

Finance Committee Report to June 9, 2020, Congregation Council

Daryl Ackerman, Finance Chair

Finance Committee had a Zoom meeting on June 2 at 6:30 pm.

(1) The budget summary shows that Trinity is doing “okay,” with May membership giving \$21,000 below budget estimates for the month and for the year to date. May expenditures were lower than budget, and net receipts less expenditures for May were -\$1,555. The year-to-date net receipts less expenditures is \$29,474 (this does not consider the PPP loan proceeds as receipts, but as a liability).

(2) Contributions to the Capital Appeal in April were \$16,334. An expenditure of \$11,226 resulted from paying the second Architect’s invoice.

(3) The \$500,000 S&T Bank loan is not yet finalized. Several outstanding items still remain for the \$500,000 project loan commitment. The commitment letter was signed and submitted to S&T Bank on April 10, 2020, and the required remaining items relate to the schedule, contract cost, and cost breakdown of the capital appeal project. The Builder’s Risk Policy also remains to be completed.

(4) Trinity received funding from the second phase of the CARES Act Paycheck Protection Program (PPP). The \$191,349 loan is deposited in the S&T checking account. Allowable expenditures are being paid out of the S&T checking account so that documentation can support an application for loan forgiveness. The revenue and expense reports do not include PPP loan payments at this time. On June 5, the President signed a new law, which among other things changes the PPP loan forgiveness period to 24 weeks. This should permit Trinity to apply for forgiveness of the total loan amount. The rules for this new law are not yet available, and after a forgiveness application is submitted, it may take up to 5 months for a decision. PPP loan forgiveness will reduce the impact of anticipated deficits in coming months. It is difficult to estimate the financial impact of limited building opening and limited worship, whenever that may occur. After the "opening" occurs, another look at finances will be needed, or toward the end of the summer.

(5) Trinity received the final distribution (50% of residual estate) of the Jane Hess Estate, an amount of \$75,941.43. The Finance Committee considered the current and future needs of the church, as well as what the donor may have wanted the funds to be used for. The committee distributed \$7,600 to Benevolence; \$10,000 to Honor Our Past, Plan Our Future; and \$58,341.43 to MIRA.

(6) Finance received two requests from IT/AV for funding. IT/AV requested \$6,000 to perform needed repairs, corrections and upgrades to Trinity’s WIFI. IT/AV also requested equipment to support the expanded online presence of Trinity’s ministries (\$31,771). One of the sound boards and several microphones already needed to be replaced, and this equipment should provide the required upgrades (different from the WIFI) at an installed cost of \$40,000. The intent is to install equipment this summer. Finance moved to use \$7,000 of Tokuhata Bequest – New Ministries (#787) and \$39,000 from MIRA to fund the \$46,000 total. Finance is suggesting a request to the congregation to financially support these IT/AV equipment purchases, with receipts to be used to replace MIRA funds.

(7) Trinity is required to have an annual review (audit) performed, and the 2019 review is now due. Finance will be overspending its budget to pay for the 2019 financial review.