



firstfree

Annual Report 2019-2020

**MAKING DISCIPLES OF JESUS CHRIST
LOCALLY AND GLOBALLY
BY PROCLAIMING THE GOSPEL
IN WORD AND DEED**

**First Evangelical Free Church of Chicago
5255 N Ashland Ave, Chicago, IL 60640**

OUR VISION

to celebrate lives transformed by Jesus Christ

Renewed People Rejoice

OUR MISSION

to make disciples of Jesus Christ locally and globally by proclaiming the Gospel in Word and Deed

Found People Find People

OUR PURPOSE

to glorify God and further His kingdom by making disciples of Jesus Christ in the City who worship God in His greatness, reach the world through evangelism and service, and who love and train one another to maturity in Christ

Changed People Grow

OUR POSITION

We are a historic evangelical church adhering to biblical authority, congregational in polity and affiliated with the Evangelical Free Church of America. As a local church, First Free emphasizes proclamation of the Gospel and compassionate outreach.

Saved People Serve

STAFF

Jason Abbott, Senior Pastor

Jung Hower, Director of Finance & Human Resources

Mabel Kwan, Custodian

Francisco Mercado, Custodian

Stu Modrzejewski, Pastor of Worship Arts and Community Life

Adolfo Ramirez, Facilities Supervisor

Del Shimandle, Pastor of Evangelism and Christian Education

Aurora Tallacksen, Office Administrator

ELDER BOARD

Jason Allen

Rachel Einfeldt

Mark Esper

Stephen Lapse

Duncan Sattler

James Snyder

Timothy Wilkin

OFFICERS

Jung Eun Hower, Financial Secretary

Sylvia Lauener, Treasurer

Stephen Lapse, Church Cairman

Timothy Wilkin, Church Secretary

DEACONS

Children's Ministries: Erin Lim, Tandy Malinak

Facilities Team: Daniel Tallacksen

Family Ministries: Daniel & Natalia Leonard

Finance & Administration: Sylvia Lauener

Global Outreach Team: Ryan Einfeldt

Youth Ministry: Andrea Korte & Josiah Ragsdale

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SENIOR PASTOR'S REPORT

Jason Abbott | jabbott@firstfree.com

“Praise be to the God and Father of our Lord Jesus Christ! In his great mercy he has given us new birth into a living hope through the resurrection of Jesus Christ from the dead, and into an inheritance that can never perish, spoil or fade” (1 Peter 1:3-4).

As I write to you, I'm in the middle of my 9th month of ministry as your senior pastor. And what a 9 months it's been! There's been a bit of everything. We began with a dance party at the end of my candidating weekend (who could forget Rina's multiple t-shirt reveal!), yet we're currently living under a stay-at-home order because of a global pandemic and unable to meet together for worship (let alone a dance party!). In October, our family got firsthand experience on how labor agreements get worked out, but now we're learning about the rigors of online / homeschool education and appreciating afresh the blessing of our public schools and teachers. As I said before, what a first 9 months this has been!

In perhaps a break from the normal annual report, I want to spend some time reflecting on what I've seen God doing over the past year; I want to spend some time with you meditating upon God's graciousness and mercy in the life of our church family. In the spirit of Paul's words to the Philippian believers and us, I would like to take this opportunity to consider and celebrate the “excellent” and “praiseworthy” things we've experienced together.

Let me begin by reminding you of God's faithfulness in bringing our ginormous family to the big city. The Lord worked out all the details. Would we be able to sell our home in Harrisburg? *Taken care of.* Would we be able to find an affordable home anywhere near church? *Taken care of.* Where were our 5 kids going to go to school? *Taken care of.* When you step back and consider all the details which had to come together, it's obvious that God was sovereignly and efficiently working them out. *Praise the Lord for his provision!*

Oh, and what about the property we need to sell? If you recall, we had an initial buyer—whom we weren't all that excited about—then that buyer backed out on us. What did God do? Well, he quickly brought us another buyer (this time from the neighborhood) who continues, even in the midst of these uncertain times, to be interested in purchasing the 5237 property. What's more, we've found favor with our alderman (who happens to live just a few doors down from me) in regard to the zoning issues surrounding the sale. Consequently, in just a few months, the sale should finally be complete. *Again, praise the Lord for his faithfulness!*

Another highlight of the past year was Josiah Haas blessing our church with the preaching of his first sermon. And, what a tremendous job he did with an extremely tough passage! To make things even sweeter, Bill and Wenda Shereos were in attendance that Sunday—so Bill and I were able to pray for Josiah before he preached. *God brought the past, present, and future together for a very encouraging time of worship.* Thank you, Lord Jesus!

