

Minutes
North United Methodist Church
BOARD OF DIRECTORS MEETING
April 15, 2020 * 6:30 p.m.
ZOOM MEETING

Members

Ron Gifford, Chair
Marie Powell, Vice Chair
Troy Barker, Secretary
Jack Leonard, Treasurer
Jacqueline Blackwell (LL)
Alan Archibald (LL/MC)

Jeff Bonner (Trustees)
Peter Chen (At large)
David Wills (Finance)
Jeff Eggert (At large)
Mai Cooper (At large)
Garland Graves (SPRC)

Ex Officio

Darren Cushman Wood
John Drake, Finance Director

1. Roll Call: The following individuals were present: Ron Gifford, Marie Powell, Troy Barker, Jack Leonard, Jacqueline Blackwell, Alan Archibald, Jeff Bonner, Peter Chen, David Wills, Jeff Eggert, Garland Graves, and John Drake. Not present was Mia Cooper and Pastor Darren.
2. Special Meeting called to order by Ron Gifford, Chair at 6:30 PM
3. Ron summarized the meeting agenda by advising the Board that the purpose of this meeting was to determine if the Board approved moving forward with finalizing and closing on the Payroll Protection Program (PPP) included in the Coronavirus Aid, Relief and Security Act, also known as the CARES Act.
4. The Board had previously authorized John Drake, North Finance Director, to begin the process of working with the church's bank to put together an application for the PPP. The timeline for submitting the application was still unknown at that point, as the law was in the process of being administered by the Small Business Administration. Board approval on whether to formally submit the application was to be taken up at the April board meeting scheduled for April 22.
5. The Finance Committee met (via teleconference) on Monday, April 13, 2020 to consider the church's participation in PPP. The committee raised various concerns about the loan and recommended that the church not participate in the PPP program, by a vote of 6-3. A copy of the minutes from the Finance Committee meeting was distributed to the Board in advance of its meeting (Final version of the Finance Committee minutes is attached to these minutes).

6. On the morning of Wednesday, April 15, John received notice from the bank that the church had to notify the bank no later than Thursday morning, April 16, whether the church intended to move forward with the loan application and if so, in what amount. That notice prompted the special meeting of the Board to consider the loan approval.
7. At the meeting, Ron reviewed the timeline of events leading up to the meeting, and asked John Drake to begin by providing a report on the current status of the church's revenues against budget, and a projection about revenues in the near term, recognizing the uncertainty of the situation.
8. John reported that revenues through early April appeared to be approximately \$45,000 below budget. Looking ahead, and recognizing that pledges and contributions tended to be down in summer months normally, John projected that the church could see a reduction of approximately \$115,000 to \$135,000 in the short term (through early summer), with additional reductions in pledges and "loose plate" contributions likely in the remainder of the year.
9. John then described the process for applying for a PPP loan. Under the formula in the law, the church could request a loan in the amount of up to \$184,000. The church's actual projected expenses during that period totaled \$166,000. The PPP process allowed an entity to request a lower amount than they qualified for.
10. The Board discussed the details of the PPP program at length. Marie Powell and Troy Barker were also knowledgeable about the terms of the program because of their involvement in several loan applications for other entities in their professional roles. John, Marie, and Troy provided the Board with details about the PPP (including highlighting those parts of the program that were still unclear or unknown).
11. The PPP loan was designed to be a forgivable loan upon request by the recipient. An entity may also pay the loan back, at an interest rate of 1 percent or less, with no prepayment penalties.
12. Ron asked David Wills, Finance Chair, to share the concerns raised in the Finance Committee meeting and to answer questions about that discussion. David articulated those concerns in detail. Those concerns centered around whether the church could certify that it needed the funds (pursuant to the requirements of the loan), given the church's level of reserves and endowment funds; whether the church should participate in a government funding program of this sort; and whether the church should rely on the support of its members and its faith in God's providence, rather than a program like this. (see Finance Committee meeting minutes for fuller description of that conversation).

13. The Board then had a robust discussion of the questions presented by the Finance Committee and of the issues surrounding the church's application for the loan. All Board members participated in the discussion and shared their viewpoints.

14. At the end of the discussion, Ron Gifford, Chair, presented the following two motions:

- a. To approve the church entering into the PPP loan and authorizing John Drake, North Finance Director, to proceed with the execution and closing of the PPP Church loan. *This motion passed with ten yes votes and one no vote.*
- b. To approve the amount of \$166,000 as the loan amount for the PPP loan. *This motion passed with nine yes votes and two no votes.*

15. A copy of the Board Resolution for the SBA Loan is attached.

16. Ron Gifford adjourned the meeting at approximately 8:00 PM

2020 Meeting Dates (4th Wednesday unless noted otherwise)

January 22	✓	May 27	September 23
February 26	Canceled	June 24	October 28
March 25	✓	July 22	November 18 (3rd Wednesday)
April 15	✓	August 26	December 16 (3rd Wednesday)

Submitted by Troy Barker, Board Secretary