

Finance Committee Report to May 11, 2021, Congregation Council  
Daryl Ackerman, Finance Chair  
Finance Committee met May 4

(1) The Finance Committee has approved unanimously and recommended that Council adopt the investment policy, desiring to move investments from CDs and money market accounts to other investment possibilities that are quickly accessible. The investment policy has been uploaded as a report to the May 11 Council meeting.

(2) In the event that Council proceeds with the Investment Policy, the next questions are what amount to invest and where to place the investment. As of April 30, 2021, current assets (\$831,168) plus investment assets (\$1,264,612) total \$2,095,780. That total includes \$1,496,600 for the endowment fund, the appeal monies to be paid out, Quasi-endowment (for 1959 Market St.), MIRA (mostly allocated), and PPP loan funds for the 2021 budget. After deducting these items, the remaining amount available is \$599,074, or about \$600,000.

Paul provided to Finance the net income per month for 2019-2021. Reviewing net receipts less expenditures for that period, the net income ranged from \$-78,000 to \$117,800 per month. It would make sense to provide \$100,000 in accessible funds for operating use, and as a cushion another \$100,000 in laddered CDs for operating reserve. Reserving the \$200,000 leaves about \$400,000 as the maximum to be placed in longer term investments.

Trinity has experience with the ELCA Endowment Fund, and Finance has reviewed its performance, management, and investments in some detail. The Fund, which is used for Trinity's Endowment Fund, had a return of 12.00% in 2020, and an average return for the past 10 years of 7.47%. I suggest placing our funds in a separate account in the ELCA Endowment Fund, with the intent to hold the funds long term.

At its May 4, 2021, meeting, the Finance Committee unanimously approved a motion for \$400,000 to be placed into a separate account with the ELCA Endowment Fund. This action is recommended to Congregation Council for approval.

(3) For the period through April 30, Membership Envelopes were \$40,447 over budget – with RMDs and one-time gifts accounting for about \$63,000. It is still not known whether the RMDs are new giving or giving brought forward in the year. Total receipts through April 30 are \$34,539 over budget. Expenses through April 30 are \$58,900 under budget. This includes A&P at \$23,446 under budget (due to currently unfilled positions) and Property at \$25,930 under budget. Net receipts minus expenses through April 30 were \$71,027 (over budget by \$93,439). Finance will report to Council in June related to budget concerns or opportunities. Trinity has provided information to its members on the tax advantage of donating RMDs and appreciated stock and mutual funds.

(4) On the Statement of Financial Position, as of April 30, total current assets are \$516,933 lower than a year ago. These lower amounts are due to expenditures for the Appeal project and the 1959 Market St. renovation. There is an April 30 liability of about \$379,000 for the S&T Bank loan for the main building renovation project.

(5) Contributions to the Capital Appeal in April were \$15,219, with a Capital Appeal fund balance at the end of April of \$157,067. We received an April 30 invoice from Campbell for the main building project in the amount of \$76,400. After this invoice is approved, it will be paid directly from appeal funds. Retainage of \$44,630 remains to be paid following completion of punchlist items. The latest invoice contains a new change order to paint the reception desk for \$441.

(6) The April 30 MIRA balance is \$59,889, of which about \$11,000 is not allocated to a project.