It will be sad to say goodbye to Stu, Michelle and Abigail Modrzejewski. They've been such a beloved and important part of our church family. Yet, we must celebrate how wonderful it's been to have them here and how much God has changed First Free for the better through their service. Moreover, if that's how the Lord has used them among us, we have to believe and trust in his plans to use them in a similarly glorious fashion in the future. ***Our church has long been a place which equips and sends leaders to prosper the Lord's kingdom work around the world.*** I'm certain that Stu, Michelle and Abigail are another wonderful example of this, and I'm grateful that our church family has been able to participate in and benefit from their development. What a blessing! Praise the Lord!

Without a doubt, there are many other excellent and praiseworthy things to remember and praise God for. This should be part of our daily worship as believers. We should individually and corporately do it. So, consider carving out some time this evening—around the dinner table or before going to bed—to recall and thank the Lord for his good and perfect gifts (James 1:17). And, allow those reflections to strengthen your faith in the goodness and love he will show you in the future.

“Finally, brothers and sisters, whatever is true, whatever is noble, whatever is right, whatever is pure, whatever is lovely, whatever is admirable—if anything is excellent or praiseworthy—think about such things.” (Philippians 4:8)

BOARD CHAIRMAN'S REPORT

Stephen Lapse | chairman@firstfree.com

God is our refuge and strength, an ever-present help in trouble. Therefore, we will not fear, though the earth give way and mountains fall into the heart of the sea, though its waters roar and foam and the mountains quake with their surging... the Lord Almighty is with us; the God of Jacob is our fortress.

- Psalms 46:1-3; 11

After a few tumultuous years at First Free, I was looking forward to the 2019-2020 church year being full of exciting opportunities for ministry without some of the past challenges that took up so much of the elder's time (i.e.; building issues; finances; church unity). As I reflect on the past year, new ministry initiatives have indeed been planned or started, while the elders still spent great deals of time on administrative issues such as finances and the sale of the 5237 building. And then of course, there's this new COVID-19 thing, where we have to rethink how to do church during a pandemic.

I am convinced that among other things, the many challenges faced by First Free (and our whole world at present) are an opportunity to truly seek God in spite of circumstances and to, "throw off everything that hinders and the sin that so easily entangles", so that we can, "run with perseverance the race marked out for us" (Hebrews 12:2). Psalm 46 reminds us that in spite of our problems, "the Lord Almighty is with us", He will "be exalted", and we are to, "be still and know that I am God". May we all use this time to more fully grasp the truth of Christ's great love for us, and to allow this core truth to become more of a reality in our lives and thinking so that we, "may be filled to the measure of all the fulness of God" (Ephesians 3:14-19).

Certainly the highlight of the past year was **Pastor Jason coming on as our senior pastor** after a unanimous congregational vote. Huge thanks to Steve Bishop and the pastoral search team for their long hours and outstanding work. We look forward to working with Jason on restarting new discipleship and missional ventures, even (especially) during this time of pandemic.

A very encouraging development over the past couple years has been **seeing many of you step up** to serve in various leadership and ministry roles. It is the goal of the elders to have more lay involvement throughout the church, with the congregation engaging in "works of service" while the staff and elders play the role of overseer/equiper. It has been a joy to see so many of you faithfully serving.

One good example of this are the recently formed **Community Care groups**. These groups have a three-fold goal: keeping us all connected for mutual support, mobilizing outreach (within safe distancing practices), and providing information updates. I look forward to seeing how these care groups organically develop during this time of shelter in place, to provide koinonia, to meet the needs of the body, and to spur outreach efforts to our respective neighborhoods (Hebrews 10:24; Galatians 6:10). To all who are leading these groups, the elders want to give a big, "thank you". May you be led by God's spirit to creatively minister to those entrusted to you. May you also be

led by God to find effective ways that your groups can serve your respective neighborhoods for His glory. There are too many other people and ministries to recognize, who I trust are reflected and recognized in other places in this annual report. On behalf of the elder board let me share my appreciation for all who have remained committed to First Free, despite the challenges of the past few years. “God is our refuge and strength.”

A few other quick items to report:

CHURCH BUDGET

The elders have worked hard to develop a budget plan that allows us to fully live within our means. This has involved excruciating choices that none of us wanted to make—in particular, the sale of the 5237 building and the ending of Stu’s position as Pastor of Worship and Community Life. These wrenching decisions are needed so that we can *live within the income that we are receiving* and so that in the future, fiscal burdens do not get in the way of ministry opportunities. We thank God for the faithful giving of our church members—we are a wonderfully generous church! Moving into the new church fiscal year, the 5237 building sale is still on track for mid to late summer. In addition we plan to better utilize the 5239 building by using it for staff and apprentice housing.

