

Finance Committee Meeting December 14, 2021

Members Present: Rich Banner, Abi Forester, Dave Rea, George Anderson, Ron Campbell, Martha Jones, Barry Barger, Harry Elanko, and Janie Russell.

Rich Banner, chair, called the meeting to order at 7:14. He led the committee in prayer.

Minutes from November meeting: The minutes from the November meeting were accepted with no corrections.

Summary of Financial Performance:

- Rich sent out several reports for the Committee.
- Our cash position seems fairly strong at this time:
 - Operations: \$304K (This includes \$122,000 from the IRS, to be discussed during the meeting)
 - SCC: \$585K
 - Designated Funds: \$112K
 - Local Relief: \$3K
- Activity statement: The school is doing very well. They just got a little over \$50,000, a grant they were eligible for because they stayed open during the pandemic closures. This is one of three payments they will receive. (The current enrollment is 75 Day Care students and 35 Preschool students, so the school is increasing but not yet back to pre-pandemic numbers.)
- Budget vs. Actual
 - Rich observed that offerings seemed to trail off in the fall. We were above budget with offerings but are now below. However, the PPP helped make up any “gap”.
 - The Stewardship information in October seemed to help. Abi doesn’t have the current information about pledges, as Samantha was out of the office due to the death of her father-in-law.
 - We paid our Priority I apportionments.
- Designated Funds: We should have the report for 2021 soon. The “Designated Fund” report is under construction and will be available by the end of December or early January. We especially need to have figures for Missions, the Food Pantry, START, JNS and El Salvador.

Old Business:

- ERTC – Employer Retention Tax Credit:
 - We received a check from the IRS for \$122,000, although we’re not immediately sure why.
 - The Infrastructure Bill shut off the ERTC effective 9/30/21 except for businesses classified as “startup” during the pandemic.
 - Harry caught this and investigated the check. It was ERTC but was an overpayment. As of today, he returned \$42,007 to the IRS. Once we get the statement, some of this will go to SCC. (Remember the entire \$122,000 is in our

current operating account so, after returning \$42,007, it's an \$80,000 gain, which will be split with SCC)

- We should still get some money for 2020 but don't know when.
- Auditor: We sent a letter to Rob last week but haven't heard anything yet. He has access to our QuickBooks. The audit information will be shared with the conference.
- Any other updates from Harry:
 - The volume from the school is quite high. Harry is streamlining.
 - Following discussion about how to best meet the school's needs, it was decided to set up a meeting with Veronica to discuss the issue.

New Business:

- Endowment Update: Barry Barger
 - \$1500 was distributed to Semper Canines.
 - The Fund gained \$1039 this year. \$15,000 is always kept in the Fund. Some reserve funds were added to reach the \$1500.
 - We received a very nice letter from them.
- Youth Center Renovations: Dave Rea
 - We received the demolition permit from Manassas.
 - We cut a check for the city to review the site plans.
 - We've received several estimates for the plans. We asked for separate estimates for Phase I and Phase II, as well as a combined estimate.
 - The first group was not very responsive and quoted only Phase I at over \$300,000.
 - The second group gave an estimate of \$356,000 for both phases together. To do separately would add about \$5,000. It would take about 90 days, perhaps excluding the exterior work which would be done in the spring.
 - We are waiting on the third company.
 - All three companies were recommended by the architect.
 - We need to remember this doesn't include furniture, architect drawings, city permits, etc. The city could require some modification in the plans.
 - Timeline is dependent on when we get approvals, perhaps by February/March.
 - Once we have all the information, Dave will present to Trustees and then to Church Council for final approval.
 - We will have an attorney look at the contract.
- Youth Center Capital Campaign:
 - How much would we want to raise?
 - Will some of the people prefer not to combine the loan with the office building loan? The advantage of combining is we keep the payments about the same, but for a longer period than it would take to pay off just the office (perhaps ten years for a combined loan). We could present both options.
 - We would need to know the amount of the loan, length of loan, interest rate, etc.
 - The upstairs of the building would be good for movie nights, meetings, etc. but our priority is the youth.

- Trustee Matters: Ron Campbell
 - The playground project is going well. The second project is underway but won't impact the church financially, as SCC is paying the entire cost.
 - HVAC in the kitchen has been replaced at a cost of \$7150. We also have a maintenance contract for about \$3300. Hopefully regular maintenance will decrease our costs.
- Board Designated Endowment: Rich
 - Rich sent out a proposal for a board designated endowment. This is for unrestricted funds, as opposed to restricted donor endowment. We will discuss it in January.
 - Question? What is a quasi-endowment? It a legal/accounting term where funds are designated by a board rather than by donors. At any time the board can go back and rescind/repurpose funds.

Abi announced that Monday, January 10th, there will be training for church leaders
District Training is January 16th and will be virtual.

The meeting adjourned at 9:02. Ron gave the closing prayer.

Next meeting will be January 11th at 7:00 pm.