Attendees: Steve Atkinson (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: Sue Seidel (Vice President) Suzanne Harvey

Guests: None

1. CALL TO ORDER (President) 7:00 PM

2. OPENING DEVOTIONS (Pastor)

3. APPROVAL OF MINUTES FROM 18 JUNE VIRTUAL MEETING DRAFT 4 (AS AMMENDED) (President).

**Nancy motioned we approve Draft 4 minutes from 18 June Virtual Meeting. Sonja seconded the motion. The motion passed by unanimous vote.**

4. REPORTS

1. **President**
   1. Shed construction has been put off for now to maintain social distancing.
   2. Community Garden update. The temporary tap kept leaking so the water company took it. For now, water is being brought manually via buckets. We are looking for a permanent solution. The garden is very productive and beautiful.
   3. Council Terms are up this month. We are unable to hold elections with the building shut down and semi-annual meetings postponed. That also means we haven’t gotten to do much in person recruiting or looking for volunteers. Thanks to Nancy for all her hard work on the PPP. The council selects the treasurer, they do not need to be a member of the council. There is a transition plan in place, but its delayed for now. Steve, Sue, Nancy, Sarah, Mary, & Brenton are up. Thanks to everyone for their continued service.
2. **Pastor’s Report**:
   1. Continuing with online activities. We have cancelled the July 5th in person for health and safety reasons. The current indication is that Covid related restrictions will heighten and reduce capacity from 50 people to ten. At this time, the August in person is unlikely. We have considered parking lot services, but worry people will have a hard time staying in their cars. Especially when there are children involved. It would take a lot more work for Adrian, and he may need help. Local parking lot services have been sparsely attended. The logistics of in car communion would also be challenging.
   2. Transformation team is going to be contacting people for in depth discussions about how the church can be involved with them. They will talk to members about what the church has been doing and ask how we can further help them, even if it is not in the usual way.
   3. General consensus is we should remain online for now. There was generally positive feedback on cancelling the July service. Around 50 people had registered. Many people are choosing to stay home until a vaccine is ready. Our demographics skew older and part of the at-risk population.
   4. There is not a lot of pressure to reopen. There is still a lot of engagement with the community. We are financially stable at the moment.
3. **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**:
      1. Due to the complex nature of the Payroll Protection Plan Loan, adjustments to all reports are anticipated. I did not send the “final” May reports to the Council, because those reports are still not “finished.”
      2. Sirena has been extremely busy, so she has not been able to resolve existing issues, especially for the June financials.
      3. 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.
      4. A bipartisan bill was recently introduced in the Senate which would allow small businesses who received a PPP Loan of $150,000 or less to obtain automatic forgiveness after submitting a one-page attestation form. Limited to one-page, the small business would simply attest that the loan is eligible for forgiveness and that the business complied with the requirements of the Paycheck Protection Program found in the CARES Act. Proponents explain that the bill would cover 85% of the PPP borrowers, but only 26% of the funds obligated.
      5. On July 13, Kitsap Bank emailed that they will not open the forgiveness portal for loans below $150,000 until the proposed legislation is decided.
      6. The following expenses have been, or will be, moved from the PPP Loan Fund to the General Fund:
         1. Portico expenses for Pastor Adrian & Deacon Marj including retirement and Adrian’s medical.
         2. The employer’s L&I expense, since it is not considered a “state tax.”
      7. All employee payroll (not independent contractors) for both May and June was 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.
      8. Through June 30, the three “companies” have used approximately $132,497 of the loan, leaving $3,543 for utilities and perhaps Church payroll in July.
   2. **FLCC:**
      1. Our members continued to give in June, through online giving and mailing or delivering checks to the Church. General Giving was $23,985 - almost $1,500 less than what was received in May.
      2. A video editing computer for $2,087 was purchased for Adrian to use at home, allowing one computer to be used at church when we are able to resume in-person worship.
      3. The month-end General Fund balance was $110,820 before Federal payroll tax liability of $6,393. The General Fund balance will decrease, and reported expenses will increase when the L&I adjustments are finalized.
