

Finance Committee – Meeting Minutes

October 16,, 2018

Attendance: Bruce Willson, Pat Moore, Carolee Patek, Jon Woodrum, Karen Potts & Dr. Mike Gillen

Guest: Pauline Hessel – 2019 Member

Absent: none

The meeting commenced with an opening prayer from Dr. Mike.

The minutes of the September meeting were approved.

Financial Reporting:

The September YTD Operations Profit & Loss Statement was reviewed. Total Giving for the period was \$351,932.89 vs. Total Expenses of \$362,229.26. The month of September posted a negative cash flow and the year operating deficit stands at -\$10,296.57.

Income and Expenses for the Month of September 2018 vs. September of 2017 were compared. Income for September of 2018 was \$2,993.76 greater than September of 2017. Expenses in September of 2018 were \$816.53 less than in 2017.

YTD Income and Expenses thru September 2018 were compared to YTD thru September 2017. Giving for YTD 2018 operations of \$351,932.69 vs. \$376,261.46 in 2017 or \$24,328.77 less for the same period in 2017. YTD 2018 Expenses of \$362,229.26 vs. \$349,248.29 the first nine months of 2017 or \$12,980.97 more than the previous year. A Year/Year increase in Payroll of \$14,773.83 and the \$7,798.71 increase in Utility costs* comprise the bulk of the difference.

The Balance Sheet for the end of September was reviewed. The Operating Fund has \$57,623.93 on account, the Building Fund \$83,843.53 and Pass thru \$42,283.34.

The Treasurer's notes were reviewed and are attached to the end of these minutes.

Revenue Tracking graphs provided by Tim Perry were reviewed. YTD total revenue for Cornerstone continues to track better than any previous year.

The Financial Secretary reported that the Dive In Capital Campaign has received \$245,842.58 in pledged giving (38.4% of \$640,000 in pledges) and \$42,889 of unpledged giving (7.8% of the \$640,000 in pledges) through the end of September. The total of pledged and unpledged giving is now 46.2% of the \$640,000 capital campaign goal.

Old Business:

In the October finance meeting it was noted that Cornerstone's Natural Gas bills were trending significantly higher than in 2017. As a result Jon had placed two calls to our energy provider, Spire, and not received a call back. Bruce spoke with Spire on 10/12 and learned that Spire had twice sent technicians to check and calibrate our gas meter. Spire did agree that Cornerstone's natural gas usage was significantly (10x) greater in July, August & September than the year before. Bruce was subsequently routed to Spire's Emergency Team and then to their High Bill investigation Unit. He was promised a call back from Spire on 10/16 or 17.

Dr. Mike reported that he was unprepared to discuss Breeze implementation at this time.

The Finance Committee is concerned for the translation of the Shepard's Staff dBase so that it can be uploaded into Breeze. The Committee has directed the Financial Secretary not to make any changes in Shepard's Staff while the dBase is out for translation. Once the dBase is operational in Breeze that it will be necessary to double input to both softwares until Breeze is tested and results verified.

Dr. Mike was unaware of when Usher Training would be scheduled so that they may be educated regarding the requirements of the Procedure for the Handling of Church Funds.

New Business:

The 2019 General Fund Budget was presented to the Committee by Bruce and Jon. Bruce had received feedback regarding from everyone except the payroll information from the Staff Parish Committee. Bruce was to follow up and obtain these figures. The proposed 2019 Operations Budget forecasts Income of \$474,675 and Expenses of 486,921.85 with a deficit of \$12,246.85 for the fiscal year. The Committee approved the budget for presentation to the Executive Committee on November 1st.

Note that it has been the Committee's goal, once the Dive In capital campaign is complete, to combine the mortgage payments for the addition into the General Fund. Beginning in 2021 yearly giving s to the church would be made to a solitary fund and not include a separate Building Fund pledge.

Cornerstone had received an increase in its Liability Insurance from \$9,285 to \$13,662 largely due to our Construction Liability Insurance. Jon will charge the construction related costs to the Building Account.

Jon has converted the 3 & 6-month Parsonage CD's to an 18-month term.

A Joint Committee meeting (Building, Finance, Trustees, and Executive) was held on October 6th to discuss the status and costs of the Building Addition. In its September meeting the Finance Committee had authorized an additional \$50,000 for the building project. Our projection is that the total expense for the addition to the building will be \$1,903,703 and result in a \$1,650,000 mortgage. Building Committee Chairperson, Katie Paul, reported that the furniture bid was less than the \$50,000 that was budgeted and that she would solicit a 2nd bid.

The City of O'Fallon has mandated changes to Cornerstone's sidewalks to be compliant with the Americans with Disabilities Act. The current bid is \$13,300 but Dr. Mike is attempting to understand the scope of the work from the City and to see if a less expensive solution can be found. Nonetheless the Committee felt that this expense should be charged to the Building & Grounds budget and not to the Building Fund.

Bruce reported that the new Stewardship Committee had held its inaugural meeting on October 1st and will meet again on October 30th. Bruce, Pat and Karen attended the meeting along with Colin and Janett Foster.

Alan Freeman will be joining the team. The Stewardship Committee has selected "Our Seven Day a Week Church" as its theme. It is hoped that the Stewardship team will be in operation at the beginning of 2019.

The new Video Ministry has received all of the equipment that was ordered. Bruce and Mike Cochran will be joined by Trevor Gillen and Brant Maggi and hopefully a few additional volunteers.

Bruce reports that Cornerstone has applied to renew its \$100,000 letter of credit at Peoples Bank. We are waiting for Peoples to complete their paperwork so that Tim Bright and Maureen Albrecht can sign the agreement.

The Executive Committee has asked that the heads of Cornerstone's standing committees to begin attending their bimonthly meetings beginning on November 1st.

The Church Conference is scheduled for October 27th at Wentzville UMC.

The next meeting of the Finance Committee is scheduled for November 20th.

Dr. Mike closed the meeting with a prayer.

Bruce Willson
Finance Chair