PROPOSED DATE CHANGE

The elders will be proposing a modification to the regular church business calendar at First Free in order to *affirm leaders at the Ministry Community Meeting (MCM) in the fall every year*, instead of at the April Annual Meeting. The reason for this is simply pragmatic. The current church business calendar creates a lot of work for the elders and congregation in a short period of time during the months of March and April every year; this also lines up with Holy Week and Easter every year. We want our focus to be more on Christ and less on business during this special time in the church calendar. By spreading out important recurring church business tasks throughout the year, instead of doing them all at the April MCM, it will be more manageable for the elders and the congregation.

BYLAW REVISION

In May we will present to the congregation a revised by-laws document. The plan is to have discussion on this document prior to a vote at our July MCM. Dan Tallacksen and his team have done a thorough job in crafting a document that took off from the good work of the previous elder board in revising the by-laws to reflect current desired practices and structures and to clean up some areas of ambiguity/confusion in our current document.

We will vote on two of these proposed changes at our annual meeting: moving of officer/elder elections to the fall; and, making one *revision to the church doctrinal statement* (Article III, section 9 on Christ's Return) to reflect the change made at our denomination's annual meeting last June (changing, "premillennial return" to "glorious return"). When we release the proposed draft of the by-law revision in May, we will share the other proposed changes. For now, leading up to the Annual Meeting on April 26, 2020, we want to focus on the above two changes.

In order to effectively set up the move to officer/elder affirmations in the fall, we are extending current elders' terms by six months. There were no elder nominations from the congregation; however, all current elders are willing to serve six-month terms until our October MCM. I have agreed to serve in the chairperson role under this six-month term, and then plan to have another current elder board member step into the chairperson role in October.

SAFETY AND SECURITY TEAM

The elders commissioned a group to review and suggest safety measures the church can take to ensure that we are following best practices in regard to safety measures on our church campus. Although we don't expect radical changes on these matters, we have asked this group to review our current policies and make suggested recommendations. Although we ultimately trust God for our protection, we also want to be wise in this era of violent incidents to take measured, *practical steps to ensure the safety of all who step into the doors of our church*. We look forward to sharing some of these security measures with you very soon.

ELDER HEALING PRAYER

Under Duncan's leadership *the elders have begun offering healing prayer* to congregants this past year. We had been providing these prayers following the service on communion Sundays. With our sheltering in place protocols, we still hope to provide elder prayer to any who desire it via phone or video format. The prayer team continues to offer a time of prayer Sunday mornings before the on-line worship service. Come join us to lift up the needs of our body.

In this time of quarantine, may you find joy and experience God in new and impactful ways.

Blessings,

Stephen Lapse, Church Chairman

MEMBERSHIP

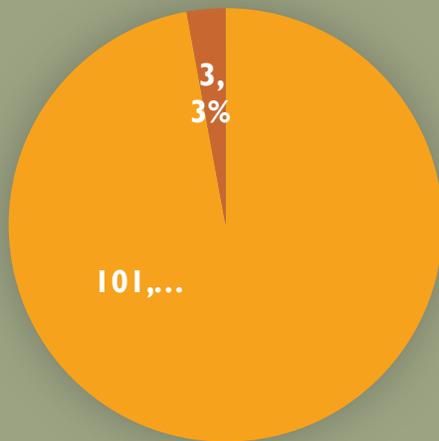
Tim Wilkin, Church Secretary | elders@firstfree.com

If this last year at First Free were a movie, it seems like it would have been a totally epic sequel and would have some kind of title ending with something like “. . . Transitions – And This Time, It’s Gonna Leave a Mark”.

On May 19th, 2019 we held a special meeting in Fellowship Hall following the Sunday morning service to vote on the confirmation of a new Senior Pastor: Dr. Jason Abbott, which was a unanimous vote! Following the completion of the membership class - and much rigorous questioning by the Elder Board - Pastor Jason and Natalie Abbott became members. We’re so grateful that they have been called to minister at First Free.

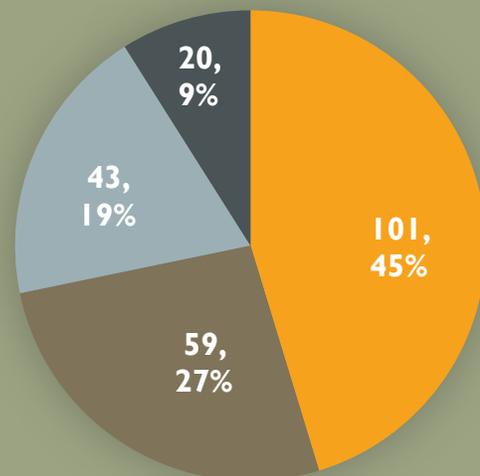
Additionally, over the past year, we’ve experienced an increase in attendance! While we’ve seen some new faces, we’ve also been encouraged to see some who attended First Free previously (and felt called to leave for a bit for one reason or another) come back - for whatever time that they are able.

