087	437		(3,650)	-89.3%
6281 Refund for Overpayments	126		10				
6300 Office Expenses				0		0	
6305 Bank Charges	60	50	28	10	120.7%	32	112.2%
6306 Vanco Fees	373						
6307 Deposit Item Returned NSF	0		250	0		(250)	-100.0%
6315 Computer Software/Support	832	1,600	1,515	(768)	52.0%	(683)	-45.1%
6320 Copier Expenses	5,893	4,000	1,553	1,893	147.3%	4,340	279.5%
6325 Postage	1,462	1,200	1,017	262	121.9%	445	43.7%
Total 6300 Office Expenses	8,621	6,850	4,363	1,771	25.8%	4,257	97.6%
6350 Supplies & Expenses	5,746	5,600	5,584	146	102.6%	162	2.9%
6351 Parsonage Rental Expenses							
6400 Professional Development				0		0	
6405 Professional Expenses	1,534	1,500	1,768	34	102.3%	(234)	-13.2%
6406 Pastor Cell Phone	1,200	1,200	1,200	0	100.0%	0	0.0%
6410 Study Allowance	650	2,000		(1,350)	32.5%	650	
6415 Travel	1,090	2,500	989	(1,410)	43.6%	102	10.3%
Total 6400 Professional Development	4,475	7,200	3,957	(2,725)	-37.8%	518	13.1%
6500 Professional Fees						0	
6505 Audit Expense	172	0		172			
6510 Payroll Service	847	1,300	827	(453)	65.2%	20	2.5%
6515 Accounting Software	1,110	1,200	1,232	(90)	92.5%	(121)	-9.8%
6520 Online Giving	1,136	1,500	1,514	(364)	75.7%	(379)	-25.0%
6525 Professional Services	10,800	11,000		(200)	98.2%		
Total 6500 Professional Fees	14,065	15,000	3,573	(935)	-6.2%	10,492	293.7%
6600 UCC Dues	0	3,832	3,630	(3,832)	0.0%	(3,630)	-100.0%
6700 Fundraising				0		0	
6705 Consecration Luncheon		300		(300)	0.0%	0	
6710 Fall Dinner	0	300	205	(300)	0.0%	(205)	-100.0%
6715 Stewardship Materials	0	100	72	(100)	0.0%	(72)	-100.0%
Total 6700 Fundraising	0	700	277	(700)	-100.0%	(277)	-100.0%
6800 Program Expenses							
6805 Children's Day & Christmas	54	500	289	(446)	10.9%	(235)	-81.2%
6810 Confirmation & Youth Diaconate	42	1,000	36	(958)	4.2%	6	16.1%
6815 Curriculum	1,706	500	798	1,206	341.1%	908	113.7%
6820 Diaconate	231	200	104	31	115.4%	127	121.8%
6825 Sunday School Collection		10		(10)	0.0%	0	
6830 Transportation	2,046	1,620		426	126.3%	2,046	
6835 Upper Room	247	215	215	32	114.8%	32	15.0%
6840 Vacation Bible School	0	0	0	0		0	
6850 Youth Ministry - Fellowship	941	600	371	341	156.8%	570	153.7%
6870 Music Supplies & Expenses	0	1,500	16	(1,500)	0.0%	(16)	-100.0%
Total 6800 Program Expenses	5,266	6,145	1,829	(879)	-14.3%	3,438	188.0%

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	Actual 2023	Budget 2023	Last Year 2022	Variance 2023 Actual Vs. Budget		Variance 2023 Actual Vs. Last Year	
				\$	%	\$	%
6900 Utilities							
6905 Alarm System	2,020	1,554	1,316	466	130.0%	704	53.5%
6910 Electricity	11,265	9,200	9,195	2,065	122.4%	2,071	22.5%
6915 Fuel	11,856	16,178	14,495	(4,322)	73.3%	(2,639)	-18.2%
6920 Telephone/Internet	5,977	5,600	4,537	377	106.7%	1,441	31.8%
6925 Trash Removal	1,484	1,588	1,492	(104)	93.4%	(8)	-0.6%
6930 Water	1,634	1,600	1,586	34	102.1%	47	3.0%
Total 6900 Utilities	34,236	35,720	32,621	(1,484)	-4.2%	1,615	4.9%
Total 6000 Non-Restricted Expense	255,697	271,777	226,485	(16,081)	-5.9%	29,212	12.9%
8000 Restricted Expenses							
8001 Technology	4,762		15,281	4,762			
8100 Building Fund		23,337					
8110 Interior Paint & Repairs	2,918		6,151	2,918		(3,232)	-52.5%
8120 Exterior Paint & Repairs	1,712		4,293	1,712		(2,582)	-60.1%
8140 Grounds Maintenance	5,610		4,030	5,610		1,580	39.2%
8150 Elevator Maintenance	5,202		3,435	5,202		1,767	51.4%
8160 Boiler Maintenance	1,798		5,260	1,798		(3,462)	-65.8%
8170 Miscellaneous	2,769		1,416	2,769		1,352	95.5%
8180 Special Projects	0		17,681	0		(17,681)	-100.0%
Total 8100 Building Fund	20,009	23,337	42,266	(3,328)	-14.3%	(22,258)	-52.7%
8200 Fund Expenses							
8220 Flower Fund	1,136		3,384	1,136		(2,248)	-66.4%
8230 Haupt Bible Fund	0		122	0		(122)	-100.0%
8240 Memorial Fund	2,320		3,052	2,320		(732)	-24.0%
8250 Christy Fund			3,600	0		(3,600)	-100.0%
8270 Church Fair			101	0		(101)	-100.0%
8280 Misc. Restricted Expenses	5,400		100	5,400		5,300	5312.4%
Total 8200 Fund Expenses	8,856	0	10,359	8,856		(1,503)	-14.5%
8400 Discretionary Expenses							
8410 Pastor's Discretionary	400		1,590	400		(1,190)	-74.8%
8420 Deacon's Fund	938	0	0	938	0.0%	938	0.0%
Total 8400 Discretionary Expenses	1,338	0	1,590	1,338	0.0%	(253)	-15.9%
8500 Outreach & Service							
8505 UCC OCWM	3,832	3,832	3,630	0	0.0%	203	5.6%
8510 Pilgrim Association	221		321	221		(100)	-31.2%
8515 Mainspring House	2,592		2,371	2,592		221	9.3%
8520 Habitat for Humanity	500			500			
8521 One Great Hour of Sharing	500			500			
8522 Church World Services	942		1,118	942		(176)	-15.7%
8525 Seafarers' Friends	500			500			
8530 Hanover Food Pantry	2,000			2,000			
8540 Other	8,514	14,769	5,294	(6,325)	57.4%	3,220	60.8%
8580 Student Minister	1,200	1,200					
Total 8500 Outreach & Service	20,801	19,801	12,734	1,000	5.0%	8,067	63.4%
8600 Thrift Shop Sales Tax	909		4,363	909		(3,454)	-79.2%
8900 Misc. Restricted Expenses	0		4,091	0		(4,091)	-100.0%
Total 8000 Restricted Expenses	56,674	43,138	90,685	13,536	31.4%	(34,010)	-37.5%
Total Expenses	312,371	314,915	317,170	(2,544)	-0.8%	(4,799)	-1.5%
Total Operating Income	255,697	271,777	226,485	(16,080)	-5.9%	29,212	12.9%
Total Operating Expenses	255,697	271,777	226,485	(16,081)	-5.9%	29,212	12.9%
Net Operating Income	0	(0)	0	0	-100.0%	0	
Total Restricted Income	91,368	43,138	107,150				
Total Restricted Expenses	56,674	43,138	90,685				
Net Restricted Income	34,693	0	16,465				
Net Operating Income	0	(0)	0				
Net Restricted Funds Income	34,693	0	16,465				
Total Church Net Income	34,693	(0)	16,465				

