

**First Christian Church
Corvallis, Oregon**

**Finance Cabinet Minutes
May 9, 2016**

Call to Order: Steve Herb called the meeting to order at 7:05 PM.

Attendees: Tom Garbacik, Steve Herb, Matt Gordon, Karen Griswold, Alice Kelling, Lee Mason, Bruce Cotton, Beth Baird, Teresa Shaw and Ann Smart.

Minutes: The Minutes of the April Finance Cabinet meeting were approved as corrected. The rent increase for the lower rooms at Disciples House should have read as \$10. Room 23 appeared in both the \$10 and \$15 categories. It should be in the \$10 category. Karen Griswold suggested that a sentence seems pretty awkward: "The Program Cabinet surfaced the issue in relation to an in-house project....." The sentence was revised to say: "The Program Cabinet is considering an in-house project to....."

Financial Secretary: Bob Young's report was not available.

Memorial Committee Report: Alice Kelling sent out a list of memorials under discussion. Matt Gordon said that the Memorial Committee suggests combining low balance or inactive memorial funds into Hospitality, Music, House and Grounds or the Youth Program. Prior to moving the funds, Matt would like to contact the families, thank them for their gifts, and tell them that the funds remaining are being moved to such and such fund. There are 16 memorials with a total value of \$2,780.

Treasurer's Report: Alice Kelling distributed the Treasurer's report via email.

General Fund: Through April, 33% into the year, the total YTD operating income received is \$81,204 which is 30% of the annual budget. The total YTD operating expense is \$86,027 which is 31% of the annual budget. The electric bill included a \$46 solar credit.

The Jefferson Street transfers are low because of the extra repairs that have been necessary this year. CDDC rent is also below budget: we have been receiving \$1900/month as in 2015 but we budgeted for \$2150/month in 2016 (rent should not have been budgeted for an increase until July).

Those expenditures that exceed their 33% target are listed at the end of this report.

Outside the General Fund: Four Funds have a negative balance: All-Church Events, Landscaping, Craft Fair, and Folk Musicians MF.
The Solar Incentive check for March was \$217.

Permanent Funds: The investment funds increased by \$2306 last quarter to a balance of \$561,936. First quarter distributions of restricted funds were: Scholarship \$204, Swick \$336, Ives \$27 and Gove-Milsap \$123. Unrestricted distributions were \$5431 and were divided as follows: Unbudgeted Contingency \$1086, Board Capital \$1629, and Outreach \$2716.

Expenditures over 33% at the end of April:

(Accounts expected to be “over budget” because of their billing cycles are not listed.)

Advertising Public Relations

Photocopier contract – bought set of color cartridges

Postage

IT Services – annual web hosting fee was paid in March

Natural Gas

Electricity

Church van expenses

Technology equipment repair – new board for laptop computer used in office

Carpet cleaning

Fire extinguisher service

Bulletins and Worship Material

Pianist

Communications Manager

Alice provided a review of the first year of our Solar Project. We borrowed \$32,328.64 from Church Extension to install solar panels on the roof of the church. We began to repay the loan on May 1, 2015. We have been applying the incentive payments to our loan payment. In the past year we have paid \$2,396 in principal and \$1,300 in interest on the loan. During the last 10 months, donations to the Solar Project have averaged about \$90 per month. The current balance in the Solar Fund is \$2,762. Based on history, the April 2016 incentive payment should be enough to cover the May 2016 loan payment. Alice suggested that we utilize the funds in the Solar Project as a principal payment against the loan, in order to shorten the life of the loan and to reduce the interest paid. **MOTION: Alice Kelling moved that we send a payment of \$2,762 to Church Extension as a principal payment on the Solar Project loan. The motion was seconded by Steve Herb and passed by voice vote.** It would be good to put a summary in the *Dispatch* along with a note about the early payoff.

