

FIRST CONGREGATIONAL CHURCH OF ROYAL OAK

2020 BUDGET MEETING MINUTES

JANUARY 26, 2020

Meeting was called to order at 12:00 p.m. by Moderator Bill Richards, who welcomed all in attendance to the annual budget meeting. Rev. Carrie Orlando gave the opening prayer.

The Moderator established a quorum of at least 25 voting members by requesting a show of hands of eligible voters.

Carl Nielsen gave a report from the **Stewardship Committee**. 2020 pledge numbers: 110 pledges totaling \$185,000. For comparison purposes, Carl also reported 2019 numbers: 120 pledges with \$198,000 total.

Steven VanBeek reported on behalf of the **Endowment Fund Committee**, noting the names of members of the committee. The Committee meets quarterly at Charles Schwab to review our accounts and hear suggestions from Schwab on investments. The bylaws requirement of 50% in equities and 50% in fixed income continue to be maintained. The Schwab annual fee is \$4500. The Committee makes all investment decisions; Schwab cannot change anything without Committee approval. 2019 was a solid year for our investments. We started at \$641,189 and ended at \$808,653. Distribution of \$40,000 for the year was made – with \$16,000 going to the operating fund and \$24,000 going to the Endowment Allocation Fund.

Nancy Hayes, Vice Moderator, reported on behalf of the **Endowment Allocation Committee**. The entire \$24,000 amount was distributed in 2019. Projects funded: television for Christian Education; sound board replacement; youth retreat expenses; special sheet music; NA Revitalization program fee; WIFI upgrades; wireless microphones and equipment and contribution to Women's Fellowship Room flooring replacement.

Treasurer Dave Barnett presented the proposed 2020 operating budget. FCCRO is in a good financial position in that we have no debt and have a good balance sheet. The issues we have currently are on the cash flow/income statement side. We lost \$10,000 in envelope giving in 2019 and we are projecting a deficit of about \$10,000 in 2020. Dave noted several key points in the proposed budget. This year, "faith giving" has been separated out on the budget to more clearly show income sources. The \$30,000 figure in the proposed budget is derived from an 8 year average. Given income situation, no contribution is being made to the building fund in 2020. This fund currently has about \$40,000 in it. Even though the actual 2019 water cost was less than projected, the water proposed amount was not changed for 2020 as it is anticipated that the City of Royal Oak will make changes that could increase our costs. Questions were raised and answered about the proposed budget and discussion took place. Since the budget is not coming from a committee any longer, it required a motion and second to move forward. Motion to accept proposed budget made by Nick Young and seconded by Bill Marin. The Moderator called for all in favor then all opposed. No opposition. The motion passed.

Dave Palmer presented a report from the Trustees. He began by thanking Dave Barnett for his many hours of work on the budget. Dave's trustee report suggested ideas on what can be done to help our income situation, items such as: pay pledges in a timely manner; review personal commitments to see if they can be increased; bring any ideas for increasing income to the Trustees; Boards- stay within budget and focus on purpose and goals to align with your budget and look for ways to fund board programs outside of the budget. Trustees are exploring new ways for utilization of the building. There are proposed changes to endowment allocation to the operating budget (expected to be presented at 2020 Annual Meeting for proposal to change 40% allocation to 50%). Dave also stated that the congregation will be periodically informed in the future so that all are aware of income versus expenses as we go through the year. Discussion took place with members asking questions and making suggestions. A discussion about automatic withdrawals took place and it was reported that this is under review. When we have reviewed it in the past, the cost was too high for FCC. However, individual members can contact their bank to have their pledge amount automatically sent to FCC. It was also mentioned that it is important to keep up with pledge amounts for members who routinely are away for long periods of time.

The Moderator asked Rev. Carrie Orlando to conclude the meeting with a benediction.

Before giving the benediction, Rev. Orlando spoke to the congregation about the situation we are in with our budget. She stressed that our situation isn't unique. We need to work together now to decide who we are and who God is calling us to be. Council and Rev. Orlando will meet next week to begin discussion on renewal/revitalization program that will help us to make decisions. We are working with the Center for Parish Development, who has received a grant from our National Association to provide us with materials and coaching. For the \$1,000 fee from Endowment Allocation, we will receive unlimited resources and coaching from the Center for Parish Development, who will help us discover what is next for us. (Resources like this would typically cost over \$4,000). God has already given us who and what we need to discern His plan for us. We have all the people and all the resources already! Rev. Orlando then lead us in prayer.

Motion to adjourn from Dave Palmer and seconded by Harvey Burns.

Meeting adjourned at 12:55 p.m.

Respectfully submitted,

Nancy Hayes