First Congregational Church of Hanover – 2024 Budget Proposal

Our proposed budget for 2024 is a plan that continues the progress that was made in 2023. Our Church activities and programs are up and running and we are attracting new members. Budget line-item detail for the entire 2024 budget is available at the end of this report.

Operating Budget 2024

- **Projected Operating Income is \$195,065** vs. 2023 actual of \$209,207, which is a 6.8% decrease. This decrease in projected 2024 income has caused the need for reductions in expenses in our 2024 budget vs. last year.
- **Offering income** is conservatively budgeted based on pledges received and has declined by 7.7% vs. last year.
- **Rental Income** is based on current tenants.
- **Thrift Shop Income** projection is conservative in comparison to 2023.
- **Operating Income Shortfall:** There is a shortfall this year in our projected Operating Income vs. projected Operating Expenses of \$51,453. This deficit gap will be bridged by a transfer of endowment funds and represents 10% of the \$509,526 available in our General Endowment Fund.
- **Projected Operating Expenses are \$246,518**, which is a 3.6% decrease from last year. The proposed line-item decreases in operating expenses are due to the decline in projected income vs. 2023.

Proposed 2024 Operating Budget				
Income Sources	2024 Proposed		Variance	
	Operating Budget	2023 Actual	\$	%
Operating Income				
Offerings	\$158,400	\$171,653	(13,253)	-7.7%
Rentals	\$10,660	\$10,585	75	0.7%
Other Donations	\$0	\$0	-	0.0%
Fundraising	\$3,000	\$0	3,000	0.0%
Thrift Shop	\$22,000	\$25,071	(3,071)	-12.2%
Other Investment Income	\$1,005	\$788	217	27.5%
Misc. Income Statement Items	\$0	\$1,110	(1,110)	-100.0%
Total Income	\$195,065	\$209,207	(14,142)	-6.8%
Deficit Funding				
Prior Years' Retained Earnings	\$0	\$30,000	(30,000)	0.0%
Endowment Fund Transfer	\$51,453	\$16,490	34,963	212.0%
Total Deficit	\$51,453	\$46,490	4,963	10.7%
Total Operating Income	\$246,518	\$255,697	(9,179)	-3.6%
Expenses				
Personnel	\$150,773	\$157,660	(6,887)	-4.4%
Substitute/Guest Services	\$1,900	\$6,200	(4,300)	-69.4%
Insurance	\$19,100	\$18,866	234	1.2%
Office Support	\$14,000	\$14,929	(929)	-6.2%
Pastor Professional Expenses	\$6,000	\$4,475	1,525	34.1%
Professional fees	\$12,750	\$14,065	(1,315)	-9.3%
UCC Dues	\$0	\$0	-	0.0%
Committee Expenses	\$4,715	\$5,266	(551)	-10.5%
Utilities	\$37,280	\$34,236	3,044	8.9%
Total Operating Expenses	\$246,518	\$255,697	(9,179)	-3.6%
Total Operating Income	\$246,518	\$255,697	(9,179)	-3.6%
- Total Operating Expenses	\$246,518	\$255,697	(9,179)	-3.6%
= Net Operating Income	\$0	\$0	\$0	0.0%

- **Outreach & Service (Restricted)** budget for 2024 is \$17,598.
- **Building Fund (Restricted)** budget for 2024 is \$23,398.

Here are some details of our assumptions for 2024:

Personnel:

- **Christian Education:** Because of our reduced income vs. last year, we propose to eliminate the position of Minister of Faith Formation as of April 1.
- **Facilities:** Jim Millins was hired in 2022 as our Facilities Steward and he will be working along with Karen Tripp, our Sexton to maintain our campus with no reduction in hours vs. 2023.
- **Office Staff:** Our Church Secretary will be in the office for 2 days a week.
- **2024 Salary Increases** of 2.5% for the Church Secretary and Sexton positions are included in to bring their pay scales closer to market rate. These salary increases amount to a total increase of \$538 for 2024.
- **Student Minister:** Kim Engle will be with us until the end of the school year in May and we will have a new student in September. This \$4,000 expense is not part of our operating budget. We fund our student ministers from our Outreach & Service budget.

Substitute/Guest Services:

- Our budget for guest musicians, organists, and preachers is \$1,900 which is a 69% (\$4,300) reduction vs. last year. Guest musician expenses for 2024 have instead been budgeted from the restricted Clapp Music Fund to reduce our operating expenses.

Insurance Expense:

- Our property and liability insurance expense is budgeted at \$19,100, a 7.9% increase over last year.

Office Support Expenses:

- Our Office support budget has been reduced by \$879. This is 5.9% less than last year due reductions in planned postage and color copier expenses.

Pastor Professional Expenses:

- Pastor professional development expenses for 2024 are budgeted at \$6,000 in compliance with the specifications in Rev. Peter's Call Letter *with the exception of the pastor's cell phone and parsonage internet/phone expenses*. The pastor will be paying these expenses in 2024 as the final settlement of his salary over-payment in 2022. They will be included again in our operating budget beginning in 2025.

Professional Fees:

- **Public Relations/Social Media** professional Michelle McGrath is budgeted for 3 months of services at a cost of \$1,800. Due to the reduction in income vs. last year, we propose to eliminate this position as of April 1. It is very important that the Church continues its presence on social media and we are hoping to have volunteers who can help us maintain this outreach.
- **Bookkeeping Services:** We hired Valerie Fink, our new bookkeeper this fall. The position of Church Treasurer has become too complex for our part-time volunteers and this additional assistance enables the Church to stay current with financial obligations, reports, and financial analysis. She has been a great help to us as we implemented many of the changes recommended in the Financial Review Report. The cost of this service in 2024 is budgeted at \$5,000.
- **Financial Audit:** Our by-laws require a Financial Review every other year. The estimated cost of our next audit in 2025 is \$3,500 and we have budgeted half of the expense this year and will budget the other half next year. This year's \$1,750 expense will be transferred to the Audit Reserve Fund pending our next audit.

