

**First Congregational Church - Farmington ME**  
**General Ledger as of September 2015**

Tuesday, September 08, 2015

Page 1 of 2

Account Name	Balances:			
Date Occurred	Amount	Beg/Run/End	Comments	Line Item Comments
<b>Church Maintenance</b>		<b>0.00</b>		
01/07/2015	49.98	49.98	Payee Name: Farmington Farmer's Union	salt
01/07/2015	26.26	76.24	Payee Name: Goings Electric Inc	INV 0182614 expense to repair light fixture in entry hall
01/07/2015	49.00	125.24	Payee Name: Archie's Inc	monthly rubbish disposal fees
01/07/2015	36.05	161.29	Payee Name: Jim Wahlstrom	reimbursement for smoke detector purchases
01/21/2015	190.29	351.58	Payee Name: Goings Electric Inc	INV0183151 lights and ballast
02/04/2015	195.00	546.58	Payee Name: D. C. Electric Inc	Invoice 2022
02/04/2015	201.50	748.08	Payee Name: Maine Fire Equipment	charges for church charges for HPH, Invoice 14554
02/04/2015	49.00	797.08	Payee Name: Archie's Inc	monthly rubbish disposal INV FEB
02/18/2015	346.00	1,143.08	heating system work Customer number 5493	church heating system HPH heating system work
02/18/2015	(346.00)	797.08		church heating system HPH heating system work
02/18/2015	264.00	1,061.08	heating system work Customer number 5493	church heating system HPH heating system work
03/02/2015	49.00	1,110.08	monthly rubbish disposal fees	Old South Church rubbish disposal fee
03/13/2015	173.20	1,283.28	fire safety inspections and work	Service date 2/17/ fire suppression service
03/13/2015	17.85	1,301.13	supplies for church/hph	keys calcium chloride calcium chloride insulation
03/13/2015	1.79	1,302.92	supplies for church/hph	insulation calcium chloride calcium chloride keys
03/19/2015	545.00	1,847.92	organ tuning	organ tuning 2/25/2015
03/31/2015	344.75	2,192.67	labor and keys for Newman Wing entrance	keys and lock repair on Newman Wing entrance
04/01/2015	49.00	2,241.67	Old South Church Rubbish Pick up ahead	monthly rubbish pick up
04/09/2015	387.88	2,629.55	payment for vacuum, microsoft office, postage	vacuum cleaner postage and microsoft office subscription
04/09/2015	65.97	2,695.52	maintenance purchases	insulation, keys, etc. purchased by Trustees
04/22/2015	162.30	2,857.82	customer number 5493	service call and thermostat
04/29/2015	17.40	2,875.22		reimbursement for items purchased

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Date Occurred	Amount	Beg/Run/End	Comments	Line Item Comments
05/07/2015	49.00	2,924.22		RUBBISH DISPOSAL
05/07/2015	10.78	2,935.00		maintenance
05/14/2015	13.19	2,948.19	reimbursement for purchases	handicap parking signs
05/21/2015	3,432.35	6,380.54		installation of hot water heater booster at the church
05/27/2015	1,732.00	8,112.54		installation of fire safety equipment
06/04/2015	49.00	8,161.54		monthly rubbish disposal
06/04/2015	18.35	8,179.89		lawn mower repair
06/04/2015	416.00	8,595.89		hot water system work
06/04/2015	(18.35)	8,577.54		lawn mower repair
06/04/2015	18.35	8,595.89		lawn mower repair
06/16/2015	300.00	8,895.89	masonry work	masonry work
06/17/2015	60.00	8,955.89	copier payment	maintenance contract copier copier payment documentation fee for copier contract
06/30/2015	1,450.00	10,405.89		masonry work
06/30/2015	(1,000.00)	9,405.89	donation for brick work	donation for brick work
07/08/2015	49.00	9,454.89	rubbish disposal	rubbish disposal
07/14/2015	60.00	9,514.89	copier fee	copier maintenance contract copier rental payment
07/14/2015	147.00	9,661.89	electrical work	new alam circuit
07/15/2015	60.67	9,722.56	reimbursement	wifi range extendor for the church
08/04/2015	496.75	10,219.31	church maintenance	Customer 5493
08/11/2015	49.00	10,268.31	rubbish disposal	church rubbish disposal
08/19/2015	2,039.80	12,308.11		Emergency light work
08/19/2015	60.00	12,368.11		copier maintenance contract copier payment
08/25/2015	(1,724.60)	10,643.51	Capital Improvement money to church maintenance for ongoing projects	Capital Improvement Fund balance to maintenance account Capital Improvement balance to maintenance account
09/02/2015	49.00	10,692.51	monthly rubbish disposal	monthly rubbish disposal
	<b>10,692.51</b>	<b>\$10,692.51</b>		



