



2017 Annual Meeting Report
February 11, 2018

Memorial Presbyterian Church • Appleton, Wisconsin

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AGENDA OF THE ANNUAL MEETING OF THE CONGREGATION AND CORPORATION

Memorial Presbyterian Church (USA)

Appleton, Wisconsin

February 11, 2018

- I. Call to Order and Opening Prayer Rev. Michael Goodwin, Moderator
- II. Elect Clerk for Annual Meeting of the Congregation and Corporation of Memorial Presbyterian Church
- III. Determination of Quorum (By-laws state 10% of membership)
- IV. **Motion:** to approve meeting agenda
- V. Review and Approval of Congregational Meeting Minutes: Annual Meeting of the Congregation and Corporation (February 12, 2017); Special Congregational and Corporation Meeting for Election of Officers (October 15, 2017); Special Called Congregational Meeting for the Purpose of Electing a Deacon for Class of 2020 (December 10, 2017) (Pages 2-4)
 - Motion:** to approve Congregational Meeting minutes
- VI. Committee and Team Reports
 - A. Worship Team Jane Stevenson, Team Member
 - B. Board of Deacons Becky O'Connor, Immediate Past Moderator
 - C. Generosity Team Emily Guttenberg, Chair
 - D. Capital Campaign "Faithful for 50" Mike Harer, Elder
 - E. Finance Committee Mike Harer, Elder, Chair of Finance Committee
 - F. Personnel Committee Chad Schimmelpfenning, Elder, Immediate Past Chair of Personnel
 - G. All other submitted reports
 - Motion:** To receive 2017 Committee and Team reports as presented and submitted.
- VII. New Business
 - A. Motion to Approve the 2018 Annual Terms of Call for Rev. Dr. Michael J. Goodwin as presented below: Chad Schimmelpfenning, Elder, Immediate Past Chair of Personnel

| 1. Pastor Terms of Call | 2018 Budget |
|--|------------------|
| a. Pastor Salary | \$37,379 |
| b. Pastor Housing & Utilities | \$34,000 |
| Salary and Housing Allowance Subtotal: | \$71,379 |
| c. Pastor Pension & Insurance | \$26,411 |
| d. Pastor Continuing Education | \$4,735 |
| e. Pastor Professional Expenses & Travel | \$3,142 |
| f. Pastor SECA | \$4,867 |
| Insurance, Pension, and other benefits Subtotal | \$39,155 |
| Pastor Terms of Call Total: | \$110,534 |
 - B. Mission and High Level Priorities for 2018 Kerry Guttenberg, Elder
- VIII. Other Business
- IX. Adjournment and Closing Prayer

**MINUTES OF THE
ANNUAL MEETING OF THE CONGREGATION AND CORPORATION**

Memorial Presbyterian Church (USA)
Appleton, Wisconsin
February 12, 2017

The meeting was called to order with prayer by Rev. Michael Goodwin, Moderator.

M/S/C: to elect Chad Schimmelpfenning clerk pro tem for congregational meeting.

It was determined that there was a Quorum.

M/S/C: to approve the agenda.

M/S/C: to approve Congregational Meeting Minutes: Annual Meeting of the Congregation and Corporation (February 14, 2016); Special Congregational and Corporation Meeting for Election of Officers (October 19, 2016).

M/S/C: to elect Patti Athanas to serve as Deacon for a three-year term (Class of 2019).

Proposed amendments of the By-laws of the Congregation and Corporation of Memorial Presbyterian Church to reflect the following changes were presented:

M/S/C: To remove the current language in "Section I. Mission"

1. MISSION

The vision of Memorial Presbyterian Church, as adopted by Session on June 8, 2010, is "Learning and Living God's Word," which is based on John 1: 1-2: "In the beginning was the Word and the Word was with God and the Word was God. He was in the beginning with God," and on James 1:22: "But be doers of the word, and not merely hearers."

The mission of this congregation, as adopted by the Session on August 10, 2010, is as follows:

"We learn God's Word through engaging worship, vibrant Christian Education, and intriguing conversations in small groups. We view learning as a life-long spiritual endeavor.

"We are a passionate and imaginative community where learning has a purpose: to live out God's Word in our community and the world. As a fellowship, we are called together to take action in response to Christ's command to love and serve others.

"We welcome you to join us in learning and living God's Word."

And to replace "Section I. Mission" with the following language:

Connect. Inspire. Serve.

Connect people in faith, hope and love.

Inspire lifelong discipleship and spiritual growth.

Serve our neighbors near and far.

M/S/C: to remove "Section VII.4 Ordered Ministries of the Congregation/Corporation"

VII. ORDERED MINISTRIES OF THE CONGREGATION/CORPORATION

Session may also include one ruling youth elder, who shall be elected at the October congregational meeting for a one-year term. The ruling youth elder shall be an active member of high school age, who shall enjoy full voting privileges except on matters concerning the disposition of church property or endowment funds, and assume duties commensurate to those of the adult ruling elders. A ruling youth elder may be reelected for additional terms, but shall serve no more than three years consecutively.