Committee Expenses:

- Committee expenses are budgeted at \$4,715 which is a decrease of 10.5% from last year. A restricted donation of \$1,400 is available for youth programs and activities to augment the Christian Education budget.

Utilities:

- Utilities expenses are budgeted at \$37,280, which is an 8.9% increase over last year due to inflation. We are projecting 2024 increases in alarm system costs, electricity, and fuel which are offset slightly

by the reduced parsonage internet/telephone expense. The pastor will be paying for parsonage internet/telephone expense in 2024 only as part of the final settlement of his 2022 salary overpayment.

UCC Proportional Giving

- Our proportional giving as detailed below is calculated to be \$7,401 based on 2023 income. Due to our decline in projected income vs. last year, we will again be paying only fifty percent (\$3,701) of our dues. It will be paid from the Outreach & Service budget, and we have notified the UCC Conference that we will not be paying the remaining fifty percent from our operating budget this year.

First Congregational Church of Hanover		
UCC Proportional Giving Calculation		
	2023 Income	
Total Operating Income	\$	209,207
Total O & S Pledge Income	\$	24,491
Subtract:		
Rental Income	\$	(10,585)
Fund Reimbursement		
Returns/Refunds	\$	(859)
NSF-Returned Checks	\$	-
Proportional Giving Income Total	\$	222,254
Proportional Giving Percent		3.33%
Proportional Giving Due:	\$	7,401

We have made significant cuts in expenses with particular attention to making sure that we will still be able to maintain our programs and outreach. In music and youth programming we are planning to use some of our Restricted Endowment funds to bridge the gaps. We need to be able to continue to do God's work at home and in the world in 2024 and the future. The Finance Committee recommends that the following steps be taken to provide the funds necessary to support our endeavors:

- We have budgeted for a \$3,000 fundraising challenge. This is the year to expand on our fundraising activities. Let's all come up with ideas that can raise funds and make our presence known in the community. Everyone can get involved.
- Our budget deficit after the fundraising is \$51,453 and the Finance Committee recommends that the Congregation approve a transfer from the General Endowment Fund for this amount.

The Finance Committee is aware that we are asking the Congregation *again* for a significant operating subsidy of \$51,453. On January 14, 2024, an informational church meeting was held after the worship service at which time the Finance Committee presented two possible 2024 budgets for discussion. One option would have balanced the 2024 budget close to the \$10,000 deficit limit that the Congregation voted to recommend at the Budget Review meeting held in October 2023. This option required us to cut the pastor's position to half-time.

The second option was similar to the budget now being proposed, resulting in a significant deficit for the second year in a row. Comments at the January 14th meeting were strongly in favor of not reducing the pastor's position to half-time, but, instead, striving to develop additional revenue sources in order to continue our current level of programs and ministries.

Therefore, the Finance Committee recommends approval of this proposed budget. We also recommend that the Congregation meet again in June to review our progress. We thank everyone in the Church for their efforts in 2023 and we look forward to working together in 2024.

Respectfully submitted,
Deborah Springhetti, Finance Chair

First Congregational Church of Hanover

January 1, 2024 - Dec 31, 2024

Proposed Budget 2024

	Budget 2024	Actual 2023	Variance	
			Budget 2024 vs Actual 2023	
			\$	%
Income				
4000 Non-Restricted Income				
4001 Offerings				
4010 Pledge Income	138,800	148,479	(9,679)	-6.52%
4020 Loose Offering	4,000	4,542	(542)	-11.92%
4030 Non-Pledged Offering	13,000	14,458	(1,458)	-10.08%
4040 Christmas Offering	1,500	2,175	(675)	-31.03%
4050 Easter Offering	1,000	875	125	14.29%
4070 Initial Offering	100	120	(20)	-16.67%
4080 Prior Year Pledge		31,004	(31,004)	-100.00%
4090 Next Year Pledge		0	0	0.00%
Total 4001 Offerings	158,400	201,653	(43,253)	-21.45%
4005 Bank Interest	5	3	2	68.92%
4006 On Line Giving Service Cost				
Offset	300	251	49	19.69%
4100 Rental Income				
4110 AA Wed & Thurs	2,100	2,275	(175)	-7.69%
4120 Future Tenants	900	0	900	0.00%
4130 Other Rentals	6,660	6,710	(50)	-0.75%
4150 AA Big Bk Step Wkshp	1,000	1,600	(600)	-37.50%
Total 4100 Rental Income	10,660	10,585	75	0.71%
4200 Other Donations				
4210 Baptisms	0	0	0	0.00%
4230 Funerals	0	0	0	0.00%
4240 Other Miscellaneous Donations	0	0	0	0.00%
Total 4200 Other Donations	0	0	0	0.00%
4250 Fundraising	3,000	0	3,000	0.00%
4251 Thrift Shop	22,000	24,096	(2,096)	-8.70%
4252 Thrift Shop Donation	-	975	(975)	-100.00%
4260 Other Investment Income	700	785	(85)	-10.81%
4271 Endowment Income Dist - Prior Year	51,453	16,490	34,963	212.03%
4280 Refund for Overpayment		557	(557)	-100.00%
4281 Returns/Refunds		302	(302)	-100.00%
4285 NSF - Returned Checks		0	0	0.00%
4940 Christie Fund Reimbursement	-	0		
Total 4000 Non-Restricted Income	246,518	255,697	(9,179)	-3.59%
4300 Restricted Income				
4400 Donations				
4410 Flowers		1,607		
4420 Memorial Fund		22,529		
4430 Clapp Fund		0		
4440 Church Fair		9,081		
4450 Misc Restricted Donations		6,062		
Total 4400 Donations	0	39,279		
4500 Deacon's Fund		1,605		
4501 Thrift Shop Sales Tax		996		
4503 Pastor's Discretionary Fund		0		
4504 Technology		30		
4600 Youth Ministry Restricted				
4610 Vacation Bible School		272		
4630 Youth Ministry Income		47		
4640 Mission Trip Fundraising		0		
Total 4600 Youth Ministry Restricted	-	319		
4700 Outreach & Service				
4710 Pledges	17,598	20,789	(3,191)	-15.35%
4720 Food Pantry		520	(520)	-100.00%
4730 One Great Hour of Sharing		390		
4740 Special Relief		1,713	(1,713)	-100.00%
4750 Church World Service		650		
4760 Heifer Project		304	(304)	-100.00%
4770 Prior Year Pledge		126	(126)	-100.00%
4770 Prior Year Pledge		0	0	0.00%
Total 4700 Outreach & Service	17,598	24,491	(6,893)	-28.14%