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**First Congregational Church - Farmington ME**  
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**Tuesday, September 08, 2015**

**Page 1 of 1**

Account Name		Balances:		
Date Occurred	Amount	Beg/Run/End	Comments	Line Item Comments
<b>HPH Maintenance</b>		<b>0.00</b>		
01/07/2015	49.98	49.98	Payee Name: Farmington Farmer's Union	salt
02/04/2015	72.26	122.24	Payee Name: Maine Fire Equipment	charges for HPH, Invoice 14554
02/18/2015	82.00	204.24	heating system work Customer number 5493	charges for church HPH heating system work church heating system
02/18/2015	(82.00)	122.24		HPH heating system work church heating system
02/18/2015	82.00	204.24	heating system work Customer number 5493	HPH heating system work church heating system
03/13/2015	133.05	337.29	tank work at HPH	repair to tank lines Customer number 154136B monthly budget fuel payment
03/13/2015	298.05	635.34	burner maintenance at HPH	annual cleaning charges
04/01/2015	35.69	671.03	Customer number 1008356	16016829 Customer number 1008356
05/21/2015	46.65	717.68	HPH tank rental	HPH gas tank rental fee
06/04/2015	18.35	736.03		lawn mower repair
06/04/2015	(18.35)	717.68		lawn mower repair
06/04/2015	18.35	736.03		lawn mower repair
06/25/2015	554.65	1,290.68		work done on all three bathrooms
	<b>1,290.68</b>	<b>\$1,290.68</b>		

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Donna Wheeler &lt;donna.wheeler71@gmail.com&gt;

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**Fw: Holman House**

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shriwad@gwi.net &lt;shriwad@gwi.net&gt;

Mon, Apr 6, 2015 at 2:35 PM

To: griley@beeline-online.net

Cc: Donna Wheeler &lt;donna.wheeler71@gmail.com&gt;, Carole Trickett &lt;cwtrickett@gmail.com&gt;, Ryan Westbrook-Vigue &lt;westbrookvigue@gmail.com&gt;

Very interesting comments and much appreciated. We should keep a copy of her assessment for our files and to reference it when folks have questions. Many thanks to Gloria. Shirley

On 2015-04-03 21:06, griley@beeline-online.net wrote:

Sent from Windows Mail

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**From:** Gil Riley**Sent:** Friday, April 3, 2015 9:03 PM**To:** Gloria McGraw

Thank you so much, Gloria,  
You certainly provided a very thorough and quick response. This information will be very helpful to our committee even though, as I explained to you, we are not anticipating making a decision to put the property on the market any time in the near future.

Gil

Sent from Windows Mail

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**From:** Gloria McGraw**Sent:** Friday, April 3, 2015 2:59 PM**To:** Gil Riley

Re: 227 Main Street

.64 acres

15 rooms, 2 baths, barn ,porch

Almost all replacement windows

## Vinyl siding

Combination of metal, shingle and maybe some slate on roof

Beautiful wood floors

Antique features such as fancy trim, butler's pantry, sliding doors, amazing stair case, stained glass windows....

