

Finance Committee Report to February 11, 2020, Congregation Council
 Daryl Ackerman, Finance Chair

Finance Committee met on February 4, 2020. Actions and discussions are summarized below:

- (1) The January 31 Capital Appeal balance is \$468,753, and the chair provided an update on the project costs and anticipated schedule for financing purposes.
- (2) Keith Huntzinger pursued Capital Appeal project financing alternatives and is in discussion with lenders. He narrowed it to three banks, and, based on the terms offered, the **Finance Committee recommends that Congregation Council accept the terms of S&T Bank for the financing.** It is a \$500,000 loan with a 5-year term, no prepayment penalty, interest only during construction, deposit account required, and a fixed interest rate of 4.10%.
- (3) The chair provided information on the 2020 budget changes after the January Finance meeting. The 2020 budget resulting from the January 14, 2020, Council meeting was distributed.
- (4) Responding to a question at the January meeting, Pastor Horner researched Trinity’s staffing. He reported that equivalent full-time staff varied between 15.35 in 2013 and 13.15 in 2020 (includes cleaning service).
- (5) With monies from the Capital Appeal, two bank accounts exceed the FDIC \$250,000 insurance and another account is paying a low interest rate. The Finance Committee directed the Chair, Keith Huntzinger, and Paul Hensel to examine the options for a new account, and institution, for the money, and recommend directly to Council. The result is a **recommendation to Congregation Council to open a Money Market account at S&T Bank with a current interest rate of 1.31% and a initial balance of just over \$250,000.**
- (6) The remaining amount from the 2019 endowment fund distribution (about \$17,068 was used to satisfy the 2019 year-end deficit, and \$15,000 was used to fund the 2020 budget) was deposited in the MIRA account (approx. \$1,978) by action of the Finance Committee.

Trinity Lutheran Church	
Honor Our Past, Plan Our Future Financing	
	S&T Bank
Loan amount	\$500,000.00
Loan term	5 years
Rate on five yr. loan term	4.10% fixed
Interest only period	Construction or 12 months
Prepayment penalty	No
Doc prep fee	\$100.00
Origination fee	0.25%
Deposit account	Yes - no minimum
Appraisal required?	No, if cash
3rd party monitoring costs	No
Collateral	Cash or Real estate
S&T would likely file an Abundance of Caution Mortgage	