First Congregational Church of Hanover
January 1, 2024 - Dec 31, 2024
Proposed Budget 2024

	Budget 2024	Actual 2023	Variance	
			Budget 2024 vs Actual 2023	
			\$	%
4800 Building Fund		0		
4810 Pledges	23,398	23,021	377	1.64%
4820 Prior Year Pledge		1,628	(1,628)	-100.00%
4821 Next Year Pledge		0	0	0.00%
4830 Special Projects		0	0	0.00%
Total 4800 Building Fund	23,398	24,649	(1,251)	-5.07%
Total 4300 Restricted Income	40,996	91,368	(50,372)	-55.13%
Total Income	287,514	347,065	(59,551)	191.56%
Expenses				
6000 Unrestricted Expense				
6100 Payroll				
6105 Salary and Wages	126,091	128,781	(2,690)	-2.09%
6110 Payroll Taxes	9,646	9,852	(206)	-2.09%
6115 Annuity	15,036	19,027	(3,990)	-20.97%
Total 6100 Payroll	150,773	157,660	(6,886)	-4.37%
6150 Substitute/Guest Expenses				
6155 Guest Musicians	0	3,150	(3,150)	-100.00%
6160 Substitute Organist	1,000	800	200	25.00%
6165 Substitute Preacher	900	2,250	(1,350)	-60.00%
Total 6150 Substitute/Guest Expenses	1,900	6,200	(4,300)	-69.35%
6200 Insurance				
6205 Health & Dental	-	1,164	(1,164)	-100.00%
6210 Liability Insurance	19,100	17,702	1,398	7.90%
6215 Life/Disability	-	0	0	0.00%
Total 6200 Insurance	19,100	18,866	234	1.24%
6280 Refund for Overpayments	-	437	(437)	-100.00%
6281 Returns/Refunds	-	126	(126)	-100.00%
6300 Office Expenses				
6305 Bank Charges	100	60	40	65.70%
6306 Vanco Fees	375	373	2	0.61%
6307 Deposit Item Returned		0		
6315 Computer Software/Support	1,200	832	368	44.26%
6320 Copier Expenses	5,350	5,893	(543)	-9.22%
6325 Postage	1,000	1,462	(462)	-31.62%
Total 6300 Office Expenses	8,025	8,621	(596)	-6.91%
6350 Supplies & Expenses	5,600	5,746	(146)	114.92%
6400 Professional Development				
6405 Professional Expenses	1,500	1,534	(34)	-2.25%
6406 Pastor Cell Phone	-	1,200	(1,200)	-100.00%
6410 Study Allowance	2,000	650	1,350	207.69%
6415 Travel	2,500	1,090	1,410	129.27%
Total 6400 Professional Development	6,000	4,475	1,525	34.08%
6500 Professional Fees				
6505 Audit Expense	1,750	172	1,579	920.41%
6510 Payroll Service	1,500	847	653	77.01%
6515 Accounting Software	1,200	1,110	90	8.08%
6520 Online Giving	1,500	1,136	364	32.08%
6525 Professional Services	6,800	10,800	(4,000)	-37.04%
Total 6500 Professional Fees	12,750	14,065	(1,315)	-9.35%
6600 UCC Dues		0	0	0.00%
6700 Fundraising	-	0	0	0.00%
6705 Hospitality	500	0	500	0.00%
6710 Fall Dinner	250	0	250	0.00%
6715 Stewardship	150	0	150	0.00%
Total 6700 Fundraising	900	0	900	0.00%
6800 Program Expenses				
6805 Children's Day & Christmas	250	54	196	360.83%
6810 Confirmation and Youth Diaconate	250	42	208	492.70%
6815 Curriculum	1,000	1,706	(706)	-41.37%
6820 Diaconate	200	231	(31)	-13.33%
6830 Transportation	250	2,046	(1,796)	-87.78%
6835 Upper Room	215	247	(32)	-12.87%
6840 Vacation Bible School			0	0.00%
6850 Youth Ministry - Fellowship	600	941	(341)	-36.23%
6870 Music Supplies & Expenses	1,050	0	1,050	0.00%
Total 6800 Program Expenses	3,815	5,266	(1,451)	-27.56%

First Congregational Church of Hanover
January 1, 2024 - Dec 31, 2024
Proposed Budget 2024

	Budget 2024	Actual 2023	Variance	
			Budget 2024 vs Actual 2023	
			\$	%
6900 Utilities				
6905 Alarm System	2,500	2,020	480	23.77%
6910 Electricity	12,500	11,265	1,235	10.96%
6915 Fuel	15,000	11,856	3,144	26.52%
6920 Telephone/Internet	4,280	5,977	(1,697)	-28.39%
6925 Trash Removal	1,500	1,484	16	1.10%
6930 Water	1,500	1,634	(134)	-8.19%
Total 6900 Utilities	37,280	34,236	3,044	8.89%
Total 6000 Unrestricted Expense	246,518	255,697	(9,553)	-3.74%
8000 Restricted Expenses				
8001 Technology		4,762	(4,762)	-100.00%
8100 Building Fund				
8110 Interior Paint & Repairs	23,398	2,918	20,480	701.72%
8120 Exterior Paint & Repairs		1,712	(1,712)	-100.00%
8140 Grounds Maintenance		5,610	(5,610)	-100.00%
8150 Elevator Maintenance		5,202	(5,202)	-100.00%
8160 Boiler Maintenance		1,798	(1,798)	-100.00%
8170 Miscellaneous		2,769	(2,769)	-100.00%
8180 Special Projects		0	0	0.00%
Total 8100 Building Fund	23,398	20,009	3,389	16.94%
8200 Fund Expenses				
8220 Flower Fund		1,136		
8230 Haupt Bible Fund		0		
8240 Memorial Fund		2,320		
8250 Christy Fund		0	0	0.00%
8270 Church Fair		0	0	0.00%
8280 Misc Restricted Expenses		5,400	(5,400)	-100.00%
Total 8200 Fund Expenses	-	8,856	(8,856)	-100.00%
8400 Discretionary Expenses				
8410 Pastor's Discretionary Fund		400		
8420 Deacon's Fund		938	(938)	-100.00%
Total 8400 Discretionary Expenses	\$ 0.00	1,338	(938)	-70.10%
8500 Outreach & Service				
8505 UCC OCWM	3,700	3,832	(133)	-3.46%
8510 Pilgrim Association		221	(221)	-100.00%
8515 Mainspring House		2,592	(2,592)	-100.00%
8520 Habitat for Humanity		500	(500)	-100.00%
8521 One Great Hour of Sharing		500	(500)	-100.00%
8522 Church World Services		942	(942)	-100.00%
8525 Seafarer's Friends		500		
8530 Hanover Food Pantry		2,000		
8540 Other	9,899	8,514	1,385	16.26%
8580 Student Minister	4,000	1,200	2,800	233.33%
Total 8500 Outreach & Service	17,598	20,801	(3,203)	-15.40%
8504 Technology		0	0	0.00%
8600 Thrift Shop Sales Tax		909	(909)	-100.00%
8840 Youth Ministry Program		0	0	
8900 Misc. Restricted Expenses		0	0	0.00%
Total 8000 Restricted Expenses	40,996	56,674	(15,678)	-27.66%
Total Expenses	287,514	312,371	(24,857)	-7.96%
Total Operating Income	246,518	255,697	(9,179)	-3.59%
Total Operating Expenses	246,518	255,697	(9,178)	-3.59%
Net Operating Income - Expenses	(0)	0	(0)	0.00%
Total Restricted Income	40,996	91,368	(50,372)	-55.13%
Total Restricted Expenses	40,996	56,674	(15,678)	-27.66%
Net Restricted Income - Expenses	0	34,693		
Net Operating Income	(0)	0	(0)	0.00%
Net Restricted Funds Income	0	34,693	(34,693)	-100.00%
Total Church Net Income	(0)	34,693	(34,694)	-100.00%