Thank you for showing me the Holman House – what a fantastic building ! There are so many classic features ; the interior trim alone is of such unique quality and value. Thus the old saying: " They don't build houses like that anymore !" There are many factors, both positive and negative, in assessing a huge, quality built antique home. The building's best use is probably single family residential . It could become multi-unit, but in many ways that would decrease its value . This needs to be rejuvenated to an executive type home. The Main St setting has impressive curb appeal. There are of course some negative issues as well. Many buyers automatically rule out large old homes for maintenance reasons, for heating costs , for taxes ,etc. This home owner would need to cosmetically re-do every room , revive the wood floors, rebuild a kitchen and redo both bathrooms at considerable cost. What a grand house it would be when finished. In the past five years, we are noticing a new paradigm in Real Estate sales- young people want houses that are maintenance free, ready to live in , ready for all technology and so forth. Older folks are thinking of maintenance free, single level living. Many buyers want in-town ( that is a positive.) As you can see, this would limit our possible buyers. This is zoned Village Residential- allowing Doctors' Offices or residential , but not allowing commercial retail, etc.

So- after this essay... J ....it is my opinion that antiquity , quality construction, size of home, number of rooms, some good updates such as windows and vinyl siding all contribute to make the value in a \$359 to 379000 price range. The numbers of possible buyers will be fairly small, as I have explained. The interest factor will be very large because it is such a classic old home.

I tried to look for Comparable Sales in the past year, in Farmington. There was a \$365k brand new home , and there were seven sales of homes in the \$210 to 220k range. There are a few homes on the market now that are closer in quality, size and age- \$299, 285 ,etc.

I hope this will help you and your committee in your long term planning process. Let me know if I can be of further service.

## OUR SPACES ALIGNING WITH OUR VISION

### 1) WELCOME

- Ramp at front door
- Ramp at Holman House
- NEED full access to both buildings, all floors: Lift in Newman Wing, Chairlift in HPH
- NEED automatic door openers

### 2) REACH OUT TO UMF (PROGRAM ISSUE)

### 3) OPENING SPACE TO COMMUNITY

#### CHURCH:

- ❖ Community Lunch
- ❖ Warming Center
- ❖ Retirees Lunch
- ❖ Bereavement Group
- ❖ Music Concerts (\$\$)
- ❖ Strawberry Shortcake (\$\$)
- ❖ Christmas Heat concert
- ❖ Coat Closet
- ❖ Eggstravaganza (Kid's Easter Party)
- ❖ Honduras Partnership
- ❖ Animal Shelter dinners
- ❖ Shepherd's Pie
- ❖ MATE and other work groups (\$\$)
- ❖ FAEM Services (MLK)
- ❖ Thanksgiving baskets
- ❖ Christmas Eve Service
- ❖ Moving On
- ❖ Teen Faith

#### HOLMAN PARISH HOUSE:

- ❖ Annie's Bean Pole
- ❖ Friend's Meeting
- ❖ E-Waste Recycling (\$\$)
- ❖ Pie on the Porch (\$\$)
- ❖ Plant and Yard Sale (\$\$)
- ❖ SAPARS (\$\$)

### 4) WORK FOR THE COMMON GOOD

#### (NOURISHING)

- Offer buildings for Community Use (see prior page)
- Have an OPEN HOUSE at Holman House
- Offer sanctuary for marginalized
  - ❖ Homeless shelter
  - ❖ Space for Veterans
  - ❖ Life Coaching
  - ❖ Space for refugees

5) MANIFEST THE KINGDOM OF GOD

- Feed the Hungry
- Befriend the Lonely
- Comfort the Suffering

Take a public stand against injustice and oppression:

- Outreach, Justice, and Witness:  
Marriage Equality  
Movie Nights

Holman Parish House is a neutral zone for safety.

It is "spiritual" but not "church-y"

Alexis' office is embracing, welcoming, warm with  
ambiance.

6) FAITH IS A JOURNEY - TRANSFORMING

Study groups:

- Lent
- Vespers
- Book study groups
- Teen Faith
- Overnights for youth
- Have a reverse retreat – invite people  
from youth's Boston trip
- NEED BETTER ACCESS
- BETTER AUDIO VISUAL EQUIPMENT

7) VALUE OUR FAITH COMMUNITY –  
TRANSFORMING

- Value tradition
- Be financial and physical stewards in  
the care of church; experiencing the  
"holy", offering radical welcome
- CREATE A MORE WORSHIPFUL  
CHAPEL



## News & Upcoming Events

Have you always wanted a piano? The upright piano in the vestry by the door to the kitchen is free for any member provided you make your own arrangements for moving it. Please call the church office (778-0424) for more information.



