Irvine United Congregational Church
Administration Board Meeting Minutes
March 15, 2021 via Zoom

Attendance:

Administration Board:  
Church Officers: Daniel Blackburn, Tricia Aynes, Mark Allen, and Laura Palen  
Congregational Representatives: Penny Portillo, Dorothy Duncan, and Jonard Ingal

Committee/Task Force Chairs: Keith Boyum, Anne Rosse, and Renae Boyum

Staff: Administrative Pastor Steve Swope and Pastor Sarah Halverson-Cano

Visitors: None

1. Call to Order: The meeting was called to order at 7:03 p.m. by Chair Daniel Blackburn.

2. Opening Prayer: The opening prayer was led by Pastor Sarah Halverson-Cano.

3. Approval of December 21 Meeting Minutes: Passed as described and submitted to Board Chairperson.

4. Treasurer’s Report: Mark Allen submitted verbal and written reports for the eleven months ending February 28, 2021. Key points included:

   **Overall Summary**
   Total IUCC Feb. results were a loss of ($13.7) thous. and were better than plan of ($29.6) thous. by $16 thous. Results were also better than the prior month loss of ($27.6) thous. by a positive variance of $13.9 thous. but poorer than LY’s profit of $1.9 thous. by ($15.6) thous. Net income adj. for depreciation was ($1.0) thous. vs. a budget of ($17) thous., a positive variance of $15.9 thous. and better than the prior month loss of ($14.9) thous. by $13.9 thous. (See tables 1 and 3) Total IUCC change in cash + investments was ($3.8) thous. vs. a budgeted figure of ($41.7) thous. producing a positive $37.7 thous. variance. (see table 1)

   YTD February loss is ($41.2) thous. vs. a budget of ($55.6) thous., a positive variance of $14.4 thous. Net income adj. for dep. was ($16) thous. vs. a budget of ($30.3) thous., also a positive variance of $14.4 thous. Total IUCC Feb YTD change in cash + investments was $168.8 thous. producing a variance of $79.5 thous. vs. budget. (table 4, page 4)
The ECC losses continue as we are still losing money, but they are shrinking. Feb.’s loss narrowed to ($0.9) thous. down of a loss of ($5.2) thous. in January. (See also Table 14 on page 13) To make them comparable, due to a different number of net working days between Feb. and January, the results need to be adjusted so that Feb.’s loss on this more comparable basis is closer to ($2.5) thous. and Jan. was closer to ($3.0) thous. Child headcount has momentarily plateaued in the high 30s and is down by one to 37 children in Feb. from January headcount.

March 2021 ECC revenue is forecast at $40.3 thous. for approx. 39 children, so March results will likely be on or near plan, but again it is not likely we will reach breakeven in the 1Q or 2Q ’21 at the current rate. We will still likely require 4 – 5 additional children before we can reach breakeven depending on the exact incremental revenue.

For the general fund, total contributions at $34.4 thous. (see Table 2 below) were above plan by 9% or $2.8 thous. and above LY’s $29 thous. by 19%. Total income at $39.2 thous. was 7% above budget and was -7% poorer than LY of $42 thous. LY other income was $5.5 thous. over its normal budgeted amount as January’s rent was inadvertently not booked until February, so if LY had been booked correctly then Feb. 2021 would have been better than LY. See Table 2 below.

General fund Feb. YTD contributions at $62.9 thous. (see Table 7, page 7) were ($4.2) thous. poorer or -6% poorer than budget and were 2.6% better than LY YTD of $61.3 thous. Total income at $72.6 thous. was (5.8%) or ($4.5) thous. poorer than budget, but was ($24.9) thous. poorer than LY of $97.5 thous. LY included approx. $20 thous. in one-time non-operating gains to income in January 2020. Absent these gains the variance would have been approx. ($5.0) thous. vs. LY YTD.