M/S/C: To receive reports presented in 2016 Annual Report.

New Business

Finance Committee Report was presented by Mike Harer, Elder, Chair of Finance Committee.

M/S/C: to approve the Annual Terms of Call for Rev. Dr. Michael J. Goodwin as presented.

Policy-Based Governance Changes were presented by Chad Schimmelpfenning, Elder, Chair of Personnel Committee.

Congregational Priorities for the 2017 were presented by Chad Schimmelpfenning, Elder, Chair of Personnel Committee.

Arrangements for Pastor Mike's 2017 Sabbatical were presented by Chad Schimmelpfenning, Elder, Chair of Personnel Committee.

No new business was brought forward.

M/S/C: to Adjourn.

The meeting was closed with prayer.

Respectfully submitted,

Chad Schimmelpfenning
Clerk, Pro Tem

Rev. Michael Goodwin
Moderator

**MINUTES OF THE
SPECIAL MEETING OF THE CONGREGATION
FOR THE PURPOSE OF ELECTING ELDERS, DEACONS,
NOMINATING COMMITTEE MEMBER, AND AUDITORS**

Memorial Presbyterian Church
October 15, 2017

The meeting was called to order with prayer by Rev. Michael Goodwin, Moderator.

M/S/C: to elect Laurie McCulloch clerk pro tem for congregational meeting.

It was determined that there was a Quorum.

M/S/C: to approve the agenda.

M/S/C: to elect the presented roster of candidates for Elder, Deacon, Nominating Committee Member and Auditor, presented as a unified roster.

Elder (Class of 2020)

Carol Foss
Tracey Hornung
Kevin McElrath

Deacons (Class of 2020)

Elaine Presby
Tracy Zuege
TBD
TBD

Youth Deacon (Class of 2018)

Ashley Zuege

Nominating (Class of 2020)

Jim Bowman

Auditor (Class of 2020)

Scott Fraser

Report on Faithful for 50 Capital Campaign was given by Dave Ogilvie.

Report on upcoming staff transitions was given by Pastor Mike Goodwin.

No new business was brought forward.

M/S/C: to Adjourn.

The meeting was closed with prayer.

Respectfully submitted,

Laurie McCulloch
Clerk, Pro Tem

Rev. Michael Goodwin
Moderator

**Special Called Congregational Meeting
For the Purpose of Electing a Deacon for Class of 2020
December 10, 2017**

Pastor Mike Goodwin called the meeting to order with prayer.

A Quorum was established.

The Nominating Committee placed into nomination the following candidate for the Board of Deacons of Memorial Presbyterian Church: Lynne Phillips, Class of 2020.

Nominations from the floor were called for three times, with no response.

Motion from Nominating Committee/Approved: that Lynne Phillips be elected to the office of Deacon, Class of 2020.

The meeting was adjourned with prayer.

Respectively submitted,

Shirley Collins
Clerk of Session

2017 Membership Statistics

ACTIVE MEMBERSHIP AS OF DECEMBER 31, 2016 311

Gains in 2017:

Profession of Faith, Reaffirmation & Restoration..... 2
 Carol Ann Lenz, November 12, 2017
 Carolyn J. Zuehls, November 12, 2017
 Letter of Transfer 1
 Lynne Marie Phillips, November 12, 2017 (from Presbyterian Church of Easton, Easton,
 Maryland)
 All Other Gains 0

TOTAL GAINS IN 2017 3

Losses in 2017:

Certificates of Transfer 0
 Deaths 4
 Dorothy R. (Baumann) Hrdlick, May 4, 2017
 Ruby Irene (Heller) Baer, June 14, 2017
 John Marvin Parker, September 26, 2017
 Kenneth L. Opgenorth, November 9, 2017
 All Other Losses..... 0

TOTAL LOSSES IN 2017 4

ACTIVE MEMBERSHIP AS OF DECEMBER 31, 2017 310

BAPTISMS

Infant..... 5
 Eloise Kathleen Helf (born June 23, 2017, baptized July 23, 2017)
 Oswyn Tanay Ehani (born August 11, 2015, baptized August 20, 2017)
 Jonathan James McElrath (born March 7, 2017, baptized October 22, 2017)
 Reagan Elizabeth Layng (born August 28, 2017, baptized December 17, 2017)
 Harriet Louise Alvira Andrejeski (born September 5, 2017, baptized December 17, 2017)
 Adult..... 0

Marriages

Members..... 1
 Melissa Marjorie Curran & Mitchell Lee Heuer, April 8, 2017, officiated by Pastor Mike
 Goodwin
 Other marriages at MPC 1
 Wendy Phillips & Andrew Vandenberg, July 22, 2017, officiated by Greg Braatz,
 Commissioned Pastor

