

Summary Council of Elders Meeting November 2018

Brenda Veltman offered a devotional on gentleness, a fruit of the Spirit from Galatians 5.

Treasurer Marc Kole presented his report:

- Total unrestricted gifts ("general or operating fund") for 2018 YTD is approximately \$1.041 million, or \$98,000 below budgeted levels. Total giving for 2018 is now \$52,000 behind amounts received for the same period of 2017, and \$111,000 behind 2016. October receipts of \$120,300 were \$2,300 above budget for the month, but \$5,000 less than October of 2017. October has historically been a rather strong month for unrestricted receipts, with amounts received ranging from \$114,000 to \$125,000 during 2013-2017. This October's total received was the second highest amount during 2018, and the second time that budget was exceeded. Current forecast of total unrestricted gifts for 2018 shows a projected shortfall of approximately \$140,000 from the approved annual budget.
- Operating expenses are \$232,000 less than budget through the first ten months, with a \$46,000 variance generated in October. As you recall, the Board-approved expense reduction plan began in April, and has resulted in significant savings, both in October and YTD. As we discussed during previous Board meetings, the positive expense variances have mainly come from the planned reductions; such as the Covenant Denomination, International Missions, property reserve, etc. The remainder of the YTD positive expense variance is primarily timing-related. Unbudgeted staff turnover has also begun to generate positive variances. The church now has an operating net "surplus" of \$23,400 through October.
- Gifts restricted for the building project have totaled \$670,700 for the first ten months, with \$60,000 received during October. Costs related to the building project in 2018 are approx \$2 million through October. Total costs of the project are approx \$2.2 million. Total building project cash is approx \$640,000 as of October 31.
- Cash available for operating purposes stands at \$226,600 as of October 31, an increase of \$37,000 from the end of September, and an increase of \$31,800 from the end of 2017, primarily due to the lower spend during October. The operating cash balance was \$116,800 as of October 31, 2017.

Elders approved spending the \$109,300 in the mortgage/property reserve on construction expenses in 2018 that the Finance Committee recommended.

Elders approved moving the remaining \$1,405 in Nepali Speaking Ministry fund back into the operating budget that the Finance Committee recommended. This money was NSM support from the operating budget that was not spent.

The monthly contribution and attendance analysis showed cumulative dollars and contributors (giving units) are down about 5% at this point compared to last year. Cumulative attendance is down about 10%. Fall monthly attendance numbers are down to a greater degree. Giving per contributor is up compared to last year.

The elders approved the Finance Committee recommendation to restore \$15K of spending holds: \$10K to International Mission and \$5K to Love Mercy Do Justice. The exact details of these spends will be decided at the ministry team level.

A first draft of the 2019 budget was presented to elders. Staff and ministry teams built it from the ground up. The Finance Committee reviewed it earlier this week.

Elders reviewed the church membership and prepared a communication for those who we believe have left the church to clarify the relationship. The purpose to keep the membership roll matching the life of the church.

Elders welcomed Jeremy Wells into membership.

Mike Smith gave an update on the *Always Making Room* construction project. The building is nearly "dried in" for the winter weather. More parking space will open up in a few weeks. The construction contingency fund remains in a good position. Some allowances remain unspent and will probably be real savings. The building committee is looking at things that were removed from the project and considering what could be added back in. A December 2 walking tour has been planned for the congregation.

Pastor Andrew presented his sabbatical proposal for summer 2019. Elders will review and respond.