

**FIRST CHRISTIAN CHURCH
FINANCE CABINET MINUTES
February 13, 2023**

ATTENDING: Matt Gordon, Bruce Cotton, Emily Herb, Ann Smart, Karen Griswold, Steve Herb, Tom Frederick, Bob Young, Tom Garbacik, Janet Chenard.

CALL TO ORDER: Janet called the meeting to order at 7:02 p.m. It was a hybrid meeting over Zoom and several participating from the AYSO room at FCC.

MINUTES: Ann moved that the January minutes be approved, Tom G. seconded. Approved unanimously.

OTHER BUSINESS:

1) Rental MOU for upstairs rooms with non-profit groups – update: The nonprofits have seen the MOU and discussed it with their respective boards and are planning on moving in at the end of February. The groups are Ten Rivers Food Web, The Dry Farming Institute, and The Post Carbon Institute. They are renting rooms 32 and 33 for storage and office space. They will need keys and access codes. Becca will train on keys and usage. Matt will handle room use training.

MOTION: Ann moved that the MOU for Non-Profit Room Rental be moved forward to the Church Board. Bruce seconded. Motion passed unanimously.

2) Sound baffling for McLean Hall: We have a little over \$9000 designated from the 2022 Craft Fair. A member has made a pledge to make up the difference in cost. We have a bid from Mid-Valley Commercial Construction, Inc. for installation of an acoustical grid and tile system for \$14,800. The system will have an 8-inch drop from the current ceiling. Bruce and Steve are planning on removing the old folding door room divider and the false beam and track. The new ceiling will hide any resulting imperfections. Will need to install lighting for the new ceiling area. Bruce estimates \$1000 for the fixtures and he will donate the wiring. There might possibly be some capital campaign funds left after installation of the front step lighting or might be able to use some PFI capital.

MOTION: Ann moved that Finance Cabinet ask the Board for \$1000 from Capital PFI to be used for McLean Hall lighting fixtures. Karen seconded. Passed unanimously. Will probably need an email vote by the Board to okay this project.

MOTION: Ann moved that House and Grounds be authorized to work with Mid-Valley Commercial Construction, Inc. on the acoustical grid and tile system. Bruce seconded. Passed unanimously.

FINANCE SECRETARY: Submitted by Tom G. via email.

At the end of January, we have received \$24,503.10 that is credited to the 29 Estimates of Giving for 2023. With 8% of the year passed, this amounts to 17% of the \$146,270.00 estimated for the year. This compares to 21% collected at this same time last year.

Of the 29 estimating units:

13 units are on target

8 units are ahead

and 8 units are behind

Faith Income received a \$50 donation.

We are off to a good start for 2023. Two giving units have paid their 2023 pledges in full. The new Church Windows financial package is presenting numerous challenges. Presently there is a “bug” with regard to rounding which makes reconciling accounts time consuming and very difficult.

TREASURER’S REPORT: Submitted by Ann via email.

General Fund: Through January 31 we have received \$36,208 in total income and had \$22,203 in expenses. Pledge receipts were way ahead of our monthly target, and included a completed estimate paid in December. Loose offerings were ahead, and Faith Income was behind our monthly target. The general fund balance grew to \$29,200. Fire extinguisher services and the Alarm panel service bills were not received in December, but they should be budgeted correctly. The monthly insurance payment was made an auto pay because of the short turnaround time for the payments.

It has been a really hard month for payroll & year-end tax reporting. Church Windows (CW) released a new version of payroll in late Dec. that is integrated into the whole software package. Our payroll treasurer took all the training, but the software wasn’t really ready & needed more testing. Consequently, the W-2s were done manually in an online Federal Program. Ever since the OR transit tax was implemented the state W-2 data has been manually entered, so that wasn’t a change. Thankfully, the data could be pulled from the old program, but we had 19 different employees last year. The Jan. paychecks had rounding errors, so some checks were off a penny & others weren’t. The patch to fix this may not be out before the next payroll. In addition, the new state paid leave tax was implemented. The bank reconciliation for checking is off 2 cents. One of the pennies is from a paycheck that was issued in one amount & recorded in CW as a penny more. The other penny hasn’t been found. The money gifts donated for staff & the 3% raises for those who had been with us longer than 6 months were added to the Jan. pay checks. At this point the gifts are budgeted on the staff gifts & adjustments line but charged against the salaries which makes salaries look over budget. Once the budgeted gifts are moved, we won’t have an accurate salary amount on the budget lines.