Staff, Session, Deacons, Nominating Committee & Auditors

Church Staff

| | |
|------------------------------|---|
| Pastor | Michael J. Goodwin |
| Commissioned Pastor | Greg Braatz |
| Resident Christian Educator | Joel Screnock |
| Office Manager | Paula Hoglund |
| Bookkeeper | Laurie Neveau |
| Director of Music & Organist | Joseph Lindsay (since March 1, 2017) |
| Handbell Choir Director | Phillip Knisely |
| Nursery Caregivers | Abigail Protsman (through August 31, 2017) Luann Ulmen |
| Custodian | Sherry Meyer |

Session

Class of 2017: Carol Foss, Roy Hoglund, Chad Schimmelpfenning (Personnel)

Class of 2018: Dave Ogilvie, Beth Lepinski, Steve Weber

Class of 2019: Kerry Guttenberg, Mike Harer (Finance), Andy Ogilvie

Class of 2020: Carol Foss, Tracey Hornung, Kevin McElrath (Personnel)

Board of Deacons

Class of 2017: Claire Boldt & Paige Kempf (Youth), Jill McElhaney, Sherri McNamara, Becky O'Connor, Julie Tilkens

Class of 2018: Marie Desens, Mary Francis, Rosemary Fraser, Kathy Privatt, Ashley Zuege (Youth)

Class of 2019: Patti Athanas, Judy Phillips, Pat Spindler, Kari Zink

Class of 2020: Betty Lockhart, Lynne Phillips, Elaine Presby, Tracy Zuege

Nominating Committee

Dave Ogilvie (Chair), Peter Ryerson (Class of 2017), Tom Neal (Class of 2018), Jane Slater (Class of 2018), Mary Lou Opgenorth (Class of 2019), Jim Bowman (Class of 2020)

Auditors

Francie Kopecky (2017), Mike Harer (2018), Tom Neal (2019), Scott Fraser (2020)

2017 Balance Sheet and Treasurer's Report Summaries

| Account # | Account Name | Beginning Balance | YTD Balance |
|---------------------|---|-----------------------|-----------------------|
| Assets | | | |
| | BMO Harris (Operations) | 13,573.24 | 33,914.91 |
| | BMO Harris (Capital Campaign) | 99,197.34 | 104,050.28 |
| | Baird | 1,057,267.92 | 1,207,335.53 |
| | Oikocredit Loan Receivable | 62,702.47 | 49,872.08 |
| | Total Assets | \$1,232,740.97 | \$1,395,172.80 |
| Liabilities | | | |
| | Prepaid Pledges | 38,666.53 | 99,830.00 |
| | Other Liabilities | 15,183.67 | 4,963.99 |
| | Total Liabilities | \$53,850.20 | \$104,793.99 |
| Fund Balance | | | |
| | Unrestricted Reserve Funds | 7,694.91 | 17,540.64 |
| | Restricted Reserve Funds | 140,449.22 | 190,444.41 |
| | <i>Reserve Funds</i> | <i>148,144.13</i> | <i>207,985.05</i> |
| | Unrestricted Endowment Funds | 231,326.38 | 249,441.51 |
| | Restricted Endowment Funds | 740,500.05 | 799,781.23 |
| | <i>Endowment Funds</i> | <i>971,826.43</i> | <i>1,049,222.74</i> |
| | Operating Fund | (40,277.13) | (70,879.26) |
| | Capital Campaign Fund | 99,197.13 | 104,050.28 |
| | Total Fund Balance | \$1,178,890.77 | \$1,290,378.81 |
| | Total Liabilities and Fund Balance | \$1,232,740.97 | \$1,395,172.80 |

| | 2017 Actual | 2016 Actual | Difference |
|---|----------------------|---------------------|----------------------|
| Income | | | |
| Contributions | 317,410.31 | 331,622.05 | (\$14,211.74) |
| Prepaid Pledges | 38,666.53 | 62,224.94 | (\$23,558.41) |
| Initial Offering/Per Capita* | | 4,445.50 | (\$4,445.50) |
| Youth Offerings | 133.33 | 105.95 | \$27.38 |
| Other Income | 46,958.92 | 77,615.12 | (\$30,656.20) |
| Mission Support* | | 14,287.24 | (\$14,287.24) |
| Total Income | \$403,169.09 | \$490,300.80 | (\$87,131.71) |
| Expenses | | | |
| Pastoral Staff | 105,423.46 | 105,314.69 | \$108.77 |
| Pastoral Staff Other | 1,041.00 | 1,868.40 | (\$827.40) |
| Administrative Staff | 61,549.40 | 91,090.58 | (\$29,541.18) |
| Program Staff | 94,610.66 | 68,890.78 | \$25,719.88 |
| Support Staff | 11,153.88 | 14,801.02 | (\$3,647.14) |
| Office Operations | 17,671.09 | 12,300.65 | \$5,370.44 |
| Property | 70,164.96 | 68,557.34 | \$1,607.62 |
| Congregational Programs | 18,963.08 | 29,580.40 | (\$10,617.32) |
| Presbytery Programs | 35,900.00 | 36,296.40 | (\$396.40) |
| Mission Support | 11,062.70 | 15,026.61 | (\$3,963.91) |
| Other | 6,230.99 | 50.00 | \$6,180.99 |
| Total Expenses | \$433,771.22 | \$443,776.87 | (\$10,005.65) |
| Difference | (\$30,602.13) | \$46,523.93 | |
| <i>*Initial Offering/Per Capita and Mission Support Income no longer reflected in Operating Fund Treasurer's Report</i> | | | |