First Free Members



- Active Members - involved in ministry at First Free through serving on a ministry team and / or regularly attending services.
- Inconsistent Members - attend services at First Free about once a month and / or participate in votes and meetings as they occur

First Free Congregation



- Active adult members
- Kids of active members (children = 38, youth = 21)
- Active adult attendees
- Kids of active attendees (children = 14, youth = 6)

Some statistics:

- By virtue of the unanimous vote, Pastor Jason became a member on May 19, 2019.
- On October 20, 2019 we welcomed 4 new adults into membership at First Free.
- Our total congregation size, including children and youth, as well as regular attender households, is 226 – up from 182 last year (7 of those have Abbott as a last name); an increase of 20% (!).
- Over one third of our congregation is represented by children and youth!

Of course, the success of a church can't be measured in terms of numbers – but it is simply refreshing to see an incremental increase this year in contrast to a number of consecutive years with incremental decrease. It is our prayer that where church success can be measured (in terms of lives transformed as well as continually regenerated by Jesus Christ through discipleship and community), that we would lean in to the Mind of Christ and reach out with love and grace to our neighbors while edifying each other through love, grace, encouragement and unity.

In addition to the many other transitions we've gone (and are still going) through as a congregation, as of this writing, we're under Illinois State Order #8: "Shelter-In-Place", due to the COVID-19 global pandemic. Over the last month we've moved from regular Sunday morning service towards needing to be isolated and having worship time / communion led by our Pastor of Worship Stu Modrzejewski as well as a sermon by Pastor Jason pre-recorded and posted to watch online together on Sunday mornings. We've also had online video conferences for some prayer time and the initiation of virtual "Neighborhood Care Groups" to connect with each other by phone and video conferencing. Only time will tell the impact that this will have on our church – but I'm excited, personally, to see how God will use First Free in these unprecedented times:

Let's go out and leave a mark!

With much love in Christ,



Tim Wilkin
Church Secretary

- 10 For as the rain and the snow come down from heaven, and do not return there without watering the earth and making it bear and sprout, and furnishing seed to the sower and bread to the eater;*
- 11 So will My word be which goes forth from My mouth; it will not return to Me empty, without accomplishing what I desire, and without succeeding in the matter for which I sent it.*
- 12 For you will go out with joy and be led forth with peace; the mountains and the hills will break forth into shouts of joy before you, and all the trees of the field will clap their hands.*
- 13 Instead of the thorn bush the cypress will come up, and instead of the nettle, the myrtle will come up, and it will be a memorial to the LORD - for an everlasting sign which will not be cut off.*

- Isaiah 55:10-13

EVANGELISM & CHRISTIAN EDUCATION

Del Shimandle | dshimandle@firstfree.com
Pastor of Evangelism and Christian Education

CHRISTIAN EDUCATION

The mission of Christian Education is essentially the same as the mission of our church: we aim to help children, youth, and families as a whole, be disciples of Jesus Christ. We desire that they may grow in the knowledge and admonition of our Lord, and that their knowledge of God and right relationship with Him may transform all aspects of their lives.

We now have a full compliment of deacons serving in the Children, Youth, and Family ministry areas. Erin Lim and Tandy Malinak are overseeing **Children's Ministry**, Andrea Korte and Josiah Ragsdale continue to oversee **Youth Ministry**, and Daniel & Natalia Leonard are overseeing **Family Ministries**. There are many others who serve sacrificially to make Sunday School, Youth Night, and other related ministries happen. Without the help of curriculum coordinators, teachers and classroom helpers, this ministry just would not be possible. Thank you all for your faithful and tireless service.

PARENTING IN THE PEW

Faith is caught not just taught! In the interest of facilitating holistic participation of our church worship service by adults and children alike, we have shifted to a 3-Sunday-per-month schedule for our Pre-K and K-5th grade classes. **On the fourth and any fifth Sundays, children will join their families for the worship service in the sanctuary.** This is an important part of spiritual development for the whole family, in which children learn by watching their parents and the whole church community. Nursery will still be staffed as normal, and activity packets with related material will be available for the youngest children to help them learn with the older children, youth and adults

SPRING HILL DAY CAMP

During the week of August 5-9 of 2019, First Free Church hosted Spring Hill Day Camp. This was **the 7th year that First Free has partnered with Spring Hill,** and we are grateful for the continued partnership! This last year we saw 56 campers engage in activities, worship, and bible study. 39 of those campers were not from First Free, while 4 of those campers identify as coming from a non-Christian background. 28 campers were able to attend camp on **scholarship** through the generosity of both the body of First Free, and donor from Spring Hill.