### Some History Regarding the Physical Space, Conditions, and Changes That Have Occurred at Old South Congregational Church from the 1949 to 1997-8 And 1998 to the Present by Rich Robinson

I have promised to try to collect pertinent historical information for church use and particularly for the purview of the Feasibility Study Committee. Some of the sources of information have been Joseph Holman, Sturges Butler and summaries of the Visioning 2000 Committee work (1996-8) as recorded by Gordon Flint, Karyl Condit and me. I have been associated with Old South since 1971 and have been a member for about forty years. I was the recorder for the previous visioning committee (Visioning 2000) and Gordie was the Chair.

Some of the earliest information for this historical segment was heard, but unfortunately not recorded, from Joe Holman as a trustee at a meeting several years ago. The parking lot by the Vestry, now owned by UMF, was for sale in the early 1950's for \$5000. The church refused or did not consider it, possibly due to their recent remodeling of the basement, etc. in 1949. No further work had been done or planned until the outcomes of the Visioning 2000 Committee work began to be realized in 1997.

Joe had much more information about the history of that parking lot including a dispute about a gas company desiring to put a gas station there. Sturges Butler verified this and Joe's assertion that the Farmington Village Corp. intervention can allow us to be gratified that we have a UMF parking lot vs. Irving's or Cumberland Farms next to the vestry!

What we think is the only major or at least recent renovation of the church basement occurred in 1949 leaving it essentially as we see it now. Picture, if you will, a church with a useable footprint extending from the south side of the Holman house driveway to the back of the church proper (Shepherd's Window). Rather shaky outside steps to the kitchen and a sagging metal lean-to roof over a few pieces of wood and trash were the frontispiece of our virtually unused backyard. The exception of heating system changes that would have occurred several times, completes this picture. The old kitchen's size and use was compromised by a stairway to the basement and a cul-de-sac by the sink and stove, respectively.

A growing congregation with desires to make more functional and pleasant accommodations for themselves and especially for our children and youth led to considerable unrest. On June 5, 1996, the Executive Council called for the establishment of a committee charged with presenting a proposal for "a church facility that will serve present and anticipated needs in a functional manner". Present uses and needs were requested and submitted by all committees and personnel. Perceptions about the committee were as wide-ranging as its names but the group that called us Campaign Committee 2000 was truly visionary!

Commonly expressed constraints and concerns were: 1) parking; 2) space for small group meetings; 3) accessibility; 4) comfortable chairs and tables in the vestry; 5) kitchen and bathroom facilities; 6) a very small church office (robing room) was being used by five people (committees & groups). As you can see from this list of needs we have done quite well and numbers 3) and 6) are on the way with funds accumulating for a lift and we've had a church office for many years now and the robing room is set to become a music library and comfort area. Our successes continue as our most recent visioning progresses.

Since the last major renovation was in 1949 and focused on the basement, the initial focus was on the basement and an architect was hired. The following deficiencies were noted in addition to the above. There was no real pastor's office and such workspace was in the parsonage. A small, intimate chapel was desired for vesp Some nice furnishings and a parlor-like atmosphere in some area(s) were sought.

The next segment (1998-2015) involves deliberations, votes, the sale of the Holman house to 80 Main St. (Pierce House) by Joe Holman in 1998 and our purchase of it from them in 2002. The first two votes by the church were against purchase of the house. The first vote in 1998 featured a narrow win for those against with 28 proxy votes against purchase. In addition to the proxy votes (not allowed now in our church) several church members were more in favor of the house going to 80 Main St. and a second vote soundly defeated any purchase ideas.





## News & Upcoming Events

After four years of planning and some improvements to the house 80 Main St. gave up on their plans for its use and a provision in the sales agreement gave us first option. I think it was primarily the parking that allowed the congregation to almost unanimously agree to the purchase from 80 Main St. (Pierce House) in 2002. However, many of the other needs outlined by the Visioning 2000 Committee were almost immediately met. After a trying three years without a renter a great match for us as a non-profit renter (SAVES-now SAPARS-Sexual Abuse Prevention and Response Services) was achieved. A \$250,000 trust was given to us by Joe Holman at his passing to use for house expenses. The Trust and rent paid by our non-profit renter allow the income and expense lines for the Holman Parish House to be equal barring unforeseen calamities.

