

FLOSSMOOR COMMUNITY CHURCH FOUNDATION
ANNUAL REPORT FOR THE PERIOD ENDING
DECEMBER 31, 2019

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.

The changes for Fiscal Year 2019 from January 1, 2019 through December 31, 2019, are reported in this Annual Report. As of December 31, 2019 total assets were \$2,576,117 including a cash reserve and designated cash for facilities investment of \$341,862*. The cash reserve and designated cash are not available for investment. Funds available for investments at year end were \$2,234,255 and are invested with professional managers in a variety of funds. Investment decisions are made by the Foundation Investment Committee, which is advised by Morgan Stanley. FCCF Funds as of December 31, 2018 and December 31, 2019 were invested as follows:

Investment	2019 Asset Value	% of Assets	2018 Asset Value	% of Assets
Restricted Cash*	\$ 341,862	13%	\$ 177,275	8%
Fixed Income	610,485	24%	577,263	26%
Equities	1,373,772	53%	1,308,256	57%
Alternatives	249,998	10%	204,800	9%
Totals	\$2,576,117	100%	\$2,267,594	100%

Total Investment and Cash Assets increased from \$2,267,594 as of December 31, 2018, to \$2,576,117 as of December 31, 2019, an increase of \$308,523 or 13.6%.

Portfolio Performance and Accomplishments

At the end of December 2018, the stock market value was depressed substantially. In 2019 the market recovered dramatically with an increase in the investment portfolio of \$143.936. In order to provide the required cash reserves and take advantage of the strong market, equity stocks were sold and the funds were deposited in the restricted cash account during the year.

The Total Fund Balance increased from \$2,517,594 to \$2,576,117 an increase of \$58,523 or 2.3%. In 2018 the Total Fund Balance listed a residential property at its historical value of \$250,000. Otto and Elsbeth Thilenius donated this property at 2638 Gordon Drive in Flossmoor to the FCC Foundation in 2002. In early 2019 the Foundation assumed all ownership of the property. After consultation with FCC leadership and deliberations by the Foundation Board, the decision was made to improve the property and sell it. The improvements were completed and the property was sold on December 19, 2019. All costs that FCCF incurred in the improvement,

maintenance and sale of the property were offset against the sale proceeds. Net proceeds from the sale were deposited as FCCF cash. The proceeds are required by the bylaws of the Foundation for the benefit of FCC facilities requirements and outreach programs.

The Flossmoor Community Church Foundation is chartered to support Flossmoor Community Church facilities project requirements with 90% of the contributions and outreach/benevolence programs with 10% of the contributions. Annually the Foundation is required to reserves 5% of the unrestricted fund balance. FCCF is required to contribute for FCC facilities plan projects, for FCC facilities maintenance and for FCC 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.

In Fiscal Year 2019, FCCF reimbursed FCC \$61,785 for outreach/ benevolence and for facilities maintenance. In addition several facilities projects including: replacement of the sanctuary air conditioning chiller; replacement of the sanctuary lightening dimmer panel and theater lights; and replacement of the damaged music wing roof for a total of \$85,360. All of these projects were emergencies. Total FCCF reimbursement to FCC in 2019 was \$147,148.

The 2020 the FCCF budgeted reimbursement includes the following:

- Facilities projects included in the facilities plan are walls and masonry repairs, window and door sealants, sanctuary and gathering space floor coverings. FCCF has budgeted \$65,184 reimbursement for these facilities plan projects.
- FCCF has budgeted \$57,260 for facilities maintenance and \$6,362 for outreach.
- FCCF total annual support of \$128,806 for 2020 is based on the 5% spending target of the FCCF fund balance as December 31, 2019 of \$2,576,117.

Thank you.

Lois Glasgow
Foundation Board President