For Total IUCC, cash and investments decreased from $463.3 thous. in January to $459.8 thous. at month end February, a small decrease of ($3.5) thous. for cash + investments for the month from $290.7 thous. at year-end 2020. The increase in Jan. was due to the 2nd PPP loan/grant of almost $172 thous. Total IUCC YTD Feb. change in cash + investments was $168.8 thous. and a positive variance of $79.5 thous.

We also need to remember we have used almost ($203) thous. in cash since year-end 2019 as of Feb. 28th. We may likely use up to another ($175) thous. - ($225) thous. during 2021 and the early part of 2022, which will be offset by the 2nd PPP loan of $172 thous. and additional borrowing capacity from the new LOC, so we are not out of the woods yet until we reach breakeven for the ECC and regain at least a modest level of profitability to offset the extra expense load in the general fund.

**General Fund Results**

General fund had a loss of ($12.8) thous. for Feb. 2021 vs. a budgeted figure of ($24.2) thous., and thus producing a positive variance of $11.4 thous. This is an improvement over the loss of ($22.3) thous. for the month of Jan. 2021 as income increased from $33.5 thous. in January to $39.2 thous. and expenses decreased from $55.8 thous. in January to $52 thous. in February, a total improvement month over month of $9.5 thous.

Adjusted net income for depreciation for the month was ($2.3) thous. vs. a budgeted figure of ($13.7) thous. Adj. Net Income LY Feb. 2020 was $2.2 thous. and was impacted favorably by a $5.5 thous. one-time item due to a double up of rent in Feb. 2020 as it wasn’t booked correctly in Jan. 2020.
General fund loss YTD Feb. was ($35.1) thou. vs. budgeted figure of ($43.8) thous., an $8.7 thous. positive variance, but ($29.1) thous. poorer than LY YTD of a ($6) thous. variance. LY YTD had at least $20 thous. in one-time non-operating items that improved its results.

**Total IUCC – cash + investments**

Total cash + investments increased to $459.5 thous. from $290.8 thous. at year-end 2020. Total cash + investments was $79.5 thous. better than the budgeted amount of $380.0 thous. due to better prepayments of contributions by approx. $25.8 thous.

The cumulative cash loss from year-end 2019 through Jan. 2021 was ($203) thous. or 51% of our cash + investments balance of $394.7 thous. from tables 9/10 above.

For the general fund, the rolling twelve-month average for total contributions is down slightly over the last 5 months, but overall is up over the last 18 months and is trending in the right direction, but is still far short of the 2015-2016 rolling average of contributions before the bldg. project. (see table 11 below) The 12 month rolling average is about $38 thous. vs. $42.5 thous. in 2015-2016 at its apex before the new building campaign was started.

**ECC Results**

The ECC’s loss improved to a ($0.9) thous. loss from ($5.3) thous. in Jan. and from ($9.8) thous. in December 2020 on a comparable basis without one-time grant money and payroll (i.e., Dec. ’20 was a ($2.0) thous. loss including $9.8 thous. in grant money and $2.0 thous. in one-time payroll). *(See table 11 below)* Again, this is the smallest loss since the beginning of the pandemic. The actual net loss was $4.6 thous. better than the budgeted figure of ($5.5) thous. for the month. Adjusted net income for depreciation was finally positive at $1.2 thous. vs. a budgeted figure of ($3.4) thous. and vs. $10.2 thous. LY February 2020. The prior month adj. net income for depreciation on a comparable basis was a ($3.2) thous. loss.

Revenue was $37.1 thous. or (4%) and ($1.6) thous. less than the budgeted figure of $37.8 thous. Revenue increased from $35.3 thous. in Dec. 2020 and $37.5 thous. in January. Revenue in Feb. was ($0.5) thous. less than in January.

