Finance Committee Meeting (AI-edited Notes)

May 12, 2025

Attending: Tyler Gold (Chair/Board), Sara Ritter, Greg Vlack, Diane Wenzel (Staff). Rick Blum (staff)

Attending online: Adam Frey,

Not attending: Gary and Kris Schmuhl, Nan Schilling

Quick recap

Rick discussed the financial situation, including the receipt of a substantial sum from the IRS and the potential for a significant estate gift to the Church. The Finance Committee recommended the creation of a fund for emergency needs. The committee also discussed the potential impact of a shortage of 4-year-olds in the Verona school district on their 4K program and the need to consider a gift policy for the foundation.

The meeting began at 6:02 with a short prayer from Tyler.

Financial Situation and Campaign Update

Tyler discussed the current financial situation, noting that the appx. $55,000 deficit is largely due to mortgage principal payments not included in the annual budget. He mentioned that the balance in the general fund is up over $400,000, which is a positive development.

Rick also discussed the upcoming campaign, which is expected to tie into the general campaign for the fall with a target date for Giving Sunday of either the 9th or 16th of November. He highlighted the challenge of recruiting 7 leaders for the campaign within the next 2 and a half weeks.

IRS News: $235,000 Received

Rick shared exciting news about the IRS. Last month, he stated the church no longer expected to get an estimated $182,000 owed by the IRS. However, he said that shortly after last month’s board meeting, they received a note from the IRS, saying a refund was coming. That was followed by a check for appx. $96,000, followed by a check of $139,000, bringing their total to $235,000. We received $53,000 more than expected because of interest. Rick emphasized the need to keep this information confidential for 24 hours before he shared it with the staff. He also discussed the implications of this news on their financials, stating that next month they will show a profit of $180,000.

Using Grant Funds for Internal Programs

Rick, Tyler, and the team discussed the impact of a $235,000 profit on their budget and fundraising strategy. They agreed to use the funds to provide grants for internal programs, rather than increasing the budget further. The money will be held in a money market account, earning interest, and used for future maintenance and repairs. The team also discussed the potential impact of this decision on their upcoming fundraising campaign.

Greg said this money should have shown up a year ago. The church paid for some big-ticket items in the past year. This is basically making us whole, and the messaging should reflect that. It can also serve as a buffer.

Adam suggested a paragraph summarizing this decision for the board.

The Finance Committee recommends the board use the long overdue money received from the IRS to create a fund that will handle emergency needs. They recommend the funds be placed in a money market and be used if something breaks down. Because, given the age of our buildings, it's not a matter if something breaks down, but when.

Rick also mentioned a potential staff request for a position, which might come once the information is known. The committee's recommendation was to use the funds for emergencies only, as they did not have the money for it in the giving.

Estate Gift and Budget Review

Rick discussed the potential for a substantial estate gift to the Church, which would be unassigned and not restricted. He also mentioned the need to consider a gift policy for the foundation. The committee discussed the budget review, with Tyler advising not to make major changes to the pre-26 budget.

LBPS shortfall

They also discussed the potential impact of a shortage of 4-year-olds in the Verona school district on their 4K program, which could result in a loss of $25,000. The committee agreed to monitor the situation and adjust the budget accordingly.

Audit Committee

Diane confirmed that the audit for Credit Cards is up to date. Kris still needs to come in to do bank statements.

The meeting ended with the Lord's Prayer around 6:50 p.m.

Next steps

Rick to send the Finance Committee's recommendation regarding the IRS funds to the Board.

Rick to present the IRS windfall information to the staff.

Finance Committee to consider developing a gift policy for the church.

Tyler to maintain the current budget without major changes for fiscal year 2026.

Linda Hayes to work on shuffling students to minimize the impact of reduced 4K enrollment in Verona.

Rick to send the motion regarding the IRS funds to the treasurer.

Utilizing IRS Windfall for Future Expenses