MINUTES OF ANNUAL MEETING – FEBRUARY 19, 2023
RECORDED BY CHURCH CLERK

The meeting opened at 10:49 AM.

The Moderator went over the agenda before voting on any business.

Rev. Peter gave an opening prayer. The congregation sang an opening hymn.

VOTED: Motion made, seconded, and carried to waive the reading of the minutes of the February 6, 2022, Annual Meeting.

VOTED: Motion made, seconded, and carried to approve the minutes of the February 6, 2022, Annual Meeting.

Rev. Peter made a few comments to the Church, including that we do still have a Sunday School and Youth Fellowship. We are moving forward with modern technology, which is allowing Deb Springhetti to join us from Florida. We have started a ministry at Benchmark Senior Living Facility. There is the monthly Minister's tea which is held in the afternoon, so that anyone who does not drive at night can participate. We now have a full staff, including a facilities Manager who is helping to bring the property back to where it was pre-covid.

VOTED: Motion made seconded and carried to approve the reports of the Officers, Staff, and Boards and Committees for 2022.

Deb Springhetti explained the Church's finances for 2022. Total operating budget for 2022 was approved at \$252,540. We spent \$226,485. Income came from pledges and offerings, rentals, fundraising, the thrift shop, and investment income. In 2022 additional income was from "Prior Year Pledges" (\$30,001) and a transfer from income in the Endowment Fund (\$35,206). The congregation approved this. Only \$9,520 of the additional income was used, savings were mostly due to reduced salary costs. It took some time to find the right people to fill some positions. We finished the year with a full staff and programs in place for the start of 2023.

Wally Reed asked if any of the endowment money was principle. It was, the Fund did lose money during 2022 which does happen with investments. In past years, investment principle was never to be used to balance the budget. Any money used was always returned to the fund when available. The Finance Board is aware that using the investments can be risky. A great deal of work went into the 2023 budget and Finance is not making any of the recommendations lightly.

Deb Zawalich had some corrections to the Investment Fund report. All the gains and losses should be negative. The Pastor's Sabbatical beginning balance should be \$15,458, with a loss of \$2,090, ending balance is \$13,368. Audit reserve beginning balance should be \$9,283 with a loss of \$1,258, ending balance is \$8,025.

VOTED: Motion made, seconded, and carried to approve the 2022 Financial Report with the noted corrections

The operating budget for 2023 is \$272,000. The Church has put in place staff and programs that will help us move forward. Payroll and professional services, Bookkeeper and Public Relations person account for most of the increase in the budget. A 4% increase has been given to Susan, Karen, and Rev. Peter. Budget for bookkeeping service is \$5,000 and for PR is \$6,000. Our student minister is paid from restricted funds, Outreach and Service Budget. An audit will be beginning in 2024 to review our finances.

The deficit is estimated to be \$66,000. We still have \$30,000 from previous years' income and propose to use \$37,000 from the Endowment Fund. The Finance Board has gone over the budget several times since November and all possible non-essential items have been removed. The Church has made great strides in coming back from extraordinary circumstances and we need this budget to continue our ministries. Finance is recommending that the budget be approved and that we look at additional fundraising to help close the gap. The budget could be approved, and a meeting could be held in June to review our finances.

Jamaal commented that his family is what we are looking to attract to the church. That may mean looking outside of Hanover to other communities. We need to make the church more attractive to younger families when we are looking to the future and to the growth of the church.

Rev. Peter mentioned that in 2022 we had five new members, and three confirmands joined the church. This year we have several new people coming to church and one confirmand. It is possible that we will have eighteen new members this year. That is 10% growth in two years. We also have one new family in the church. Most churches are not having any growth.

VOTED: Motion made seconded and carried to approve the 2023 budget as printed in the annual report.

The Outreach and Service budget for 2023 is \$19,801. The Building Fund budget is \$23,337. These are restricted funds determined by how members want their pledges spent. Traditionally pledges are 80% to operating expenses and 10% each to outreach and service and the building fund.

In 2023 we had no vice-moderator. Rev. Peter did help to fill some of the positions. The report will need some corrections:

Glenda Larson and Janet Cook joined the Flower Committee in 2022.

John Fox is on the Stewardship Committee and Diaconate.

The vice moderator in the past has been charged with helping to replace committee members. The committee themselves should be trying to fill positions until we can fill this position. The by-laws do allow for committee members to extend their term if a replacement cannot be found.

VOTED: Motion made seconded and carried to accept the Nominating Report as printed in the annual report with the noted corrections.

Jim did ask if anyone interested in joining one of the committees contact him.

OTHER BUSINESS:

Ava asked about reinstating greeters on Sunday mornings. They would not necessarily have to shake hands. It would be nice to have someone welcoming worshippers again. There are signup sheets if anyone would like to do this.

Communication technology has been updated. Live streaming the worship service, fire alarms etc. Technology needs to be reviewed and financially categorized properly.

Kristin Falcione has reached out to Rev. Peter and C.E. Committee regarding updating the Safe Church Policy. Hopefully, this will help attract new families to the church and protect the church legally.

The Trustees are looking at replacing the boilers in the church. They may have another two years of life in them. The driveway needs repaving. We would like to put in two handicapped spots, but these must be on level ground not on an incline.

