

Finance Committee Minutes

September 7, 2022

6:00 p.m.

Members Present:

Kevin Baker, Marilyn Boyce, Christy Denham, Kevin Frazier, Roger Fulp, Peter Gante (Chair), Annette Harpine, Regina Harrison, Joann Kopanski, John McLean, Tonya Morton, Buddy Rogers, Tom Scholl, David Wilmoth

Guests: Allison Cowell, Linda Linn, Paul Williams

Peter Gante called the meeting to order at 6:05 p.m. He lit the Christ candle and Marilyn Boyce opened with prayer.

Old Business

June Financial Reports

The June 2022 Financial Summary was reviewed by the committee. June income totaled **\$73,224** and expenditures were **\$99,116**, for a **deficit** of **\$25,893** as of June 30. The 2nd quarter childcare contribution posted in the amount of \$25,000 making the actual **deficit for June \$893**. The YTD deficit is **\$81,046**.

June 23, 2022, Finance Committee Meeting Minutes

The committee reviewed the minutes from the June 23, 2022, meeting. Two changes were noted. On page 2 under "Child Care Worker Raise" the first sentence states, "Peter discussed that in 2019..." but should read, "Peter discussed that in 2020..." On page 3, the heading "CC COVID (Grants) Spreadsheets" should read, "CC Bookkeeping Process." The **committee approved the minutes**, as amended.

July Financial Reports

The July 2022 Financial Summary was reviewed by the committee. July income totaled **\$81,908** and expenditures were **\$97,532**, for a **deficit** of **\$15,624** as of July 31. The YTD deficit was **\$96,343**.

Listening Sessions July 6 and 13, 2022

At the July listening sessions, Peter spoke briefly to the attendees about the mortgage and the current financial situation of the church. Possibly coincidental, but after the listening sessions income in July was slightly higher than in June.

Zoom Meeting with Generis

On July 14, Pastor Kevin, David Wilmoth, Peter Gante, and Christy Denham attended a Zoom meeting with Generis. The intent of the meeting was to hear the proposal from Generis for consulting services for design, training, and implementation for a unified budget campaign. After the meeting, the group voted to table the proposal because of the \$24,000 fee and will consider the proposal next year for 2024.

New Business

August Financial Reports

The August 2022 Financial Summary was reviewed by the committee. August income totaled **\$66,657** and expenditures were **\$113,459**, for a **deficit** of **\$46,802** as of August 31.

The YTD income is **\$682,226** and YTD expenditures are **\$825,371** for a YTD deficit of **\$143,145** at the end of August.

Child Care Financial Report

The beginning GL balance for the child care fund for the month of August 2022 was **\$35,139** with a surplus of **\$4,072**. The ending balance for the child care fund at August 31 was **\$39,211**.

Childcare Increase of Tuition and Salaries Proposal

The SUMC Childcare Center is not sustainable as it currently operates due to the inability to hire and retain teachers due to low wages. Fewer teachers results in fewer children due to the required child/teacher ratios. If no change is made, the Childcare Center will eventually close.

In an effort to increase childcare employee salaries, the Childcare Committee has prepared a proposal to increase tuition with a self-funding model that has no impact on the finances of the church. The proposal and other related documents were emailed by Peter and Pastor Kevin in advance of the Finance Committee for review.

There is one salaried employee that has been with the Childcare Center for 35 years. Discussion was held on the possibility of capping her salary at \$35,000 annually so that her salary does not exceed the salary of the Director and Assistant Director.

Discussion was held on the Childcare Committee's proposal to include: comparison of rates to other childcare centers, average childcare rates of non-profit and profitable childcare centers, letters from parents supporting the tuition increase, incrementally implementing the proposal, stabilization grants, and other suggestions and ideas.

Pastor Kevin made a motion to ***approve the Childcare Committee's proposal of raising the tuition by \$50 per week to fund an employee pay increase not to exceed a total of \$132,496 for a full staff (including 6 new hires) with a starting pay of \$15 per hour. This does not include the capping of the salaried employee at \$35,000 annually. That item is to be returned to the Childcare Committee for further review.***

The Finance Committee voted on the motion resulting in 4 votes “for” and 4 votes “against.”

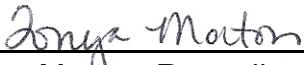
The proposal will be returned to the Childcare Committee for further review and amendment. Any new proposal will be sent to Pastor Kevin and Peter and can be voted on by the Finance Committee by email.

Employee Retention Credit Funds (ERC)

The church applied for the Employee Retention Credit Funds grant and it was approved for approximately \$330,000. We do not know when the funds will be received. This money will be used toward any budget deficit at the end of the year.

Adjournment

There being no further business, the meeting adjourned at 6:05 p.m. and Pastor Kevin closed the meeting with prayer.



Tonya Morton, Recording Secretary