Irvine United Congregational Church
Administration Board Meeting Minutes Draft
May 18, 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

Ministries Board: Felicity Figueroa, Dave Smith Tommie Kazlov, Sharon Lynn, Lauren Louie, Lorraine Fox, Eduardo Arismendi-Pardi, Cindy O’Dell, Steve Goetz, Pat Sauter, Dave Smith

Committee/Task Force Chairs: Keith Boyum, Teri Houston, Janet Emery

Staff: Administrative Pastor Steve Swope and Interim Pastor David Pattee

Visitors: Tricia Aynes and Mark Allen

Note: The meeting including both the Administration Board and the Ministries Board was held from 7:00 pm to 7:50 pm. During this meeting items 1-5 were addressed and discussed. Following the meeting of the two boards the Ministries Board signed off and the Administration Board completed the remaining numbered items.

1. Call to Order: The meeting was called to order at 7:04 p.m. by Chair Daniel Blackburn.

2. Opening Prayer: The opening prayer was led by Rev. David Pattee.

3. Approval of April 20 Meeting Minutes: Hold on that for the moment.

Passed as described and submitted to Board Chairperson.

4. Update on Pastoral Search: Keith Boyum reported that the committee considered proposals for the Spring Congregational Meeting and how best to proceed with the process to call the new IUCC Pastor. The meeting is currently scheduled for 6/28. Quorum for the meeting is 80 or more and the notice of the meeting must be sent out 14 days ahead of the calendar date for the meeting. The meeting will be held via Zoom unless there is an objection submitted by a member of the church. If one person objects, the meeting must be held in person.

5. Spring Congregational Meeting Planning

6. Treasurer’s Report: David Caruthers submitted written report for the seven months ending April 30, 2020. Key points included:
   • Overview
   As you will see when you look at the financial picture year to date, we are looking pretty ok, all things considered. As previously reported, subsequent to my last report to the Board, former treasurer (Mark Allen) applied for a forgivable SBA PPP loan of $96,000. This financial aid is available through the federal government’s CARES Act, established to assist small business and NFPs during the current pandemic to cover two and half months of average payroll to June 30, 2020. We received these funds in full in May and are now using them to underwrite our payroll costs for church staff plus the Child Care Center’s Director. The teaching staff (and cook) for the Child Care Center were furloughed the end of March and continue to receive Unemployment Insurance, including a stepped up benefit available under the CARES Act.

Summary, Net Income (Loss)

   4 Mo’s to 4/30/20
After adding back the non-cash expense of depreciation, the combined bottom line results of the church and the Child Care Center are only marginally negative, $(5.7k) despite the shutdown, (versus a positive budget figure of $16.0k), as shown in the table above.

- **IUCC GF**
  As can be seen from this summary, the GF’s ytd book loss is substantially lower than the loss budgeted for this period.
  Total Contributions of $129.9k were $3.2k better than budget, mostly from non-pledged Contributions. Other Income of $52.8k was $24.8k higher than budget, unchanged from last month. Total Expenses of $214.5k were $14.0k lower than budget. Contributing to this favorable variance are:
  - Ministries expenses $4.8k below budget as a result of little activity due to the shutdown, except for Mission & Service expenditure for Family Promise shelter.
  - Admin Board $5.1k, with no Search Committee expenses in this period.
  - Utilities $5.4k, with continued lower spending on electricity and water in this period.
  - The Church’s April 30th Balance Sheet shows Assets of $2,626.9k. This is only $9.6k lower than the asset balance at the end of the prior month. 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 a four-months book loss of $23.8k, $63.9k worse than budgeted. With little Income booked for April, total Income from Tuitions and Registrations minus credits was $176.6k, or, $81.1k worse than budget. Personnel Expenses of $156.9k were $3.6k better than budget, with the only payroll expenses in April being for the Child Care Center’s Director and a small allocation of accounting and admin time from the church office. Other Expenses of $43.5k were favorable overall by $13.6k in this period as a result of the school being basically shut down for all of April. The ECC balance sheet remains strong, with assets of $488.3k - just $9.8 lower than at the end of the prior month. Assets include cash reserves of $136.0k.

- **CIF**
  The Capital Improvement Fund was stripped of its main asset, the building addition, which was transferred into the General Fund in January 2020. However, because the bank which processed our PPP government loan (Pacific Capital) is the bank we used for the CIF, the $96,000 we received in May is recorded on these books. Funds are being transferred to the church and CCC bank accounts in May to defray payroll expenses, as needed.

- **PEF**
  The Plumer Endowment Fund has $15.8k in assets as of April 30, 2020, little changed from the end of the prior month.

Note: Following the Treasure’s Report Mark Allen shared additional budget information.

