

**Village Congregational Church**

**Frequently Asked Questions**

**1. Is the Church an historic building?                      Yes**

In 1898, as other community churches viewed their future and recognized the need to accommodate the rising number of congregants, new stone and brick churches were being built. The leadership of the Village Congregational Church, also, looked at its role in the community and made a calculated decision that their New England style, white wooden church was rapidly becoming too small for its growing congregation.

Almost immediately, the Paul Whittin family clearly viewed this situation and provided the funds to erect the present Church on the same site, a church that is now listed in the Whitinsville Historic District and is noted on both the State and National Register of Historic Places.

**2. Do non-Church groups and organizations use the Church facilities?                      Yes**

Since its earliest days, the Church has been a community-gathering place, a home to many diverse groups and activities. The Church has freely and without hesitation opened its doors to a host of Blackstone Valley programs, organizations, initiatives, some short-lived, while others have continued to use the Church for over fifty years. Its spaces have been used for baccalaureates, weddings, funerals and for any religious group. Such organizations as the Boy Scouts, Girl Scouts, Woman's Club, AA, The Valley Music School to mention only a few, have used our Church facilities for many years.

**3. How does the Church intend to pay for the restoration and renovation priorities and at the same time protect the principal of the Church's investment fund?**

Church leadership and the Congregation decided to pledge the investment account as collateral to obtain a construction line of credit from UBS Securities, the same firm that handles the activities of our investment advisor, Salem Capital Management. During the restoration-renovation fundraising process, the investment funds will continue to be managed prudently as in the past. When construction is completed, Church leadership will determine the best way to pay back funds used for construction. The amount of money raised by the Capital Campaign Committee during the construction process will be an important factor in determining how payment is made.

**4. Why must the Church spend over a million dollars now for these projects?**

During the Capital Campaign planning process, the Church conducted replacement appraisals of its property. The cost to replace the property (Church, Wood house, and parsonage) is approximately 10 million dollars. There have been no significant capital repairs or improvements done to the Church property since the early 1980's when the lift was installed and certain "energy saving" projects, i.e. Mason Hall ceiling and stained glass exterior sheathing, were installed. Most property management firms budget 2-3% (\$200-\$300k) annually of property value for capital improvements. Our church has not undertaken extensive capital improvements for many years and the Church Committee and, indeed, the congregation felt that restoration and renovation initiatives were now mandatory.

**5. The current capital campaign of \$900,000 seems like a lot of money—how will it be used?**

The majority of the \$900,000 to be raised is for required exterior restoration of the historic building. Professional engineering and architectural surveys conducted over the past two years have concluded the various aspects of the exterior of the building need urgent attention, which will cost approximately \$750,000 over the next several years. Restoration of stonework façade, as well as underlying support structure, is extremely costly.

Due to regulatory requirements, and the overwhelming desire to improve accessibility to our church, a ramp must be installed to replace the outmoded lift to the side entrance to the church. This barrier free access work also triggers regulatory requirements for interior access improvements such as elevator access to all floors, accessible restrooms and staircase modifications. These projects will have an impact on the usable interior spaces. Knowing this, the Congregation approved \$150,000 to be used for engineering design work to determine the best design to meet regulatory access requirements and to ensure that usable space is not reduced.

A thorough analysis of giving capacity of our church members, along with local fundraising opportunities, has determined that \$900,000 is a realistic goal for the Capital Campaign. It also aligns well with the exterior restoration and interior design work required.

**6. How much of that goal has been raised to date?**

Slightly over \$375,000 of the \$900,000 goal has been raised to date. Capital fundraising is directed to

- the members of the congregation;
- the many outside institutions and organizations that use the Church facilities;
- the public who view the historical importance of the building as an important community asset
- The establishment of the Don and Marjorie Watson Challenge Match Fund will enhance the existing momentum and enthusiasm for the restoration and renovation priorities..

