

Saint Mark United Methodist Church
CHURCH COUNCIL MINUTES

January 23, 2022

Recorded and transcribed by: Eric Steverson, Church Council Secretary

If you require a written transcript of the meeting, please let me know.

The January 2022 meeting of the Church Council was held in person in Room 111 and via Zoom on January 23, 2022. Amber Stewart, Council Chair, Presided.

- Meeting called to order at 12:22 PM by Council Chair
- Motion to approve both November and December minutes.
 - Accepted and approved

REPORTS

Vision Alignment

- Mitch Foster reported that his first durability meeting will be on Monday, January 24, 2022. So all will work collectively together to stay on the vision, and Mitch will have more information in future meetings.

Lay Leaders Report

- Kathy Fazenbaker and Jon Woody
 - No updates
 - Dana advised that there will be an in person Annual Conference
 - Hotel reservations need to be booked.

Finance and Treasurer's Report

- Mark Woods reported:
 - On page 1 under liabilities, there is an item labelled "Excess Cash Received" with an amount of \$34,155; what that represents is the year-end surplus that the church realized. That's a good thing from a surplus standpoint, but it was due entirely to a non-recurring transfer forward of a prior year surplus from calendar year 2020 of \$188k. Without the benefit of that budget supplement, we would have had a deficit of \$153,583. We don't have the benefit of that large of a surplus carryforward going into 2022, hence the need for the more drastic staffing reductions that were discussed in our December meeting.
 - On the second page titled "Revenues", I'll point out that pledge contributions ended up at \$370k or almost 93% of pledged amounts; that compares favorably to CY 2020 that came in at 86% and almost exactly matched CY 2019 that came in at a tad over 92%.
 - Non-pledged contributions came in at \$499k, slightly exceeding the budgeted amount of \$494k.
 - The third line from the bottom ("41100 – Funds From Designated Accounts") with a total amount of \$212,672 included the \$188k budget supplement carryforward item that I just mentioned.
 - Moving to expenses on the third page, I'll note that the top line labelled 50010 – Conference Apportionments represents payments strictly from specifically designated contributions received for that purpose and which were about \$11k higher than what the 2021 budget had contemplated for that item.
 - Staffing costs for the ministerial staff were in line with budgeted amounts for the most part; moving down to the section labelled "Staff Salary" which mostly covers the non-ministerial staff, you can see that there are a number of rows showing actual costs at 104% of budget, an apparent budget overrun. What this really represents is the impact of the church moving to a different payroll schedule in 2021, with the salaries for these individuals paid on the 15th

- and the 30th of each month rather than on the 1st and the 15th, so by accelerating that payroll by one day, we end up with an additional payroll included in the current year's figures. But there is no change in real cost of those salaries.
- Then due to some lower-than-expected costs with specific staff positions (e.g., custodial assistant, minister of communication) and lower staff benefit expenses, overall staff and related expense came in at only 94% of budgeted amounts.
 - Total church program expense as shown on the next page of the financials came in at \$60,109 or almost \$24k below budget.
 - Total church operating expense came in almost exactly at budget, \$153,112 actual versus \$154,782 budgeted.
 - Total Church property and maintenance came in at \$162,218, or almost \$24k higher than budgeted at only \$138,336.
 - Total Church expenses shown at the bottom of that fourth page came in at \$1,149,523 and which represented an expense saving of \$22k relative to budgeted total expenses of \$1,171,529.
 - **Mark Woods** made the following motion:
 - The St. Mark Church Council authorizes the transfer of the calendar 2021 year-end operating surplus currently estimated at \$34,155.06 to designated account 86130 ("Budget Unrestricted Surplus") for use in supplementing the church's calendar year 2022 operating budget.
 - **Greg Washington** seconded the motion
 - Motion passed unanimously
 - Mark Woods reported:
 - One pending action item we have is a modification to the 2022 budget as drafted by last year's Finance Committee and approved at the November 2021 Administrative Council meeting. That budget contained a deficit of around \$130k because it did not incorporate the reductions in staff costs that will take effect in 2022, since those actions were still being finalized last fall. Once we have a full picture of the revised, lower staff costs for 2022 that I believe will be discussed later in this meeting, then we will incorporate those changes into a revised 2022 budget to be presented to this group at our February meeting.
 - Potential benefit of tax credits Bill Sanders has relayed that may arise from building improvement expenditures that the Endurability Committee is supervising. Here are his remarks for the benefit of the Council:
 - Since we are a designated historic structure, we likely qualify for tax credits for the renovating expenses. 20% fed; 25% state. Total 45%
 - Expenses must exceed building (not land) tax evaluation to qualify. Fortunately, our buildings are valued at only \$3.6M on the Fulton County tax roll.
 - Our credits could be around \$1.3M. As you know, we have no need for tax credits, since we pay no tax. But, because we are a non-profit, we can sell them at a discount, about 75 cents on the dollar. That could net us about \$1.1M.
 - There are limits on what qualifies. Example: Bathroom fixtures qualify, kitchen appliances do not. So, we will need to watch how we spend our available funds. When the credits sell, we could use that \$\$ to pay for the non-qualifying expenses that we defer to the end.

