

**Ohio Conference  
Treasurer's Report  
2016  
December Board Report**

1. **OCWM Income:** As of the end of October, the OCWM income was \$374,804 compared to an income of \$442,072 in 2015. This is a 15.2% decline from last year. Last year at this time I was reporting a decrease of \$1.1%. This is clearly a significant downward trend that is persisting. It is also showing up across all of the associations. See below. (*Major Concern*)

CSEA	- 7.4%	- \$ 3,540
EOA	- 1.9%	- \$ 2,227
NWOA	- 12.9%	- \$11,823
SONKA	- 52.9%	- \$13,562
WRA	- 23.0%	- \$36,117

2. **OCUCC Expenses:** Through October, the expenses were \$463,715 compared to budgeted expenses of \$588,552. We are current in giving OCWM to national. Once an adjustment is made for the lowered OCWM income, we are running about 10.3% under budget. We will continue to watch the budget closely given the significant decline in income. (*Concern*)
3. **Cash Position/Investment Draws:** We remain in a fair cash position of \$89,971. Due to the 15% reduction in OCWM, a draw of \$31,000 from reserves was done because of the timing of bills coming due and the nature of cash flow. At the beginning of the year, I did not expect to draw from reserves. (*Growing Concern*)
4. **Outdoor Ministries:**
- A. **Program Report:** As of the end of October, we are showing a net loss of \$99,617 compared to a loss of \$92,894 last year. As expected, at the end of the summer the loss was slightly larger for this year compared to last year. We will reduce this loss by at least \$25,000 in 2017 by contracting Temple Hills to UCCR. We will need to look at other ways to address this loss as well. (*Major Concern*)
- B. **Facility Management Report:**
- (1) **Camp Adjacent Properties:** The survey and related work at Pilgrim Hills is not yet finalized. No news on Temple Hills properties.
- (2) **UCCR 3<sup>rd</sup> Quarter Report:**
- (a) **Groups in Attendance:** Through the third quarter, UCCR reports that there has been an increase of groups using the camps while at the same time a decrease in schools using Nature's Classroom. The decrease in the use by the schools has largely been driven by decrease in revenues

for the local schools as well as the increased pressure of keeping the students in the classroom to pass the state tests.

	<u>Groups</u>	<u>Schools</u>	<u>Total</u>
2015	42	24	66
2016	58	17	75

**(b) Income:** Through the third quarter, the total revenue was \$598,700. This was \$41,300 or 6.45% less than the same period in 2015.

**(c) Expenses:** Through the third quarter, the total expenses were \$538,300. This was \$95,100 or 15.0% less than the same period in 2015.

**(d) Major Maintenance Reserve:** UCCR reports a net gain of \$60,300 which will be placed in the Major Maintenance Reserve. This is \$53,800 greater than was shown for the same period last year. Even though revenue is lower than expected, as UCCR continues to do cost containment they fully expect to meet or exceed their 2016 budgeted results.

**Summary:** There is a lot of good news in this UCCR report.

1) More groups are contracting to use the camps

2) The Major Maintenance Reserve has increased from \$6,500 in 2015 to \$60,300 in 2016.

The only negative is the decreased use by several schools choosing not to renew contracts with Nature's Classroom. But even this negative is partially a positive in that a number of those contracts were driving our loss since they were not generating enough revenue to cover the actual expenses. UCCR is addressing that issue as new contracts are being signed.

**C. Templed Hills:** UCCR is beginning preliminary work on plans to reopen Templed Hills year round. A review of the facilities and needed improvements was completed. UCCR is awaiting approval to move forward with improvements. They are also in the process of planning for appropriate staffing levels. Jeff Thompson is gathering a crew to remove the cabins that are posing a liability hazard.

**D. Pilgrim Hills:** Jeff Thompson was able to leverage the recent gift of money for vehicle replacement to purchase a 15 passenger van and a camp utility vehicle. A large portion of the deck adjacent to the dining hall was demolished. Jeff was able to keep a small portion of the deck for use until the time we build the replacement deck.

**E. UCCR Governance:** With the change in structure for UCCR, Bob Kutschbach will now be our representative on the UCCR Board of Directors. Bob and I will both serve on the UCCR Owners Council.

**Other News:**

5. **Henrietta UCC:** The realtor has continued to show this property.
  
6. **2016 Audit Engagement Letter:** We have signed the engagement letter. At the recommendation of Carolyn Willis and a member of the Finance Committee, it was decided not to consolidate the investments at this time.
  
7. **Major changes in OCWM income for 2017.** Near the end of October, we learned that EOA decided at their annual meeting to increase their retention rate from 60% to 70%. A week later we learned that SONKA chose to move from using a retention rate of 75% to a fixed contribution of \$3,000 to OCUCC. Both of these changes are effective for 2017. The result of these two actions will be a projected reduction in OCWM for conference use of around \$55,000. The net result is that OCUCC will see a decline in OCWM of almost \$88,600 below what was received in 2015. This is a 20% drop in income. At this funding level, this leaves the conference with only \$407,681 to manage in 2017 compared with \$485,880 in 2015. I now forecast a deficit of over \$54,000 in our current operating budget for 2017. A deficit of this level is not sustainable. Major reduction in spending is required. (*Major Concern. Action in the near future is required*)

*Samuel Buehrer  
Ohio Conference Treasurer*