

Irvine United Congregational Church
Administration Board Meeting Minutes Draft
April 20, 2020 via Zoom

Attendance:

Administration Board:

Church Officers: Daniel Blackburn, Renae Boyum, David Caruthers, and Laura Palen

Congregational Representatives: Penny Portillo, Dorothy Duncan, and Apoorva Ghosh

Committee/Task Force Chairs: Keith Boyum and Teri Houston

Staff: Administrative Pastor Steve Swope and Interim Pastor David Pattee

Visitors: Tricia Aynes and Mark Allen

1. Call to Order: The meeting was called to order at 7:01 p.m. by Chair Daniel Blackburn.
2. Opening Prayer: The opening prayer was led by Rev. David Pattee.
3. Approval of March 16 Meeting Minutes: Passed as described and submitted to Board Chairperson.
4. Treasurer's Report: David Caruthers submitted written report for the seven months ending March 31, 2020. Key points included:

- Overview

As you will see when you look at the financial picture year to date, we are looking pretty good. However, going forward we may see a deterioration in the financials for the church and more particularly the Child Care Center, as a consequence of the mandated prohibition to meet, imposed on literally everyone for the foreseeable future. At this time, former treasurer Mark Allen has taken the lead to apply for a (hopefully) forgivable SBA PPP loan of \$96,000 under the federal government's CARES Act to assist small business and NFPs to cover two and half months of average payroll to June 30, 2020. As well, the teaching staff (and cook) for the Child Care Center have been furloughed to enable them to apply for Unemployment Insurance, with a stepped up Covid-19 benefit available under the CARES Act. Additionally, Mark is exploring securing a standby line of credit from Cornerstone Capital to draw against if further financial support becomes necessary.

- Summary, Net Income (Loss)

3 Mo's to 3/31/20

- Operating Entities

	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>
IUCC General Fund	\$ (21,562)	\$ (54,300)	\$ 32,738
ECC	<u>(9,382)</u>	<u>27,680</u>	<u>(37,062)</u>
Total	(30,944)	(26,620)	(4,324)
Add back depreciation	<u>37,775</u>	<u>37,292</u>	<u>483</u>
Net Income (Loss)	\$ 6,831	\$ 10,672	\$ (3,841)

After adding back the non cash expense of depreciation , the combined bottom line results of the church and the Child Care Center are still positive, \$6.8k, despite the shutdown, (versus a budget figure of \$10.7k).

- IUCC GF

As can be seen from this summary, the GF's ytd loss is substantially lower than the loss budgeted for this period.

Total Contributions of \$96.3k were \$2.1k better than budget, with non-pledged Contributions slightly eclipsing the shortfall in pledged.

Other Income of \$45.8k was \$24.0k higher than budget, reflecting the balance of the generous one time donations from the Boyums and the Yodh Estate for the new pergola patio, and, from \$2,500 received from members for our Family Promise commitment to house homeless families in third party rental space rather than at the church during the current shutdown.

Total Expenses of \$163.7k were \$5.9k lower than budget. Contributing to this favorable variance are:

- Ministries expenses \$3.4k below budget as a result of little activity due to the shutdown, except for Mission & Service expenditure for Family Promise shelter.
- Admin Board \$3.8k, with no Search Committee expenses in this period.
- Utilities \$3.8k , with lower spending on electricity in this period.

The Church's March 31st Balance Sheet shows Assets of \$2,636.4k. The increase of \$2,082.5k from December 31, 2019, results from transferring the costs of our building expansion from the Capital Improvement Fund into the General Fund. The Cornerstone mortgage against the new building addition stands at \$629.8k at the end of the month. Assets include cash reserves of \$212.7k.

- ECC

As indicated above, the Child Care Center has three-months Net Loss of \$9.4k, \$37.1k worse than budgeted. Total Income from Tuitions and Registrations was reduced by refunds to \$171.7k, putting the Center \$20.4k worse than budget. Personnel Expenses of \$145.9k were \$25.4k over budget, mainly reflecting layoffs of staff with \$500 bonus payments to each. Other Expenses were favorable overall by \$8.7k in this period as a result of shutting down the school mid month.