Re. Peter gave a closing benediction.

VOTED: Motion made, seconded, and approved to close the meeting.

Meeting closed at 11:44 a.m.

Respectfully submitted.
Irene MacAskill
Church Clerk.

Nominating Committee Report

For both 2022 and 2023 we have not had a Vice-Moderator. One of the key responsibilities of the Vice Moderator is to chair the Nominating Committee, help gain commitments of volunteers to staff Church Officer positions and to populate our many boards/committees. Having this position open for so long has been a detriment to effectively managing the overall nominating process.

As we enter 2024, the first focus was on staffing Church Officer positions. Here is a table containing the list of volunteers for these positions for 2024.

Church Officer Position	Volunteer Name	Term
Moderator	Virgina Hunt	Two Years ¹
Vice Moderator	Ava Sigsby	Two Years ¹
Church Clerk	Irene MacAskill	One Year ²
Financial Secretary	Elaine Backer	One Year ²
Assistant Financial Secretary	Mary Dunn	One Year ²
Treasurer	James Hoyes	One Year ²
Assistant Treasurer ³	Carol Gillis	One Year ²

¹ May not succeed himself/herself in the same position.

² May hold successive terms without limitation.

³ Carol Gillis is holding the position for transition purposes (institutional knowledge, completion of open projects from 2023, and for meeting the need for a second signatory on some banking accounts; Carol plans to step down in 3Q24 when another candidate is identified.

The final Nominating Committee Report will be sent as a Constant Contact email message to congregational members prior to the January 28th Annual Meeting and will be provided as a handout at the Annual Meeting itself. In looking at the list of volunteers identified so far, the Finance Board, Christian Education Committee, Stewardship Committee and Flower Committee are most in need of volunteers with Finance Board and CE opening most pressing and critical to fill ASAP.

Finding volunteers is always a challenge in today's busy world. Personal, family, community and professional commitments expand every day. **However, volunteering for the church is extremely fulfilling and helps meet our commitment as members of FCC of Hanover to give of our time, talent, and resources to support the church and its ministries.** Most boards and committees meet once a month, often forgoing July/August meetings, and many have Zoom options. For members, meeting preparation and in-meeting time should average 3-4 hours per month. Of course, a few boards and committees have larger time commitment at certain times of the year (e.g., Stewardship in the Fall, Finance in December-January) and chairpersons may have additional time commitments such as Quarterly Church Cabinet meetings and other committee participatory needs.

Please carefully consider volunteering for a board or committee in 2024. Thank you.

Respectfully submitted,
James Hoyes, Moderator

Board of Trustees					
Member Name	Year Joined	Current Term Started	Year Official Term Ends	Term Length	Term Renewable?
Michael Wolongevicz	2020	Feb '22	2025	3	N
Wally Reed	2022	Feb '22	2025	3	N
Anthony Romano	2024	Feb '24	2026	3	Y
Ted Adami	2023	Feb '23	2026	3	Y
Dean Larson	2024	Feb '24	2027	3	Y
Don Morrison	2024	Feb '24	2027	3	Y
Vacant			2027	3	Y

Finance Committee					
Member Name	Year Joined	Current Term Started	Year Official Term Ends	Term Length	Term Renewable?
Deb Springhetti	2021	Feb '24	2025	3	Y
Vacant	2024	Feb '24	2025	3	Y
Bob Meader	2023	Nov '23	2026	3	Y
Vacant			2026	3	Y
Don Nelson	2024	Feb '24	2027	3	Y
Vacant			2027		
Treasurer (Ex Officio)					
Financial Secretary (Ex Officio)					

Investment Committee					
Member Name	Year Joined	Current Term Started	Year Official Term Ends	Term Length	Term Renewable?
Richard Zawalich		Moderator Reap- pointments	2025	1	Y
Hal Thomas			2025	1	Y
Deborah Zawalich			2025	1	Y
Member of Finance Board		FB Appointment	2025	1	Y
Member of Board of Trustees		BoT Appointment	2025	1	Y

If needed, back-up to the Investment Coordinator shall be provided by the Treasurer or Assistant Treasurer.

Flower Committee					
Member Name	Year Joined	Current Term Started	Year Official Term Ends	Term Length	Term Renewable?
Vacant			2025	2	Y
Vacant			2025	2	Y
Glenda Larson	2022	Feb '24	2026	2	Y
Janet Cook	2022	Feb '24	2026	2	Y
Christine Nelson	2024	Feb '24	2026	2	Y

Christian Education (Faith Formation and Youth Fellowship)					
Member Name	Year Joined	Current Term Started	Year Official Term Ends	Term Length	Term Renewable?
Rebecca Wolongevicz	2022	Feb '22	2025	3	Y
Vacant			2025	3	Y
Vacant			2025	3	Y
Jennifer Riendeau	2023	Feb '23	2026	3	Y
Karen Ventura	2023	Feb '23	2026	3	Y
Vacant			2026	3	Y
Vacant			2027	3	Y
Vacant			2027	3	Y
Vacant			2027	3	Y

Diaconate					
Member Name	Year Joined	Current Term Started	Year Official Term Ends	Term Length	Term Renewable?
Tina Donovan	2020	Feb'20	2025	3	Y
Hal Thomas	2018	Feb '21	2025	3	N
Ava Sigsby ¹	2022	Feb '22	2025	3	Y
Vacant			2025	3	Y
Dennis Falcione	2020	Feb '20	2026	3	N
Al Alexander	2023	Feb '23	2026	3	Y
Karen Tripp	2023	Feb '23	2026	3	Y
Flo McNeilly	2023	Feb '23	2026	3	Y
Dave Fiske	2023	Feb '23	2026	3	Y
John Fox	2023	Feb '23	2026	3	Y
Adrienne Rafferty	2023	Feb '23	2026	3	Y
Priscilla Cedrone	2024	Feb'24	2027	3	Y
Robert Meader	2024	Feb '24	2027	3	Y
Vacant			2027	3	Y
Vacant			2027	3	Y
Vacant			2027	3	Y

¹ Ava Sigsby is also Vice Moderator

Hospitality Committee					
Member Name	Year Joined	Current Term Started	Year Official Term Ends	Term Length	Term Renewable?
Sue Conant	2019	Feb '22	2025	2	Y
Sandra Adami	2022	Feb '22	2025	2	Y
Jessie Berry	2019	Feb '22	2026	2	Y
Joyce Purslow	2024	Feb '24	2026	2	Y

Memorial Fund					
Member Name	Year Joined	Current Term Started	Year Official Term Ends	Term Length	Term Renewable?
Sally Romano	2019	Feb '22	2025	3	Y
Bob Sigsby	2022	Feb '23	2026	3	Y
Sandra Vaughn	2024	Feb '24	2027	3	Y
Diaconate Representative				1	Y
Diaconate Representatives				1	Y

