

**Church of the Incarnation
Finance Council Minutes
June 11, 2020 from 2:00 – 3:00 p.m.**

Attendees: Ruth Buchwalter, Jose Cuenca, Carol Polen, Jane Lilly, Robert Chisholm (Finance Council Vice Chair), Ed Robinson (Finance Council Chair), Izzy Menchero (Business Manager), Monsignor Keeney (Pastor)

FY2021 Budget

Incarnation successfully submitted a balanced budget of \$1,220,750 to the Diocese for Fiscal Year 2021. Offertory budget is \$950,000 which is approximately the same level of giving as Incarnation’s actual receipts in FY2020.

Monsignor Keeney added that the Covid-19 crisis influenced the budget for the first half of FY2021 but that we should look to build capacity for staff raises, a full-time music director, and other important parish expenses.

May 2020 Financial Summary

May 2020 FYTD showed a \$43,673.23 favorable variance. Parishioners have really stepped up to keep Offertory and Outreach donations strong since the start of the Covid-19 crisis. EFT for May was 53% of the Offertory total of \$70,164. Twenty parishioners have signed up for regular EFT donations and others are using the EFT one-time giving option.

Funds used for Charity, Outreach, and Haiti represent 8% FYTD 2020. There is an additional \$22,917 designated for Haiti that remains as a current liability.

Federal Paycheck Protection Program (PPP)

The \$109,790 loan funds are being spent on payroll and utilities. A decision on the loan agreement must be made between June 30, 2020 and December 31, 2020. The Finance Council outlined 3 options originally:

Business Condition	Loan Action
1. Loan funds were used entirely as directed and were required to sustain continued operations.	Request forgiveness for the qualifying loan amount along the PPP guidelines.
2. FYTD revenues from non-loan sources are adequate to cover non-discretionary expenses.	Repay the full loan amount plus interest.
3. A portion of the loan funds are needed to cover non-discretionary expenses.	Repay a portion of the loan and begin payback of the remaining loan amount over 2 years.

Monsignor Keeney asked the Finance Council to consider a 4th option -- Loan funds are used for capital improvements identified by the Building/Grounds task force, and the loan is repaid with 1% interest over 2 years.

Offertory Seasonality Analysis

Ruth discussed the results of her analysis for the Distribution of \$950,000 Annual Offertory Budget by Month – Various Weighting Options. The FY2021 Offertory budget currently loaded in the Diocese software is evenly distributed over 12 months. Ruth’s weighted budget numbers provide a better basis for the Finance Council to use when reviewing budget/actual results for Offertory FY2021. Ruth believes that the last column, wtd last 5 yrs, is the best.

Capital Projects

Monsignor Keeney suggested that Jamie Gibson join the next Finance Council meeting in July or August to discuss the capital projects, priorities, and funding requirements. The FY2021 budget includes \$50,000 for deferred maintenance items and, potentially, the \$109,790 PPP loan funds may be available for the projects as well.

Finance Council FY2020

Finance Council Chair, Ed Robinson, reflected back on some of the highlights from this year included the significant challenge of the Covid-19 crisis. He also thanked the group for their efforts this year.

Finance Council FY2021

Current members are extended until Sept. 30, 2020. The next Finance Council will be named by Sept. 1, 2020 to allow for a transition during September. The Finance Council will have 3 classes (1-year, 2-year, 3-year) with 2 or 3 members in each class.

Monsignor Keeney asked all current members to send him an email with your interest in extending participation on the Finance Council and for how long – 1 year, 2 years, or 3 years.

Next Steps

1. By June 30, email Monsignor Keeney with your interest in extending participation on the Finance Council and for how long. (Current Finance Council members)
2. Send Ed your best guess for End of Year Outlook. (All)

Finance Council will meet in August.