



Evangelical  
Congregational  
Church

The CIT News is published by the CIT Team of the Evangelical Congregational Church so the members of National Conference can know about our progress in discovering the Lord's leading.



Volume 1 Issue 5

February 18, 2015

## Embracing Reality

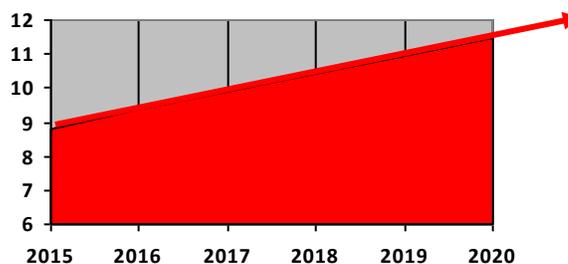
We understand that one of the main components of the Covenant adopted by the 2014 National Conference is the need to embrace and then address our denomination's financial reality. As part of the Implementation Team's deliberations we have been studying past financial trends, our current reality, and projected future financial position. This has resulted in some startling revelations:

- As of the publication of this newsletter, the 2014 ministry funds received are 5% lower than what was paid in 2013.
- Our year-end reports show that 20% of congregations paid no or partial ministry funds.
- The National Conference supplemented our income by drawing from earnings on investments and selling denominational assets.
- Our 2015 ministry fund percentage is 8.82% plus the appropriate camp add-on.
- If we make no adjustments to our affiliate support, personnel, or structure our projections show that our ministry funds will exceed 10% (not including the camp add-on) by 2018.

**The Covenant Implementation Team and the Benefits Corporation are working diligently to develop a series of phased initiatives which, if adopted by the National Conference, will in time significantly reduce both the National Conference budget and therefore the amount required in ministry funds from local churches.**

- In 2004 we had 145 chartered churches; 27% were part time. In 2014 we had 124 chartered churches; 41% were part time.

**Projected Ministry Fund Percentage if no changes are made to the National Conference Budget**



## Our Budget Reality

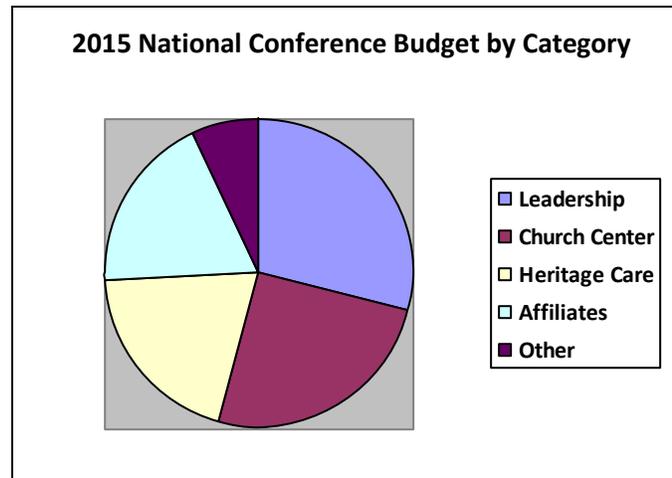
There are basically four significant areas of expense for the National Conference:

- Church Center operations
- Denominational leadership
- Affiliate support
- Heritage care.

As good stewards, we don't have a large staff at the EC Church Center; most of our administrative support staff is part-time. Yet the costs of copying, mailing, providing resources, maintaining the Church Center offices and staff accounts for nearly 25% of the National Conference budget.

Denominational leadership, which includes the bishop and conference ministers' compensation and expenses, makes up approximately 29% of the annual budget.

The affiliate ministries that we give ministry funds to are: Evangelical Seminary, Twin Pines Camp, Camp ECCO, and



the ECC Historical Society. The support of these four affiliates amounts to about 19% of our national budget.

Heritage Care, which accounts for approximately 20% of our expenses, can be the most difficult to understand. In the late 1970s and again in 2005, our denominational leaders saw we could not sustain the old retiree benefit plan which included a "Defined Benefits" pension plan and full health-care premium coverage. Therefore, a new "Defined Contribution" plan and a graduated health insurance premium plan was adopted for those who reached Medicare eligibility age between 2006 and 2008. Those who reached Medicare eligibility in 2009 and later are required to pay the full cost

of their Medicare Advantage plan.

We are carefully studying each of these major cost areas in order to fulfill our denominational commitment to substantially reduce denominational operating expenses and therefore significantly reduce ministry fund asking from local churches.

The Covenant Implementation Team and the Benefits Corporation are working diligently to develop a series of phased initiatives which, if adopted by the National Conference, will in time significantly reduce both the National Conference budget and therefore the amount required in ministry funds from local churches.



**"I want you to put me in touch with reality, but be ready to break the connection fast."**