Trustee’s Report: Lee Mason said that we had positive cash flow in April, similar to the amount in March. The owner disbursement was \$3,141.16. The bathtub overflow incident in unit 10 resulted in the insurance adjuster providing an estimate of \$2,212 in damages. After our \$1,000 deductible we will receive \$1,212. Elite obtained an estimate of \$3,732 to repair damages, the discrepancy being that the insurance adjuster recommended cleaning the carpet and Elite’s quote included replacing the carpet. Lee authorized carpet replacement which means our out of pocket expenses will be \$2,732.

A tenant has contacted our insurance company and is alleging an injury suffered on January 17 due to an overflowing toilet. The insurance company is investigating.

Alice Kelling discovered another instance where the beginning balance from the current statement does not equal the ending balance from the previous statement. Lee will investigate.

Disciples House: Matt Gordon said that there isn't much to report. Volunteers are stepping up to help with Sunday dinner. There is a new job description for a Resident Advisor. We hope to have somebody in that position by this fall. We anticipate 3 vacancies over the summer. The insurance company paid over \$9,000 for the water damage. We will pay the remediation firm, and accelerate the carpet replacement. We revisited the claim for loss of personal items. One resident suffered the loss of some text books and electronic equipment. The resident did not have renter's insurance, even though it is suggested in our lease agreement. **MOTION: Ann Smart moved that we reimburse the resident \$316.51 per his itemized list. The motion was seconded by Steve Herb and passed by voice vote.** We should make it clear to all residents that renter's insurance is recommended as we may not be able to be so generous in the future. .

Ann said that we received the bill from Mike's Heating. She will give it to Matt Gordon to review before paying it.

House and Grounds Report: Bruce Cotton said that he's been gone. Neil Reynolds finished installing a panel in the door next to the fireplace in McLean Hall. The original panel was glass, which ended up broken. Bruce has a fan for the third floor bath in Disciples House. Bruce will be out of town for about 5 weeks

Personnel Committee Report: Beth Baird said that she didn't have anything to report. She expressed thanks to everybody for their patience while she learned the job of Vice President of Personnel. We thanked Beth for all she has done the last few years.

Additional Check Signers: There was some discussion regarding additional check signers. It is an annual requirement that the Finance Cabinet approve any additional check signers. Bruce Cotton and Janet Chenard were proposed as additional signers. Certain church officers automatically become authorized signers. **MOTION: Ann Smart moved that the Finance Cabinet approve Bruce Cotton and Janet Chenard as additional check signers. The motion was seconded by Alice Kelling and passed by voice vote.**

Craft Fair Project: Both the Program Cabinet and the Board recommend the proceeds from this year's Craft Fair be used to repave the parking lot. Any shortfall between the cost of repaving and what the Craft Fair brings in will be paid out of PFI-Board Capital. There was discussion regarding repaving the parking lot prior to the Craft Fair, in order to have the project complete this year. The idea is to take advantage of the good weather in the summer

and not to wait until next summer. We could pay the bill out of PFI-Board Capital and then replenish the PFI-Board Capital funds from the Craft Fair proceeds. **MOTION: Ann Smart moved that we arrange for repair and paving of the parking lot this summer, with the craft fair repaying from craft fair proceeds. The motion was seconded by Karen Griswold and passed by voice vote. MOTION: Bruce Cotton moved that we approve a contract with Holderman Paving in the amount of \$9145 to repair, repave and restripe the church parking lot. The motion was seconded by Lee Mason and passed by voice vote.** Somebody from Finance should verify the written quote with the low bidder. We need to make sure the drainage issues are taken into consideration and that barricades will be installed for the duration of the project. It would be nice if the project could start early in the week and be complete by Sunday of that week.

Other business:

Remodeling Policy: Steve Herb talked about progress towards the development of a Remodeling Policy. Matt Gordon has several examples from other churches. Matt, Steve and Ann will meet to discuss and to formulate a recommendation

There being no other business, the Finance Cabinet stood in adjournment at 8:06 PM. Matt Gordon led the group in prayer.

Respectfully submitted,

Tom Garbacik,
Clerk of the Board