

# Finance Committee Meeting

November 9, 2020

Via: Zoom

Attending: Wade Huseh(Board/Chair), Deb Simon, Tyler Gold, Nan Schilling, Jeff Kuchenbecker, Lois O'Rourke, Diane Wenzel (staff), Rick Blum (staff) Not Attending: Wendy Johnson

The meeting started at 6:32 p.m. with a devotion from Nan Schilling, called how to practice "Slow to Anger."

*Proverbs 12:25/Ephesians 4:26/James 1*

## **Financial Statement and Dashboard Review**

- *Results YTD – Wade found an error in the budget going back to August and September that might reflect how committee members feel about October. The revenue budget number was misrepresented in August and September, which means the revenue gap that showed up in the October statement had actually started in August but wasn't reflected in the numbers. Wade said he would send revised numbers for August and September after the meeting.*
- *Wade also explained that the Dewey money had been moved into Board Designated Funds and would be contributed back to the budget at a rate of \$15,708/mo for the next 2 years. No net numbers changed, but some of the line item numbers changed.*
- *We're waiting for the SBA to see if they will forgive our PPP loan. Diane is planning to file paperwork soon.*
- *Columbarium Accounting Policy Change – Wade explained what they are doing is taking money out of net assets and moving it into deferred revenue to pay for future engraving costs. Lois had a question about why it was taken out of net assets. Wade explained in the main numbers, it's all listed as restricted.*
- *Deb asked whether the budget numbers are based on 1/12 or whether it's based on when things are spent. Wade said most of the revenue and expenses estimated are based on 1/12 of a year, but certain items that can be broken down differently (like LBPS salaries, which only happen 9 months of the year) are broken down differently.*
- *Rick jumped in with an explanation of his dashboard. Rick explained that thanks to new software we started using in October, we're getting a better view of our online audience, which will be reflected in higher online attendance numbers. He also said from a revenue perspective, October was a pretty decent month compared to 2019. However, September was not good, and that is where a lot of the revenue shortfall was created that was reflected in Wade's October numbers. Lois commented that the dashboard reflects that a lot more members are using Breeze and Subsplash money to the church, which is good.*
- *Rick said he thought the messaging for the Generosity campaign went well, up until last week, where we didn't do enough on November 8 to encourage people to turn in their cards. He said we will have a better handle of where we are at next month's meeting.*

## **Cash Investments Update – Moves to Safeguard/FDIC concerns –**

*Diane said that she had a long talk with Oak Bank about how we were managing our cash. She found the money market account we moved into ICS to try and protect more money under FDIC rules was actually a sub of the larger ICS account. So, she decided that we will move the Money Market account into the restricted ICS account. We closed a Capital ICS account we weren't using. We set up our general checking account to stay at \$200,000. If it goes above \$200,000, it will sweep money into the ICS to protect it for FDIC purposes. If we go below \$200,000 it will sweep money back into the general account. This will be done automatically, which Oak Bank couldn't do until recently.*

*We also still had \$441 left in an account left behind from the \$137,000 moved over to UW Credit Union, which we have now moved over to the UWCU savings account.*

*Deb wanted to thank Lois for being persistent over the past few years in making sure we had our cash protected.*

**Cash flow forecast prototype** – *Wade wanted to build us a tool that could help us forecast in the future and see where we're trending. We could update it monthly; or we could update it quarterly.*

*These are general funds balances only. These are not broken out with areas like accounts payable.*

*At the bottom of the excel spreadsheet, it shows whether we have enough of cash balances in reserves.*

*Lois asked where we came up with the contribution number, and would we change the formula if the numbers trended a different way.*

*Jeff asked whether there was a need to add some seasonality to this formula. Wade says we could look at it, and the more data the better.*

*Lois says it may not be exact numbers, but it does give us a sense of direction.*

*The committee generally thought this forecast was good.*

*Wade said these forecasts might allow the committee to give recommendations to the board about how resources should be spent strategically.*

*Wade said he will plan to revisit this forecast in January.*

## **Committee Member Recruitment**

*Wade revisited the idea of getting more committee members for Finance, which he brought back up in the winter. Wade is looking for ideas about how to do some outreach.*

*Lois said could we do some research in Breeze.*

*Rick said we could do a video and air it before the service. Wade said that video is great, but personal relationships are the most effective.*

*Jeff - Messenger top 10 list? There are a lot of closet accountants out there who know how to count and crunch numbers.*

*Deb – When I was approached, I thought there would be a ton of volunteers. But I got here and realized there weren't that many volunteers.*

*Wade – I'm hoping people could network.*

**Wrapup:**

*Rick had 4 positive pieces of news he wanted to share with the committee.*

- 1. LBPS/Devora/Grants – New LBPS Director Devora Ballo was successful in getting \$26,000 of grants for Little Blessings because of the pandemic, which helps fill the revenue shortfall there (NOTE: she was informed 11/16 that we are going to get another \$21,500 on top of that.)*
- 2. Copier Deal – Rick will be signing a copier deal that should reduce our monthly payment from over \$5000/month to \$759/month for one year. If we start printing more, it may cost more, but nowhere near the amount of money we have been paying the past 3 years.*
- 3. Devotions – Rick said we are looking for people to submit Advent Devotions under the title "A Weary World Rejoices." If you can write a devotion, please let Sarah Iverson know.*
- 4. TV Broadcast – The church has spent money to buy an hour of prime-time television on Fox 47 Christmas Eve at 9 p.m. We plan to air a special version of our Christmas service at that time. In addition, we also will be airing the Christmas Concert from 7-8 a.m. Christmas Eve and Christmas Day on Fox.*

**The meeting ended at appx. 7:45 p.m. with the Lord's Prayer.**

**Submitted by Rick Blum (staff)**