SMALL GROUPS

Small Groups facilitate the studying of God's Word together, praying in unity, carrying burdens with one another, sharing meals together. ***Small Groups draw us closer to Christ***, to each other, and provides support to endure even the biggest challenges of life.

While the shelter-in-place orders due the coronavirus pandemic last, we are also facilitating connection through Care Groups until we are able to meet again face-to-face. Care Groups, have a three-fold goal: keeping us all connected for mutual support, mobilizing outreach (within safe distancing practices), and providing information updates. This is not a replacement of Small Groups, but a short-term initiative in which all First Free community members have been organized into groups based on neighborhood.

I encourage each of you to continue to grow in discipleship through participation in care groups, small groups, and one-on-one discipleship and mentoring as well. If you're not yet engaged with others in this way and would like to be, contact me and I will help to get you connected.

EVANGELISM AND OUTREACH

Mr. Rogers once said: "When I was a boy and I would see scary things in the news, my mother would say to me: 'Look for the helpers. You will always find people who are helping.'"

But Jesus said: "Be the helpers!"

After telling the parable of the Good Samaritan, Jesus said: "Which of these three do you think was a neighbor to the man who fell into the hands of robbers?' The expert in the law replied, 'The one who had mercy on him.' Jesus told him, 'Go and do likewise.'"

- Luke 10:36-37 (NIV)

In recent months the elders and staff have been discussing the importance of ***re-establishing outreach and evangelism initiatives***. This pandemic is an opportunity to show and speak the Gospel to those around us. Besides helping your church, as so many of you have been doing, be sure to help your neighbors as well. Let them know that you are praying for their health and safety, do a grocery for someone who is elderly, inform, or otherwise constrained from doing so themselves, and be sure to continue practicing safe distancing to avoid potential spread of the virus. When you show the Gospel, you will soon get a chance to speak the Gospel. Let your heart be softened to people's needs, both physical and spiritual.

YOUTH MINISTRY

Andrea Korte, Josiah Ragsdale, Youth Deacons | youth@firstfree.com

Our Youth Ministry has continued to blossom with the addition of some of our parents joining the ranks as Sunday School teachers, while others have volunteered as additional help with crowd control on Sunday mornings. On April 5, we had *a video call* with 19 of our students to discuss their spiritual gifts assessments. It has been a blessing to have these conversations with students that have been a part of our *6-year journey through the Bible*, learning to *Find Their Story Within God's Story* (our Mission Statement)

These are trying times for everyone and it's important to know that God is at the center of it all, whether we're struggling to navigate the "stay-at-home" order or engaging our peers face-to-face. A quiet blessing has been the ability to plan more frequent hangouts since everyone can call-in from wherever they are.

Until we are told otherwise, we will continue fundraising to send our *ten students to their first national EFCA Conference this summer*, where the theme will be *Restless* - how fitting. We are blessed to share that our bake sale raised more money than it ever has, and we were able make our down payment for the conference. There will be additional opportunities to raise monies throughout the summer, before and after the trip through activities and the option to sponsor students that are attending. More details will be coming as we're all navigating our 'new normal'.

MINISTRY TO WOMEN

Michelle Modrzejewski | women@firstfree.com

The vision of the Women's Ministry at First Free is to celebrate lives transformed by Jesus Christ, to see women grow in their faith and understanding their identity in Jesus Christ, and to dream big dreams as a result of a deep and abiding relationship with Jesus.

Our mission is to be made into healthy image bearers and multipliers of Christ, to move from the inward to the outward, and to experience nourishment and love by way of scripture, community, and prayer. As a team, we have been co-laboring towards this vision and mission through monthly events called "Gatherings," offering support for women leading Small Groups, and through partnering with the outreach organization, *YoungLives*.

As the Women's Ministry Team steps into 2020, we sense a need to respond, in both spiritual practice and discipline, to the transformative work that God showed us in His word this Fall, and in our own lives. We desire to be a part of helping women learn and uncover how they are already equipped to share the gospel. We are asking ourselves, ***"how can we take our personal transformation from Christ out into the world both locally and globally?"***

WORSHIP ARTS & COMMUNITY LIFE

Stu Modrzejewski | smod@firstfree.com

Pastor of Worship Arts and Community Life

WORSHIP ARTS

Celebrating...

- Implementation of a service flow that intentionally calls into the presence of the majesty of God, to hear from God (because He longs to speak to us!), responding to the Word of God (through Table and Song), and being Sent into the world as those who are made (and being made and shaped) in the image of God to be His image in the world (through jobs, school, vocation, works of justice, caring for the least)
- Successfully finished our “stage-beautification project”. Shout out to everyone who helped collaborate, design, and install! now we can build on what we have for any given season, series, etc.
- Addition of a couple newer faces to the team (that haven’t had a chance to play yet because of the lock-down!)
- Constant rotation of Sanctuary Art displayed in our space. Major props to Dan Addington!
- Great discussions, visioning, and implementation with worship leaders to enable us to grow in our gifting and to empower the congregation to step deeper into worship

WELCOME TEAM

Celebrating...