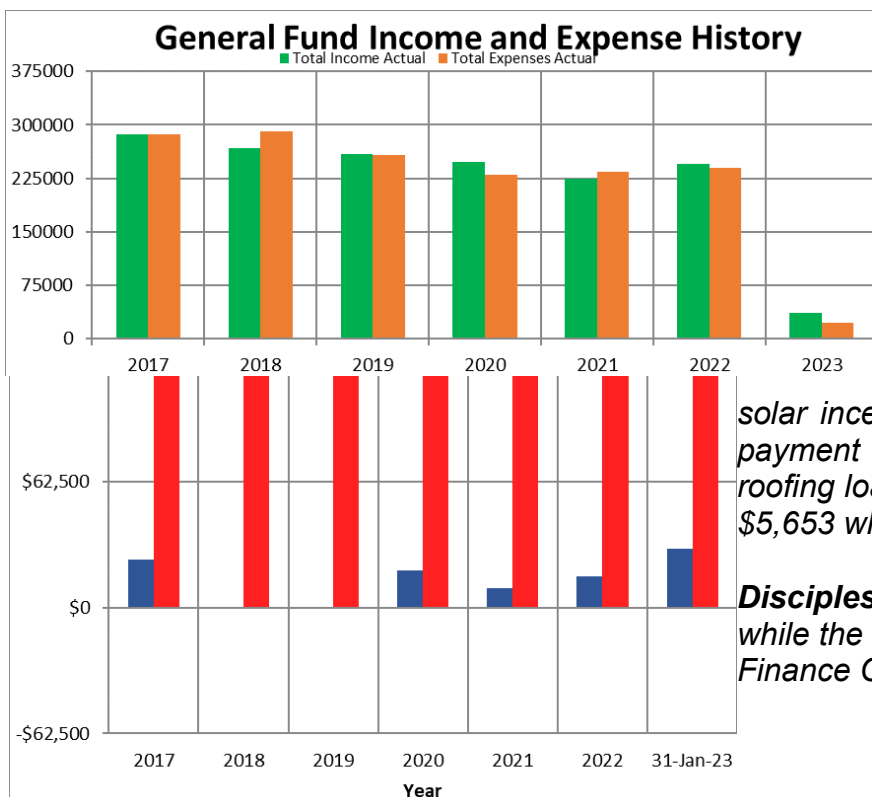
General Fund Expenditures over budget at the end of January:

(Accounts expected to be over budget because of their billing cycles are not listed. Being over budget might mean that we had unexpected expenses or did not budget appropriately.)

Office Supplies

Natural Gas

Electricity



The utility overages are hopefully because of the cold weather and will be closer to budget at the end of the cycle. The City services will go up next month. We received the new commercial rates too late in the budget cycle to revise and now anticipate being under budgeted by \$1,100.

Outside the General Fund: The solar incentive payment for Jan. was \$166. A payment of \$232 was made on the internal roofing loan to PFI Capital leaving a balance of \$5,653 which should be paid off by mid-2024.

Disciples House: Because of the lack of heat while the boiler was waiting for a part, the Finance Cabinet returned \$2,000 in rent to

Jackson Street to help with the rent reductions they provided their tenants. There were several expenses for the backflow valve and there will be more next month.

Lawyer: There were no lawyer fees this month. The total legal fees paid are \$44,155. The PFI Unbudgeted Contingency fund is down to **-\$23,532** with the addition of the PFI distribution.

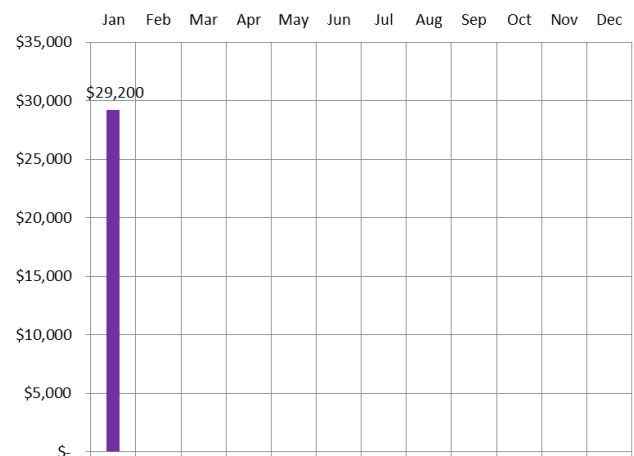
Christian Ed Fund: This fund received another \$120 and is up to \$572 to be used with the children.

Permanent Funds: \$1,000 was transferred from Memorial Funds to the Linnie Evans Fund for Children and Youth at CCF and \$4,800 donated for Permanent Funds was sent to CCF. \$2,000 was added to the Unrestricted Balance Fund, \$2,000 to the Unrestricted Growth Fund and \$800 to the Ives Music Fund at the Direction of the donor. The value of our investments at the Christian Church Foundation increased \$85,624 during the fourth quarter. This is an increase of approximately 6% over the third quarter. The fund values decreased 21% for the 2022 year. These percentages do include any additions we made to the funds in 2022.

Permanent Fund Income. Our Permanent Funds yielded \$6,291 in income for the fourth quarter of 2022. This was down \$277 from the 3rd quarter. The Unrestricted Funds yielded \$5,544, which was distributed per our PFI policy: 50% for Outreach \$2,772, 30% for Board Capital \$1,663, and 20% for Unbudgeted Contingency \$1,108 which this year will go towards the legal fees. The Restricted Funds yielded \$747: Swick Building Fund \$377; Ives Music Fund \$40; Gove-Milsap Stained Glass Fund \$125; and Linnie Evans Fund for Children & Youth \$203.

