Finance Committee Meeting

August 10, 2026, 6:30 p.m. – Madison and Zoom

Attending: Sarah Wehnes, Greg Vlack, Rick Blum(staff), Diane Wenzel(Staff), Gary Schmuhl, Spencer Johnson (Board)

Not attending: Adam Frey, Sara Ritter, Nan Schilling, Kris Schmuhl

Quick recap

The meeting focused on reviewing the church's July financials, which showed a large deficit mainly due to a three-pay-period month, moving expenses for Pastor Ben, wage increases, and Pastor Sheryl moving to full-time. Rick explained that revenue was essentially flat year-over-year and that the deficit was driven by higher payroll and one-time expenses, not by a drop in giving. The group discussed the seasonality spreadsheet and how certain revenues and expenses, like Christmas, Easter, and high school fees, were allocated. They decided the current approach was adequate despite its imperfections. They also talked about whether to proceed with planned new hires, especially the executive assistant and assistant music director, and the consensus was to stick with the hiring plan. The group reviewed the annual meeting, noting positive energy and unanimous votes, and discussed the pros and cons of holding the meeting in August versus July, particularly the impact on budget approval and the timing of the generosity campaign. They agreed that adding a note about the three-pay-period month in financial communications would help explain the higher expenses. The conversation ended with prayer.

Annual Meeting Discussion

The group reviewed the annual meeting, noting positive energy and unanimous votes, and discussed the pros and cons of holding the meeting in August versus July, particularly the impact on budget approval and the timing of the generosity campaign.

July Financials

- Results YTD
- Dashboard
- Questions and Discussion

Sarah discussed the financial results for July, noting a significant deficit to start the year, mainly because it was a three-pay period month. Pastor Ben's moving expenses also landed this month. Rick mentioned that while July is typically their worst month for donations, the gap in projections concerned him, though revenue-wise they remained about flat.

Church Financial Deficit Discussion

Rick explained that the church's expenses increased from $155,000 to $238,000 year-over-year, primarily due to a third payroll of $51,000 and Pastor Sheryl moving to full-time for the summer to cover for Pr. Dara's sabbatical. While revenue was flat compared to the previous year, the church is experiencing a $89,000 deficit that will appear in the September Messenger. Rick sought the group's opinion on whether to proceed with planned hires, including a full-time music director and an executive assistant, despite the financial deficit.

Hiring Plan and Budget Approval

Rick discussed hiring plans for two positions, including an executive assistant and an Assistant Music Director, which were budgeted for September. He delayed posting job listings after unexpected expenses created a deficit, seeking approval before proceeding. The group agreed to move forward with the hiring plan, with Rick planning to post the assistant position and potentially both positions simultaneously if circumstances align.

Seasonality Spreadsheet Adjustments Discussion

The team discussed adjustments to the seasonality spreadsheet, specifically regarding how seasonal revenue and expenses should be allocated across months. Diane questioned whether to adjust numbers to match QuickBooks entries, particularly for events like Easter, Thanksgiving, and Christmas that occur over specific months rather than spread across the entire year. After reviewing the spreadsheet and formulas, Rick and Diane agreed to leave the current approach unchanged since it provides a reasonable approximation of seasonality while avoiding excessive complexity in the calculations.

Budget Dashboard and Meeting Timing

The team discussed challenges with budget dashboard accuracy, particularly regarding extra payrolls occurring two times in a year, which created a $51,000 variance. They agreed to add a note to the dashboard explaining the three-payroll situation rather than specifying exact amounts. The group also evaluated the timing of the annual meeting, noting both benefits and drawbacks of holding it in August instead of July, with concerns about the delay in starting the generosity campaign and the need for earlier congregational input sessions to streamline the budget process.

The meeting ended around 7:15.

Next Steps

Sarah:

- Draft and send a note to Diane to include on the financial dashboard, explaining the impact of the three pay period month in July (additional $51,000 in salary expenses).https://tasks.zoom.us?meetingId=0pY47MoIQGK1eVjqiQI7GA%3D%3D&stepId=df350c8c-9519-11f1-8e5e-1a39953b0bd7

Rick B.:

- Proceed with hiring the full-time Music Director as planned for September.https://tasks.zoom.us?meetingId=0pY47MoIQGK1eVjqiQI7GA%3D%3D&stepId=df3512c2-9519-11f1-b864-1a39953b0bd7
- Move forward with the plan to hire the Executive Assistant and Assistant Music Director positions for September, contingent upon the "dominoes falling the right

way".https://tasks.zoom.us?meetingId=0pY47MoIQGK1eVjqiQI7GA%3D%3D&stepId=df351696-9519-11f1-ad8d-1a39953b0bd7

Greg:

- Bring an example of a departmental scorecard or budgeting method from her workplace to the next meeting for consideration.https://tasks.zoom.us?meetingId=0pY47MoIQGK1eVjqiQI7GA%3D%3D&stepId=df351cf2-9519-11f1-a47f-1a39953b0bd7

Collaboration:

- The group: Discuss and consider moving the annual meeting date to earlier in August (e.g., August 1st) for next year.https://tasks.zoom.us?meetingId=0pY47MoIQGK1eVjqiQI7GA%3D%3D&stepId=df351fd7-9519-11f1-8328-1a39953b0bd7
- The group: Consider scheduling congregational input sessions earlier in the budget process to allow for more meaningful feedback.https://tasks.zoom.us?meetingId=0pY47MoIQGK1eVjqiQI7GA%3D%3D&stepId=df35245f-9519-11f1-8540-1a39953b0bd7

Executive summary (AI)

August 10, 2026

Topics discussed

a. Reviewed July financial results. The church began the fiscal year with a significant deficit, driven primarily by a three-pay-period month, Pastor Ben's moving expenses, wage increases, and Pastor Sheryl moving to full-time during Pastor Dara's sabbatical. Revenue remained approximately flat year-over-year, indicating the deficit was attributable primarily to increased payroll and one-time expenses rather than reduced giving.
b. Discussed the approximately $89,000 deficit and whether planned hiring should proceed. The committee agreed to continue with the hiring plan, including the Executive Assistant and music-related positions budgeted for September.

c. Reviewed the seasonality spreadsheet and the allocation of seasonal revenues and expenses. The committee agreed to leave the current methodology unchanged because it provides a reasonable approximation without adding unnecessary complexity.

d. Discussed the financial dashboard and the impact of months with three payroll periods. The committee agreed that financial communications should include a note explaining the impact of the three-pay-period month.

e. Reviewed the Annual Meeting, noting positive energy and unanimous votes. The committee discussed the advantages and disadvantages of holding the Annual Meeting in

August rather than July, including the effect on budget approval and the timing of the generosity campaign.

f. Discussed potentially holding next year's Annual Meeting earlier in August and scheduling congregational budget input sessions earlier in the process to allow more meaningful feedback.

- **Items of importance/concern for the Board of Directors**

a. The church is experiencing an approximately $89,000 deficit at the beginning of the fiscal year. Revenue is approximately flat year-over-year; the deficit is primarily related to increased payroll and one-time expenses, including the additional July payroll.

b. The committee supports proceeding with the planned September hiring despite the current deficit, including the Executive Assistant and music-related positions, subject to circumstances developing as anticipated.
c. The committee will continue considering whether the Annual Meeting should be scheduled earlier in August and whether congregational input sessions should occur earlier in the budget process.

- **Requests for board direction**

None noted.

- **Requests for board approval (request for staff, money or new direction)**

None noted.