Revenue was (4%) down to budget for the month. However, revenue is still down (44%) year over year from Feb. 2020 which was $66.7 thous. Payroll at $32.8 thous. or 88.4% of revenue was better than the Jan. figure of 99.7% of revenue and was better than the budgeted figure of $36.8 thous. and was $4.6 thous. better than the prior month of $37.4, thous. February had 21 net working days vs. 23 net working days in January 2021, according to our payroll schedule. Payroll
is always 15 days behind as we are on a cash basis, so February is comprised of the first 2 weeks in February and the last 2 weeks in January. So the drop from $37.4 thous. in January to $32.4 thous. is comprised of $2 thous. in year-end adjustments and approx. $3.0 thous. due to fewer days.

As revenue is the same regardless of the number of net working days, the fewer working days are actually just under the average of 21.75 net working days (i.e., over the entire year per month) so the loss of ($0.9) thous is probably understating by about $1.6 thous. and on a comparable basis, assuming we are using avg. net working days, it is closer to a loss of ($2.5) thous. for the month of February. At this adj. number it still puts us $3.0 thous. better than the published budget. In similar fashion as Jan. 2021 had more than the average number of working days the loss would have been about ($3.3) thous., so the loss between Feb and January was approx. the same and we would assume it would be in this range going forward all else equal.

Other non-depreciation expenses at $3.1 thous. was $2.2 thous. better than budget and almost flat to the prior month.

Net operating cash flow was ($1.7) thous. for the month vs. ($3.4) thous. budgeted, a $1.7 thous. positive variance. Net change in cash flow was also ($1.7) thous. for the month vs. a budgeted figure of ($3.4) thous.

**ECC Results YTD Feb. 2021**

The loss YTD Feb. was ($6.2) thous. vs. a budgeted figure of ($11.8) thous. or a positive variance of $5.6 thous. and was ($24.6) thous. poorer than YTD LY of $18.5 thous. While revenue was $74.6 thous. YTD and was ($1.9) thous. poorer or (2%) than budget, expenses were $7.5 thous. better than budget, including payroll that was $3.3 thous. better and non-payroll that was $4.2 thous. better. Net income adj. for depreciation was a loss of ($2.0) thous. and was $5.6 thous. better than budget of a loss of ($7.6) thous.

Net operating cash flow ("NOCF") YTD Feb. was ($1.0) vs. a budgeted figure of ($23.2) thous. The larger budgeted loss in NOCF was due to the assumption that deferred tuition due to the pandemic in March 2020 would be refunded faster than it has actually been refunded. ECC cash + investments was $27.9 thous. vs. a budgeted figure of $3.3 thous. and a LY figure of $145.9 thous., producing a negative variance vs. LY of ($118) thous.

Note: Renae Boyum suggests an update be given to the congregation about Cornerstone Line of Credit and the SBA Loan information. She requests that this be ready for the giving leader meetings which are starting on March 21. It would also be helpful to have an article in the next IUCC newsletter.

5. **Bylaws, Policies, and Procedures:** Anne Rosse submitted written and verbal reports.

**Policies and Procedures:**
- The committee was asked to review two policies proposed by the Child Care Center Committee and approved by the Admin Board in February. Both policies (1.17 and 1.18) were standardized to policy and procedure format and language usage.
- **Motor Vehicle Safety**

**By-Laws:**
- There is no currently pending bylaw amendment-related work although the committee will support the new Diversity and Inclusion Ministry’s expressed desire to review bylaw language for inclusivity when they are ready to undertake that project.

**MOTION:** To approve Policies 1.17, ECC Refunds and Fee Waivers, and 1.18, Quarantine Pay, and
acceptance of the recommendation to address motor vehicle safety via the IUCC Handbook. Moved by Penny Portillo and seconded by Tricia Aynes. Motion carried.

