

**Irvine United Congregational Church
Administration Board Meeting Minutes
September 20, 2021 via Zoom**

Attendance:

Administration Board:

Church Officers: Daniel Blackburn, Tricia Aynes, Mark Allen, and Laura Palen

Congregational Representatives: Shanthi Nataraj, Chuck Heath, and Jonard Ingal

Committee/Task Force Chairs: Sandy Sudweeks (representing the ECC) and Anne Rosse

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

Visitors: None

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 Pastor Sarah Halverson-Cano.
3. Approval of July 19 Meeting Minutes: Passed as described and submitted to Board Chairperson.
4. Bylaws, Policies, and Procedures: Anne Rosse submitted a written report. Key points include:

At this time, there are no action items requested of the Admin Board. As a reminder, policies and procedures are approved by the Admin Board. Bylaw amendments are endorsed by the board and approved by the congregation.

- **POLICIES AND PROCEDURES**

The committee has the following topics to address:

1. Revise Policy 3.01, Cash Management, including what level of reserves IUCC should maintain.
2. Create a draft policy for the use of lines of credit, other financial instruments.
3. With the Fund Development Committee revisit IUCC's gift acceptance policies (in light of planned giving efforts).

Recently approved topics include:

1. Policy 1.19, Solicitation of Donations in Support of a Worthy Cause, or in Honor of or Appreciation for an Individual. A new policy governing IUCC's involvement in soliciting the congregation for special occasions (e.g., farewell gifts).

- **BYLAWS**

1. Supporting the new Diversity and Inclusion Ministry's expressed desire to review our bylaws language for inclusivity.

2. Recently endorsed topics include:

Encourage the Creation of Sub-Leadership Roles within Ministries and Committees. The board endorsed proposed language to encourage the creation of new sub-leadership roles that provide meaningful roles for our youth and reflect our commitment to inclusivity while nurturing future leaders. The proposed amendments will be taken up at the next congregational meeting.

5. Fund Development/Stewardship Report: Written report was submitted by Renae Boyum. Chuck Heath and Tricia Aynes submitted verbal report. No action is needed. Key points include:

- The theme of this year's campaign is **REFRESH>REBOOT>RENEW**

- Presentations will be made to the members of the Ministries and Administration Boards in September. Leaders are asked to complete their pledges by October 4.
- The campaign will begin on October 10 and run through November 7. All members and friends of IUCC will be contacted via email the week of October 11.
- Follow-up to those who have not pledged will begin after November 7.
- In 2021, we received over \$428,000 in pledges. The goal is to improve that number AND also the number of pledging units (last year we had 128).

6. Child Care Committee Report: Written report was submitted by Keith Boyum. Sandy Sudweeks submitted verbal report. Key points include:

- September 3rd work day
- Enrollment and Finances
- Tuitions
- Planning Ahead
- Consultant Hire still in process
- Item needing Administration Board Action: Use of the Preschool kitchen for Sunday School Purposes.

MOTION: To continue our procedure of only allowing ECC staff in the ECC kitchen. Moved by Tricia Aynes, seconded by Chuck Heath. Motion passed.

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

- Completed Projects: The new sound-mixing board was installed and in use for Sept. 5! Sound quality and ability to control the sanctuary and live-stream differently are much improved. The need for a part time "Technology Director" remains. Two faucets were replaced in the preschool restrooms. The new composter has been placed in the space behind Plumer Hall (under the big tree next to the bioswale). Nikhil Strasma is preparing instructional materials to be shared with Green Faith and Hospitality.
- Ongoing Projects: The permit for the new patio cover was finally approved, and the hardware (in-ground and on-building) is being prepared. Hardware installation will occur at the earliest convenient time, followed by measuring/ordering the sail cloth pieces (2-3 week manufacture).
- Future Projects: The "usual suspects" – parking-lot sealing, improved signage at driveway. "Future" item to be discussed is problems with the HVAC system in the preschool. He is getting a bid from our current vendor and will meet with two contractors.

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

9. Moderator's Report: Written and verbal reports were submitted by Tricia Aynes. Key points include:

- Rally Day at IUCC on September 12 with the return of two live services, our amazing choir, and a Ministries Fair! Goodie bags with IUCC "Love Your Neighbor" masks and candy delivered to our absent members.
- Cesar Sangalang, Chair of our Strategic Planning Task Force, has chosen its members from those who submitted interest forms, with an eye towards providing a good balance of our various ages, genders, ethnicities, sexual orientations, ministry activities, and stakeholders. He will convene the first meeting in early October.
- Work with our Child Care Committee in charting a course for the future; joined the teachers in an in-service work day on September 3.
- Meeting with the Fund Development Committee as we create planned giving opportunities while gearing up for the Stewardship Campaign.