- The faithfulness of this team through so many pastoral changes and during seasons of no leadership at all
- Addition of a Welcome Coordinator Role to focus on capturing newcomers’ information
- An improved internal process for staff/pastoral follow-up with new people
- An improved welcoming process for meeting new people on Sunday morning
- Improved materials to give people the information they are looking for

PRAYER

Michelle Hill | prayerteam@firstfree.com

Has your prayer life grown as we've been quarantined at home with the uncertainty about all that is going on? Or over the past several years as our church body has been called to a period of assessment and reflection?

The purpose of the Prayer Team at First Free is to encourage and equip the Body of Christ to pray continually and effectively thus deepening our relationship with Jesus Christ and releasing God's power for revival and evangelization to a world in need of Him. Our vision is to see prayer become the initial and ongoing response at every juncture in every ministry, small group, family, and individual at First Free, and to see the Body of Christ ministering to one another in prayer.

If your prayer life has grown, we'd like to hear about it. And if you desire to grow in connection to God through prayer, we'd like to hear from you, too. prayerteam@firstfree.com. It's important to celebrate and encourage each other in the various spiritual disciplines.

In the past year, we have continued hosting a *prayer meeting on Sunday mornings* from 9-9:45am led by Pat Barber and Manuel Avila. We pray for the service, our church community and neighborhood, as well as needs of our city and world. In response to the COVID-19 pandemic, we're using Webex to meet. You can download the Webex app to join via video or join using audio by calling the phone # provided. It has been comforting and encouraging to turn our eyes on Jesus together, in the midst of heightened anxiety and fear of the culture around, and even among us. We invite you to join us! Email prayerteam@firstfree.com to receive an invitation to join.

Other prayer initiatives:

- *After each Sunday morning worship service*, several members of the team are available for people who would like prayer. We will continue this when we start meeting in person again.
- We created interactive *prayer stations in the Prayer Room* during Thanksgiving and Christmas.
- The *elders offer Healing Prayer* on the last Sunday of each month, and they continue to offer it virtually during this time.
- We have developed *Intercession Teams to pray during the service each Sunday*. We sit in our normal seats and participate along with everyone else, so likely you will not know who we are each week. Our focus is to battle in prayer during worship, the sermon and each aspect of our Sunday morning gathering, in order to release God's power and provision for all He wants to do among us. If you sense this may be an area God would call you to serve, please let me know. I'm looking for ten more people to join us, so that we have five teams of four people to offer prayer covering each Sunday.

The Prayer Team is currently *learning to become a discerning community* using Ruth Haley Barton's book, "Pursuing God's Will Together," to guide us. Our intention is to grow our capacity to hear God's voice individually and as a team in order to understand how He wants us to serve Him at First Free. As a part of this process, we have each committed to developing intentional and consistent accountability relationships that will help keep us on track with our spiritual transformation journey. There is great blessing when we choose to be intentional in daily spiritual disciplines, and I'm thankful to serve on this team of brothers and sisters who desire to go deeper together with Jesus.

FACILITIES

Adolfo Ramirez, Facilities Supervisor | aramirez@firstfree.com

Daniel Tallacksen, Deacon of Facilities | facilities@firstfree.com

We are grateful to God, for helping us this year and maintaining the facilities of First Free. I, Adolfo, want to give thanks to the Facilities Team for the help and support through good and some difficult days. I want to thank the Elder Board, the Staff, the Deacons, our congregation, as well as New Beginning Church for their support and help throughout this year and for trusting our team to maintain our buildings and campus. Also, thank you to brother James Snyder, our former Deacon of Facilities, for his leadership role for part of the year and thank you to his family for the tremendous help and support through my transition into the role of Facilities Supervisor. I wish him the best on his role as an Elder. Thanks also to brother Scott Halver who departed our team to spend more time on audio and video.

We would like to give a warm welcome to Dan Tallacksen for accepting the role of Deacon of Facilities. I look forward to working alongside Dan as he brings knowledge in financial management, project management and he has held many different positions in the church and I know he will be a huge blessing to the facilities team.

One of our goals for 2019-2020 was to reduce the high cost of maintenance while addressing the needs of our staff, each building and maintaining each unit all while keeping a safe and friendly environment that reflects Jesus' character.

