

Report from March 22, 2009 Meeting

The following is the report given to the Zebulon Baptist Congregation on March 22, 2009 at a special meeting following the morning worship service.

Download PDF of the report [here](#).

REPORT TO THE CONGREGATION – March 22, 2009

Susan Ellington, Moderator:

Good morning. This morning the Administrative Deacons want to take a few moments to talk with you about our church family in these times of economic stress. This is not a church conference, but a report. We are not here to make any motions for your consideration but to let you know the financial position of our congregation and the strategies we are pursuing on your behalf as Administrative Deacons. We hope this morning will encourage you to be a supportive part of our Zebulon Baptist Church family. As your deacons, we are all convinced that in spite of these challenging economic times, this is not a time for us to scale back the mission and ministries of Zebulon Baptist Church. Some of our families have lost jobs and income. Their capacity to give to God through our church has changed. But, many of us have the means to step up and give generously and obediently to see us through these days.

Our congregation receives detailed financial reports at each church conference. But, in short form, let me share with you that through the first five months of this year our budget giving has been just above or just below the 80% level of need. Because we are at full staff, our spending is above 95% of budget. Our budget is right at \$815,000 this year, our current giving projects budget gifts of about \$640,000. The shortfall has required us to use our reserves. Those reserves, which support both the budget and the Believe Campaign, are now just above \$150,000. If we continue our budget spending without any increase in giving, these reserves will likely be depleted by the end of this budget year in September. Our gifts to the Believe Campaign are significantly less than the gifts to our previous capital campaign. We are currently bringing in just more than enough for the building fund to pay our indebtedness to Wachovia Bank. This year, it appears doubtful that we will fully fund the Caring for the Campus and Mission Ventures portions of our Believe Campaign.

We are grateful for the gifts our church receives for ministry through the budget and Believe Campaign. Many members are doing all that they can do as Christian stewards. But, the financial situation is at the place where we need to appeal to the congregation to do its very best in giving to God through our church. We are willing to use reserves for ministry - it was for the purpose of ministry that these gifts were given to God. But, the reserves are small enough and the budget shortfall great enough that the time for leadership and action is upon us. Your Administrative

Deacons have worked hard in analyzing the situation and considering positive actions. They have prayerfully considered a fourfold strategy to pursue in the coming weeks. The best solution, and the first strategy we recommend, is for every member of our church to prayerfully seek to be obedient to God in our giving. For our receipts to get closer to expenditures through the giving of every member is a goal we should all want to see accomplished.

However, we also believe we should pursue fiscal strategies that will help our church to remain strong and thrive during these times. At a special called meeting on Monday, March 2, the Administrative Deacons looked at a list of six possible strategies and agreed to pursue four. Four Deacons will come now to share with you what we have decided.

Alan Rodemaker, Moderator-Elect:

One of our strategies is to explore the possibility of selling the parking lot on the southwest corner of Arendell Avenue and North Street. This is our church's most underutilized asset. On crowded Sundays the spaces in the lot across the street are sparsely used while members prefer to park on our campus side of Arendell. This parking lot is not required for us to comply with the town of Zebulon's parking ordinance. The lot, along with all of the property in its block fronting Arendell Avenue, is zoned for heavy business. Our Deacons will seek to determine if a buyer or buyers exist willing to buy the property at a favorable price. This would provide income from the sale of the asset that could favorably impact our cash situation for several years, beyond the anticipated time of this current economic downturn. In addition to exploring the idea of a sale, the Deacons will also look at the possibility of establishing a line of credit using the parking lot property as collateral to be used by the church as we continue to operate with limited cash reserves. If the Administrative Deacons were to be offered a price for this land that they believe the congregation should consider accepting, or if they were to establish a line of credit, they would come to the church family with a specific motion for your consideration and action. So, at this point we are simply looking to see how the lot across the street might be of greatest value to us in these difficult economic times. We are looking at options, and if an option seems advisable to the Deacons, we will be coming to you for your decision.

Dallas Pearce, Administrative Deacon:

I want to talk with you about a second strategy that we are pursuing to help us get through these challenging days. We are looking at ways to refinance or restructure our indebtedness. In the last fifteen years our church has completed the building of this beautiful sanctuary, bought a shopping center, and remodeled it for our use as an education building, fellowship hall, and office space, and taken down an aging structure on the corner. Our insurance values on the property now exceed six million dollars. In healthy economic times the market value of this corner would be even greater. We owe more than 1.6 million to Wachovia. That is excellent equity achieved

through your faithful and generous giving. But, it is also significant debt that requires a monthly payment greater than \$22,000. We are amortizing this loan at a fixed rate of 7&1/8 percent over a fifteen year period.

If you look at total gifts to our church, the gifts exceed our budget comfortably. The problem is our total gifts do not match our budget need and our debt retirement need. We all wish, by some miracle, this debt could be quickly reduced. Without the debt, our church's financial situation would be quite sound.

Given the challenges of the current economic situation, the Administrative Deacons are pursuing the strategy of restructuring our debt or refinancing. Obviously, our long term strategy should be to eliminate the existing debt. But, in the short run, it may be to our advantage to lessen the monthly requirement for debt service to provide more funds for operations. We will be exploring options and would welcome your creative thoughts about the best way to finance our current indebtedness. Like the strategy mentioned above, any refinancing or restructuring of our loan will require the vote of this congregation. We will see if we can find a proposal that will help us through these times, and if we do, we will bring our recommendation to you for your consideration.

