

First Lutheran Community Church August 20 2020 Virtual Meeting Minutes Final

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

Absentees: Mary Benbow Suzanne Harvey

Guests: None

1. CALL TO ORDER (President) 7:00 PM
2. OPENING DEVOTIONS (Pastor)
3. APPROVAL OF MINUTES FROM 16 JULY VIRTUAL MEETING DRAFT 3 (President).

Nancy motioned we approve Draft 3 minutes from 16 July Virtual Meeting. Sonja seconded the motion. The motion passed by unanimous vote.

4. REPORTS

A. President

- 1) Thanks to Casey and his family for all the work on the garden! It now has water access. We are working on what the best practices for access to the water should be.
- 2) August 26th is shed build day. We hope to have it build before winter arrives.

B. Pastor's Report:

- 1) The ordination of Brad Hayward will be held on August 30th at First Lutheran. It will be limited due to COVID. Since we will not be able to hold a reception, we will get him a gift of some kind instead. Pastor hopes to record the ordination for posting. It will be the first ordination our church has held. He has been called up to Peace Lutheran Fellowship in Port Ludlow.
- 2) In person services still seem unsafe for the time being. Each time the health metrics seem better, something disrupts it. Recently, South Kitsap has been the hotspot in all of Kitsap. As such, Pastor is working on more online activities, such as book activities and other zoom groups.
- 3) Transformation team started calling around. Generally, people are cautious to return.
- 4) COVID has disrupted the interchurch meetings. Some other local churches have reopened.
- 5) We have new members! Kimberly Malone, Emmalynn Slater and Melody Booth.

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Sonja motioned we accept the new members. Steve seconded the motion. The motion passed by unanimous vote.

- 6) The Church staff is doing great work. The church congregation has been very active. The O'Hana house program is coming to Kitsap, in partnership with Kitsap Homes of Compassion. They lease a house and bring people in to provide housing and social services.
- 7) Pastor has been staying busy with lots of meetings. The Synod made a Congregation Technology Grant available to better meet worship needs. Pastor will use the \$750 grant to buy a new iPhone in September – the phone is his primary recording tool for the online services.

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 have used the full \$136,040 loan which we received. The majority of the money was used for payroll expenses in May & June - Church, Daycare and Preschool.
- ii. Remember that allowed expenses for utilities & mortgage interest, plus the payroll, are not reported on the various P&L statements since they were paid by the PPP Loan.
- iii. The balance of the loan also paid part of the July electricity bill.
- iv. As of August 10, Kitsap Bank is “still in a waiting pattern for loan forgiveness.” The SBA’s forgiveness details have not been finalized.

2) FLCC:

- i. Our members continued to give in July, through online giving and mailing or delivering checks to the Church. General Giving was \$25,083.
- ii. Deacon Marj’s Sabbatical time at Holden Village was cancelled because of COVID-19. When her registration was refunded, the \$170 was returned to the Sabbatical Fund sub-account. Hopefully, she will be able to enjoy a Sabbatical in 2021.
- iii. You may remember that we decided that major maintenance expenses should appear on the P&L beginning this year. If needed, funds would be transferred from Designated Funds to the General Fund to cover the expense. We did transfer \$890 in January. Recently, there have been some large expenses, but we have the money available to pay those bills without transferring Designated Funds. Amounts paid in July included:
 1. Repairs to air handlers \$1,015
 2. 5-year service of lower level sprinkler system \$1,446
 3. Toilet replacement & plumbing service \$1,461
- iv. The month-end General Fund balance was \$115,755 before Federal payroll tax liability of \$7,203.
- v. With the PPP Loan fund paying most expenses, YTD General Fund income was \$53,276 more than Church expenses.

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3) Resource Coordinator Fund:

- i. The RC Fund received \$330 in donations in July.
- ii. RC Fund sub-account balance was \$15,234 at the end of July. This is enough money to cover Corrinne's salary for almost 16 months. What a blessing she is to FLCC and the community!

