

Ministry Team: Support Ministry Team

Meeting Date: September 14, 2010

Attendees:

John Zweig
Gloria Gillis
Dean Haas
Diane Putzer
Bob Damon
Jeff Diehl
Lance Schmidt
Brenda Smongeski.

Excused:

Don Monson
Steve Uslabar

Guests: None

Item that requires Council action or to be informed:

1. None

Other agenda items:

1. Minutes from August 2010 were reviewed and approved.
2. Property Oversight (Update)-
 - a. The organ maintenance has been pushed back due to the fact that Ron Wahl is in the middle of a very large maintenance project out of town. We are looking at early fall.
 - b. The Downtown Site front doors have been renewed and refinished with refinished/new hardware.
 - c. The next roofing issue which should be attended to is the foyer of the office. The estimate is \$1200. This leaks year round, snow or rain. Bid approved for completion.
 - d. The elevator entrance door is leaking during rainstorms and running down to the basement. Estimates were reviewed. Dean Haas to verify bids.
 - e. North Site front door needs to be replaced, locking mechanism is sticking. Brenda is working bids for new metal doors and refinishing the doors from a second vendor. Bids to be obtained and emailed to team members to expedite replacement prior to winter; security issue because the lock doesn't always engage.
 - f. FELC Council approved sponsorship of Boy Scout Troop 12. Brenda Smongeski met with the Troop 12 Scoutmaster to schedule appropriate rooms for the troop and other requirements were defined. Also, approved the request from the Scout Troop to park their Scout trailer at the North Site.
 - g. Bible Study Fellowship, a group which uses our building on Monday a.m. and Tuesday a.m. - 2pm during the school year. They have some additional needs; Brenda Smongeski met to verify their needs.

3. Financial Review

- a. Support financials- reviewed. Expense budget is at 59% through 8/31/10 versus projection of 67%.
- b. Offering/Revenues - Offerings/revenue is at 59% of annual budget and \$66,384 behind 2009 for same time period. Net of revenue less expenses is only a negative \$422 in spite of reduced contributions from members. Breakeven cash flow has resulted from less staff salaries (parish nurse & music director positions not filled), Synod dues not paid monthly, reduced operating expenses and reduced expenses from all ministry teams.
- c. Echoes Budget- reviewed. The Outreach and Social Ministry Team will recommend recipients for outreach donations after Echoes Budget reaches budgeted excess revenue greater than \$15,000.
- d. Bank Account Statements - 8/31/2010 checkbook balances have not been reconciled as of meeting.
- e. Treasurer's Summary Report- 8/31/2010 report not completed due to checkbook balance reconciliation not completed.
- f. Review Lines of Credit -
 - i. Capital Expense line-of-credit loan - Balance is \$134,200 per Brenda Smongeski. She moved \$9,200 from the line of credit to the Capital Appeal Checkbook due to inadequate funds to pay for \$17,195 monthly mortgage payment in September. Capital Appeal Checkbook needs to be reconciled to verify exact balance to make appropriate decisions for debt payment. A \$100,000 payment was approved in July by the Support Ministry Team and made on 8/13/10 based on information that the Capital Appeal checkbook balance was \$142,405 on 6/30/10. FELC can utilize the Capital Expense line of credit loan to fund monthly mortgage payments when Capital Appeal contributions are not adequate.
 - ii. Operating line-of-credit - Balance zero.
- g. Agreed that John Zweig and Brenda Smongeski need to meet with the Family and Youth Ministry Team to discuss budgeting for youth in 2011. This was deferred until October as a part of the budget process.
- h. Designated Funds - Diane Putzer presented balance sheet listing all the designated funds through July 31, 2010. This detailed report will be distributed to the Council along with a listing of the funds with annotations on how the funds can be used.
 - i. Quilters Fund - Diane Putzer proposed and the ministry team accepted the recommendation to accept a \$500 gift to the quilters fund plus a distribution of \$1000 from the undecided fund within the Designated Fund to fund 2011 expenses for the Quilters. A forthcoming gift from a donor to the Quilters fund will fund current year expenses.
- i. Audit - Discussed audit findings, responses and deadlines. John Zweig and Dean Haas will work the specifics and assign tasks. Brenda Smongeski informed the team that five new bank deposit bags have been purchased, one for each worship service. Offerings will be placed in these bags, locked and then placed in safes at the North Site and Downtown Sites. Cindi Schwab will have one key and the Business Bank will have a backup key. Staff with access to the safe will bring the unopened bank deposit bags to the volunteer counters on Monday or Tuesday. Cindi will open the bags with the key in her possession to accomplish dual control of cash deposits. A backup for Cindi (someone without access to the safe) will need to be identified when she is not available.