6. **Fund Development/Stewardship Report:** Written and verbal reports were submitted by Renae Boyum. Key points include:
   - The stewardship campaign for 2021 is completed with $428,260 from 128 households. In 2020 we had $376,000 from 118 households. The pledge amount increased by approximately 14%. The goal set was 15% increase.
   - The FDC Committee met in early March and is looking at better ways to manage fundraising data, ways to share ideas about planned giving, and ways to educate members/friends of IUCC about the ongoing ways members/friends can be good stewards.
   - Thanks go to the "Band of Stewardship Warriors" who offer insights, energy, and commitment to the fundraising programs of IUCC -- Tricia Aynes, Linda Haghi, Chuck Heath, Connie Jones, Penny Portillo, Cesar Sangalang, Duane Vajgrt, and Pastor Sarah -- it's an amazing group to be part of!

7. **Child Care Committee Report:** Written and verbal reports were submitted by Keith Boyum. Key points include:
   - Vaccine hesitant Preschool employee.
   - Current enrollment is 38.
   - Looking ahead – Should IUCC ECC mandate other inoculations? Should IUCC ECC institute a $15.00/hour minimum salary before CA law requires it? Review of policy on paid days off, especially for the Preschool.

**MOTION:** To approve requirement for all church employees to have the Covid-19 (Sars-CoV-2) vaccine. Moved by Mark Allen and seconded by Jon Ingal. Motion carried with 6 in favor and 1 abstention.

Note: Anne Rosse suggests talking to Dale Vaughn and asking her to review the communication of this information to employees to make sure there are no actionable items.

8. **Administrative Pastor’s Report:** Written and verbal reports were submitted by Pastor Steve Swope. Key points included:
   - Completed Projects: New computer and updates to computers
   - Ongoing Projects: Carpet cleaning will take place in the preschool on Friday, April 2. Cleaning of the Narthex and meeting-room windows will be scheduled before Easter.
   - Upcoming Projects: sanctuary carpet-cleaning and light replacement and the irrigation system on the east property line repairs.
   - South Coast Water District Project: The project is almost 6 weeks behind, with likely completion in early May. Because of future access and traffic concerns, the project will remove the 3 parking spaces closest to Woodbridge’s building (#46-48) and move the dumpster enclosure to the north corner (spaces 49 & 50). This will reduce our total spaces to 129, which is still above the CUP requirement (based on building square-footage) of 97 currently and 114 after completion of Phase 3. Woodbridge will need to use 5 more parking spaces near Plumer Hall to maintain their contracted 78 spaces, since the spots closest to the WVA building will be removed. Pastor Steve suggests they use spaces 22-25 across from Plumer Hall and space 104 in front of it. This will still allow us 4 spaces directly in front of Plumer Hall at all times. WVA Exec. Dir. Kevin Chudy is agreeable to this. IUCC will need to grant a revised easement to Southern California Edison because the electric meter is being moved slightly; it’s a very
narrow easement, so any movement means revising it. Details from SCWD will be presented to the Admin Board for approval.

- Organic/Green Waste: Pastor Steve has talked with Irma Rosales, the ECC director, about how scraps are handled after meals and snacks, so food waste can be either composted or recycled. The ECC will begin separating food waste in mid-June when student numbers are lower, and then add a green-waste dumpster in September. An Eagle Scout candidate, Nikhil Strasma, is interested in building a new compost container for us and providing some initial orientation on composting to our Ministries.

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

10. Moderator’s Report: A written report was submitted by Tricia Aynes. Key points included:
I get a great preview of coming events from compiling the monthly newsletter. Our committees and ministries continue to brainstorm ideas, do good works, and support causes that matter to us. I regularly attend the Child Care Committee and the Fund Development Committee meetings, both of which are filled with caring and enthusiastic members with great ideas.

