

First Lutheran Community Church June 18 2020 Virtual Meeting Minutes Final

Attendees: Sue Seidel (Vice President) Ryan Sjoberg (Secretary)
Nancy Rollins (Treasurer) Sarah Cook
Pastor Adrian Bonaro Casey Nelson
Sonja Miller Chris Billings
Brenton Campbell Mary Benbow
Paul Gaudette (CBA) Julianne Powelson

Absentees: Steve Atkinson (President) Suzanne Harvey

Guests: None

1. CALL TO ORDER (Vice President) 7:02 PM
2. OPENING DEVOTIONS (Pastor)
3. APPROVAL OF MINUTES FROM 21 MAY VIRTUAL MEETING DRAFT 2 (Vice President).

Nancy motioned we approve Draft 2 minutes from 2 April Virtual Meeting. Sonja seconded the motion. The motion passed by unanimous vote.

4. REPORTS

A. Vice President

- 1) Steve is out. He wanted council to discuss our semi-annual meeting being postponed due to COVID-19. According to pastor, only 45 people have signed up for the upcoming in person service. Most people have signed up online, but there has been outreach via mail (there is a running list of non-email members). This is a general indicator that many people are not ready to come out in person, reluctant to leave home until a vaccine or other measure is ready. Future phases of the “Safe Start” plan allow up to 150 people at once, but we would also have to maintain social distancing which could make that unfeasible. Given this, council agrees that postponing the meeting is best. Some council terms are coming up, we haven’t been able to do lots of outreach for new nominees and have not gotten any interest expressed yet. We will continue to evaluate this on a month-by-month basis. We may consider combining the May 2020 meeting with the January 2021 meeting.

B. Pastor’s Report:

- 1) Book club has finished up. Yoga and food courses have kicked off. Lots of Pastor’s time is spent on video production, so he is very busy. This has also necessitated the purchase of an additional computer so pastor can have one at home and there can be one at the church. In addition, an FM transmitter

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(broadcast at 95.5 FM) for in-car service has been purchased, as well as a touchless thermometer. The in-person service will be different than the online service. Online will not be a “re-run,” they will have to be different.

- 2) Kelly is working on an online VBS for the summer. We had an unused curriculum from a prior year that she is using. There will be a 5-day virtual program, with possibly an in-person wrap up if conditions allow. The VBS program purchased earlier this year will be saved for summer 2021. Karen has continued to work on Sunday school activities.
- 3) New music for the online services is on the way.
- 4) Deacon Marj has started on the second round of calling all members of the congregation.

C. Treasurer's Report *Note: Included below are preliminary numbers as presented at the council meeting. Due to the complex nature of the Payroll Protection Loan, adjustments are anticipated.*

1) PPP Loan:

- i. We were approved for a Payroll Protection Plan Loan of \$136,040 and received the money on May 1, 2020.
- ii. The Congress passed the Paycheck Protection Flexibility Act of 2020 on June 5. This act extends the loan forgiveness period from the original 8 weeks, to a 24-week covered period. The act also reduces the amount that must be spent on payroll costs to 60% from the original 75% requirement. A revised Loan Forgiveness Application was issued yesterday.
- iii. The May financials are “a work in progress” since there are still questions about which expenses can be covered by the PPP Loan. The following expenses may be moved to the General Fund later:
 1. Sirena has recently learned that retirement and health benefits are only allowed when all employees are covered - this means Portico expenses for Pastor Adrian & Deacon Marj should be paid from the General Fund.
 2. There is also a question if PPP can cover the employers L&I expense as a “state tax.” Other states have employers use a third-party insurer to cover workers compensation.
 3. All of these expenses were included in the PPP Loan Application, so it is possible that we received more money than should have been allowed. The loan does not cover the employer portion of Social Security & Medicare (7.65% of wages), so we will still have that expense.
- iv. All employee payroll (not independent contractors) has been paid by the PPP loan, including the Church, Daycare & Preschool. Therefore, those expenses are not reported on the individual P&L statements. Allowed utilities & mortgage interest were also paid from the loan account.
- v. Through May 31, the three “companies” have used \$70,871 of the loan. The Church’s reported expenses on the summary report are only \$6,817 more than reported in April.