The Ministry & Mission Endowment Fund yielded \$7,665 which was down \$ 356 from the prior quarter. This distribution was transferred to the General Fund per the Mission and Ministry Fund Policy ratified by the Congregation.

General Fund Balance



The Church Windows rounding issues continue to plague the system and Ann cannot reconcile the checking account. Becca now has a credit card. Disciples House rent has not been paid this month. Ann notified Kendra and they are attending right to it but they will be required to pay the late fee. They have had some recent bookkeeper changes.

TRUSTEES: Submitted by Bob via email.

There have been several recent donations to our church's permanent funds.

- \$1,000 was added to the Linnie Evans Fund for Children and Youth
- \$2,000 was added to the Unrestricted Balanced Fund
- \$2,000 was added to the Unrestricted Growth Fund
- \$ 800 was added to the Ives Music Fund

Each of these donations was made anonymously and the donor or donors were thanked through the Dispatch.

*The proposed MOU with the three non-profit organizations was shared with our insurance agent, Ben Laro. He was happy to see that a certificate of liability insurance was required. He also commented on one section that reads "Tenant shall bear the expense of any insurance insuring the property of Tenant on the Premises against such risks." He suggested for clarity that we might add "**the tenant must also maintain their own liability insurance to cover their activities and people while on church property**" He thanked us for providing him the review opportunity and said that it looked fine to him.*

I am not aware of any other trustee activities this month.

PERSONNEL: Submitted by Tom F. via email.

It was a pretty light month for Personnel, which is a good thing.

- All Positions filled - we have an awesome staff!*
- Payroll now taking Paid Leave Oregon Program deductions out of employee paychecks (Thank you Tom G for getting this done even with all the Payroll Software challenges!)*

We are fully staffed. Paid leave is being deducted from staff pay checks. Per Matt, we will be hiring a new company to do background checks, Protect My Ministry, which works exclusively with churches.

HOUSE AND GROUNDS: Submitted by Bruce via email.

Worked on the finance computer to get an Excel type program installed.

Worked with the Backflow tester. Church's three passed

DH Backflow was not testable, contacted Matt Brom of Lantern Contracting. With Steve Herb we went to check out the valve, decided that there was still some leaking. We decided to rebuild the valve and bought the kit and a surplus valve (cheaper than the rebuild kit).

We went back, rebuilt the valve and it seemed fine had it checked by the backflow tester and in passed. Like to thank Matt B for his labor donation.

Worked with Lifetime Gutter on the west front gutter that had come loose and was not aimed at the drain anymore. He pulled it the pipe up and recrewed in the support brackets.

Shut off the water to the swamp cooler, was running all the time. Did try to adjust the float but while reduced did not stop the water flow.

Kitchen window is broken again. Attached is Bashful Bob's quote for new window in kitchen.

Still waiting on the Stain glass repair

Axis electric is scheduled to install the front Pendent lights on Feb. 23.

Still need to tackle the kitchen window project. The broken one is currently covered with plywood. There was a bid back in August from Bashful Bob for \$8000+ to replace the kitchen windows with double hung windows with an inside grid to maintain the current look. Bruce will contact to see if this bid has changed.

We have a bid from Peak Electrical for installation of a ductless heat pump system for the Stone Soup room for \$4687. The system is necessary in order to keep the room at optimal temperature for the refrigerators and freezer according to Health Department guidelines. Currently just running a fan constantly does not do a good enough job, particularly in summer. Bruce will talk to Stone Soup and see if they can come up with some grant money to assist with the cost. We would not need to do this project if Stone Soup weren't using that room.

OTHER BUSINESS, CONTINUED:

3) Vendor list: Need to add J&J Electric, Protect My Ministry and Mid-Valley Commercial Construction, Inc. to the list and delete Presidium.

MOTION: Ann moved that the vendor's list be accepted as amended, Tom G. seconded. Unanimous approval.

4) Policy 450, Money Handling. There is still discussion about exactly how to define policy for the use of Square. Square is used for purchases at Craft Fair, etc. But has also lately been used for some donations. Donations need to be tracked with info to the Finance Secretary. Also the amount donated by specific people should not be visible to everyone. Matt and office staff will be meeting about this soon. Discussion by the Cabinet was tabled until next month.

5) Policy 410, Credit Union and Church Extension Asset Management. Change the wording from Credit Union to Banking since at some future time we may be using a bank rather than Credit Union in addition to the changes Ann proposed.

MOTION: Tom F. moved that Policy 410 be accepted as amended, Tom G. seconded. Approved unanimously. Janet will take it to the board for approval

6) A donor has paid for a full year of ads on the religious page of the newspapers and they are already appearing.

7) Matt was contacted by FEMA who wish to give a donation to us for the use of our building as a warming shelter during recent cold weather.

ADJOURN: The meeting was adjourned at 8:31. Matt led us in prayer of gratitude for gifts and talents given and our need to use them wisely and responsibly.

Respectfully submitted,

Karen Griswold

Clerk of Finance

Approved 03/13/2023