**7. What is the proposed timeline for restorations and renovation?**

- Jan 2008 – Building Committee submitted interior design recommendations to Consigli
- April 2008 – Consigli proposed final design and cost for interior renovations
- May 2008 – Congregation authorized interior renovation proposal
- June/November 2008 – Interior construction underway
- December 2008 – Exterior and interior construction completed

**8. What are the named gift opportunities available and how were they identified?**

There are numerous opportunities, both with the exterior restoration and future interior renovation challenges, where donors can attach their names or memorialize someone. Naming opportunities through gifts and bequests are available as indicated on a special handout. Inquiries about naming opportunities should be directed to either

- Dan Stack, Chairman of the Capital Campaign Committee;
- Jeff Smith, Chairman of the Finance Committee

The Church Office at 508-234-7901 can provide contact telephones, email or mailing addresses.

**9. Are there interior renovations needed and if so, will they be part of the current capital campaign?**

As a result of the exterior restorations and the construction of a new access ramp, elevator and new barrier free restrooms on each floor, valuable/usable interior space needs to be sacrificed. Therefore, a complete examination of opportunities to regain the lost space, such as a partial second floor over Mason hall, has been completed. The detailed plans of action for interior renovation were presented to the May 2008 Semi-Annual meeting of Church members and authorization to proceed was approved.

**10. How important is the Sunday school and Christian Education program in the daily life of the Church?**

As one of the key magnets for future growth, these programs are quintessential for both spiritual and financial stability. They represent one of the key recruitment vehicles for new members and as they gain in strength, reputation and importance, so will the overall participatory involvement by families in the life of the Church.

**11. How many individual and family members make up the congregation, both active and inactive?**

Currently there are approximately 150 active families and individuals, although over 325 families and individuals have chosen VCC as their community church.

**12. What is the annual operating budget and what are the sources of operating revenue?**

For budget year 2008, the operating budget is \$ 269,300, which represents less than a 1% increase over 2007. The revenue projections are derived from the following sources:

- Anticipated pledges \$100,000 – Members
- Investment income \$132,000 – Salem Capital Investment Fund
- Restricted giving \$ 2,500 – Deacon/Phelon Funds
- Unrestricted income \$ 5,800 – Loose collection
- Rental income \$ 23,000 – Use of church/Wood House rent
- Special Events \$ 6,000 – Fair, etc.

It is anticipated that the annual budget will increase 4-6% annually through 2010.

With the recommendations of our investment advisor and a vote of the Finance Committee, 4% of the investment fund end of the year value, on a 3-year rolling average basis, is returned to the VCC operating budget annually. Salem Capital Management, in their management of our investment portfolio, is achieving in excess of 11% annual rate of return. Because of the strength of the fund and its past return record for nearly a decade, there is every optimism that it can sustain and maintain the current capital improvements.

**13. How strong is the investment fund and what is its management and investment history?**

The Whitin family, who provided a major portion of the construction funds for the current Church in 1898, also knew that the structure, with its size and extensive stonework, would require ongoing funds to preserve it over time. In the past ten years, the Fund has provided \$1.2M for Church operations.

The VCC investment fund was started in 1982 combining the initial Whitin commitment of \$435K with additional gifts from others to the endowment.

As the Whitin family planned for future generations, the Church's lay leadership over many decades, also, has fully recognized its continuing obligation to maintain and grow the investment funds. Individuals and families who have no connection to the Whitin families have provided over half of the current investment fund balance that is approximately \$3.6M as of January 2008.

#### **14. Current status of the current 2 for 1 match**

At the start of the Capital Campaign over 2 years ago, many individuals felt that it was important not only to have people contribute, but, also to use funds from the investment account toward interior renovation projects. An effective way to help motivate people to donate, as well as to use the available funds, was to create a two for one match from the investment account principal. The Finance Committee and Church Committee authorized this policy.

The scope of the Capital Campaign and the building project changed dramatically during the past year with the requirement for extensive exterior restoration work. This change has required new ways of financing the projects, namely to collateralize the investment fund allowing for a construction loan to be secured against the assets. This funding method was approved at the May 2007 Semi-Annual Congregation meeting.

Therefore, since the investment fund is being used as an asset, and with the anticipation that it would be used to repay a portion of the loan, the two for one match policy has been re-considered.

Henceforth, existing donors to the Capital Campaign who would like to continue to have their donation (and the remainder of their pledge) matched two for one will be given that option.

All new donations and pledges will be matched on a one-for-one basis by a newly established and funded matching program – The Don and Marjorie Watson Challenge Fund.