2017 Endowment and Reserve Recap

| Memorial Presbyterian Church | | Endowment and Reserve Funds | | | | | | | |
|-----------------------------------|---|-----------------------------|------------------|----------------------|----------------------|------------------------------|------------------------|------------------------|----------------------|
| ENDOWMENT FUNDS | | Value | | 2017 | | | | Value | |
| | | 12/31/2016 | Percent | Payments From | Contributions To | Adjusted Value 12/31/2017 | Adjusted Percentage | 12/31/2017 | Net Appreciation |
| Unrestricted Endowment: | | | | | | | | | |
| | General Endowment | \$ 82,101.02 | 7.7654% | \$ 4,378.38 | \$ - | \$ 77,722.64 | 7.3021% | \$ 88,530.48 | \$ 10,807.84 |
| | Robert and Kay Rae Endowment | \$ 39,295.70 | 3.7167% | \$ 2,095.50 | \$ - | \$ 37,200.20 | 3.4950% | \$ 42,373.12 | \$ 5,172.92 |
| | David Brew Endowment | \$ 109,929.55 | 10.3975% | \$ 5,862.91 | \$ - | \$ 104,066.64 | 9.7772% | \$ 118,537.81 | \$ 14,471.17 |
| | Subtotal Unrestricted Endowment | \$ 231,326.27 | | | | \$ 218,989.48 | | \$ 249,441.41 | \$ 30,451.93 |
| Restricted Endowment: | | | | | | | | | |
| Mission | | | | | | | | | |
| | General Mission Endowment | \$ 68,320.67 | 6.4620% | \$ 3,657.50 | \$ - | \$ 64,663.17 | 6.0752% | \$ 73,792.67 | \$ 9,129.50 |
| | Edward & Bee Mielke Endowment for Ministry in Fox Valley | \$ 243,264.38 | 23.0088% | \$ 12,872.50 | \$ - | \$ 230,391.88 | 21.6455% | \$ 263,305.05 | \$ 32,913.17 |
| | James & Edith Fulton Endowment | \$ 57,640.75 | 5.4519% | \$ 2,981.93 | \$ - | \$ 54,658.82 | 5.1352% | \$ 62,082.05 | \$ 7,423.23 |
| Scholarship | | | | | | | | | |
| | Huss Endowment | \$ 86,884.47 | 8.2178% | \$ 4,627.67 | \$ - | \$ 82,256.80 | 7.7281% | \$ 93,748.03 | \$ 11,491.23 |
| | Presbyterian Endowment | \$ 48,568.43 | 4.5938% | \$ 2,563.00 | \$ - | \$ 46,005.43 | 4.3223% | \$ 52,401.13 | \$ 6,395.70 |
| | Ellmaker Endowment | \$ 30,852.00 | 2.9181% | \$ 1,654.61 | \$ - | \$ 29,197.39 | 2.7431% | \$ 33,258.04 | \$ 4,060.65 |
| Education | | | | | | | | | |
| | Church School Endowment | \$ 52,891.32 | 5.0026% | \$ 2,826.83 | \$ - | \$ 50,064.49 | 4.7036% | \$ 57,207.00 | \$ 7,142.51 |
| | Carol & James Loker Endowment | \$ 13,051.60 | 1.2345% | \$ 686.52 | \$ - | \$ 12,365.08 | 1.1617% | \$ 14,077.31 | \$ 1,712.23 |
| Capital | | | | | | | | | |
| | Mielke Capital Endowment | \$ 139,022.53 | 13.1492% | \$ 7,413.61 | \$ - | \$ 131,608.92 | 12.3648% | \$ 149,909.97 | \$ 18,301.05 |
| | Subtotal Restricted Endowment | \$ 740,500.21 | | | | \$ 701,211.98 | | \$ 799,781.24 | \$ 98,569.26 |
| RESERVE FUNDS | | | | | | | | | |
| Unrestricted Reserve: | | | | | | | | | |
| | Undesignated Memorial | \$ 7,694.83 | 0.7278% | \$ 624.90 | \$ 4,980.00 | \$ 12,049.93 | 1.1321% | \$ 13,258.14 | \$ 1,208.21 |
| | Misc. Reserves | \$ 0.06 | 0.0000% | \$ - | \$ - | \$ 0.06 | 0.0000% | \$ 0.07 | \$ 0.01 |
| | Subtotal Unrestricted Reserve | \$ 7,694.89 | | | | \$ 12,049.99 | | \$ 13,258.21 | \$ 1,208.22 |
| Restricted Reserve: | | | | | | | | | |
| | General Capital Reserve | \$ 0.05 | 0.0000% | \$ - | \$ - | \$ 0.05 | 0.0000% | \$ 0.06 | \$ 0.01 |
| Designated Capital Reserve | | | | | | | | | |
| | Building Repair Reserve | \$ 5,810.09 | 0.5495% | \$ 2,823.22 | \$ - | \$ 2,986.87 | 0.2806% | \$ 3,527.07 | \$ 540.20 |