Doug Perry, Administrative Deacon:

I want to tell you about the third strategy we are pursuing - greater cost control with regard to our spending. This past year our budget declined slightly from the previous year. Already this year we have informed the staff there will be no cost of living or merit pay increases. The staff has been asked to make every effort to expend areas under their budget supervision at 80% this fiscal year. We will be looking at the budget's line items to find areas where cuts will minimally harm the mission and ministry impact of our congregation.

We promise that as work begins on the 2009-2010 budget we will be vigilant to find every cost saving measure we can to reduce our budget. However, your Administrative Deacons want you to know our budget is not a budget with frills and waste. We spend the overwhelming bulk of our money on salaries paid to an effective, hard working staff, on the virtually fixed costs of using this wonderful church campus, and on our participation in God's mission in the world through cooperative giving.

The first two strategies are being pursued because we do not believe that the simple solution to our present situation is to cut spending back to the current budget giving level. The Administrative Deacons do not believe that now is the time to reduce our staff, our ministries, and our commitment to missions. But, we are ready and willing to work on your behalf to spend wisely God's tithes and offerings that you have given.

Matt Ellington, Administrative Deacon:

Our fourth strategy is for the Administrative Deacons to spearhead an effective stewardship initiative that effectively teaches the benefits and blessings of sacrificial giving, tithing, and Christian philanthropy through the sharing of the wealth and blessing God has given us. As Administrative Deacons we have been moved as we have considered the possibility of reducing the scope of ministry of this church. We do not want to see this come to pass. We believe this church makes a difference in the lives of its members. We are making a difference in the life of this community. We are making a difference in the world. There are so many wonderful members of this church of every generation. Our commitment to Christ is as vibrant today as it has ever been - just look at the involvement of our members in projects like The Purple Shoe Thrift Store, Operation In-As-Much and the Belize mission trip. At the March 2nd meeting it was said, "I believe what we are doing here is of the greatest importance - it is literally about showing people the way to God and heaven".

We know that you don't want to hear about money every week at church, and if you are fair, that is not what you hear most weeks from our pastor in the pulpit or in our classrooms. But, we need more of our members making significant contribution to the mission of God through this church. We are committed to finding the best ways possible to teach and inspire this congregation to support the work of the Lord. It is an important part of everyone's spiritual journey, and we want to help you to find your way to pleasing God through your giving.

Susan Ellington, Moderator:

You have heard our plans for leading us through these difficult times. We need your prayers, your attendance, your ideas, your support, and your faithful giving. Please talk with us as your Administrative Deacons. We are here to serve you. Beginning today, ask us your questions. Get engaged and stay engaged. Give the best you have of time, talent, and money to God and this church. If we all work together for the good of this church, God will bless us. We will be fine. I want us to hear a word from our pastor.

Jack Glasgow, Senior Pastor:

I want to thank the Administrative Deacons and our Moderators for their hard work on your behalf. They are striving to provide leadership that will serve us well during these challenging days. I believe they are looking in the right direction for answers. I know they are depending on God for guidance. I simply want to pledge to you my support and effort in seeing us through these times of challenge. We have a wonderful church family. I want to see us grow and mature into the future God has in store for us. I have never minded spending reserves to do God's work, that is why they are there. But, I do agree with our Administrative Deacons that now is the time to get your attention, to let you know the full picture of our situation, and challenge you to step forward in support of God's work through this church. Whatever you give now will be used now to support the work of God in this community and

beyond. As I preached several weeks ago, the only tragedy in these times would be for us to say we have done our best, that we have given our all, when in truth we have not. I believe that after hearing this report you will be ready to step up to do your best. And, that is all we can ask, and that will be enough. If you want to talk with me as your pastor about our church and its financial situation and about how you can be a part of supporting it and blessing it, I will be happy to come to your home to talk or we can have coffee, lunch, or a breakfast. Somehow, I have the faith to believe a miracle may be out there for us if we are all willing to be led by God's Spirit. Just know that I love you all and love this wonderful church that has called me to be its pastor for these many years.

Susan Ellington, Moderator:

Let us work these strategies for the next several weeks. On the first Sunday evening of May we will have a question and answer congregational meeting in the Fellowship Hall to update you on our situation and hear your thoughts, questions, and ideas. Our Spring Quarter Conference will be on Sunday, June 7. Perhaps by then we will have motions ready for your consideration.

Let's keep believing that God can do great things through us. Would you promise to pray for our church every day from now through the end of May? Will you pray that as we pursue these strategies, that God will only open for us doors of opportunity that are according to God's will? Will you pray for our staff, our ministries, our health, and our fellowship? Will you pray that God will inspire us so that the resources for all God calls us to do will be available to us?

If there are no questions for clarification anyone wants to ask, I will ask our Ministry Deacon chair, Marion Horton to dismiss us with prayer. Thank you for being here today.

Marion Horton, Ministry Deacon Chair

Dear Gracious Heavenly Father,

On today, your day, we appreciate so very much the time we had together to worship you. We are so very thankful for the deacons and staff that have put so much time, energy and prayer into helping this congregation. We are also thankful for the time that this congregation has been given to become more informed.

Father we ask

Where there is discouragement...help us find courage

Where there is frustration...help us find love

Where there is fear...help us find faith

Where there is confusion...help us find clarity

Where there is discontentment...help us find peace

We ask these things in Jesus' name. Amen.