      4. You can see on my summary Income & Expense Report that the amount of the PPP Loan Fund asset and the liability are not the same. The same is true for L&I Savings and L&I Payable liability. I will revise this report when I receive better data.
      5. With the PPP Loan fund paying most expenses, YTD General Fund income was $52,658 more than Church expenses.
   3. **Resource Coordinator Fund:** 
      1. The RC Fund received $30 in donations in June.
      2. RC Fund sub-account balance was $15, 810 at the end of June.
   4. **NADC - Noah’s Ark Daycare:**
      1. June Daycare tuition income was $53,584. They also received an $11,500 grant.
      2. There were many major expenses, including equipment, craft supplies plus materials & the balance of the labor to build a small shed to store Daycare outside toys.
      3. NADC bought new uniforms shirts.
      4. They also purchased Safeway gift cards to be used for bonuses at Christmas.
      5. 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 will reduce further when Kitsap moves to Phase III.
      6. The only payroll expense to be reported was the employer portion of social security & Medicare of $3,532. There will also be L&I expense when the reporting is adjusted.
      7. June had a net profit of $41,136, and YTD net profit of $97,782.
      8. At month-end, NADC had $189,177 combined in checking and savings.
   5. **NAPS - Noah’s Ark Preschool:**
      1. The net income reported in May was not correct.
      2. Instead of the reported $207 tuition refunded, refunds totaled $821. Because NAPS received past due tuition payment for earlier months and a donation, the actual net income for May was negative $135.
      3. May’s net loss was $1,206, and a YTD loss of $4,155.
      4. Summer Camp registration received in June was $365. Since Kitsap has not moved to phase III, Karen has cancelled Summer Camp, and is refunding that registration money this month.
      5. Registration for fall classes has begun. She is waiting until she learns what SK School District decides, before working on her plan to safely begin fall classes.
      6. With registration and donations, June’s income was $815. Karen’s director salary was paid by the PPP Loan, so June’s net income was $798 and YTD net loss $3,356.
      7. The Preschool had a combined $48,291 in savings & checking at month-end.
      8. Karen still plans to hold the Annual Rummage Sale on August 8 (postponed from the usual June dates), with limited inside shopping and some items plus the pay station placed outside.
   6. **FLCCW - First Lutheran Community Church Women**
      1. June income of $0.03 came from savings interest.
      2. The only expense was for soap for LWR personal care kits.
      3. Total assets are $7,678 in checking, savings & 2 CD’s.
   7. **Designated Funds**:
      1. Community Aid Fund
         1. Received $3,048 from the Kitsap Great Give held in April.
         2. Received $773 in other donations.
         3. Paid the deposit for one woman to live at the new Kitsap Homes of Compassion here in Port Orchard.
         4. Also helped another woman with her rent deposit.
         5. Bought a very inexpensive phone for a homeless man.
      2. Flooring Fund - Received $250 in donations.
      3. Major Maintenance - Received $324 in donations, plus the $75 monthly transfer from the KMH lease payment.
      4. Miscellaneous Pass Through - One member makes regular gifts for Puerto Rico Disaster Relief, which is sent to the Synod, and they then forward the money on to Churchwide.
      5. Shed Fund now has a deficit of $58 after the following expenses:
         1. Lumber & Roofing $5,734
         2. Shed door $168
         3. Concrete pour for base $5,532
4. **CBA’s Report:**
   1. We hired goats for $350 to clear the vegetation in the detention pond. We have someone staying in a trailer keeping an eye on them and assisting with odd jobs. The health department did an inspection, but it resolved OK.
   2. The fire sprinkler system on the lower level has to be tested every 5 years, which costs just under $1,500. It is also drained, cleaned, and repressurized. A new phone line had to be installed for the fire alarm system for reliability reasons.
   3. There is a sprinkler system on the east side of the church that could be tapped into for the garden, possibly for less money.
   4. Family kitchen continues takeout style. Volunteers have masks and have their temperatures taken.
   5. During the fire alarm repair, there was a fire drill.
   6. Amanda was asked by Patty Murray to participate on another Zoom meeting. We have discovered that our daycare is one of the top ones in the area.
   7. The staff is working very well together and have done a lot of work.
5. OLD BUSINESS (President): None
6. NEW BUSINESS (President): None
7. FOR THE GOOD OF THE ORDER (President): None
8. 8. ADJOURNMENT (President)

**Sonja motioned to adjourn the meeting at 8:08 PM.**

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

9. NEXT MEETING IS SCHEDULED FOR THURSDAY, 20 AUGUST 2020, 7:00 PM, VIA ZOOM.