| | Organ Repair | \$ 637.40 | 0.0603% | \$ - | \$ - | \$ 637.40 | 0.0599% | \$ 723.97 | \$ 86.57 |
| | Subtotal Designated Capital Reserve | \$ 6,447.49 | | | | \$ 3,624.27 | | \$ 4,251.04 | \$ 626.77 |
| Education | | | | | | | | | |
| | Youth and Children | \$ 1,672.48 | 0.1582% | \$ - | \$ - | \$ 1,672.48 | 0.1571% | \$ 1,899.62 | \$ 227.14 |
| | Library | \$ 1,032.31 | 0.0976% | \$ - | \$ - | \$ 1,032.31 | 0.0970% | \$ 1,172.51 | \$ 140.20 |
| | Jr. High | \$ 1,131.47 | 0.1070% | \$ - | \$ - | \$ 1,131.47 | 0.1063% | \$ 1,285.14 | \$ 153.67 |
| | Sr. High | \$ 12,085.86 | 1.1431% | \$ 3,905.29 | \$ 3,439.27 | \$ 11,619.84 | 1.0917% | \$ 13,188.13 | \$ 1,568.29 |
| | Scholarship Reserve | \$ 19,464.67 | 1.8410% | \$ 372.33 | \$ - | \$ 19,092.34 | 1.7937% | \$ 21,711.01 | \$ 2,618.67 |
| | Resident Christian Educator Reserve | \$ - | 0.0000% | \$ 25,000.00 | \$ 81,168.65 | \$ 56,168.65 | 5.2771% | \$ 59,511.99 | \$ 3,343.34 |
| | Misc. Educational Reserve | \$ 14,114.69 | 1.3350% | \$ 45,168.65 | \$ 46,832.01 | \$ 15,778.05 | 1.4824% | \$ 16,923.76 | \$ 1,145.71 |
| | Subtotal Education Reserve | \$ 49,501.48 | | | | \$ 106,495.14 | | \$ 115,692.16 | \$ 9,197.02 |
| Mission | | | | | | | | | |
| | Lawrence Outreach | \$ 2,338.00 | 0.2211% | \$ - | \$ - | \$ 2,338.00 | 0.2197% | \$ 2,655.52 | \$ 317.52 |
| | Evangelism | \$ 407.88 | 0.0386% | \$ - | \$ - | \$ 407.88 | 0.0383% | \$ 463.27 | \$ 55.39 |
| | Mielke Reserve for Local Mission | \$ - | 0.0000% | \$ - | \$ - | \$ - | 0.0000% | \$ - | \$ - |
| | Global Mission Partnership | \$ 384.94 | 0.0364% | \$ - | \$ - | \$ 384.94 | 0.0362% | \$ 437.22 | \$ 52.28 |
| | ESTHER Mission Reserve | \$ - | 0.0000% | \$ 562.46 | \$ 500.00 | \$ (62.46) | -0.0059% | \$ (0.00) | \$ 62.46 |
| | Misc. Mission Reserve | \$ - | 0.0000% | \$ 13,136.00 | \$ 13,098.75 | \$ (37.25) | -0.0035% | \$ 46.18 | \$ 83.43 |
| | Subtotal Mission Reserve | \$ 3,126.74 | | | | \$ 3,031.11 | | \$ 3,602.20 | \$ 571.09 |
| Operational Reserve | | | | | | | | | |
| | Operational Reserve | \$ - | 0.0000% | \$ 30,000.00 | \$ 34,455.00 | \$ 4,455.00 | 0.4186% | \$ 4,282.41 | \$ (172.59) |
| | Music | \$ 4,360.71 | 0.4125% | \$ 7,574.95 | \$ 7,004.48 | \$ 3,790.24 | 0.3561% | \$ 4,550.95 | \$ 760.71 |
| | Homebound Ministry | \$ 654.64 | 0.0619% | \$ 120.00 | \$ 250.00 | \$ 784.64 | 0.0737% | \$ 887.93 | \$ 103.29 |
| | Quilting Ministry | \$ 95.61 | 0.0090% | \$ - | \$ - | \$ 95.61 | 0.0090% | \$ 108.59 | \$ 12.98 |
| | Pastoral Care Reserve | \$ 4,006.51 | 0.3789% | \$ 1,948.07 | \$ - | \$ 2,058.44 | 0.1934% | \$ 2,529.41 | \$ 470.97 |
| | Pastor's Sabbatical Reserve | \$ 5,361.82 | 0.5071% | \$ 2,801.24 | \$ 1,121.00 | \$ 3,681.58 | 0.3459% | \$ 4,267.35 | \$ 585.77 |
| | Choir Fund | \$ 352.06 | 0.0333% | \$ 229.25 | \$ - | \$ 122.81 | 0.0115% | \$ 163.90 | \$ 41.09 |
| | Deacons Reserve Fund | \$ 2,919.31 | 0.2761% | \$ 44.43 | \$ 200.00 | \$ 3,074.88 | 0.2889% | \$ 3,473.59 | \$ 398.71 |
| | Fellowship Program | \$ 920.12 | 0.0870% | \$ - | \$ - | \$ 920.12 | 0.0864% | \$ 1,045.08 | \$ 124.96 |
| | Subtotal Operational Reserve | \$ 18,670.78 | | | | \$ 18,983.32 | | \$ 21,309.22 | \$ 2,325.90 |
| | Total Assets | \$ 1,057,267.92 | 100.0000% | \$ 185,931.75 | \$ 193,049.16 | \$ 1,064,385.34 | 100.0000% | \$ 1,207,335.53 | \$ 142,950.19 |
| | Baird Statement Balance | \$ 1,057,267.92 | | | | | | \$ 1,207,335.53 | |