The ECC balance sheet remains strong, with assets of \$498.1k. Assets include cash reserves of \$143.8k.

- CIF

The Capital Improvement Fund has been stripped of its main asset, the building addition, transferred into the General Fund in January 2020. Whereas we showed a balance of assets of \$2,189.9k at December 31, 2019, the balance now at the end of February 2020 is \$96.3k. The Assets are Cash and Receivables, from pledges and inter-fund transfers to be applied to debt reduction.

- PEF

The Plumer Endowment Fund has \$15.7k in assets as of March 31, 2020, unchanged from December 31, 2019.

- Detailed Financial Statements for IUCC General Fund and ECC Month Year to Date

See attached summary financial statements. Detailed backup statements are available if needed.

5. By Laws, Policies, and Procedures: Written and Verbal Report was submitted by Policies and Procedures Committee.

(A) The committee requests that the Administration Board approve the change of member youth voting status from non-voting to voting on the Ministries Board as described in Article 10 so that it can be put before the congregation at the Spring Congregational meeting.

MOTION: To approve the Policies and Procedures Committee recommendation to change the member youth from nonvoting to voting on the Ministries Board. Moved by Renae Boyum and seconded by Penny Portillo. The motion carried.

MOTION: To amend language in Article 10 Section 2 Item B 4 from 2) Youth Representative (non-voting): One Junior High or Senior High student representing any actively organized Junior High/Senior High group(s) in the Church to instead read as 2) Youth Representative : One Junior High or Senior High student representing any actively organized Junior High/Senior High group(s) in the Church. Moved by Penny Portillo and seconded by Dorothy Duncan. The motion carried.

(B) The committee report discussed the Pastor Paul Camper Fund (currently about \$4000). The committee created a procedure to distribute money in this fund when required. (See addendum.) If the Admin Board approves the procedure, it will be added to the Policies & Procedures Handbook as document number 3.07 with the purpose to establish procedures for the Pastor Paul Camper Fund.

MOTION: To adopt the procedure to distribute money contained in the Pastor Paul Camper Fund recommended by the Policies and Procedures Commission; the procedure will be added to the Policies & Procedures Handbook as document number 3.07 with the purpose to establish procedures for the Pastor Paul Camper Fund. Moved by Apoorva Ghosh and seconded by Penny Portillo. The motion carried.

6. Fund Development/Stewardship Report: No reports were submitted.

7. Child Care Committee Report: Written and verbal reports were submitted by Keith Boyum. Key points include:

- Committee report on discussion regarding deposits that parents have been asked to pay to hold their child / children's place(s) when we reopen and subsequent recommendations.
- Updates on ECC staff.
- Recent guidance from the CDC available at <https://www.cdc.gov/coronavirus/2019-ncov/community/schools-childcare/guidance-for-childcare.html>.
- Surveying other pre-schools with regard to reopening the ECC.
- Procedures for recalling furloughed employees.

Keith Boyum described discussions held by committee members pertaining to each key point.

The Child Care Center Committee (CCC Committee) recommends that the deposits that parents have been asked to pay to hold their child / children's place(s) when we reopen should be credited should be applied to the September tuition.

MOTION: To approve that the deposits parents paid to hold their child/children's place be applied to tuition upon return to the ECC when it reopens. Moved by Renae Boyum and seconded by Penny Portillo. The motion carried.

Keith offered for Administration Board consideration two resolutions drafted by the committee.

RESOLVED, that the Administration Board direct the Senior Pastor and the Early Childhood Center Director, to establish a list (Heidi has a list of employees showing dates of initial hire) of Early Childhood Center employees showing the date of initial hire for each employee, and in that way to establish the relative seniority of Early Childhood Center employees, to be used in the event of reduced work hours or layoffs; and to distribute that list, after approval by the Administration Board, to all Early Childhood Center employees.

