

Joint Central Board/Finance Team Meeting Minutes 11/29/2021

via Zoom 7:00PM - 8:00 PM

Attendees: Dale Earl, Nancy Koch, Doug Marquart, Lauren Swiniuch, Jack Terrill, Andrea Trefry, David Brandt, Joyce Mosher, Rev. Lisa Stedman, and Mac Donaldson. David Varga and Peg Round were unavailable

The meeting was chaired by Dale Earl and notes were taken by Doug Marquart. Opening Prayer was led by Rev Lisa at 7:07 pm.

Primary purpose of the meeting was to review the proposed 2022 budget from the Finance Team, for Central Board consideration and approval for distribution on 05 December ahead of a Forward Chat discussion 12 December, and Congregational Meeting 19 December 2022.

Discussion highlights – Mac Donaldson went through an overview of 2021 results. Key points:

- 2021 Income is forecast to be below 2021's budget as amended March 2021 to call a full time transitional minister. Expenses are also projected to be lower.
- 2021 Payroll Protection Plan Loan/Forgivable Grant was \$33,460 as one-time income
- Pledges are projected to be above budget.
- Reduced building use paired with expense controls will mean that the projected 2021 endowment withdrawal for balancing the budget will be on the order of \$3K vs the \$58K budgeted.

Mac then reviewed highlights of Proposed 2022 budget:

- PPP is not expected in 2022. Building use by paying groups is projected to increase in the 2nd half of the year, but still be below 2020's income. Pledges are expected to be 12-15% lower than 2021, due to fewer pledges from families & individuals.
- 2022 expenses will increase significantly due to recommended investments to help Second Church discern a path forward in this environment. Full year transitional minister expenses will increase pastoral expenses by \$24K, potential to have to pay for portfolio management \$8.5K, technology investment increases will be \$8K, and major maintenance increases \$13K.
- The Finance Team recommended a planned withdrawal of 5% from both our general endowment and building endowment, plus approximately \$99K extra from our general endowment to balance the budget.

Central Board members generally agreed with the proposed usage of endowment funds to stay on the path of discerning Second Church's future through the transition process. After review of the Budget short form and brief discussion of each area, having previously distributed the full long form details, Jack Terrill seconded the proposed budget, and the Central Board unanimously agreed to accept the proposed budget to present at the 19 December Congregational Meeting.

The Central Board accepted a motion by Dale Earl to ratify the housing allowance for Rev. Lisa Stedman

- **Motion:** that beginning January 1, 2022, the **housing allowance paid to the Rev. Lisa W. Stedman** shall be \$35,000 annually. This amount shall be designated as a housing allowance pursuant to Section 107 of the Internal Revenue Code. Furthermore, the designation of \$35,000 as an annual housing allowance shall apply to 2022 and to all future years unless otherwise provided.

After a brief discussion where Rev Lisa confirmed the sum represents her related housing expenses, Jack Terrill seconded the motion, which was **unanimously approved by the Central Board**.

Dale Earl raised the topic of **acquiring Second Church credit cards** to avoid having to rely on Rev Lisa, Mary Jane Clark and others using their personal credit cards and requesting reimbursement for online expenses that require a credit card (i.e. won't take a check, like Dropbox and Zoom) or low value purchases in accordance with church policy. The topic was researched by Dale Earl during October and November, and identified Charity Charge as an issuer used by many non-profits that will issue to individual uses under Second Church's name, rather than to the individual as the responsible applicant, such as those through NS Bank or another bank. The topic was discussed and info circulated via email and telecons with Mac Donaldson as Finance Team chair, David Varga, Treasurer, Peg Round, Assistant Treasurer and primary users Rev Lisa Stedman and Mary Jane Clark, Parish Administrator, and agreed to be the best solution. Dale presented a motion:

- **Motion:** Central Board authorizes Rev. Lisa Stedman and Church Administrator Mary Jane Clark to apply for Second Church credit cards with Charity Charge to be used for authorized, low value purchases not requiring pre-approval per Second Church's approved Purchasing policy.

Brief discussion confirmed this is NOT a debit card directly linked to a Second Church checking account, and that Charity Charge deals with many non-profits for this type of credit card. Doug Marquart seconded the motion, and the **Central Board unanimously approved**. Rev Lisa took the action and will speak to Mary Jane Clark as well.

- Next meeting of the Central Board will be December 14.
- Meeting was adjourned with a prayer at 8:02pm.

Running Action Item List (RAIL)

Action Number	Action Item	Date Open	Date Closed
June 21-01	Dale Earl to review Active/Inactive member list w MJC and correct errors	6/2021	
June 21-02	Doug to contact Keith Linares regarding Safe Serv practices in the kitchen and incorporate into Safe Church policy as appropriate; Doug spoke with Keith 9/22; Keith agreed to investigate. Doug spoke with Keith again 11/16; will try to get info by 12/14 CB meeting	6/2021	
Sept 21-02	General Action – each team to create 1-2 sentence with a simple description of their scope of responsibility described; several drafts sent to Dale, others requested by early October	8/2021	