The following are some key accomplishments for the year in addition to regular tasks:

- Prepared 5237 for sale, relocating the facilities shop and renovating 5237 for new renters
- Assisted with staff and renter relocation
- Renovated Pastor Jason's office
- Reconstructed the foundation and basement floor of 5243
- Repaired and replaced some of the "green room" drywall
- Repaired 5243 A/C units
- Replaced water heaters in 5241 and 5243
- Repaired and cleaned mini splits in the sanctuary
- Replaced Fellowship Hall floor with the help of New Beginning Church
- Painted Fellowship Hall ceiling
- Repaired emergency exit doors
- Replaced emergency lighting light bulbs, batteries and ballasts
- Sealed parking areas behind the office and rental units
- Repaired the Family Life Center roof-top HVAC unit
- Replaced the flooring in the Family Life Center 120s classrooms
- Scraped and waxed the floors of the Family Life Center

Looking forward to fiscal 2020-21, our goal is to maintain the space God has given us in the most efficient way with the resources He has provided. Here's where our focus will be in the next fiscal year:

Safety and security. Assisting with the life safety effort, namely (a) looking at what it would take to incorporate the sanctuary space into the Family Life Center fire alarm system and (b) determining scope and installation of security cameras.

Sanctuary repair. Determining scope and obtaining proposals to repair our neglected sanctuary. Thanks to our resident architects on the team, Jeff Korte, Tim Wilkin and James Snyder.

Building maintenance. Executing on 'high priority' items listed in our project tracker.

Records management. Better tracking of expense categories to assist with future planning. Creating a regular maintenance calendar. Re-organizing maintenance files and maintaining our maintenance handbook.

Thanks be to God for:

- New Beginning Church for helping us maintain the sanctuary, helping us with shampooing the carpet on several occasions, cleaning the sanctuary and other tasks.
- Brother Frank for his time and dedication as the church janitor, overseeing many tasks, especially with sanitation in light of COVID-19 virus.
- The dedicated members of the Facility Team: Jeff Korte, Doug Tallacksen, Tim Canfield, Tim Wilkin and James Snyder. None of this could be possible without your help, support and prayers.



Adolfo Ramirez, Facilities Supervisor



Dan Tallacksen, Deacon of Facilities

PROPOSED BUDGET 2020-21

Sylvia Lauener, Treasurer | treasurer@firstfree.com

To the faithful co-workers at First Free Church,

Last year this cover letter stated that we are presenting an operating loss due to the transitional nature of the upcoming year and that this was a one-time proposal.

We are in the same place this year. Due to complications of selling the building at 5237 N Ashland, we will need to tap into our reserves again. Our cash reserves at 3/31/19 were \$144,489. Currently we have cash reserves of \$142,645 at 2/29/2020. We did not dip into our reserves as I thought might happen during the last year.

As last year, we still believe that using our cash reserves to fund operations is not sustainable in the long term. We will monitor income and expenses throughout the year and adjustments will be made to spending if needed.

This year we also present a capital expenditures budget. The facilities team will use these monies for large capital expenditures that have not been addressed in recent years. We hope the congregation will also contribute to this fund throughout the year as well as the general fund.

Thank you for your partnership!

What follows are the assumptions for both budgets, answers to questions that were asked after the initial budget release, as well as a one-page summary of the 2020-2021 operating and capital expenditures budget.

GENERAL FUND ASSUMPTIONS

Assumptions for First Free Church 2020-2021 General Fund Budget

General assumptions

1. 5237 building will be sold on 7/31/2020; Private loan will start on 8/1/2020.

Revenue assumptions

1. Assume giving same level as current year.
2. Receive apartment rental income for only 4 months for 2 units due to sale of building.

Expense assumptions

1. Staffing
 - a. Stu full salary and benefits until 7/31/20.
 - b. Keep remaining staff
2. Mortgage – current loan paid by 7/31 & private loan to start 8/1
3. Internship Program
 - a. Use 2 apartments in 5239 building
 - b. One intern would have access up to \$10,000 towards tuition (\$5,000 per semester) and free housing
 - c. One intern would only have free housing
4. Reduce general repairs by \$15,000 and create a capital expenditures fund for long term projects

CAPITAL BUDGET ASSUMPTIONS

Assumptions for First Free Church 2020-2021 Capital Expenditures Budget

1. Create a Capital Expenditures Fund
2. Use reserved monies of Capital Improvement Fund (\$9,881) and Sanctuary Improvement Fund (\$4,440) to start the Capital Expenditure Fund.
3. Add \$15,000 of unrestricted cash to the Capital Expenditure Fund.
4. This would result in \$29,321 available to the Facilities team to start for the FY2020-2021.
5. Invite congregation to donate directly to the Capital Expenditures Fund

BUDGET QUESTIONS & ANSWERS

Here is a summary of the budget questions I received from you.