Music Committee					
Member Name	Year Joined	Current Term Started	Year Official Term Ends	Term Length	Term Renewable?
Sandra Adami	2019	Feb '22	2025	3	Y
David Fiske	2024	Feb '24	2025	3	Y
Lee Fiske	2024	Feb '24	2026	3	Y
Janet Hamilton	2024	Feb '24	2026	3	Y
Maddie Thomas	2018	Feb '24	2027	3	Y
Ann Walsh	2018	Feb '24	2027	3	Y

Outreach and Service					
Member Name	Year Joined	Current Term Started	Year Official Term Ends	Term Length	Term Renewable?
Joyce Purslow	2023	Feb '23	2025	2	Y
Amy Kelly	2023	Feb '23	2025	2	Y
Vacant			2025	2	Y
Elizabeth Meader	2022	Feb '24	2026	2	N
Dayna Scribi	2019	Feb '24	2026	2	N
Tina Donovan	2019	Feb '24	2026	2	N

Note: Four (4) members must be covenant-members of the church.

Pastor Parish Relations Committee					
Member Name	Year Joined	Current Term Started	Year Official Term Ends	Term Length	Term Renewable?
Tina Donovan	2023	Feb '23	2026	3	Y
Al Alexander	2023	Feb '23	2026	3	Y
Laura Delaplain	2024	Feb '24	2027	3	Y
Vacant			2027	3	Y

Stewardship Committee					
Member Name	Year Joined	Current Term Started	Year Official Term Ends	Term Length	Term Renewable?
Deborah Zawalich	2024	Feb'24	2025	3	Y
Lynn White	2019	Feb '19	2025	3	N
Jamaal Thompson	2023	Feb '23	2026	3	Y
Vacant	2024	Feb'24	2026	3	Y
Ken Cheo	2021	Feb '24	2027	3	N
John Fox	2024	Feb '24	2027	3	Y
Finance Representative				1	Y

Ushering Committee					
Member Name	Year Joined	Current Term Started	Year Official Term Ends	Term Length	Term Renewable?
Al Alexander	2018	Feb '22	2025	3	Y
Ruth Hall	2018	Feb '22	2025	3	Y
Amy Kelly	2020	Feb '22	2025	3	Y
Carolyn Frattalone	2020	Feb '23	2026	3	Y
Irene MacAskill	2020	Feb '23	2026	3	Y
Kenneth Blanchard	2020	Feb '23	2026	3	Y
John Ryan	2020	Feb '23	2026	3	Y
David Vaughn	2020	Feb '23	2026	3	Y
Wally Reed	2020	Feb '23	2026	3	Y
Meredith Crosby	2020	Feb '23	2026	3	Y
Mike Crosby	2020	Feb '23	2026	3	Y
Karen Tripp	2020	Feb '23	2026	3	Y
Cynthia Woods	2020	Feb '23	2026	3	Y
Christine Nelson	2024	Feb '24	2027	3	Y

Note: Bylaws call for 3 members. Great support here from members!

Delegates					
Member Name	Year Joined	Current Term Started	Year Official Term Ends	Term Length	Term Renewable?
Karen Tripp	2017	Feb '24	2026	2	Y
Mary Lou Gifford	2024	Feb '24	2026	2	Y
Mark Gifford	2024	Feb '24	2026	2	Y
James Hoyes	2024	Feb '24	2026	2	Y
Vacant					
Vacant					

Up to six (6) members elected to two (2) year terms in even-numbered years; delegates represent the church at Pilgrim Association and SNEUCC meetings.

Note: The Senior Pastor is an advisory member, ex officio without a vote, of all boards and committee, except the Church Committee which he/she shall chair and be a voting member. (Bylaws, Article 7, Line 6). The Associate Pastor is an advisory member, ex officio without a vote, of all boards and committee, except the Church Committee which he/she shall be a voting member. (Bylaws, Article 7A, Line 7).

Church Officers for 2024

Church Officer Title	Name	Year Official Term Ends	Term Length
Moderator	Ginny Hunt	2026	2
Vice Moderator	Ava Sigsby	2026	2
Church Clerk	Irene MacAskill	2025	1
Financial Secretary	Elaine Backer	2025	1
Assistant Financial Secretary	Mary Dunn	2025	1
Treasurer	James Hoyes	2025	1
Assistant Treasurer	Carol Gillis	2025	1

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Other Church Committees as Outlined in the Bylaws (For Reference)

CHURCH CABINET	
Member	Role
Moderator	Chairperson
Vice Moderator	Voting Member
Clerk	Voting Member
Treasurer	Voting Member
Financial Secretary	Voting Member
Chairperson of All Boards and Committees	Voting Member
Delegates	Voting Member
Superintendent(s) / Director(s) of the Church School	Voting Member
Chairperson(s) of Special Committees	Voting Member
Senior Pastor	Advisory Member Ex Officio without a Vote

CHURCH COMMITTEE	
Member	Role
Senior Pastor	Chairperson
Associate Pastor – N/A	Voting Member
Moderator	Voting Member
Vice Moderator	Voting Member
Clerk	Voting Member
Diaconate Chairperson(s)	Voting Member

NOMINATING COMMITTEE	
Member	Role
Vice Moderator	Chairperson
Senior Pastor	Advisory Member Ex Officio without a Vote
Clerk	Voting Member
Delegates	Voting Member
Chairperson(s) of:	
Diaconate	Voting Member
Board of Trustees	Voting Member
Finance Board	Voting Member
Christian Education Committee	Voting Member
Outreach & Service Committee	Voting Member
Music Committee	Voting Member
Flower Committee	Voting Member
Ushering Committee	Voting Member
Hospitality Committee	Voting Member
Memorial Committee	Voting Member

STAFF RELATIONS COMMITTEE¹	
Member	Role
Moderator	Chairperson
Diaconate Chairperson(s)	Voting Member
Finance Board Chairperson(s)	Voting Member
Board of Trustees Chairperson(s)	Voting Member
Music Committee Chairperson(s)	Voting Member
Christian Education Chairperson(s)	Voting Member
Senior Pastor	Advisory Member Ex Officio without a Vote

¹ Responsible for HR policies and procedure of the church, staffing plan, and compensation packages.