While some view the house as a luxury we cannot afford and that we should consolidate our efforts in the church, others see it as a means of outreach to the community and a footprint for the future. Both have their strong points. I wish the Feasibility Committee success in a most difficult task.

Much effort and money was put into architectural study and planning for the old church basement. This was essentially Plan A and was ongoing before and after the Holman house hiatus (1998-2002) and then purchase. In the end it was decided that there was nothing practical we could do about the low ceiling heights and difficult support structures needed for the basement. It was also realized that the Holman house would not meet the needs of suitable classrooms for young children. Thus, the plans for the wing. This was a gradual evolution that we realized only after one piece occurred showing us the way to the next. Knowing what we needed to ask for and the time to do it did not occur in a fashion allowing the timely development of a capital campaign. We certainly knew that we needed one and that our Endowment Use policy would probably allow us only 8-10 years before we would have to act and that is quite close to what happened.

On March 6, 1997 as we were lead on a tour of the Holman house by Joe, Karyl Condit's summarizing noted that Joel Hayden encouraged us to "take a Leap of Faith that this endeavor could provide the infrastructure for an all-church project which will revitalize the church". Another individual I consider a friend of mine agrees that we took a leap of faith but it may not have been a wise one. Joel was probably the most prayerful layperson I have ever known. He even prayed thankfully about bath soap! I'm going to try to follow his lead, at least regarding some prayer, and hope it gives me peace on this journey where there are so many forks in the road.

### Teen Faith Exploration

The first gathering of Spring Series of Teen Faith Exploration will be this Tuesday, March 3, at 6:15 p.m. in the Matthew Room (the one behind the kitchen). The speaker will be Ashley Bessey on Nature Spirituality. There will be five more meetings as part of the Spring Series (We're optimistic. There will be Spring.) Those sessions are as follows:

- 3/10 Jonathan Cohen on Kabbalah
- 3/17 Siti Afiqh on her experience as a Muslim in Malaysia
- 3/24 and 3/31 One of these days will be David Gibson on Climate Change from the perspective of a geologist. The other will be Dick Waddell sharing some of his experiences and observations after a recent two weeks in the Holy Land.
- 4/7 David Bivans (Shuska Mato) on his spirituality passed down from the original people of this land. Karen West and Dick Waddell look forward to your presence and participation

The deadline for submissions for the April issue of Telstar is March 10, please have all articles submitted to the church office (farmingtonucc@nyfairpoint.net) no later than March 10. Thank you!



JB Third Party Inspections  
101 Main Street  
Jay, Maine 04239  
2/6/2015

Old South Church First Congregational Church of Farmington Board of Directors  
Attention: Gill Riley  
890 Orchard Drive  
Wilton, ME 04294

Per your request an inspection was conducted on January 29<sup>th</sup> 2015 at 227 Main Street (Office) and 235 Main Street (Church), Farmington, ME. The Town of Farmington is considered to be a Maine Uniform Building & Energy Code (MUBEC) Town so was inspected using current state adopted codes: 2009 IEBC, IECC, and all NFPA codes currently adopted by the Maine State Fire Marshal's Office.

**227 Main Street: (Office) 3-Story with full basement, full attic, and attached barn. Type 5-Wood frame unprotected building  
Current use is Business Occupancy with attached storage**

- Eliminate the use of extension cords that are being used for permanent power supply. Extension cords may only be used for temporary use of electrical devices, I noticed this in several rooms/offices throughout building.  
*(NFPA 70)*
- In the break room remove or terminate exposed wiring into a junction box with appropriate cover. *(NFPA 70)*
- Install adequate illuminated exit signs over all exits  
*(39.2.8 Illumination of Means of Egress)*
- Install adequate emergency lighting throughout building.  
*(39.2.9.1 Emergency Lighting)*
- Railing high guards go not currently meet code requirements. Also missing handrail.  
*(7.2.2.4.4.2) Existing required handrails shall be not less than 30 in. and not more than 38 in., above the surface of the tread, measured vertically to the top of the rail from the leading edge of the tread.*
- Attached barn needs to have adequate fire separation as required.



