

**PEACE UNITED METHODIST CHURCH
CHURCH COUNCIL**

Meeting Minutes December 14th, 2015

Opening: Cris Williams called the regular meeting of the Church Council to order at 7:04 p.m. on December 14th, 2015 at Peace United Methodist Church. Leeann lead our opening prayer.

Attendees: Marquita Blackwood, Robert Blackwood, Leeann Inman, Cris Williams, Gary Daniels, Rostam Kondoloji, Aaron Rowe, Pat Ambrose, Janice Adams, Larry Myers, Faye Myers, Drew Emerson, Becky Brashears, John Gordon, Julie Chatfield.

LeeAnn introduced Robert Blackwood as our Alternate Lay Delegate.

Approval of October Minutes

- Julie Chatfield emailed October Minutes in advanced for review.
- Cris asked for a motion to approve the minutes. John moved to approve the minutes, Pat seconded the minutes.
- October 2015 Minutes unanimously approved and are now posted on the website.

Finance: John Gordon

General Update

- Thank you Drew and the Trustees for the fine work on the SOM bathroom project and all work done in 2015. There are still faithful givers to the SOM every week, a real testament that people have a giving heart.
- The transition to our new bank PNC has gone well as is complete. There are a few outstanding items but when you see Gloria, please thank her for her work in the transition.

2015 Review

- Budget highlights were reviewed. The staff is still doing a great job managing their Ministry areas, but the giving is down and we do think we will fall short in 2015 based on the giving.
- John reported that finances were better than last year and there is still hope as gifts come in. The first couple weeks of December have been encouraging.
- There is no finance committee meeting this month unless we don't have an approved budget.

2016 Budget

- Thank you to staff and leadership who have been helpful in the budgeting process.
- Finance worked to create a balanced 2016 budget by using an overview of Jan-Oct, estimations from November and December, and feedback from staff and leadership.
- Cris inquired about collecting more income from the preschool? John reported Preschool agreed to a 10% increase and hope to review their church expenses every other year.
- There were budget cuts. It was questioned if an area will suffer. John reassured that there was great foundational work done by staff and leaders so it seems pretty even.
- We have made 12 Connectional giving payments this year. We are not where we want to be but we are making progress.
- Julie and Brandon are both aware that a lot of their mission comes from other fundraising events. Aaron wondered if it was normal for Children and Youth to raise their budget. John answered no, and agreed that the fact was disappointing. Julie does a fantastic job managing resources. Unfortunately, we wish that there were more funds for those Ministries to be able to grow.
- Ministry always has a price tag. We should question if our events are too expensive? And if so, does that cause us to lose out on participation? Drew inquired if we should expect more from church member contributions to the support these ministries. Leeann interjected that a huge part

of what drives the youth and children's programs are the staff leadership, which costs money. There is no way for kids to pay for the salary of their leader and the activities are offered at low cost.

- Pie graphs capture how part of our staff salaries are expended in different ministry areas.
- In 2015 we reserved cash so money was available in the leaner months. This mindset is carried forward in 2016 budget as well.
- SOM campaign obligations are also included in this budget. They will not be included in 2017 unless we do another campaign.

Specific Account Discussion

- We shared a brief discussion regarding the decrease in children's budget. Julie agreed that it was tolerable.
- Relevant is the Young Adult Ministry and we are challenged to increase that budget. It was recommended that \$500 be allocated for Relevant. Youth will oversee both Youth and Relevant and we will encourage a target on young adults and hope for that group to be a bit more entrepreneurial.
- There has been some emphasis on Outreach. It's higher than 2015.
- Keep in mind that the MAP program won't have an expense because we have money coming in to offset the budget needs.
- Drew inquired where the Eagle Scout projects were paid out. We were reminded that Scout Projects are self-funded, though they still show up in income.

Staff Funding

- Aaron recognized that the Pastor's continuing education should be revised from \$0.00 to \$2500.00 even though this may not be spent. Leeann agreed that \$2500.00 was required and asked for the budget to be revised.
- Gary wondered if the budget showed a 2% salary increase for the entire staff except for Leeann and for Gloria per recommended by staff parish? Yes. Gary expressed concern about the lack of benefits for the staff and asked what the church would need to do to offer the staff health insurance. Pat estimated that without spouse and children, probably about \$500.00 per month per employee. With spouse and children, about \$2000.00 per employee per month. He shared that benefits could be offered at 50% or 100%.
- It was suggested that we re-visit benefits for next year after we collect for SOM.
- Concern continued regarding lack of benefits so further discussion was shared. We have 6 full time staff members to include Jorge.
- Aaron will delegate to SPRC to research benefit options and provide information to help with the dialogue. Furthermore, if someone doesn't have health insurance when filing taxes, you are now penalized.
- It was estimated that \$27,000.00 would be needed to support the staff with benefits and suggested that this could be borrowed from S.O.M. since most of our projects have been completed.
- It was recommended that before we move forward with further discussion regarding staff benefits we seek more information.
- Another question inquired was how many [staff] will need it? At least one person would take it, but agreement that it needs to be offered to all.