STAFF REVIEW COMMITTEE (NON-PASTORAL EMPLOYEES)	
Participant	Role
Church Employee	Participant
Senior Pastor	Define Work Expectations for the Year (including Hours, Hourly Rate) Set Annual Performance Objective Conduct Annual Performance Review by November 1st Make Salary Increase Recommendations to Finance Board
Representative of Board/Committee that Employee Reports To	
- Office Staff: Senior Pastor	
- Sunday School: CE Chairperson(s)	
- Youth Ministry: CE Chairperson(s)	
- Sexton: Chairpersons(s) Board of Trustees	
- Facilities Steward: Chairpersons(s) Board of Trustees	
- Minister of Music: Music Committee Chairperson(s)	

STAFF REVIEW COMMITTEE (PASTORAL EMPLOYEES)	
Participant	Role
Senior Pastor	Participant
Diaconate Chairperson(s)Senior	Review the Call Letter Commitments Set Annual Performance Objective Conduct Annual Performance Review by November 1 st Make Salary Increase Recommendations to Finance Board
Moderator, who shall seek and provide input from the Staff Relations Committee	
At Senior Pastor's discretion, a representative of the Pastor-Parish Relations Committee can participate.	Not a Reviewer Purpose: Facilitate communications between Pastor and Reviewers
Bylaw Inconsistency (between Article 8 and Article 30) – Potentially two (2) additional Church Cabinet Members appointed by the Moderator could participate in this process.	Requires Bylaw Clarity – Agenda Item at the Annual Meeting to be held on January 28, 2024 Moderators Recommendation is to strike the language in Article 8.

Other Ad Hoc Committees – Currently Not Active for 2024:

- **Pastoral Search Committee:** Nine (9) covenant members of the church selected by the Nominating Committee and approved by the congregation at a properly call Church Business Meeting
- **Sub-Committee for Hiring Part-Time Employees not Covered by Other Sections of the Bylaws:** A Moderator appointed, three (3) member sub-committee who shall:
 - o Write a job description for the position,
 - o Identify, select, and screen potential candidates,
 - o Interview candidates, and
 - o Hire final candidates (once the Finance Board confirms budgeted funds are available).

Refer to full FCC of Hanover Bylaws for full details of each board, committee structure and responsibilities. Bylaws are available on the church website under the “Governance Tab” or can be obtained at the Church Office.



January 28, 2024

Annual Meeting Agenda (FINAL)

AGENDA ITEM	PRESENTER
Moderator Opening Comments	James Hoyes – Church Moderator
Confirmation of a Proper Call and Quorum of Members	Irene MacAskill – Church Clerk
Senior Pastor Opening Comments & Opening Prayer	Rev. Peter Johnston – Senior Pastor
Motion to Accept the Minutes of the February 19 ,2023 Annual Congregational Meeting	Irene MacAskill
Review 2023 Reports of Staff and Church Officers	James Hoyes Congregational Discussion
Motion to Accept the 2023 Reports of Staff and Church Officers	James Hoyes
Review 2023 Reports of Boards and Committees	James Hoyes Congregational Discussion
Motion to Accept the 2023 Reports of Boards and Committees	James Hoyes
Finance Board Presentation on 2023 Financial Statement	Deborah Springhetti – Chair, Finance Board Congregational Discussion
Motion to Accept the 2023 Financial Statements	James Hoyes

AGENDA ITEM	PRESENTER
Finance Board Presentation on the Proposed 2024 Operating Budget (Non-Restricted Budget)	Deborah Springhetti Congregational Discussion
Motion to Accept the 2024 Operating Budget (Non-Restricted Budget)	James Hoyes
Review and Acknowledgement of the 2024 Restricted Building Fund and Outreach & Service Budgets	Deborah Springhetti James Hoyes
Motion to Properly Minute the 2024 Building Fund and Outreach & Service Budgets	James Hoyes
Any Other Business Items or Motions Raised by the Congregation - Motion to Correct Wording Consistency Between Article 8 / Article 30B (see next page of the Annual Report for more details) - Other Motions?	James Hoyes
Review of the Nominating Committee Report for 2024	James Hoyes Rev. Peter Johnston Discussion
Motion to Accept the 2024 Nominating Committee Report	James Hoyes
Moderators Closing Comments	James Hoyes
Closing Prayer	Rev. Peter Johnston
Motion to Adjourn the Annual Meeting	Irene MacAskill

- ✓ All “Any Other Business” Motions will need to be raised, accepted by the Moderator, seconded, discussed, and voted upon. Only church members may vote.
- ✓ Approval of Motions is by a simple majority vote.

Background on the Article 8 / Article 30 Wording Consistency Motion

Article 8, Line Item 4

“Moderator shall appoint two (2) members of the Cabinet to serve on the Pastoral Salary Review Committee (see Article 30)”

Article 30B, Line Item 1

“The staff review of pastoral employees shall be conducted with the Pastor(s), the Moderator (who shall seek input from the Staff Relations Committee), the chair(s) of the Diaconate, and at the discretion of the Pastor(s), a representative of the Pastor-Parish Relations Committee.”

Issues and Implications Related to Current Wording:

1. Wording is inconsistent across the Articles.
2. The additional two appointees by the Moderator are not mentioned in Article 30B.
 - a. It is unclear whether these appointees can be Cabinet members already members of the Staff Relations Committee or must be additional appointees.
3. There is no “Pastoral Salary Review Committee”. The salary review procedure is encompassed by Article 30 (an expressed responsibility of the Staff Relations Committee) and by Article 30B, Line Item 5 (an expressed responsibility involving the Moderator, Chair(s) of Diaconate, and Finance Board).
4. Conducting an open and honest annual performance review with a panel of 4 people (Moderator, Diaconate Chair, two appointed Church Cabinet members) is cumbersome, potentially confusing if messaging is not consistent, and can be limiting in terms of open discussion. This grouping could also include a PPRC member, bringing the size of the annual review meeting to 6 people including the Pastor. This is not a best practice in HR management.

Recommendation:

Motion to Strike Article 8, Line Item 4 from the Bylaws.

The Moderator is already gaining input from the Staff Relations Committee which is comprised of the Moderator, and Chairs of the Board of Trustees, Finance Board, Diaconate, Music Committee, CE Committee ... *all Church Cabinet members.*

Approving this Motion would mean core Performance Review feedback can be easier consolidated, and a more singular performance management message can be communicated to pastoral employees. A smaller group is more likely to provide a forum for open, honest, direct, and transparent feedback.

Alternate Approach:

1. Keep Article 8, Line Item 4
2. Change Article 30B, Line Item 1 to read (change is bolded): “The staff review of pastoral employees shall be conducted with the Pastor(s), the Moderator (who shall seek input from the Staff Relations Committee), the chair(s) of the Diaconate, **and two (2) Moderator appointed Church Cabinet members**, and at the discretion of the Pastor(s), a representative of the Pastor-Parish Relations Committee.”

3. Implication: This would increase the size of the reviewing team from two (2) to four (4); however, it does include two additional committees in the process.