7. Bylaws, Policies, and Procedures

8. Fund Development/Stewardship Report: No reports were submitted.
9. **Child Care Committee Report**: Written and verbal reports were submitted by Keith Boyum. Key points include:

- Furloughed Employee Welfare. They are receiving unemployment compensation. Irma reports that all teachers but two are getting unemployment. Unemployment compensation is presently generous.
- Parents. Would survey parents prior to reopening, asking whether they would be sending their kids back to our care. St. Andrews (discussed below) did this.
- Reopening Considerations: state and Federal advice; practices. CA Licensing. CDC advice became available on May 14, 2020. It is quite general, reminding us to (a) be consistent with applicable state and local orders, (b) be ready to protect children and employees who are at higher risk for severe illness, (c) ensure we are able to screen children and employees upon arrival. It goes on to encourage that (d) recommended health and safety actions are in place, and (e) ongoing monitoring is in place. 50% capacity. Pastor Pattee reports that he and Irma think, based on state licensing advice and requirements, that if we were to reopen, we could accommodate only about half of the children we were able to care for, pre-virus. Possible new costs. Steve Swope has bids in hand from our cleaning service for anti-virus deep cleaning, an additional action that might be a strong practice. Possible reduced service.
- Bottom line / profit considerations. In a brief e-mail exchange, Mark commented that 50% of child / client capacity was the minimum needed for reopening to make financial sense.

8. **Fund Development/Stewardship Report**: Written report was submitted by Janet Emery.

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

- Completed projects
- Ongoing projects
- South Coast Water District Project
- Coronavirus Information Updates

**MOTION:** To approve bid from Vortex for $2,550.00 to repair glass entry door for Plummer Hall. Moved by Renae Boyum and seconded by Dorothy Duncan.

10. **Building & Grounds Report**: No reports were submitted.

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

- Applied for a Paycheck Protection Plan (PPP) loan/grant and received the great news that we have received one in the amount of $96,000. Will use that money to meet payroll needs for the church staff, for utilities, mortgage payments, and ongoing maintenance needs. If use the funds for those purposes the loan becomes a grant -- a very good outcome for our budget.
- The Nominating Committee met and has affirmed the slate of candidates for leadership positions for 2020-21. If NOT able to hold the scheduled congregational meeting on June 28 all leadership positions will be filled on an interim basis. When the congregational meeting is held, the congregation will vote on approving the permanent slate of nominees (NOTE: the two slates are the same).
- Ways to move forward with holding congregational meetings IF we cannot meet in person. Also discussing the processes for calling our next settled pastor.
- Virtual worship services are first-rate! Thanks to all who make these services so professional and meaningful!

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

- Experience of the COVID-19 Crisis; prioritizing communication, caregiving, and continuity.
- Resources of the church – with respect to both revenues and expenditures, and the stewardship of all our assets -- have been managed faithfully.
• Moved online with remarkable speed and effectiveness. Presentations, discussions and attendance have been excellent in online groups.

• Worship is one area where the shortcomings and the gains of online meeting are especially magnified. However, videocasts are engaging many more people than we ever have present in person on a Sunday morning. less connected and more remote people who are now engaging our online ministry. When in-person on-campus gatherings become possible again, are we going to disinvest from the online community and go back to the way we used to do things?

• Online giving is significantly increased.

• Technology has been a big help in the ordinary exercise of caring ministries. Telephone, email and Zoom have been very useful in helping people get what they need, whether it’s facemasks, or groceries, or coaching on how to navigate the internet.

• Congregational census project coordinated by IUCC Stephen Ministers

• AV equipment proposal is needed for going forward. A hybrid model is most likely to result with an estimate of $6,000.00 to $7,000.00 cost. Example Approach: Phase 1-Image capture; fit into current control board; Phase 2 and 3-Internet access upgrade service and equipment. Pastor Steve will get an updated proposal to share with the Administration Board.

14. **Old Business: ECC Insurance Premiums**

   **MOTION:** To continue paying employee portion as was done in March, April, and May for ECC teachers and staff. Moved by Renae Boyum and seconded by Penny Portillo.

15. New Business: None

16. **Executive Session:** 8:45

17. **Return to Regular Session:** 9:00

   **MOTION:** To give Luke Sheppard an Honorarium for the amount of ____ ($200.00 ?) in recognition of his assistance with worship services. Moved by Renae Boyum and seconded by Dave Caruthers.

18. **Adjournment/Closing Prayer:** The meeting was adjourned at 9:02 p.m. per motion by Dorothy Duncan and seconded by Penny Portillo.

The next Administration Board meeting will be Monday, June 15, 2020 at 7 pm.

Respectfully Submitted,

Laura Palen, Clerk of the Administration Board