11. Pastor’s Report: Written and verbal reports submitted by Pastor Sarah Halverson-Cano. Key points included:
- As reported last month MYP Director, David Perez is concluding his ministry with IUCC just after his one year anniversary. His last day as director will be Easter Sunday. IUCC will be celebrating David at 3pm on Palm Sunday in a zoom farewell. MYP has discussed coverage in the short term and is going to meet to discuss goals for long term. IUCC will likely need to reinstate a task force to work with MYP and beyond to establish a plan for moving forward with this ministry and possibilities.
- IUCC administration staff conveyed the passing of the policy changes regarding required vaccinations to all staff, most complied before even seeing the changes.
- ECC Irma Rosales secured vaccines for almost all staff within the first few days of eligibility. Most of them will be getting the second shot this week.
- Pastor Sarah has been working to ensure that all of our eligible members who want to be vaccinated have been. It’s been a great way to connect with people and a tangible way to show care. Please contact her with those wanting information (Contact #, DOB, age, address).
- Staff would like to begin tracking vaccinations as it will help provide a better idea of how to propose safe re-opening plans. As part of the sign-up process for Easter Sunday IUCC will inquire about vaccination, not as a requirement, but for our tracking purposes.
- Pastor Sarah is working with the Fund Development committee to reflect upon the fall campaign and be mindful of stewardship as an ongoing part of our ministry.
- Rev. Mary Scifres and Southern Association are working on her 4 way covenant to formally make Mary Scifres Ministry an officially recognized ministry of the United Church of Christ, which should make her 4 way covenant stronger.

MOTION: To approve MYP request to host an in person, outside, masked and distanced Easter Egg hunt on Easter Sunday. The Coordinating Council reserves the right to cancel the Easter Egg Hunt if necessary. Moved by Tricia Aynes and seconded by Dorothy Duncan. Motion carried with one dissenting vote (Mark Allen).

12. Old Business: None

13. New Business:
1. Record IUCC eVote

(C) Per email from Daniel Blackburn 2/27/21:

Hi everyone,

At our previous meeting we voted to approve an outdoor Easter morning service pending submission of a detailed plan (which would also need to be approved by the a-board). Pastor Sarah has submitted a plan to us as described below. We will be conducting an e-vote on whether to accept this plan or not. If you have any changes you would like made to the plan, please vote NO and describe the changes you would like made. If I get any change requests, I'll ask Pastor Sarah to revise her plan and we'll redo the vote.

Voting quorum was attained. **Motion passed but with reservations about having the choir perform per email 03/02/21 from Administration Board Chairperson.**

(C) Per email from Daniel Blackburn 3/4/21:

Hi everyone,

Pastor Sarah is requesting that we authorize an extra substitute teacher for the couple of days when most of our teachers will get their second dose of the vaccine. We are anticipating that several of them may miss a day of work due to side effects.

Please see the below explanation from Pastor Sarah and reply all with your vote.

Also 3/4/21
Hi Daniel,

Irma is planning for the days we need coverage for the second vaccine on March 16, 17, and 18th. Half of the teachers go on the 16th the other half on the 17th. I'll be there to help cover while they are gone just as an extra body to step in --but Irma is mindful of the fact that some teachers may end up not feeling well and calling in after they take their second shot.

She wants to have a former teacher Rebecca Valerio Ramirez be on call if we need her for a few hours that week at a pay of $17 an hour. We have info on her already so it's easy as far as calling her back in however, I believe the admin board would still want to approve this.

Can you send this through?

Thanks,
Sarah

Voting quorum was attained. **Motion passed per email 03/08/21 from Administration Board Chairperson.**

14. Executive Session: The Administration Board entered into Executive Session at 8:18 pm.

15. Return to Regular Session: The Administration Board returned to regular session at 8:52 pm.
MOTION: To approve hiring Priya Padman Madduri as a sub for ECC at a rate of $17.00 per hour. Moved by Tricia Aynes and seconded by Mark Allen. Motion carried.

MOTION: To grant Steve Swope four weeks of vacation in 2021. Moved by Tricia Aynes and seconded by Penny Portillo. Motion carried.

16. Adjournment/Closing Prayer (Pastor Sarah): The meeting was adjourned at 8:54 p.m. per motion by Laura Palen and seconded by Mark Allen. Motion carried.

Respectfully Submitted,

Laura Palen,
Clerk of the Administration Board