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2) FLCC:

- i.** Our members continued to give in May, especially with one-time gifts online. General Giving was \$25,495 including Thrivent Choice.
- ii.** The month-end General Fund balance was \$92,648 before Federal payroll tax liability of \$6,988.
- iii.** With the PPP Loan fund paying most expenses, YTD General Fund income was \$38,041 more than expenses.

3) Transformational Ministries Grant/Resource Coordinator Fund:

- i.** The RC Fund received \$30 in donations in May.
- ii.** RC Fund sub-account balance was \$15,928 at the end of May.

4) NADC - Noah's Ark Daycare:

- i.** May Daycare total income was \$48,400.
- ii.** There were many major expenses, including equipment, craft supplies plus materials & part of the labor to build a small shed to store Daycare outside toys.
- iii.** All Daycare employees received a temporary pay increase of \$4.00 per hour.
- iv.** The only payroll expense to be reported was the employer portion of social security & Medicare of \$3,317.
- v.** May had a net profit of \$26,391, and YTD net profit of \$55,713.
- vi.** At month-end, NADC had \$154,984 combined in checking and savings.

5) NAPS - Noah's Ark Preschool:

- i.** May net income of \$482 included registration, tuition, Thrivent Choice and a donation of \$253.
- ii.** May printed \$207 tuition refunded.
- iii.** Karen and her staff were paid for May, based on the amounts earned in February.
- iv.** She will begin Summer Camp registration soon, with the understanding that the fees will be refunded if she is unable to safely hold Camp. She has determined that the maximum class size will be 12 children, based on social distancing requirements.
- v.** May reported net loss of \$591, and YTD net loss of \$3,541.
- vi.** The Preschool had a combined \$48,093 in savings & checking at month-end.

6) FLCCW - First Lutheran Community Church Women

- i.** May income of \$1.24 came from CD & savings interest.
- ii.** There were no expenses.
- iii.** Total assets are \$7,678 in checking, savings & 2 CD's.

7) Designated Funds:

i. Community Aid Fund

- 1. Received \$1,000 donation from the ELCA Covid-19 Fund thru the Synod.
- 2. Received \$950 in other donations.
- 3. Paid the deposit for two women to live at the new Kitsap Homes of Compassion here in Port Orchard. Corrinne is assisting with this program.

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4. Also assisted another individual with expenses.
 - ii. Flooring Fund - Received \$50 donation and \$81.80 from Amazon Smile.
 - iii. Jubilee Community Garden received \$5,684 in donations.
 - iv. Major Maintenance received \$324 in donations, plus the \$75 monthly transfer from the KMH lease payment.
 - v. Shed Fund expenses:
 1. Cleaned the ditch & installed new drain \$3,161.
 2. Gravel for the concrete base \$411.

D. CBA's Report:

- 1) Concrete pad was laid for the shed. Lumber is going to be delivered next week.
 - 2) Daycare toy shed is nearly complete.
 - 3) Kitsap Mental Health has approved the lease extension, beginning September 1, 2020. The base rate per square foot is increased to \$14, for a monthly increase of \$341. The Ministry Center got its first showing since the start of the pandemic.
 - 4) New touchless taps and soap dispensers are being installed in the bathrooms. Sanitizer dispensers have been installed throughout the building. The carpets are going to be cleaned since the pews have been moved in preparation for social distancing.
 - 5) Family kitchen continues takeout style. Serves 55 to 60 people.
 - 6) Kelly restarted working in the office again.
 - 7) There are some RVs in the parking lot that were displaced by state parks closing. Most are working with Corrine. They are expected to be out on the 3rd of July.
 - 8) Daycare has been doing upgrades while things are quiet. The bathrooms will be getting a refresh next.
5. OLD BUSINESS (Vice President): None
 6. NEW BUSINESS (Vice President): None
 7. FOR THE GOOD OF THE ORDER (Vice President): None
 8. 8. ADJOURNMENT (Vice President)

Sonja motioned to adjourn the meeting at 7:57 PM.

Chris seconded the motion. The motion passed by unanimous voice vote.

9. NEXT MEETING IS SCHEDULED FOR THURSDAY, 16 JULY 2020, 7:00 PM, VIA ZOOM.