



Finance Committee Meeting Minutes

September 13, 2021

Members: Tyler Gold, Nan Schilling (out), Greg Vlack, Gary Schmuhl, Sara Ritter, Wade Huseth, Rick Blum (Staff), Diane Wenzel (out) (Staff)

The meeting began at 7 with a prayer from Wade.

The June 14 minutes were approved without objection.

Financial Statement & Dashboard Review -

Wade explained we've used this financial statement for about a year. We spent a year trying to simplify the financial statements from 20 to 4.

Familiarize new members with FS format & content

Wade then spent the next few minutes explaining the format and content of the financial statement. He said there were 3 sections – General Fund, Cash Balances, Mortgage Balance.

General Fund - This month, revenue is down, but expenses are also down.

Gary asked whether we adjust for seasonality, and Wade explained we didn't as of now, except with Little Blessings.

Cash Balances – broken down by General Fund, Board Designated Funds and Restricted Funds.

Mortgage Balance – We want to see it going down, and it is.

Statement of Activity – YTD:

Wade then went through the Statement of Activity, year-to-date.

Wade explained it was a broader breakdown of revenue and spending. He said you will see a fair amount of transfer of reserves being used to acquire fixed assets.

Donor Restricted – money than is directed to be spent on a specific item given by a donor.

Beyond Campaign – a very specific restricted fund. August was the first time we've seen money leave that campaign, because of the remodeling project going on in Verona.

Budget v. Actual YTD – Wade explained we're \$50,000 behind in contributions YTD, but because the budget doesn't have seasonality, it may not represent the true financial situation right now.

Statement of Financial Position (Balance Sheet) –

Accounts payable is very high, but that is because of contractors that still need to be paid. The deferred revenue is mainly for LBPS.

We need to keep 6 months of mortgage payments in reserve. We also have the Dewey Estate gift, which is being distributed to pay for Children, Youth and Family expenses.

Wade asked for questions.

Committee Charter –

This came out of the shared leadership back in 2018. This gives an idea of what we're asked to do.

We don't approve budgets, but we make recommendations to the board and other groups to help them make decisions.

Wade asked everyone to reread the charter.

Gary asked whether we had considered refinancing the mortgage. Rick explained that due to the nature of our loan, it is more logical to re-amortize our loan than refinance it. He said we already have done that twice to save on monthly expenses, and we plan to do it again at the end of the year. We can do it once a year for free. Wade said once we do that, however, we're kicking the can a little further down the road in paying off our mortgage.

Gary also asked whether we would need another capital campaign to finish off the mortgage, and Rick and Wade both said yes.

Generosity Campaign – Intersection with Finance Committee

Wade handed off to Rick, who presented a PowerPoint about how he thinks the Finance Committee can assist the Generosity Committee in the upcoming 2022 General Fund Campaign.

Rick explained that although we're doing fairly well in terms of the Capital Campaign, we had a drop of more than \$100,000 pledged to the General campaign in 2021.

- ***Finance Committee has determined we have a revenue problem, not a spending problem***
- ***Dewey money runs out in Sept. 2022***
- ***Potential \$100,000 deficit next year if we just break even***
- ***Need to be more intentional talking about giving***

The Generosity Committee has hired GSB (The consultant who helped with the Beyond campaign) to help with this year's General campaign.

- ***Pros:*** Familiar person, well liked, has relationship with the Beggs and Rick
- ***Has history with other churches of increasing giving by 15% through consulting. For us, that's \$150,000.***

Services Provided So far:

- ***Writing Seminars:*** Staff and Communications Team attended two seminars with Mitzie Schafer on (CAGA) writing style (change, agent, gift, ask)
- ***Mike providing monthly group consultations with staff and leaders via Zoom***

GSB to provide graphic design help for brochure, intent card, 3 mailings in October.

Generosity Committee re-formed with all new members

- Led by Ronda Beggs, who was co-chair of Beyond campaign with Board VP Bob Beggs in 2019 (Who is board rep. for committee this year)
- Combination of new enthusiastic members - Heather Allen, Lars Haskins, Jen Holmer, Scott Rogers, Nikki Watson
- Can help with writing, planning of events
- Goal: increase giving by \$104,000 in 2022 (\$2000/week)
- **However, No one on committee (aside from Bob) particularly strong on financials**

Rick then laid out 5 areas the Finance Committee could help the Generosity Committee during the campaign

- **Review gift charts for brochure, see if they look realistic (email following tonight's meeting) (Gift chart will be sent out with minutes)**
- **Assist creating list of "asks" to present congregation in letter (Oct. Meeting)**
- **Attend lunch with Board and Generosity Team October 24 – turn in intent card before October 31**
- **Review early card returns, determine strategy to get cards returned (Nov. meeting)**
- **Project revenue estimates based on return of cards, determine if other efforts needed (Nov. Meeting)**

Greg Said that he thought Ronda was a great choice as the head of the committee, and that her energy would make a difference during the campaign. He also thought that this work is exactly the type of work this committee should be doing right now.

Introductions:

Finally, we went around the table, introduced ourselves and explained what led us to the committee. (*-new)

Wade Huseth – he's attended for 15 years. He has two children in college, 1 in HS. He's been a CPA at Baker Tilly for 30 years.

*Sara Ritter – attended since 2007, senior auditor for state of WI, formerly in pharmacy

*Kris Schmuhl – coming since 1979. Worked for the IRS for 23 years. 4 years in office audit, 19 in customer service.

Tyler Gold – been on committee 4 years, also board member, attended Good Shepherd since he was a child. He's also a CPA at Baker Tilly.

Greg Vlack – Works at General Communications and has been coming to GS since 1996, transferred from Bethel. He has 2 girls who have graduated college. Allie and Ashley. He's not an accountant, but he's seen a lot of stuff at my business that helps me make a few suggestions. It helps make you feel involved.

Gary Schmuhl – member since '79. 3 grown kids, one very involved, Second go-around on finance committee.

Rick Blum – member since '97, started working here August 2017. Previous history was working in television news.

The meeting ended at 8:10 p.m.