4) NADC - Noah's Ark Daycare:

- i. July Daycare tuition income was \$51,496. They also received a grant of \$5,000.
- ii. Among the July expenses was the annual \$1,049 Childcare license to DSHS.
- iii. All Daycare employees received a temporary pay increase of \$4.00 per hour, paid in both May & June. The extra amount was reduced to \$3.00 per hour in July and August, and will reduce further in September.
- iv. July had a net loss of \$2,738, and YTD net profit of \$93,565.
- v. At month-end, NADC had \$185,642 combined in checking and savings.

5) NAPS - Noah's Ark Preschool:

- i. In July the Preschool received Fall Registration income, some late payment tuition, and a Thrivent Choice donation. But, there was also the refund of Summer Camp tuition when the program was cancelled due to COVID-19. July net income was only \$299.
- ii. Karen & Kit are planning for a fall "at home" program, with reduced fees. There will be an initial supply box for families, and a monthly fee for activities. Some items will be "checked out" library style, and other items will be for the family to keep.
- iii. Karen held the Annual Rummage Sale on August 8. Income was over \$1,300 and she planned to continue the sale until perhaps August 22. The income will print on the August financials.
- iv. The Preschool had a combined \$47,177 in savings & checking at month-end.

6) FLCCW - First Lutheran Community Church Women

- i. July income of \$0.95 came from CD & savings interest.
- ii. The only expenses were for renewal of the Gather magazine subscription and for soap for LWR personal care kits.
- iii. Total assets are \$7,639 in checking, savings & 2 CD's.

7) Designated Funds:

- i. Community Aid Fund
 1. Received \$7,840 in donations.
 2. Replenished Petty cash for gas money.
 3. Paid for a certified birth certificate for one man.
 4. Also helped a man with his rent deposit.
 5. The fund balance is now \$16,944.
- ii. Flooring Fund - Received \$100 in donations. Balance is now \$4,766.
- iii. Major Maintenance - Received \$324 in donations, plus the \$75 monthly transfer from the KMH lease payment. Balance is now \$14,974.
- iv. Shed Fund now has a deficit of \$323 after paying for gravel.

8) Additional Discussion: The council discussed transfers from major maintenance (MM). In general, we like to save money into the MM. We also want to show

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expenses on the P&L for clarity, which requires paying out of the general fund. This period, we paid several maintenance items out of the general fund. Discussion was around the timing of transfers from MM to General Fund. Should the be immediate, or should we not transfer in order to keep money saved in the MM fund? Also, during COVID, having unencumbered funds in the general fund might provide needed flexibility if the crisis drags on or gets worse. Nancy will discuss with the finance committee.

D. CBA's Report:

- 1) More thanks to the Nelson family for putting in a new water line to the garden. While they were at it, they also put in an electrical conduit for the shed to be used in the future.
 - 2) The building was pressure washed and painted. The daycare is covering the cost of the painting. The bid was \$12k and it is 40% done. Many families provided input and the building is going to be blue. We decided to do the front part too, so the final cost was \$15k.
 - 3) The parish hall is filled with donations for an upcoming O'Hana house garage sale.
 - 4) Fencing around the playground is now 3" too short due to new regulations. We plan to repurpose the rummage stuff leftover to fundraise for the fence.
 - 5) Our recycling keeps getting rejected, and the recycling company fines us \$40. Exploring options to prevent that, such as locking the bin, going cardboard only, or just throwing everything away. Paul will try a lock first.
 - 6) No update from Gary Andersen on the Ministry Center.
5. OLD BUSINESS (President): None
 6. NEW BUSINESS (President): None
 7. FOR THE GOOD OF THE ORDER (President): None
 8. ADJOURNMENT (President)

Chris motioned to adjourn the meeting at 7:54 PM.

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

9. NEXT MEETING IS SCHEDULED FOR THURSDAY, 17 September 2020, 7:00 PM, VIA ZOOM.