

FIRST BAPTIST CHURCH
Richmond, Kentucky

MINUTES OF THE CHURCH BUSINESS MEETING

January 15, 2012

The meeting was called to order by Mike York, Moderator, at 1:10 p.m., 45 individuals were in attendance.

The agenda was approved as presented.

The minutes of the November 20, 2011 Business Meeting were approved with two corrections:

1) *Was noted that in several locations the phrase that reports are "attached at the end of these official minutes" is used. Suggested the change "attached to the official minutes stored in the church office."*

2) *Last paragraph on front page, "2012 First Baptist Church Budget will be \$1.6 - \$1.65." The M (million) was missing. Should read: "2012 First Baptist Church Budget will be \$1.6 - \$1.65M."*

ORGANIZATIONAL REPORTS

Nominating Committee by Marsha Elliott (for Brandon Powell)

Marsha presented a change to the Security & Safety Committee (Service Committee) in the FBC Committee & Organization Manual. That change was to the composition of the Committee from a rotation to a minimum six members.

Marsha then presented the FBC Officer & Committee Roster and updated committee vacancies. The roster was attached with the agenda and changes were bolded.

Motion to approve all updates was approved.

Finance Committee by Kris Arnold

Kris presented the financial reports for November 2011 (EOY 2011 will be presented at March 2012 meeting.) Through November we had receipts of \$1,517,095. Compared to the same time period of 2010 our income was down 1.67% however, our expenses were also down ~ 7%. The cuts made in April have worked out and we ended up very close to the revised budget goal set after the budget cuts. The Finance Committee feels we are on a good track for 2012 to meet our goals. Kris noted that we currently owe \$3,336,629 on our note and that we have \$611,213 in the *Building to Glorify* account.

The FBC Finance Committee presented two motions:

1) **The Finance Committee recommends that any funds in excess of \$300,000 in the *Building to Glorify* account is to be applied to the principal balance of the existing loan.**

Reasoning from Finance Committee's Debt-Reduction Sub-Committee: With the balance of the *Building to Glorify* in excess of \$611K, \$311K would be applied to the principal on our note. Currently, we can pay on our principal with no pre-payemnt penalty. In November 2012, when our loan will need to be re-financed, we may not have that same opportunity. Paying toward principal now while there is no pre-payment penalties will free up monies not going toward interest in future years. We could not secure a loan to build with the amount we currently owe on our bank note.

Question: Why leave a \$300K balance in *Building to Glorify* and not use it all?

Answer: To have monies available in need of an extreme emergency.

Question: Is the plan to cap the fund at \$300K and put everything in excess above that toward principal?

Answer: Yes, through November 2012.

Response: Suggest to re-word the motion to specifically state this.

Answer: We wanted to leave it open-ended so that the Finance Committee had some freedom after we are able to refinance the loan.

Comment: The *Building to Glorify* campaign ended in May 2011. Why not create a new fund for debt reduction only - clarify the account name so that folks don't think they are giving to build rather than reduce debt?

Comment: Opposed to this because it was explained at the time of the 2011 parking lot expansion that monies given in the future would replenish the *Building to Glorify* account. Why are we treating this account like it's a cash-cow?

Reply: The Finance Committee is very sensitive to this point and discussed at great length. We feel by doing this it moves everyone toward the same goal while freeing up money not going toward interest.

Question: What is the value of the 3 apartment buildings we own?

Answer: \$1M

Question: What portion of *Building to Glorify* monies were funneled into 2011 annual budget to pay down the debt.

Answer: There was a one-time motion made for the year 2011 to use up to four \$27K payments if needed to pay on the debt. Three of these payments had to be used (3 x \$27K).

Comment: This is a tough decision. I see all sides. I don't have an answer.

Comment: *Building to Glorify* didn't reach desired goal so maybe some don't see we should use it as first planned. The face of FBC has changed in recent years; some people have left FBC and new people are coming in. Our situation isn't the same as it was when *Building to Glorify* was first started. Maybe we need to look at it differently.

Kris: There is some question as to whether FBC needs to be in the landlord business (referring to the apartment buildings FBC owns). The Trustees are looking at whether the church should continue in this vein. They are evaluating that as we near the November timeframe of refinancing our loan.

Question: Why are the apartment assets only showing up as \$750K on the balance sheet?

Answer: The apartments show up as two entries on the FBC Balance Sheet: Building - \$750K and Land - \$250K which totals \$1M.

Question: How much of the apartment profits are given to the FBC budget annually?

Answer: Approximately \$68K annually is given toward the FBC budget to pay on our loan.

Question: With the amount that would be saved by paying down the loan, where would these funds go?

Answer: The Finance Committee doesn't have a plan for that yet. It depends on the financial status of the church at the time. Our #1 priority goal is to pay down the church's debt.

Question: What is the total annual debt payment?

Answer: Approximately \$325K.

Kris: The Finance Committee wants everyone to be happy with the proposed motion. The intent is not to be divisive or to push this onto the church.

Question on the motion was called.

Kris re-read the motion.

A show of hands were taken and the motion was approved.

2) The Finance Committee also recommends that we recognize the first Sunday of each month from February 2012 - November 2012 as "promotion Sunday" for our debt reduction plan.

Kris explained that this would be a communication campaign. That would include envelopes being made available specifically for the debt reduction plan, and announcements being made monthly via different venues as Sunday morning service announcements, bulletin announcements, etc.

Comment: When communicating to the church family, encourage giving of the tithe first and the debt reduction campaign second. Also encourage calling the campaign something other than *Building to Glorify*.

Answer: The campaign will be called simply, the "debt reduction campaign."

Comment: A reminder that *Financial Peace University* is being offered again this semester beginning Wednesday, February 8. It is not just a class on budgeting but how to handle God's money.

Kris re-read the motion.

A show of hands were taken and the motion was approved.

Missions Committee by Erv Yoder

Erv briefly recapped the Hispanic Ministry and it's current status. He stated that Julio Giron has been with the Hispanic congregation and has preached for them and has met with most of the FBC Senior Staff. He then read the following motion:

The Missions Committee is recommending that First Baptist Church call Julio Giron as the Director of Hispanic Ministries.

There was no discussion. A show of hands were taken and the motion was approved.

Recognition was made to Job Juarez for the wonderful leadership he has brought to our Hispanic Ministry.

Written reports from the following were distributed with the agenda:

- Missions
- Minister of Music Search Committee
- Discipleship
- Singles Ministry
- Sunday School Attendance Report

UNFINISHED BUSINESS

None

NEW BUSINESS

Request for Church Letter:

Kent & Dana Miller from Red House Baptist Church, Richmond , KY

Clint Walker from First Baptist Church, Winchester, KY

Connie Vencill from Peytontown Baptist Church, Richmond, KY

Verle Cable: daughter called to inform us that he has joined another church in Blue Ridge, GA (no formal request from the church will be made)

Deniece Bell & Malik Guidry from First Baptist Church Bracktown, Lexington KY

All letters granted.

Other Correspondence

None

Challenge: Bob Seifert challenged FBC and the Finance Committee to meet our obligation to the Cooperative Program. We should be tithing appropriately to the Cooperative Program.

Mike York confirmed with Bob that there was no motion in place by this comment.

Meeting Adjourned at 2:30 p.m.

Respectfully submitted,
Marsha Elliott