RESOLVED, that the Administration Board approves the following policy and directs that (a) it be communicated to Early Childhood Center employees, and (b) it be added to the IUCC Employee Handbook: In circumstances where Early Childhood Center employees have been laid off or furloughed, and where the Senior Pastor in consultation with the Early Childhood Center Director wishes to recall to work some, but not all, of such laid off or furloughed employees, the order of recall shall be by seniority, except that the Senior Pastor in consultation with the Early Childhood Center Director may recall one or more workers out of seniority order in instances where the worker(s) to be recalled possess special skills (such as the cook) or expertise that is required to make the child care and education program stronger or more efficient. Such exceptions to seniority order shall be documented in writing and retained by Irvine United Congregational Church for two years.

MOTION: To adopt the two resolutions as presented above that are recommended by the CCC Committee in their report dated April 20, 2020 parts 5A and 5B. Moved by Dorothy Duncan and seconded by David Caruthers. The motion carried.

8. Technology Committee Report: No written report was submitted.

9. Administrative Pastor's Report: Written and verbal reports were submitted by Pastor Steve Swope. Key points included:

- Completed projects
- Ongoing projects
- Future projects
- Coronavirus Closing
- Outside projects

10. Building & Grounds Report: No report was submitted.

11. Moderator's Report: Written and verbal reports were submitted by Renae Boyum. Key points included:

- Status of the application for the Paycheck Protection Plan?
- Worship services online or in person since March 15 and will continue for the foreseeable future. The decision about when to resume in-person services is dependent on guidelines from the Governor and CDC.
- Both the Administration Board and Ministries Board have approved moving the IUCC Spring Congregational meeting to June 28.
- ECC decisions
- State of the church's finances

MOTION: To approve the Administration Board developing a plan in the case that holding the scheduled Spring Congregational Meeting for the election of IUCC Administration Board officers and IUCC Ministries Board officers is not possible; the current Administration and Ministries Boards will execute By-Laws provision(s) for the interim appointment of officers to hold office until it is possible to hold the regular Spring Congregational Meeting. Moved by Renae Boyum and seconded by Apoorva Ghosh. Motion carried.

12. Interim Pastor's Report: Verbal report was submitted by Pastor David Pattee. Key points included:

- Congregation is functioning well – communication, caring, and continuity.
- Possible to address Facebook glitches during service by loading to Youtube, then to Facebook.

14. Old Business: None

15. New Business:

(A) Record IUCC eVote

Per email from Daniel Blackburn 3/25/20

Steve has requested guidance on whether our substitute teachers should also receive the \$500 bonus that the rest of the ECC staff is getting. Renea and I are in agreement that they should, but since it was not part of Monday's motion we need to do an e-vote to approve it.

“One of the things Heidi noted this morning was that our two substitute teachers, Antania and Veronica, are actually our staff. Until several years ago, we used a substitute-teacher service that was quite expensive. At

that time, the Admin Board agreed to the hiring of several teachers who would serve as substitutes, on call to work as needed.

Because they are not guaranteed any minimum number of hours per week, it is not possible to calculate a "normal" week for either of them. But our question is, can they be considered for a \$500 bonus each, in gratitude for their service and recognition of the unsettledness of this time - a gesture similar to that provided the regular teachers?"

Chairperson requests that board members reply all with vote.

Voting quorum was attained. **Motion carried.**

(B) Status of PPP loan reported by Mark Allen who discussed the Cornerstone Bridge Loan and the employee retention credit.

MOTION: To pay the May insurance premium for ECC employees. Moved by Renae Boyum and seconded by David Caruthers. Motion carried.

16. Executive Session: None

17. Return to Regular Session: N/A

18. Adjournment/Closing Prayer: The meeting was adjourned at p.m. per motion by Laura Palen and seconded by Dorothy Duncan.

The next Administration Board meeting will be Monday, May 18, 2020 at 7 pm.

Respectfully Submitted,

Laura Palen, Clerk of the Administration Board