

First Christian Church Corvallis, Oregon

Finance Cabinet Minutes June 8, 2015

Call to Order: Steve Herb called the meeting to order at 7:06 PM.

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

Devotion: Steve Herb said that he feels privileged to join this group. He's learning and would appreciate feedback. The goal is to make the process streamlined and efficient.

Minutes: Hearing no corrections, the minutes of the May meeting are adopted as submitted.

Financial Secretary: Bob Young provided the following report:

At the end of May we have collected \$65,156.73 that is credited to Estimates of Giving. With 41.7% of the year past this amounts to 44.4% of the \$146,720 estimated for the year. This compares to 45.2% of Estimates that had been collected at the same time last year.

Of the 38 estimating units;

13 units are on target (down 6 from last month)

14 units are ahead (up 4 from last month)

and 11 units are behind (down 2 from last month)

Alice Kelling noted that we are running ahead of last year, at this point.

Treasurer's Report: The Treasurer's reports were distributed by email.

General Fund: Through May, 42% into the year, the total YTD operating income received is \$108,331 which is 44% of the annual budget. The total YTD operating expense is \$104,602 which is 40% of the annual budget. The porch repair at Jefferson Street appears to still be in progress and has not yet been billed to us. We have received our first reimbursement from Stone Soup Corvallis for security provided in April. This electric bill was the first month to include the solar credit, for electricity produced, saving us \$78. The solar incentive for April will be sent by check within 30 days and will be deposited into the Solar Fund (rather than the General Fund) to use to pay off the loan. Those expenditures that significantly exceed their 42% target are listed below.

Outside the General Fund: Several Funds currently have a negative balance: Adult Education, All-Church Events, Family Camp, Landscaping, Craft Fair, and Folk Musicians MF. Some of these will be covered by anticipated income. The previous Stone Soup deficit was covered by Minister's Discretion, as approved by the Finance Cabinet 5/11/2015. The previous Solar Fund deficit was removed by donations and the return of our \$500 solar lottery deposit made last April 2014. The solar loan liability was increased this month by \$912 to include two loan fees that the Treasurer forgot were part of the loan advance.

Expenditures much over 42% at the end of May:

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

Advertising & Public Relations
Office Supplies
IT services
Natural Gas
Garbage Disposal
Maintenance and Repairs
Carpet cleaning
Bulletins & Worship Material
Musician Honoraria
SM CE & Books (but within limits of total benefits)
SM Convention (but within limits of total benefits)
Pianist
Nursery Coordinator
Outreach Coordinator

Adult education is in the red due to purchase of some books. Matt Gordon will see if the extra books can be returned. At some point we will need to make that account whole. All Church Events is behind since the donations received haven't been enough to offset expenses. We have been lax in putting out donation baskets to facilitate donations from those who wish to give.

We did receive our first incentive payment from the Solar Project in the amount of \$376.95 for April. The payment for May will be a bit more, the winter months a bit less. We received enough money from the incentive to cover the loan payment of \$308. We will keep the overage in the account, and perhaps shorten the loan payment, or add more solar panels. The savings on the electric bill was \$79, so the General Fund is also realizing savings.

The other negative is in the Memorials Fund. We are anticipating that Ramona Wheeler's memorial gift will be used in support of the folk musicians. We purchased new music stands for the folk musicians and they were charged off to the Memorials Fund.

The Capital Campaign shows a balance since to date we haven't done anything regarding the stained glass window sill repair. If we redirect the remaining funds, we should inform the Congregation at the January meeting. Matt Gordon has information about a new stained glass repair person.

Trustees: Alice Kelling has been keeping track of the statements from Elite Property Management detailing the finances of the Jefferson Street Properties. There has been an issue with \$50 disappearing from one ending balance to the next month starting balance. Elite said it was due to cleaning expenses. Perhaps Lee Mason can discuss the issue with Elite. The fee should appear on the invoices. We still don't have the bill for the new porch.

