

FELC Ministry Team Minutes

Ministry Team: Support

Meeting Date: Monday, December 15th, 2014

ATTENDEES: Pete Vandenberg, Don Kirby, Keith Lenaburg, Dean Haas, Cindi Schwab, Diane Putzer, Brenda Smongeski, Mike Koester, Bob Damon, Mark Gebert

Guests: Pastor Jeff

Not Present: Steve Uslabar, Kay Eggert

Items that may require council action:

- n/a

Items that may require budget/finance coordination:

- n/a

Ministry team minutes:

Meeting called to order at 6:45 pm.

Don K. acted as recorder. Dean H. acted as Chairman.

Don offered opening devotions.

Additions to the agenda:

- n/a

Minutes from the November 18th meetings:

All

- approved as reviewed previously, on-line. Motion by Bob, seconded by Diane, approved unanimously

Treasurer's Report/Financial Update:

Brenda S./Dean H.

- Offerings YTD are \$156,545 behind budget
- Pledged offerings at 78% of budget; Unpledged at 65%; Loose plate at 71%.
- Operating expenses are on budget at 87%
- Net Income YTD is negative \$121,954
- Capital contributions from last capital campaign continue to come in (\$1,323 in November) and will be applied to principal reduction on Ida Street rental property
- Checkbook balance on 11/30/14 is at \$34,481 compared to \$64,742 on 11/30/13
- Bob D. moved to accept the Treasurer's report, seconded by Mike K. approved unanimously.

2015 Budget Planning process:

Dean H./Brenda S./Cindi S.

- FELC received \$984,455 YTD in offerings, through 11/30, plus actual offerings of \$21,000 and \$17,000 for the first two Sundays in December, the group estimated two more Sundays at \$40,000 each, factoring in the various holiday services, timing, etc. This would result in \$1,102,500 total offerings estimated for 2014 year-end compared to the annual budget of \$1,301,000.
- Stewardship reports show 83 individuals who pledged in 2014 and have not pledged in 2015. Brenda researched the offerings in 2014 for this group. After removing offerings from members who have moved away, this left \$124,000 of pledged offerings for 2014 from the remaining members in this group. The same pledge amount from this group was added to other pledged income for 2015 to calculate projected offerings for 2015.
- During the discussion, Brenda calculated that actual offerings from pledgers comes in at 94% over the past two years. This ratio was applied to the expected pledged income, resulting in a reduction of approximately \$60,000, to reflect this variability.

- A projection of offerings for 2015 is as follows:

| | |
|-----------------|---|
| \$900,700 | pledged through 12/15/14 |
| \$124,000 | expected to be pledged yet |
| <u>(60,000)</u> | <u>94% performance factor</u> |
| \$963,200 | net pledged offerings |
| \$135,000 | in unpledged income projected for 2015 based on current offering YTD 2014 |
| <u>\$52,000</u> | <u>loose plate offerings projected for 2015 based on historic results</u> |
| \$1,150,000 | Total offerings projected for 2015 |
- The group then began to discuss various opportunities for expense reductions. Cindi, P. Jeff, and Brenda ran through numerous income and expense adjustments that they discussed and recommended after special budget meetings with Don, Dean and Pete last week.
- Given all of these adjustments, the 2015 budget shows negative net income of \$116,000. Next, Dean shared his prepared list of areas to consider for further income increases and expense reductions. Group discussion ensued on each item.
- The group discussed the one-time and on-going expenses for the former Skowen property, to ensure we have these expenses (ie real estate tax estimated at \$2,200 payable in 2015) properly reflected in the budget going forward.
- Additional revenue actions were discussed including charging rent fees to non-profit groups that use FELC facilities. Pros and cons were voiced for and against rent fees.
- A brief discussion was held considering the merits of the sale of the Ida Street property to raise additional one-time revenue (estimated at \$100,000 sale price – 57,000 loan = \$42,000). Currently the income and expenses for this rental property are equal. If the property is retained and the \$57,000 loan is paid off, rental income could provide \$850/month of income.
- Pastor Jeff reported that a change will be implemented in 2015 to hold service on Wednesday evenings throughout the year. A quick calendar review of 2015 reveals 27 potential additional Wednesday night services after excluding current Lenten services and summer intern services at the NS. Presuming a start to Wednesday night services beginning with lent, this provides at least 20 weeks of additional opportunities for offerings based on the new worship opportunity. At \$500/week projected offering, this could provide \$10,000 in additional revenue to be added to the potential unpledged offerings.
- Following the group discussion and including reducing benevolence to 10% the projected net income for 2015 was reduced to approximately negative \$75,000. This projected budget will be presented to the FELC Council on Tuesday, December 16, 2014 for their input to balance the budget for 2015.
- Backup plans for income enhancement and expense reductions will be developed prior to year-end and then considered after 2014 year-end offerings amounts and 2015 stewardship results are available in early January 2015. As a result the next Support ministry team meeting was moved up to 6:00 PM on January 12th to ensure that a balanced budget is provided to the FELC Council.
- The FELC Council meeting will be rescheduled for Tuesday, January 20, 2015 to allow for review, discussion and approval of a budget to be printed in the annual report which has a publication date of January 23, 2015.

Devotions for the January meeting to be lead by: Brenda S.

Meeting adjourned: 9:24pm

Next meeting: Monday, January 12th @ 6:00 pm: Room 110 D.S.

Respectfully submitted by: Don Kirby