10. Pastor's Report: Written and verbal reports submitted by Pastor Sarah Halverson-Cano. Key points include:

- Met with our new Strategic Planning chair, Cesar Sangalang and moderator, Tricia Aynes.
- MYP—An interviewing committee has candidates to present this evening for hire and we're very excited about having staff again. Our volunteers have been incredible -- teaching Sunday school in person (and hybrid through Sept 5) and are now exclusively in-person. .
- Fund Development will be hosting a Giving Leaders reception to thank and update our leaders as we begin our new season of Stewardship. I've been working on worship to coincide with our campaign: REFRESH>REBOOT>RENEW. Chris has created a themed video, we have special services featuring members, clergy, and incorporating the celebration of our 30 Years as an Open and Affirming Congregation.
- Working with our preschool; ability to serve our full capacity is now available.

MOTION: To allocate up to \$1200 from the Admin Board discretionary fund for the Open and Affirming 30th Anniversary celebration on October 17. Moved by Tricia Aynes, seconded by Shanthi Nataraj. Motion passed.

11. Treasurer's Report: Mark Allen submitted verbal and written reports for the eleven months ending August 31, 2021. Key points included:

Cash and Investments

The cash + investment loss for Aug '21 was (\$19.5) thous. on top of a loss of (\$16.9) thous. for July 2021, this is our fifth consecutive month of cash losses. C&I went from \$391.3 thous. at the end of June 2021 to \$354.9 thous. at the end of Aug. 2021. Over the last five months since Mar 31, 2021, we have dropped from \$464.6 thous. to \$354.9 thous. or a C&I loss of (\$109.7) thous. The difficulty we face again is despite the 6ft. distancing requirement being lifted for the ECC in July '21 we don't know when we will start to refill our empty kid spots in the ECC. We had anticipated that we would have picked up some kids in Aug/Sept '21 when Irvine schools reopened but this has not happened. The cumulative cash losses since 12/31/19 of (\$307.2) thous. now exceed all the additional PPP funds of (i.e., \$96 thous + \$172 thous = \$268 thous.) by (\$39.8) thous. So we have used all the funds we were given and we are now eating into our working capital should we continue to lose money on the ECC which at this point is likely at least for the foreseeable future.

Overall Total IUCC Summary for August

Total IUCC Aug. 2021 loss was (\$23.2) thous. vs. budget of (\$17.2) thous. or a negative variance of (\$6.0) thous. for the month vs. budget and vs. a July loss of (\$15.7) and a June loss of (\$32.4) thous. ECC was starting up again in July- Aug. 2020 so variance is not particularly meaningful.

For the month of August:

- The general fund loss was (\$19.7) thous. and the ECC loss was (\$3.6) thous. for the month.
- Total revenue was \$70.2 thous. or (\$21.8) thous. or (24%) poorer than budget quite a bit worse than prior month of July at \$82 thous.
- Total expenses at \$93.4 thous. were \$15.8 thous. better than budget
- Personnel costs at \$59.7 thous. were 16% better than budget. However, as revenue dropped so much (i.e., mainly stewardship), payroll % was 85.0% for August vs. 77.6% for budget or (7.5%) poorer.
- Net Inc. adj. for depreciation was (\$10.5) thous. (and for July it was (\$3.0) thous.) vs. an Aug budget of (\$6.6) thous., a variance of (\$3.9) thous.
- NOCF was (\$26.8) thous. vs. (\$8.4) budgeted or poorer by (\$18.4) thous.
- Total change in cash was \$0.6 thous. and change in investments was (\$20.1) thous. or (\$19.5) thous. in total for change in C&I.

For YTD Aug:

- The Total IUCC loss YTD was (\$150.3) thous. vs. a budget of (\$209.6) thous., producing a positive var. of \$59.3 thous.
- Total revenue was \$592.1 thous. vs. a budget of \$636 thous. or (\$43.9) thous. poorer or (7%) poorer than budget.
- Total expenses at \$742.4 thous. were \$103.0 thous. better than budget \$.
- Personnel costs at \$492.7 thous. vs. \$551.1 thous. were 10.6% or \$58.5 thous. better than budget. Payroll% slipped some from 82.8% in July to 83.2% for Aug YTD vs. 86.7% budget or 3.5% better from 5.4% better in the prior month.
- Net Income adj. for depreciation slipped from (\$38.4) thous. in July to (\$48.9) thous. in Aug. vs. a budget of (\$108.2) thous., a variance of \$59.3 thous.
- Net Operating cash flow was (\$99.4) thous. which loss was largely offset by the PPP funds received to get to net change in cash flow of \$60.2 thous.
- Total change in cash YTD was \$60.2 thous. and change in investments was \$23.4 thous or \$83.6 thous. in total for change in C&I.

General Fund Results

The general fund had a loss of (\$19.7) thous. for Aug., a decrease over the prior month of July which was a (\$13.2) thous. loss. Versus LY's (\$12.2) thous. loss it was (\$7.5) thous. poorer.

Total contributions at \$31.1 thous. were (\$2.9) thous. poorer than the prior month. And were (\$22.2) thous or (42%) poorer than LY's figure of \$48.6 thous. Total revenue and support was \$33.2 thous. or (\$25.6) thous poorer or (44%) poorer than budget. And was (38%) poorer than LY of \$53.5 thous.

Total expenses were \$52.8 thous. or \$10.6 thous better than budget and \$12.8 thous. better than LY.