Auditing Team Report

The 2017 Audit Team reviewed the Operating Cash Funds and the Investment Accounts for Fiscal Year 2016, per the procedures written in the "Audit Job Description and Procedures" guidelines. The Audit Team began by choosing several months in 2016 to verify deposits to the bank statements, but we soon discovered that this would not be a smooth process.

Over the last few years, there has been increased utilization of electronic giving, direct deposit, and automatic withdrawals in addition to the more traditional method of donating to the church by check. This, coupled with the fees that are associated with and deducted from such transactions, the 38 funds available including the Capital Campaign Fund, and the use of income and expense lines within the Operating Fund for income and expenses from reserve funds, made for a challenging audit process. Because of this we will attempt to update the current Audit Job Description and Procedures (last updated in 2003), but wish to make the Session and Nominating Committee aware that these new giving technologies have greatly complicated the auditor position.

The complexity of the transactions is illustrated below:

| | |
|--|-------------------|
| February 2016 total deposits with interest | 89,204.58 |
| Less transit deposits from January | -5,499.23 |
| Less liabilities from counters' deposit sheets | <u>-25,956.42</u> |
| <i>Subtotal</i> | <i>57,748.93</i> |

| | |
|--------------------------------|-----------------|
| Plus monthly prepaid donations | <u>5,185.41</u> |
| New subtotal | 62,934.34 |
| Plus Synod Grant* | 4,987.50 |
| Plus Fulton Endowment* | <u>1,130.33</u> |

** These two items do not appear on the counters' deposit sheet but they are in the income total of the Treasurer's Report of the Operating Fund.*

| | |
|---------------------|------------------|
| <i>New subtotal</i> | <i>69,052.17</i> |
|---------------------|------------------|

Included in the weekly deposits are e-giving contributions (through Vanco Payment Solutions, the vendor who manages MPC's e-giving process) to the Capital Campaign which are reflected in the bank deposit, but not on the monthly Treasurer's Report of the Operating Fund.

| | |
|------------------------------|------------------|
| Less Vanco donations | <u>-2,164.32</u> |
| Audit Team Final Calculation | 66,887.85 |
| Treasurer's Report Income | 66,975.54 |
| Difference | -87.69 |

We consider this difference of \$87.69 "immaterial." It is most probably the result of fees and charges taken from every Vanco-managed gift.

Continuing with the audit, we completed Step 6 by verifying transfers from Baird asset account to the BMO Harris checking account in July, February, and June. We completed Steps 8 and 9 by verifying checks written to pay invoices in February and July, and then completed Steps 10 and 11. The final Steps 12 and 15 indicated that we were to "document and maintain work papers prepared for the current audit that may be beneficial for subsequent year's auditors." However, of the difficulty in this audit process, we felt that our work papers would not be meaningful for next year's auditors.