Other Accounts

- Cris inquired if Hunters Creek leadership has turned over enough to go back and have the conversation regarding Homeowners fees. No, and in fairness, it isn't the management, it's more the board. It's time for us to try again to get the money reduced. This could assist in supporting staff benefits.
- Drew inquired about the line item, Van Maintenance. Van Maintenance was picked up from the old budget, but its \$0.

- I think that the church has been blessed by SOM and between the reserve funds Trustees is Ok with the proposed 2016 budget. We do need to celebrate. There was so much deferred maintenance and we have caught up on much of it.
- Thank you Ambrose Air for maintaining our air conditioners.
- Robert wondered when our last electric audit occurred. It was estimated more than 3 years ago when Jana had the power company do the free audit. It was agreed that now was a good time to do an electric audit. It was pointed out that we have LED lighting in the Sanctuary, which has reduced the heat load. The power bill has come down but there isn't anything to stop us from having an electric audit.
- Why is the column for Praise Arrangements \$0? Michael does them. There is so much that Michael and Jonathan do that don't show up in these numbers. Drew mentioned his parents visit and how they made comments on how refreshing what we do at Peace with the minimal resources we have.
- It was agreed that there is not a church that gets more of a bang for the Ministry buck than Peace.
- Why is the Worship Licensing more robust? To support worship from a visual perspective.
- The budget also includes Internet services, worship planner, constant contact, broadband, the annual licensing fees, Logos, website, payroll, most of which are reoccurring costs.
- Tech budget is not just the website. It's more the tech-internet based software.
- **Thank you John and Finance: WOW!** Any outstanding questions?
- Back to Health Insurance. Assuming we can pass the budget and once we know more information regarding benefit packages is it possible to go back and revise the budget. Yes.
- A suggestion to support benefits is to split the S.O.M between the next two years and use some of that money to help with the cost. Trustees do not have an expected project.
- Part of using the SOM breaks a promise, but it's more about making a good leadership decision and supporting our staff.
- We do need more details for staff benefits, but using SOM provides an opportunity to create a funding mechanism. As we research the benefit packages, we must be sure to be inclusive to all staff. It's the legal and moral thing to do.
- It is recommended and agreed that SPRC will gather information on health insurance. Council will approve the budget with the caveat to hear about benefits for the staff. Depending on cost, council will discuss deferring the SOM contributions to 2017 for specific use of staff benefits. The goal is to complete this research and discussion by the end of the first quarter. Research may be complete as early as February. Can we go faster? Not likely.
- Is there a budget amendment process? Yes, we can always amend the budget.
- The plan must remain to set aside SOM cash during the first part of the year because of the historic need in leaner months. Money is to be saved for leaner months first.

Finalize 2016 Budget

- Is there a motion to approve the budget with a caveat regarding the staff benefit package? The motion must be clear and needs to be in writing. Once you offer staff benefits you cannot undo the offer and other things may be sacrificed or fall short.
- Be sure to review the entire SOM promise to the congregation. We made a promise and shared it on media and video that we were going to save ½ the mortgage. There is not a problem with revising what we said, but the key is communicating.
- SPRC will take two months to find a benefit proposal. This will give us time to gain understanding on income. We will be more informed to make a good decision.
- John recommended disregarding the benefit specifics and work to find ways to fund the insurance when the time comes.
- Drew motioned and Pat seconded to approve the 2016 Budget to include adding \$2500.00 for the Pastors Continuing Education, deleting one of two coffee line items, and deleting Centerpeace line item.
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- **The Peace United Methodist Church 2016 Budget was approved.**
 - It was agreed that the SPRC would research benefit packages and present ideas for the February 2016 meeting.
 - We will review funding options to include possible SOM income.
 - Research will be done on past congregational SOM communication and if any decisions are made regarding use of the SOM money toward benefits, congregational communication will be shared accordingly.
- Any further questions or items in need of discussion?

Other Business

- Marquita wondered if we had vision workshops or leadership training planned for 2016. LeeAnn had a discussion with our DS about strategic issues and thinks we will have more information within the first quarter of 2016. LeeAnn also intends to have a leadership workshop to discuss the direction of Peace.
- Meeting adjourned at 8:50 p.m.