**JB Third Party Inspections**  
**101 Main Street**  
**Jay, Maine 04239**

(39.3.2.2) High Hazard Contents Areas: High hazard contents areas; as classified in section 6.2, shall meet the following criteria:

(1) The area shall be separated from other parts of the building by fire barriers having a minimum, 1-hour fire resistance rating, with all openings therein protected by self-closing fire door assemblies having a minimum ¾-hour fire protection rating.

- In breaker panel in basement have an electrician cover an open breaker slots in panel. (NFPA 70)
- In basement have an electrician terminate any open wires into a junction box (NFPA 70)
- The basement does not have a boiler room. Need to address this issue by one of the following:
  - A. Fire Rating
    - (1) Install a UL Listed 1-hour fire rated assembly (walls & ceilings).
    - (2) Install a self-closing, positive latching door.
    - (3) Assure proper ventilation is supplied for the boiler.
  - B. Smoke Tight
    - (1) Install a smoke tight assembly that includes walls and ceilings.
    - (2) Install a self-closing, positive latching door.
    - (3) Assure proper ventilation is supplied for the boiler.
    - (4) Install sprinkler protection in the boiler room.
      - (A) A residential water line can adequately feed up to 6 sprinkler heads.
      - (B) If more than 6 sprinkler heads are required, a separate water supply is required.
      - (C) If more than 19 sprinkler heads are required, a full sprinklers system is required.
- In the following areas I recommend insulation be addressed: Basement, Attic, and Wall from barn to Main building. You are not required to address this unless you do a substantial renovation, but this is something that will improve energy efficiency in the building.



## JB Third Party Inspections

101 Main Street

Jay, Maine 04239

**235 Main Street: (Church) 2-Story with open mezzanine.**

**Type 3-Ordinary construction unprotected building**

**Current use is Assembly Occupancy with classrooms on ground floor**

- Repair inoperable emergency lights within the facility. 6+ were found to be out of service. *(7.9 Emergency Lighting)*
- Building appears to have a partial fire alarm system. I would suggest a fire alarm company come and assess for compliance with NFPA 72, Fire Alarm Code. Also some detectors seem to be old and need replacing. Also some seem to be disconnected or inoperable.
- Review fire extinguisher placement in ground floor (old section) to ensure proper coverage. *(NFPA 10 Standard for installation of fire extinguishers)*
- Ensure all doors that lead to stairs remain closed and not propped open. One was found wedged open.
- Repair handrail on ground floor exit that is lying on the ground and also repair exterior light to the outside. Appears bulb may have been out.
- Plug sewer line where toilet is sitting disconnected, or connect the toilet. *(Uniform Plumbing Code)*
- Existing rated door missing self-door closer on the ground floor.
- Have a licensed electrician review and repair exposed wiring throughout the building also cover any open breaker slots in panels. *(NFPA 70)*
- Flammable paint storage shall be stored in a UL Listed fire rated cabinet or removed from the building.
- Eliminate the use of extension cords that are being used for permanent power supply. Extension cords may only be used for temporary use of electrical devices, I noticed this in several rooms/offices throughout building. *(NFPA 70)*
- Housekeeping: Facility needs to be organized and remove unnecessary clutter.



**JB Third Party Inspections**  
101 Main Street  
Jay, Maine 04239

- Remove padlocks from doors. Padlocks are not allowed in the facility on doors.
- Ground floor emergency exit signs needs to be evaluated. Current set up is not code compliant. *(7.10 Marking of Means or Egress.)*
- In the following areas I recommend insulation be addressed: Basement. You are not required to address this unless you do a substantial renovation, but this is something that will improve energy efficiency in the building.
- I also recommend a licensed engineer asses the footings and foundation walls. Foundation is showing signs of disrepair in areas and further catastrophic damage could be caused if repair does not take place.
- In the large room upstairs Exit signs need to be brought up to current code requirements. *(7.10 Marking of Means or Egress.)*
- In the large room upstairs Emergency lighting needs to be assessed and meet the code requirements. *(7.9 Emergency Lighting)*
- The old section on the ground floor could be renovated but it would require permitting though the State Fire Marshall's Office and you would need to hire an architect to draw a plan to show what you would like for a layout.