Adjusted net income for depreciation for the month improved and was (\$9.2) thous. vs. a budgeted figure of (\$17.8) thous. Total change in cash + investments was (\$18.0) thous. vs. a budgeted figure of \$5.9 thous. leaving a variance of (\$15.0) thous.

For the general fund, the rolling twelve-month average for total contributions is up over the last 4 of 6 months (month 133 below = Aug 2021), and overall is up over the last 18 months and is trending in the right direction, but is still at an average just over \$37.3 thous. per month and is still far short of the 2015-2016 rolling average of contributions of \$42.5 thous. before the bldg. project. (see chart 5 below – months 60 – 61 are the high point in early 2016 before the capital campaign)

ECC Results

The ECC's results for Aug '21 at (\$3.6) thous. were poorer than the prior month of July of (\$2.5) thous. and similar to April and May.

Revenue at \$39.7 thous. was about flat for June and July. Net Operating cash flow was \$1.1 thous. vs. (\$9.0) budgeted., or a positive variance of \$10.1 thous. Total change in cash + investments was \$1.1 thous. vs. a budgeted figure of (\$11.5) thous., producing a variance of \$12.6 thous.

ECC Results YTD Aug 2021

The loss YTD Aug was (\$23.2) thous. vs. a budgeted figure of (\$62.2) thous. or a positive variance of \$39.0 thous. Revenue was \$311.7 thous. YTD vs. budget of \$309 thous. and was \$2.7 thous. better or 0.88% than budget.

Expenses at \$334.9 thous. were \$36.2 thous. better than budget, including payroll that was \$24.0 thous. better and non-payroll that was \$12.3 thous. better. Net income adj. for depreciation was a loss of (\$6.0) thous. and was \$38.0 thous. better than budget of a loss of (\$44) thous.

Net operating cash flow ("NOCF") YTD Aug was \$10.4 thous. vs. a budgeted figure of (\$59.7) thous. The larger budgeted loss in cash in NOCF was due to the assumption that deferred tuition due to the pandemic in March 2020 would be refunded faster or recognized as revenue faster than it has actually been refunded in the actual results.

Total change in cash and investments YTD Aug was (\$0.2) thous. vs. a budgeted figure of (\$68.2) thous., producing a positive variance of \$78.3 thous. ECC cash + investments balance was \$28.7 thous. vs. a budgeted figure of (\$39.6) thous. and a LY figure of \$60.5 thous.

MOTION: To pay the October 5 payroll early by one week, on or about September 28, excluding pastors and next most highly paid staff member. Moved by Mark Allen, seconded by Tricia Aynes. Motion passed.

MOTION: To authorize the Treasurer, should he deem it necessary, to pay preschool parents a one-time rebate of up to but not exceeding \$125 per child, not to exceed \$5,000 total. Moved by Mark Allen, seconded by Shanthi Nataraj. Motion passed, with one NO vote (Tricia Aynes).

12. Old Business: None

13. New Business:

Record IUCC eVote as follows:

7/9/21 per email from Daniel Blackburn

“A few meetings ago the board approved the creation of a new Strategic Planning Task Force. The Coordinating Council, along with Keith Boyum & Anne Rosse met to brainstorm potential members for this group and decided that the best path forward was to make an open request for participation to the congregation as a whole. We have done so and a number of candidates have stepped forward. From those candidates, the Coordinating Council recommends the appointment of **Cesar Sangalang** as the chair of Strategic Planning Task Force. As the chair, his duties will include selecting the remaining members of the task force from those that have expressed interest. We will conduct an e-vote on the appointment of Cesar as chair. Please reply-all with your vote on the motion below.

Cesar has experience in strategic planning, development, and leadership with non-profit organizations. He has a Masters of Science in Leadership & Management from the University of La Verne, and he has served as Vice President/Development Director for Men Alive (OC Gay Men's Chorus) and as Marathon Coach and fundraising mentor for the Leukemia & Lymphoma Society. He is a five year member of IUCC who has sung in the choir and served on the Fund Development Committee. The Coordinating Council unanimously recommends we approve Cesar Sangalang to serve as Chair.”

MOTION: To approve the appointment of Cesar Sangalang as Chair of the Strategic Planning Task Force. Voting quorum was attained. Motion passed per email 09/08/2021 from Administration Board Chairperson.

14. Executive Session: The Administration Board entered Executive Session at 8:17 pm.

15. Return to Regular Session: The Administration Board returned to regular session at 8:35 pm.

MOTION: To hire Sally Schacht as Sunday School Coordinator at \$20 hour for 10 hours a week. Moved by Tricia Aynes, seconded by Jon Ingal. Motion carried.

MOTION: To hire Jasmine Epps as Youth Group Leader at \$20 hour for 10 hours a week. Moved by Tricia Aynes, seconded by Mark Allen. Motion carried.

16. Adjournment/Closing Prayer (Steve Swope): The meeting was adjourned at 8:37 p.m. per motion by Mark Allen and seconded by Shanthi Nataraj. Motion carried.

Respectfully Submitted,

Laura Palen,
Clerk of the Administration Board