Collegiate United Methodist Church / Wesley Foundation

Finance Committee

Minutes of January 16, 2024

Members Present: Jeff Elver (Chair), Chris Anderson, Mary Bellon, Brian Brand, Jason Janssen, Lori Kappmeyer, Patty King, Max Morris, Dean Phillips, Chris Rettig

Members Absent: Sherry Hoyer, Jane Jacobson, Chris Strawhacker

**Call to Order** (Jeff)

Chair Jeff Elver called the meeting to order at 7 p.m. and introduced new members Chris Anderson and Chris Rettig. He then gave the opening prayer. The meeting was held live in the Bob Farr Room as well as on Zoom.

The group reviewed the minutes from the December 19, 2023 meeting. Chris Anderson asked if paying musicians per performance would change any staff salaries. Jason Janssen explained that there was no change in the budget line for this. It just moved from being under the Staff-Parish Relations Committee (SPRC) to Worship because musical performances are no longer paid in a way that involves W-2 forms. Minister of Music Patrick Gagnon remains on the regular payroll, so stays under the oversight of SPRC.

*Max Morris moved to approve the minutes of the 12/19/2023 meeting, Patty King seconded it, and the motion passed.*

**December 2023 Financial Report** (Jason)

Jason Janssen explained that we keep the books open until all the 2023 financial transactions are complete. That means we won’t be voting on approving the December 2023 balance sheet until the next meeting. He noted that the total offering was excellent at 102% of what was budgeted, while expenses were lower, at 95% of what was expected. Last year we needed to pull $90,000 from restricted funds to balance the budget. The federal Employee Retention Credit (ERC) was a big help. The ERC funds resulted in a net total of $116, 592, instead of the negative $13,760 that would have resulted without the ERC tax credit of $130, 353.

On the Restricted Accounts pages, items such as the Advent Offering, ERP, etc., won’t be closed out until later, because we are still getting donations for 2023. Jason clears these quarterly. On the Parking Lot Checking Account page, property taxes are the major expense, but revenues still came out a little above expenses.

On the Annex page, revenues were $13,000 ahead of expenses for the year. Patty King pointed out that the transfer of funds from the Annex (item 5-60340 on that page) to the General Operating Fund (item 1-40222 on the first page) need to match. Jason said he will fix that. Patty said the cleaning person at the Annex just turned in the bill for December, and Jason said that bill should be paid in December. This is a good example of why the accounts are kept open for a while after the end of the year.

At this time, Jason requested approval to move excess operating funds into Restricted Fund 1-26702, Cash Forward from Prior Years.

*Patty King moved that any excess funds over expenditures be transferred to the carryover line item. Dean Phillips seconded the motion, and the motion passed.*

Chris Anderson asked why item 1-40226 Interest, on the first page, was way over budget at 13333%. Jason explained that this was because Dean moved funds into a CD ladder with much better interest than in the past.

Jeff summarized that we had expected a $92,000 deficit plus an extra $40,000 in insurance costs. Instead we received $46,000 in extra revenue and had $32,000 in lower costs. While we could declare victory, Patty recommended that we share this news with the congregation carefully, by listing coming expenses, since the financial concerns are not permanently solved. The Wesley Foundation issues also need resolution.

**Action item:** Pastor Mary asked that Jeff write an e-mail to the congregation about the financial status, since congregational input was sought at the budget listening sessions.

**Preliminary Generosity Sunday Pledge Results** (Jason)

Jason reported that a handful of more pledge cards have come in, and he has sent out a third e-mail to those who have not yet responded. We still exceeded our 2023 pledge total. Jason needs to pursue whether there will be more changes for those who pay by electronic fund transfer (EFT) without pledge cards, before he can be confident in his estimates.

**2024 Budget** (Jason)

At our last meeting, the Finance Committee approved a 2024 budget with a $63,000 deficit. Jason said he sees nothing dramatic that would require a change. Patty said that if there is any significant difference in income or expenses, it would change only a few lines of the budget.

Someone asked if there was anything in the budget for the East Side Evaluation Study. Brian Brand looked for information in the Church Council minutes. He, Max Morris and Jeff thought they had heard that the funding source would be item 1-29115, General/Undesignated Enduring Gifts, which has over $200,000 that could be used.

**Action item:** Jeff will present the 2024 Budget to Church Council.

**Other Business**

Dean asked how many gave additional funds in December. Jason said that there were a couple of larger gifts, but the extra donations were spread out over a group. In conclusion, we had a great year.

**Adjournment**

The meeting was adjourned at 7:27 p.m., after a prayer from Pastor Mary.

The next meeting will be February 20 at 7 p.m.

Respectfully submitted,

Lori Kappmeyer