1. *Where is the internship/apprenticeship in the budget?*

It is included in the Staff Resources line. Following is the budget presentation with that line pulled out. Nothing else has changed. In the future, I'll show it as a separate line item.

2. *What does the internship/apprenticeship entail?*

Pastor Jason has provided the following:

The apprenticeship program is still in the beginning stages of its formation. We will likely be able to host three apprentices during the first year, one of those will likely be able to stay for a second year as well. Two of these are in the application process while the third is a "guinea pig" candidate, our own Josiah Haas. (He is 100% free. What a deal!) The other two candidates have applied by submitting three letters of reference / recommendation, a resume, and a cover letter expressing and explaining why they're interested in the program and why they're interested in the city. After those documents are submitted, they will go through interviews with the elder team. After that, the elders will decide whether to offer them a position in the program.

The benefits offered the candidates will be a total tuition reimbursement up to \$5,000 dollars a semester (\$10,000 an academic year). This is the total offered for ALL candidates. Our church will spend no more than \$10,000 this year in tuition reimbursements among the candidates. The two candidates who have applied would also receive free housing in the 5239 property. Candidates who are accepted will provide 15-20 hours of ministry per week suited to their giftings as well as a broader taste of pastoral ministry experiences. They will meet regularly as a group with our staff and also have an individual pastoral mentor. There will be ongoing reviews of their performance as well as encouragements for how they might develop in the future.

The earliest we might see candidates in apprenticeship roles would be August of 2020. The elder team believes this will be a beneficial ministry both for our congregation and the candidates, as well as a prudent investment of First Free's resources.

3. *Will we be renting an apartment in 5239?*

5239 building has 3 apartments. 2 will be used for interns and the 3rd apartment is used for Frank our custodian who works with Adolfo.

4. *What is the "private loan"?*

When some individuals learned that the proceeds from the sale of 5237 building would not cover the full amount of the mortgage due August 1, 2020, they approached me and suggested that they can provide a loan to the church for the remaining balance of the mortgage. Thus, it is our intention to pay Bank of the West (current mortgage lender) the full mortgage balance on August 1, 2020 with the proceeds from the 5237 building and the private loan. At that time the church will only have a private loan to pay back.

PROPOSED 2020-21 GENERAL FUND BUDGET

	2020-2021 Budget	2019-2020 Budget (last year)	\$ Change	% Change	Projected YTD Actual 2019-2020	\$ Change	% Change
Operating Revenue:							
Giving	430,000	413,000	17,000	4%	432,000	(2,000)	0%
Rentals	21,200	29,000	(7,800)	-27%	31,825	(10,625)	-33%
Other income	-	-	-		600	(600)	-100%
Total Revenue	451,200	442,000	9,200	2%	464,425	(13,225)	-3%
Operating Expense Summary							
Staff Resources	227,686	243,146	(15,460)	-6%	232,830	(5,144)	-2%
Apprenticeship Program	10,000	-	10,000		-	10,000	
Bldg & Grounds	90,000	105,000	(15,000)	-14%	88,798	1,202	1%
Mortgage - Princ & Int	52,907	56,215	(3,307)	-6%	84,322	(31,415)	-37%
GOT	45,120	44,200	920	2%	44,460	660	1%
Outreach - Org	2,700	2,700	-	0%	2,700	-	0%
Admin - Finance & Comm	44,910	49,100	(4,190)	-9%	61,882	(16,972)	-27%
Worship Arts	5,800	7,300	(1,500)	-21%	8,729	(2,929)	-34%
Community	2,000	2,000	-	0%	3,039	(1,039)	-34%
Adult Spiritual Formation	2,000	2,900	(900)	-31%	476	1,524	320%
Children & Youth	5,300	3,500	1,800	51%	3,826	1,474	39%
New ministries	-	5,000	(5,000)		-	-	
Total Expense	488,424	521,061	(32,637)	-6%	531,062	(42,638)	-8%
Operating Net Income/(Loss)	(37,224)	(79,061)	41,837	-53%	(66,637)	29,413	-44%
Mortgage Reduction Fund	-	56,215			84,322		
Adj. Oper NI/(Loss)	(37,224)	(22,846)			17,685		
<i>Use of elder designated reserves:</i>							
Mortgage (just 4 months @ higher rate)	28,107						
Operations	9,116	22,846					
Net Income/(Loss)	(0)	-					

PROPOSED 2020-21 CAPITAL EXPENDITURES BUDGET

	2020-2021 Budget
Capital Revenue:	
Transfer from Sanctuary Fund	9,881
Transfer from Capital Fund	4,440
Transfer from Unrestricted Cash	15,000
	29,321
Capital Expenses	
Safety expenditures	
5255 Bldg expeditures	
5243 Bldg expeditures	
5239 Bldg expeditures	
5241 Bldg expeditures	
	29,321