This inspection cannot, and does not identify every possible hazard or deficiency within your facility. It is intended to assist you with identifying safety issues and in complying with codes & standards.

**Please contact Inspector James Butler @ 207-357-2551 or email CEO2551@gmail.com if you have any questions.**

James D. Butler Jr.  
State of Maine Third Party Inspector #179  
State of Maine Certified Code Enforcement Officer #900  
NFPA Certified Fire Inspector I #13-0030  
NFPA Certified Plans Examiner # 13-0054  
State of Maine Licensed Plumbing Inspector #1166

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Introduction –

Old South has two money streams – Budgeted and Off-Budget

- Budgeted income has steadily decreased (totals approximately \$2,585,000 for past 10 years)
- Off-Budget income was spent predominantly on large projects (43% was attributed to the capital campaign for mortgage reduction). Total Off-Budget income for past 10 years was roughly \$731,000 – about 28% the size of budgeted income
- Although there is some cross-over between Budgeted and Off-Budget money, generally they are two separate money streams
- Pass-through money (for instance, Hannaford money) is not included as Off-Budget income
- Individual benevolent contributions are part of Off-Budget pass-through money, and they have not decreased (show no upward or downward trend) during the past decade

Based on first-quarter data, it appears that 2015 will follow the same trends exhibited during the past decade (2005-14).

- During the past few years, although 50% of operating pledges have increased dramatically, their increases have been diluted (or negated) by the 30% of pledges that stay the same and the 20% of pledges that decrease (sometimes substantially)

The future is difficult (if not impossible) to predict, but it appears that the financial trends of the past decade will become more pronounced:

- Unless we find a way to make operating income match operating expenses
- Unless we reduce operating income from the Endowment and Holman Trust – and find income/expense adjustments to replace the difference *5.6% now - should be 4.6%*
- Even if we succeeded in selling HPH – although our operating income/expense mismatch would be smaller, and our endowment depletion would be slower

### Summary of the Updated Financial Report to the Space Feasibility Study Committee –

The attached report was submitted to the Space Feasibility Study Committee in March 2015. The report has subsequently been updated to include additional income (pledges) and increased church building expense. However, the general thrust of the report remains unchanged.

During the past decade, *Old South* has experienced a progressive loss of income. The biggest contributors to this trend have been a \$50,000 decrease in pledged giving, and a \$25,000 drop in operating income generated by the Church's endowment.

Fortunately, the past ten years have also seen a substantial decrease in expenses – mostly due to near-elimination of our Newman Wing mortgage, salary decrease for youth leadership, institution of the Holman Trust (which pays the majority of Holman Parish House expenses), and elimination of investment management fees.

However, although *Old South's* downward income trend appears to continue in 2015, expenses are on the rise, and we likely will have to invade both the endowment and Holman Trust to pay a deficit at the end of this year.

Using spreadsheets built on middle-of-the-road assumptions, we have tried to project what the Church's financial future might hold – and the spreadsheets do not paint a pretty picture.

If we continue our current course, the spreadsheets suggest that our deficits will grow intolerably, and that the endowment and Holman Trust will no longer be able to cover those deficits in 12 to 13 years.

If along the way, Holman Parish House requires expensive repair, the spreadsheets suggest that the Holman Trust might be unable to pay routine HPH expenses within seven years.

If, on the other hand, we were able to sell HPH, these studies suggest that we could immediately make the church building handicapped-accessible, could tackle at least some of the expensive church building repairs we currently cannot afford, could partially replenish our diminishing endowment, and would avoid the cost of unexpected large HPH repairs. Unfortunately, sale of HPH would also eliminate *Old South's* \$7,000 per year rental discount to SAPARS, one of the Church's major ministries.

Sale of HPH apparently would not eliminate *Old South's* operating deficits or endowment-depletion. The deficits would be roughly 1/3 smaller, but the spreadsheets suggest that the endowment would still be unable to pay for them in about 15 years. We would still need to find other ways to increase operating income and/or decrease operating expenses.

Hopefully, this summary (and the details included in its attached report) will help to stimulate congregation-wide discussion of *Old South's* future.

– Dale Bardo