~ Respectfully submitted, The 2017 Audit Team: Tom Neal, Mike Harer, and Francie Kopecky

2017 Capital Campaign Fund Summaries

| Capital Campaign Fund Summary through December 31, 2017 | | | | |
|--|---------------------|-------------------|----------------------|--|
| Funds Inflow | 2014-2016 | 2017 | Total to Date | |
| Donations | 1,131,857.40 | 170,316 | 1,302,173.74 | |
| Fund Transfers | 61,732.63 | | 61,732.63 | |
| Memorials/Estates | 56,499.63 | | 56,499.63 | |
| In-kind Donation | 233,810.04 | | 233,810.04 | |
| Jubilee Legacy Fund | 4,618.75 | | 4,618.75 | |
| Synod Loan | 250,000.00 | | 250,000.00 | |
| GA/PILP Loan | 197,671.23 | | 197,671.23 | |
| <i>Income to Date</i> | <i>1,936,189.68</i> | <i>170,316.34</i> | <i>2,106,506.02</i> | |
| | | | - | |
| Funds Outflow | | | - | |
| Campaign Costs | 46,574.13 | | 46,574.13 | |
| Design & Technical Services | 62,565.07 | | 62,565.07 | |
| Building Renovation | 1,136,711.48 | | 1,136,711.48 | |
| John St. Property | 241,932.26 | | 241,932.26 | |
| Asbestos Abatement | 43,494.65 | | 43,494.65 | |
| Temporary Offices & Storage | 6,319.19 | | 6,319.19 | |
| Furniture/Appliances | 53,540.15 | | 53,540.15 | |
| Bank Fees | 2,048.17 | 1,197.30 | 3,245.47 | |
| Synod Loan Principal | 133,369.77 | 57,633.30 | 191,003.07 | |
| Synod Loan Interest | 6,750.99 | 2,946.32 | 9,697.31 | |
| GA Loan Principal | 98,252.68 | 101,747.22 | 199,999.90 | |
| GA Loan Interest | 5,433.80 | 1,939.26 | 7,373.06 | |
| <i>Expenses to Date</i> | <i>1,836,992.34</i> | <i>165,463.40</i> | <i>2,002,455.74</i> | |
| Capital Campaign Fund Balance as of December 31, 2017 | | | \$ 104,050.28 | |

| Capital Campaign Fund Balance as of 12/31/17 | | \$104,050.28 |
|--|--|---------------------|
| Assets/Receipts | Pledges Outstanding (3-year campaign) | 79,858.88 |
| | Total Pledges | 1,260,861.14 |
| | Pledges Received | 1,181,002.26 |
| | Pledges Outstanding (Extra Mile Giving) | 37,846.75 |
| | Total Pledges | 68,810.00 |
| | Pledges Received | 30,963.25 |
| | <i>Total Assets/Receipts Outstanding</i> | <i>117,705.63</i> |
| Debts/Expenditures | Synod Loan Principal | (58,671.35) |
| | Synod Loan Interest | (1,053.49) |
| | GA Loan Principal | |
| | GA Loan Interest | |
| | Vanco Transaction Fees | (1,000.00) |
| | <i>Total Debts/Expenditures Expected</i> | <i>(60,724.84)</i> |
| Projected long-term surplus including \$75,000 bequest | | \$161,031.07 |
| Minus \$75,000 bequest | | (\$75,000.00) |
| Projected short-term 12/31/18 surplus | | \$86,031.07 |

2017 Mission Giving Summary

| | |
|--|---------------------|
| Per Capita | \$ 3,966.74 |
| PC(USA) Unified Mission Support | \$ 35,900.00 |
| PC(USA) Special Offerings | \$ 6,791.41 |
| One Great Hour of Sharing | \$ 2,646.41 |
| Pentecost | \$ 1,020.00 |
| Peace and Global Witness | \$ 1,125.00 |
| Christmas Joy | \$ 2,000.00 |
| Mission Reserve & Endowment Grants | \$ 17,018.00 |
| <i>Habitat for Humanity</i> | \$ 2,500.00 |
| <i>LEAVEN</i> | \$ 7,500.00 |
| <i>Samaritan Counseling Center</i> | \$ 2,500.00 |
| <i>Warming Shelter</i> | \$ 2,500.00 |
| <i>NAMI</i> | \$ 2,018.00 |
| Project Bridges (now known as Bridges Child Enrichment Center) | \$ 10,000.00 |
| ESTHER Organization | \$ 562.45 |
| Bread for the World Covenant | \$ 250.00 |
| Martin Luther King Jr. Celebration | \$ 250.00 |
| Covenant Network | \$ 250.00 |
| Common Ground | \$ 250.00 |
| Equal Exchange Contribution | \$ 62.70 |
| Sr. High Mission Trip Fundraisers | \$ 2,302.75 |
| <i>Stock sale</i> | \$ 1,496.75 |
| <i>Octoberfest Parking</i> | \$ 806.00 |
| Church Fundraisers | \$ 11,590.00 |
| <i>Heifer International</i> | \$ 8,545.00 |
| <i>Presbyterian Disaster Assistance</i> | \$ 1,635.00 |
| <i>Christmas in July (monetary contribution)</i> | \$ 60.00 |
| <i>Salvation Army Adopt-a-Family Program</i> | \$ 1,350.00 |
| Total Mission Giving | \$ 89,194.05 |