Disciples House: Matt Gordon passed out a graph reflecting occupancy at Disciples House. The graph was presented to the Board at their last meeting. We will be fairly full over the summer. One room will be vacant all summer, and another room will be vacant for a month. We have an issue with bed bugs. One of the rooms has bed bugs. A pest control company was contacted and they have begun treating all the rooms. Mattress protectors were installed, and a liquid treatment was applied to all cracks. The pest control company will do three treatments over the summer, and guarantee control. It appears that

the bugs are in the carpet. We may need to rip out the carpet. Probably best to remove the carpet to prevent migration. Irami Osei-Frimpong is taking charge of the problem. The cost to eradicate the bugs is estimated to be between \$2800 and \$3300, which will be paid out of Disciples House Operations. Ann Smart noted that we need to sort out Irami's salary along with the pest control and we may need to move some money before the end of the year.

There will be a luncheon for the parents of the Disciples House residents this coming Sunday.

Matt Gordon asked how money is budgeted at Disciples House. Ann Smart said that Alice Kelling did quite a bit of work pulling together financial information for the Long Range Planning Committee, and that Tom Garbacik was looking into appropriate monthly rental valuations. Ann suggested we get together to discuss the budget for Disciples House. Matt Gordon suggested setting spending limits. Bruce Cotton thought that Luke Cotton had sent an expense break-down from a couple of years ago.

We are still working on the replacement of the third floor windows. The windows on the south side are shot. We spent some time discussing the annual invasion of the box elder bugs, and possible solutions. One of those solutions could be to call Good Earth Pest Control for an estimate even though chemical control doesn't really work.

Matt Gordon had the Corvallis Fire Marshal out to inspect Disciples House. He said we are good with the number of people in the house. One problem is that the basement windows are too high to meet code as a method of egress. A possible solution is to permanently mount ladders to the wall under the windows.

House and Grounds Report: Bruce Cotton asked if we can get the church building off of the historical register. Bashful Bob will need to obtain a building permit to replace the McLean Hall exterior door. We want a metal frame with a metal door. It is currently a metal door in a wooden frame. It's a security and safety issue. The quote to replace the door is about \$4000, and it exceeds the amount available. The Swick Fund currently has \$2345. **MOTION: Ann Smart moved that the Finance Cabinet recommend that the Board approve utilizing \$1600 from PFI-Capital to make up the shortfall in funding for the McLean Hall exterior door replacement. Bruce Cotton seconded the motion and it passed.** Teresa Shaw will arrange for an email vote of the Board. Ann Smart said that the church building is only on the local register, and we should be able to file an application for removal. The application needs to go through the Historical Review Commission. Ann said that we have gone through more reviews than any other building in town. The removal is a public process, so there will be notices posted on signs in the neighborhood. If we decide to proceed, we will inform the Congregation via a notice in the Dispatch. Disciples House is on the National Register of Historical Places, and as a benefit of that designation we should be able to apply for matching-fund restoration grants.

Bruce Cotton has been fixing things. The fan in the men's restroom downstairs failed and Bruce ordered a replacement. He has also been working on the network. The modem went bad, and there is a problem with IP addresses. Neil Reynolds and Bruce worked on the south door once again. It seems like it needs tender loving care about every six months.

Bob Young got with Ham/Mock (landscaper) to figure out the backflow and sprinkler system. Jerry Lasater called and said he can't maintain the landscaping around the church. Jerry will try to recruit

somebody to take his place. Bruce suggested he contact Michael Gordon. An AA group would like to clean the chairs and the carpet in room 12. We should put a note in the *Dispatch* to celebrate.

Personnel Report: Beth Baird said that everything is OK.

The Long-Range Planning Committee: Matt said that the Long-Range Planning Committee held a meeting on May 20. The highlights of the meeting are:

- Reviewed a meeting held with a group of young families.
- Discussed an exit strategy.
- Discussed methods of increasing communication within the Church.
- Discussed the Program Cabinet.
- Lee Mason will write a summary report.
- There will be a meeting with members and friends of the church on June 28 to assess needs.

Additional Items:

Ann Smart noted that funds are still accruing to the local Scholarship Fund. Alice Kelling said that perhaps we can suspend further distributions. The goal is to fold it all into the amount we will be gifting to the Disciples Seminary Foundation. A fund needs to be at or over \$20,000 to be sustainable. Alice will check with the Christian Church Foundation folks.

The Finance Cabinet stood in adjournment at 8:21 PM. Matt Gordon led the group in prayer.

Respectfully submitted,

Tom Garbacik,
Clerk of the Board