

FELC Finance Committee Minutes

Meeting Date: 6/20/2017

Attendees: Diane Putzer, Keith Lenaburg, Bob Damon, Pete Vandenberg, Mark Van Beek, Mark Gebert, Brenda Smongeski (staff liaison)

Absent: Dean Haas, Colny Gretzinger, Steve Uslabar

Items that may require council action: N/A

Meeting called to order: 6:52 pm

- Diane served as chair.
- Brenda provided opening devotion.

Additions to the Agenda

- No additions

Minutes of the May 16, 2017 meeting:

- Bob moved to approve. Seconded by Pete. Motion carried.

Treasurer's Report:.....Mark V.

- Checkbook balance on 5/31/17: \$25,307 (down \$20,799 from April)
- Designated Funds cash balance on 5/31/17: \$451,402 (down \$984 from April)
- FELC mortgage: \$1,758,351
- Line of credit utilized: \$18,085
- YTD through May operating loss of \$4,694 compared to \$4,632 budget gain and prior year YTD net gain of \$9,152.
- Budget highlights
 - YTD offerings \$25,519 unfavorable vs. budget (down \$15,234 from April)
 - YTD Member Pledged: -\$59,472 vs. budget
 - YTD All Unpledged: +\$33,953 vs. budget
- Motion by Bob to accept treasurer's report, seconded by Pete. Carried.

Results of Ministry Team Fair:.....Brenda

There was no formal interest in serving on Finance Committee. There will be a "Count Me In" request this fall for volunteers for standing committees, including the Finance Committee, Stewardship Committee, and the Property Oversight Committee.

H.E.R.E. Capital Appeal:Brenda

- Project cost was \$330,205; Funds Received as of 5/31/17 is \$274,202; Pledged Contributions yet to be rec'd for 2017 is \$37,880; Add'l funds which may be needed totals \$7,397.

- A separate contractor will install the new railings.

Cross for North Site exterior: Brenda

- The Arts & Environment Committee selected a paint color (Sherwin Williams # SW2735) for the unlit cross.

Review & Update FELC Gift Policy: Brenda (from last month)

- The policy had one clarification in the 3rd sentence. A motion was made by Bob to approve the Gift Policy with the one clarification. The motion was seconded by Pete. Carried.

Records Retention: Bob

- Bob and Brenda completed records retention culling, following the ELCA Records Retention Schedule.

Financial Internal Audit Procedures: Mark V.

- Mark V. will continue to conduct internal audits for the next several months and meanwhile contact members in FELC who have expressed an interest in participating in portions of the FELC audit.

Submitted by: Mark Gebert
Next Meeting: 8/15/2017 @ 6:45 pm in DS Rm 110
August Devotion: Pete V.

Devotions for 2017

January.....	Dean H.	July	No Meeting
February.....	Diane P.	August	Pete V.
March	Brenda S.	September.....	Steve U.
April.....	Keith L.	October	Mark V.
May.....	Bob D.	November	Dean H.
June.....	Colny G.	December.....	Mark G.

FIRST ENGLISH LUTHERAN CHURCH

FELC GIFT POLICY

The FELC protocol for receiving gifts is as follows:

Gifts/bequests to First English Lutheran Church and the FELC Endowment Fund must be consistent with the mission and vision of FELC and the church.

Undesignated gifts/bequests to FELC (versus the FELC Endowment) will be deposited in the Undecided Account, a sub-account of the Designated Funds, pending a decision by the Council on its disposition.

Gifts for the FELC Endowment Fund:

1. All gifts/bequests go to the First English Fund within the FELC Endowment Fund unless specifically directed in the granting documents.
2. Our preference is for endowment gifts to be undesignated.
3. When we receive a bequest we will consider it “undesignated” unless the gift comes with specific instructions for its application.
4. Gifts that initiate a designated or named component of the endowment fund need to be at least \$25,000 so that an annual grant from the fund can be at least \$1,250. If a gift is solicited for a specific purpose it is assumed that it is restricted to that purpose unless otherwise clarified.
5. When we receive a gift from a living donor that exceeds \$10,000 we will ask the donor if there is a special interest, but we will indicate that we prefer that the gift be undesignated.

Gifts for the Designated Funds:

1. The preference is for gifts to be undesignated. The Council has authority to designate the use of undesignated funds.
2. FELC encourages that gifts for specific purposes be coordinated with the appropriate ministry team if designation is for a non-budgeted activity/need.
3. If gifts are designated for an operating area (i.e., youth, outreach, worship, etc.) they will be used first to support budgeted expenses for that area.
4. Gifts not expended in the current year will be carried to the next year.

Gifts for the Capital Appeal Fund:

1. Gifts normally result from solicitation for, and undesignated gifts within, an area of defined need (such as debt retirement).
2. Gifts solicited for a specific purpose are applied as directed (such as a repaired roof).
3. Gifts are normally spent as received or according to a specific spending plan. Gifts not expended in the current year will be carried to the next year.
4. Sub-accounts for the Capital Appeal Fund may be created for specific funding projects.

FIRST ENGLISH LUTHERAN CHURCH

Limitations on Designated Gifts:

1. Designated gifts are irrevocable even if an individual for whom a gift is specified does not participate in the project or program, or the program for which the gift is designated does not move forward.
2. A reasonable determination as to the portion of any designated gift that is for purposes not substantially related to approved programs of the church (e.g., sight-seeing or other recreational or pleasure activities undertaken in connection with a mission trip) will be reflected in the receipt provided for the designated gift. Direct payments or stipends to specified individuals are generally not deductible for donors and will not be reported as such.
3. Designated gifts that do not meet the criteria set forth above will not be included in the report of giving provided for donors' use for tax reporting.

For gifts proposed outside these protocols the Finance Committee must recommend approval of the gifts to the Council.

Approved June 20, 2017
Finance Committee