4. Personnel

- a. Personnel Sub-Group update. The approved staff performance review was shared with team members and the program was discussed.
- b. Staff Job Descriptions are to be reviewed during the forthcoming staff performance review. Once this is accomplished the Personnel Sub-Group will be asked to develop final job descriptions for staff members.

5. Stewardship
 - a. Stewardship Policy - Stewardship Policy has been distributed to the Council, the Stewardship Committee and ministry team members. Awaiting input prior to developing draft.
 - b. Stewardship Committee - Lance Schmidt, chairperson of the committee, briefed the team on the stewardship plans for the coming year and the stewardship campaign that is starting with pledges to be received on October 17, 2010.

6. Other items:
 - a. Property Acquisition Policy - copy of the current policy distributed for review; November agenda item.
 - b. Brenda Smongeski will inform the city of Appleton that FELC has converted the Ida Street house to rental and will begin paying real estate taxes in 2011. She will also inform them that the Durkee Street house has been converted to nonprofit use and therefore FELC should not pay real estate taxes on this property beginning in 2011.
 - c. Staff Benefits - pending presentation on benefits.
 - d. Deferred drafting a computer acquisition/gift policy for a future month.
 - e. A motion was approved to reactivate the Communications Sub-group to assist with shortfalls in communications (website upkeep and development). Brenda Smongeski will work with Jean Monson to identify former and potential members to work with Meri Hujet.
 - f. Approved motion to convert FELC financial record keeping to the church financial software ACS. We currently use ACS for our member recordkeeping . Cost to purchase additional software modules is approximately \$2,000. After that, yearly software expenses will be about the same. The ACS software will be more flexible in managing accounts, assets and reports. The new bookkeeper Cindi Schwab is familiar with the software and used it at her previous Church employment. The conversion will be effective October 1, 2010. A fixed asset module will be purchased to facilitate compliance to audit recommendation.
 - g. Dean Haas informed the Team that he contacted Gary Miller at Thrivent Financial to discuss repricing FELC's real estate loan of \$2,376,000. FELC's loan is a 25 year fully amortized loan with a 5.5% 10-year adjustable interest rate product. The loan was taken out in January 2004 and projected to payoff in January 2029. The 2% prepayment penalty expired in January 2009. This loan reprices on January 2014 without a fee. Prior to this date a 1% repricing fee is charged if FELC requests to reprice the loan. The following interest rate products are available today: 3 year adjustable 4.5%; 5 yr adjustable 4.875% and 7 year adjustable 5.375%. The cost of repricing is 1% of the current loan balance and would cost \$23,800. upfront. Gary calculated that the cost savings in the reduced monthly payment from the lower interest rates would take 20 months (3 yr adj.), 31 months (5 yr adj.) and 238 months (7 yr adj.) over the remaining term of our real estate loan. Based on the long pay back, Dean recommended that loan repricing does not appear to be a positive financial option at this time. In addition, it may be possible to conduct another Capital Campaign to pay-off the entire real estate loan in 4-5 years rather than allow the loan to run until maturity in 18 years.
 - h. Planning for 2011- Reviewed guidelines for developing objectives and budget recommendations from the ministry teams. Will seek approval of Executive Committee prior to distributing. Discussed plan for developing Support MT objectives and budget at October meeting.
 - i. Reviewed staff credit card reconciliation. Problem addressed, final resolution pending. (Executive Session)
 - j. Rental Property - Addressed rent payment issues for Durke Street residence. Resolution continues. (Executive Session)

Next meeting, Monday, October 11, 2010, Downtown, 7:00 PM

Respectfully submitted, John Zweig, Chairperson.