2018 Endowment Fund Distributions

| | | | |
|------------------------|----------------------------|-----------|------------------|
| UNRESTRICTED ENDOWMENT | General Endowment | \$ | 4,279.70 |
| | Robert & Kay Rae Endowment | \$ | 2,048.36 |
| | Dave Brew Endowment | \$ | 5,730.47 |
| | | | |
| RESTRICTED ENDOWMENT | | | |
| Mission | General Mission | \$ | 3,597.57 |
| | Edward & Bea Mielke | \$ | 12,765.00 |
| Music | James & Edith Fulton | \$ | 2,930.91 |
| Scholarships | Huss | \$ | 4,548.34 |
| | Presbyterian | \$ | 2,513.68 |
| | Ellmaker | \$ | 1,618.81 |
| Education | Church School | \$ | 2,785.21 |
| | Loker Fund | \$ | 668.38 |
| Capital | Mielke Fund | \$ | 7,246.80 |
| Total All Funds | | \$ | 50,733.23 |

2018 Budget Summary

| | 2017 Actual | 2017 Budget | Difference | 2018 Budget |
|-------------------------------------|----------------------|---------------------|----------------------|-------------------|
| Income | | | | |
| Contributions | 317,410.31 | 337,369.00 | (19,958.69) | 292,670 |
| Prepaid Income | 38,666.53 | 63,625.00 | (24,958.47) | 99,830 |
| Per Capita | 0.00 | 0.00 | N/A | 4,500 |
| Youth Offerings | 133.33 | 125.00 | 8.33 | 125 |
| Other Income | 406.75 | 85.00 | 321.75 | 3,645 |
| RCE Reserve Fund Distribution | 25,000.00 | 25,000.00 | 0.00 | 43,000 |
| Sabbatical Reserve Funds | 1,891.80 | 5,313.00 | (3,421.20) | 0 |
| Fulton Fund/Section Leaders Payment | 3,077.87 | 3,000.00 | 77.87 | 3,000 |
| Community Garden Income | 176.12 | 150.00 | 26.12 | 200 |
| Parking Lot | 14,707.88 | 14,000.00 | 707.88 | 8,184 |
| ESTHER Reserve Fund | 0.00 | 500.00 | (500.00) | 0 |
| Miscellaneous Building Use | 1,698.50 | 700.00 | 998.50 | 1,000 |
| Total Income | \$403,169.09 | \$449,867.00 | (\$46,697.91) | \$456,154 |
| Expenses | | | | |
| Pastoral Staff | 105,423.46 | 105,212.00 | 211.46 | 110,534 |
| Pastoral Staff Other | 1,041.00 | 1,041.00 | 0.00 | 1,071 |
| Administrative Staff | 61,549.40 | 64,357.00 | (2,807.60) | 70,840 |
| Program Staff | 94,610.66 | 104,445.00 | (9,834.34) | 120,576 |
| Support Staff | 11,153.88 | 12,315.00 | (1,161.12) | 12,561 |
| Office Operations | 17,671.09 | 20,111.00 | (2,439.91) | 18,570 |
| Property | 70,164.96 | 55,226.00 | 14,938.96 | 60,616 |
| Congregational Programs | 18,963.08 | 33,065.00 | (14,101.92) | 24,000 |
| Presbytery Programs | 35,900.00 | 35,900.00 | 0.00 | 34,500 |
| Mission Support | 11,062.70 | 11,800.00 | (737.30) | 11,950 |
| Other | 1,775.99 | 2,000.00 | (224.01) | 2,000 |
| Operating Reserve Fund | 4,455.00 | 4,455.00 | 0.00 | 4,300 |
| Total Expenses | \$433,771.22 | \$449,927.00 | (\$16,155.78) | \$471,518 |
| Difference | (\$30,602.13) | (\$60.00) | (\$30,542.13) | (\$15,364) |

Memorial Presbyterian Church

Who We Are and What We Believe

Grounded in the grace of God and the Reformed Tradition,
we believe in:

Nurturing one another on the journey of faith.

Compassion for all.

Active engagement in the local and global community.

Openness to the Spirit's inspiration.

Our Mission Statement

Connect. Inspire. Serve.

Connect people in faith, hope and love.

Inspire lifelong discipleship and spiritual growth.

Serve our neighbors near and far.

~ As adopted by the Congregation on February 12, 2017

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