

Flossmoor Community Church Foundation



Annual Report & Minutes from Annual Meeting 2017

In preparation for Congregational Meeting
Sunday, July 16, 2018 at 11 am

**Flossmoor Community Church
Annual Meeting of FCC Foundation
July 16, 2017**

Minutes of the 2017 Annual Meeting of the FCC Foundation:

Lois Glasgow, FCC Foundation President, called the meeting to order. The minutes of the 2016 Annual Meeting of the Foundation were approved. Lois reviewed the Foundation purpose, activities and 2016-2017 contributions to FCC preservation and outreach.

She reviewed a Resolution of the FCCF Board Regarding the Reserve Advisors Study: Short Term Components and Expenditure Recommendations. The Resolution included approving spending for facilities projects for Fiscal Years 2017 through 2020 in the not to exceed amount of \$386,670. A two-thirds vote in favor of the Resolution by the FCC/FCCF membership was required. A motion and second in favor of the Resolution was made, discussion held, and the vote was taken. The Resolution was approved by the membership by a nearly unanimous vote.

Four additional Foundation Board Members were approved. The Annual Meeting of the Foundation was adjourned.

FLOSSMOOR COMMUNITY CHURCH FOUNDATION
ANNUAL REPORT FOR THE PERIOD ENDING
MAY 31, 2018

Overview

The Flossmoor Community Church Foundation is dedicated to preserving and enhancing Flossmoor Community Church as a vital institution in the community. All members of Flossmoor Community Church are members of the Foundation. Our mission is to provide financial security for the long-term viability of the church's facilities and support for church outreach activities. The Foundation board is responsible for i) raising funds for the Foundation, ii) deploying the funds in accordance with fund policy and iii) managing the Foundation's assets by taking appropriate risk and protecting principal.

As of May 31, 2018 total assets were \$2,688,942 including \$250,000 in a residence, a cash reserve of \$33,636 and designated cash for facilities investment of \$187,357. The residence, cash reserve and designated cash were not available for investment. \$2,217,949 was invested with professional managers in a variety of funds. Investment decisions are made by the Foundation Investment Committee, which is advised by Morgan Stanley. These funds were invested as follows:

<u>Investment</u>	<u>2018 Asset Value</u>	<u>% of Assets</u>	<u>2017 Asset Value</u>	<u>% of Assets</u>
Restricted Cash	\$ 33,636	1%	\$ 34,303	1%
Designated Cash	187,357	8%	503,265	20%
Fixed Income	583,980	24%	594,442	24%
Equities	1,417,120	58%	1,135,855	47%
Alternatives	<u>216,850</u>	<u>9%</u>	<u>214,015</u>	<u>8%</u>
Totals	\$2,438,943	100%	\$2,481,880	100%

The Fund Balance decreased from \$2,481,880 as of May 31, 2017, to \$2,438,943 a decrease of \$42,937 or 1.7%.

Portfolio Performance and Accomplishments

FCC and FCCF have moved to a Fiscal Year from January 1, 2018 to December 31, 2018. The changes for Fiscal Year 2018 from January 1, 2018 through May 31, 2018, are reported in this Annual Report. The Fund Balance decreased from \$2,523,400 to \$2,438,943, a decrease of \$84,457 or 3.3%. Approximately half of this decrease was in cash and the remaining half was a result of the decline in the investments.

Changes in the cash reserve and designated cash reserve for the facilities projects included:

- Donations and Memorials: \$3,835
- Dividends & Interest Income: \$8,021
- Distributions to FCC: \$47,822
- Advisory Fees: \$3,743
- Annuitant Payments: \$792
- Other Expenses: \$1,535

The Flossmoor Community Church Foundation is chartered to support Flossmoor Community Church Facilities with 90% of the contributions and outreach with 10% of the contributions. Annually the Foundation reserves 5% of the unrestricted fund balance and contributes approximately \$60,000 for facilities operations and for outreach.

In 2016, the Foundation Board requested a new facilities plan in order to more proactively and cost effectively address the facilities needs before becoming costly emergencies. Reserve Advisors were retained and updated the 2004 Plan. In July 2017 the FCC Foundation Members approved the recommendations.

Since approval of the Plan in July 2017, FCC has undertaken several projects totaling costs of \$75,858. FCCF has reimbursed FCC for all these costs as the projects were within the scope of the Facilities Plan expenditures. Some projects were able to include additional, needed work for the cost originally included in the plan. The projects include: Community House roof replacement, bathroom and kitchen remodeling, floor refinishing. The Community House improvements and marketing has substantially increased its use and financial contributions. Other projects include a much need new phone system, LED lights for the sanctuary, replacement of carpet and needed repairs in the office wing and family room.

Thank you.

Lois Glasgow
Foundation Board President