Ministries Committee Report

- Jeff Collins Smythe and Karen Podet reported that at their meeting:
 - Spent time getting to know each other.
 - Ministries committee includes worship, stewardship, spiritual formation, hospitality, fine art, evangelism and connectivity, communications and technology, solidarity and social

- justice missions and outreach. And then all of our age groups, nursery and children, youth, young adults, adults and older adults
- A lot interest and excitement, questions about budgets, role clarity
 - Specific needs include:
 - Worship – paraments in the chapel
 - Easter coming
 - Youth – food budget
 - Fine Arts – can we add monitors, choir loft
 - Interest in age groups, gather more engagement
 - Encouragement of committee leaders to engage with each other
 - Karen Podet advised, responsibilities and job descriptions from Dana
 - Are there funds available – used for the various ministries
 - Jeff advised – how do we as ministry and committee leads empower ourselves and take more leadership? Use staff as resource.

Staff Parish Committee Report

- Lilly Berrios and Andrew Land reported:
 - Employee Handbook
 - Discussion around Non-Appointed Clergy and Program Directors
 - Discussion on combining sick leave and vacation
 - Andrew Land asked about situation if employee could get FMLA, exhaust vacation first
 - Leave of absence – Amber
 - Jonathan Easter suggested
 - That it would be helpful to separate out weeks and Sundays off, due to the number of Sundays could be more important than the time off during the week.
 - Jennifer Hansen advised that there has never been a sick policy
 - Topic needs more discussion – Staff Parish Committee will revisit the topic.
 - What to do, hold off on the rollout of the Employee Handbook?
 - Revisit the employee handbook – determine which items to look at again before launch of the employee handbook.
 - Belva proposed that we the church council, take two weeks three weeks to review work through the questions, wrap up. February 13th
 - Vacation policy focus group send proposal at the next church council meeting.
 - Darrell Card – if group is not okay with what is proposed, then Staff Parish makes up a new group.
 - Fatal Flaw Review of total document – flag and send to Lilly for review. Smaller group, to review vacation, sick leave,
 - Deadline 3 months
- Belva proposed that Committee would have two weeks to do fatal flaw review send to Lilly, things we would not be willing to sign off on.
- Lilly empowers a subcommittee assigned by Lilly. Belva
 - Seconded by Greg.

Trustees Report

- Darrell Card Harper – nothing to report
- Dana advised that there needs to be a walkthrough.
- Trustees to report portfolio next meeting or before.

Endurability Update

- H&W Committee First Thursday of each month via Zoom, considering open meals.

Calendars – updated by Dana

Moved to Executive Session at 1:35pm.