



NACCC - CIT Advisory Board Meeting Notes **Thursday, July 25, 2 pm CDT – 2024**

Varn P called the Meeting to Order at 2:02 CDT

Attending; Dick Davis, Jeff Dillon, Tom Van Tassell, Steve Russ, Varn Philbrook, Elizabeth Wares, Matt McClendon, Barry Szymanski, Cheryl Milnes, Kristin Ward

Absent; Jim Walsh, Patrick Stewart, Marty Hall, Andrea McCall

Tom VT and Varn P discussed Jim Ws absence and reported health issues. Varn P will call him

Barry S opened the meeting with a short prayer

The April 24th, 2024 meeting minutes were approved as presented; VanTassell/Davis-MSU

NACCC Update; Barry S, Interim Executive Director, is just settling in. There are a lot of 'moving parts!'. He is off to a good start and getting a feel for staff responsibilities and priorities. This will be a quick ramp-up. Staff has welcomed Maggie Helmick (current editor for *The Congregationalist*) who will also fill the new Director of Communications position. In this role, one significant part will be to ID the 'branding' of the various NA communication conduits and understand their needs and purposes. Perhaps she could help with the forth coming CIT Brochure which is currently being updated for content.

Administrative Report; Cheryl M, CFO gave us a current CIT membership snap-shot. We have 35 members (33 are churches) and we are managing 55 funds as of June 30, 2024. Currently our holdings total \$28.5 mil composed of BoG/NA held endowment funds (\$19.6 mil) and the 33 Member church invested funds (\$8.9 mil). There are some eminent changes; Plymouth Congregational Church of Kenosha, WI is closing and will close their account. East Freetown CC will have 2 separate funds, splitting up their current holding. Kristin W is the point of contact for the Kenosha church closing.

Elizabeth W from Nottingham Trust said the recently passed streamlining for fund withdrawal thru ACH is working very well and membership seems pleased with its ease. Before she left the call we discussed final form for their management numbers to be put into the CIT brochure.

Mercer Update; Matt McC, Senior Investment Consultant, started with the quarterly narrative, April being down and then rebounding May thru June. Sentiment remains mixed and inflation is grinding lower. The 'thinking' is that the economy remains more resilient than projections with Growth outperforming Value. It will be interesting to see what the Federal Bank does in the way of potential upcoming cuts. Overall looking ahead - expect the next 10 years of growth to underperform the last 10 years – there will be bright spots. For now, a recession is not likely with the achievement of a 'soft landing' yielding minimal economic damage. The Feds goal is still for a 2% inflation rate. Tough to fathom with food prices all over the place.

Pertaining to us – the NA; discussions centered about our asset allocation, currently 65% equity and 35% fixed. In looking at the tables of data the variance to go to 70/30 or drop to 60/40 make no strong case to change anything at this point either way. Essentially no upside gain for increasing and we would lose some income by decreasing the equity mix. By consensus the CIT board agreed to stay the current course. This took us into discussion about the October meeting where we will conduct a final review our finances and then recommend the drawdown rate for the upcoming NA/BoG 2025 budgeting cycle. We anticipate another 4% drawdown rate.

Before Matt Mc left the call Varn P asked that he look ahead and start briefing/instructing us on potential other forms of investments, taking advantage of a broader Mercer portfolio. The thinking is to expand our potential income and to also better meet our fiduciary responsibilities to the NA; being more informed, offering better advice and increasing our professionalism.

Old Business:

- The CIT Trust agreement was recently reviewed and updated to reflect a more current date (12 years old) and signatory (Vice Moderator vs. the now defunct Executive Committee) – no CIT action
- CIT Brochure – the current 1-1/2-year-old brochure needs updating for its' current members, new investment company (Mercer), including Nottingham Trust under Community Bank, and correcting the administrative and management fees. Right now, Varn P, working with Cheryl M and Elizabeth W will prepare a draft to send out to the CIT membership for review and approval. Barry S suggested that we run it by Maggie H, Communications, to look at branding and appearance of the brochure.

New Business:

- CIT Quarterly General Agenda Items – this can be found on the Trello board. It lays out a general yearly cycle for the CIT, highlighting by each quarter what work is involved. This is a guideline, but it will help focus on key items so that they get properly reviewed and checked at least once every year.
- Updated for Approval – Investment Policy Statement. Overall, the document is well written and has been vetted several times by professional counsel. The following housekeeping items were attended to; eliminating the word DRAFT in the title line and bringing the date to the present time in the Approved ... line in the closing. Approved as presented; Davis/Dillion-MSU
- Other Business – Barry S and Tom VT brought up and discussed all the forms of communication currently being sent out. They feel there may be some mixed messaging and redundancy. This issue is being reviewed by NA staff and we can expect some streamlining and *guide to the various forums* (comment Varn P)

Schedule Next CIT Oversight Committee Meeting

(Tuesday, October 15th, 2024)

Tom VT closed with a benediction and Varn P adjourned the meeting at 3:21 CDT.