

**Elizabethtown Church of the Brethren
Church Board Minutes**

January 22, 2022 9:00 AM via Zoom

In Attendance: Alyssa Cross (Clerk), Jeff Eisenbise (Chair), Donna Hollinger (Vice-Chair), Jim Hollinger, Pastor Jason Haldeman, George Snavely, Vida Snavely, Joe Detrick (Moderator), Duane Hernley, Kendra Gottshall, Frank Rhodes, Olivia Knight, Pastor Josh Tindall, Gina Strouse, Lynne Hockley, Carroll Kreider, Mandy Hileman, Pastor Pam Reist, Karen Ungemach, Craig Coble, Kathy Nornhold, Kurt Sollenberger, Ann Pineda

Building Improvement Committee: Barry Garman, Jim Hoffer

I.	<p>Opening Devotions</p> <ul style="list-style-type: none"> ● Pastor Jason opened the meeting with a group exercise in looking forward to the new year ahead in the life of the church. 	Pastor Jason
II.	<p>Discussion and Approval of December Minutes</p> <ul style="list-style-type: none"> ● December Minutes approved as submitted. 	Board Chair
III.	<p>Treasurer's Report</p> <p>1. Review of Income Statement as of 12/31/2021</p> <p>At the end of 2021 operating results are positive, with revenues exceeding disbursements by \$38,126 (at the end of last month the net position was a negative \$9,099). Revenue at the end of December is under budget by \$66,981 (\$845,322 received versus \$912,303 budgeted). Revenue is \$20,496 lower than where we were at the end of December last year; however, that was due to a much larger transfer from the facility fund of \$81,374 in 2020 compared to the \$34,000 transferred in 2021. Regular offerings, at \$737,505 fell short of the budgeted offerings of \$803,303 by \$65,798, and are \$27,420 above last year's amount of \$710,085 (general fund giving is about 4% higher than last year). A month-by-month summary of offerings is provided in the graph entitled "ECOB 2021". Note that giving in eight months this year was below budget and giving in four months was above budget. We finished the year strong. December 2021 giving (\$90,890) was well above budget and higher than December 2020's giving (\$83,017). A 5-year history of month-by-month offerings is provided in the graph entitled "ECOB Offerings History". A 5-year history of year to date general fund offerings compared to budgeted offerings is also provided in the graph entitled "ECOB YTD 12/31 COMPARISON."</p> <p>Disbursements at the end of the year are under budget by \$119,939 (\$807,197 actual spending versus \$927,136 budgeted spending) and \$50,648 less than last year. Resources spending, mainly due to elevator repairs, is \$23,836 above budget and \$33,717 more than last year. With the exception of Administration, spending in all other categories is under budget. Ministry Salaries & Benefits is significantly less than budget and a year ago, due mainly to Pastor Greg's departure.</p> <p>Overall, as of 12/31/2021, we finished the year with a net operating gain of \$38,126, with income and expenses both under budget and both lower than a year ago, although offerings increased. Last year at the end of the year we were in a smaller net gain position of \$7,974.</p> <p>2. Cash Position, Building Project, and LT Investments at BFI</p> <p>Our cash position on 12/31/2021 is \$1,849,942. This compares to our cash position a year ago of \$1,819,950. Just over \$1,162,000 of this cash is invested in a money market fund.</p> <p>Contributions to the building project at 12/31/2021 totaled \$2,671,646 (\$750,323 in 2021). Non-operating budget building project costs to date are \$1,237,995 (\$832,833 in 2021). Net cash proceeds available for future building project spending is \$1,433,651.</p> <p>The market value of all long-term memorial funds invested with the Brethren Foundation as of 12/31/2021 was \$2,613,204, which is up \$96,773 from the beginning of the year market value of \$2,516,431, reflecting an investment gain, net of expenses, of \$164,041 (a total investment return for the year of approximately +6.5%), contributions of \$2,527 and disbursements of \$69,795. The investment return for December was +1.4%. As of 12/31/2021 our portfolio was invested \$1,294,812 (50%) in a Short-term investment fund and \$1,318,392 (50%) in a balanced fund (60% domestic stock fund, 40% bond fund).</p>	Treasurer

	<p><u>Discussion and Questions</u></p> <ul style="list-style-type: none"> ● Will there be a Capital Campaign Report as of year-end 2021? <ul style="list-style-type: none"> ○ Yes, the reconciliation of the funds is in progress and a report will be shared once finalized. ● Was the full amount of O&M Funds used for Witness this year? <ul style="list-style-type: none"> ○ Yes, they used the permitted 4% of the balanced fund. <p><u>Acceptance of the Treasurer's Report.</u></p> <ul style="list-style-type: none"> ● The Board accepts the Treasurer's Report as presented.
IV.	<p>Commentary from the Pastoral Staff Pastors</p> <p><u>Pastor Pam</u></p> <ul style="list-style-type: none"> ● Expression of gratitude for the support of the congregation for the schools in Nigeria. This week \$12,625 was sent to benefit two different schools. ● As in years past, there has been an increased need for pastoral care following the holidays. There are significant health concerns and deaths within the congregation. We remember those among us who are experiencing grief and difficult times. <p><u>Pastor Jason</u></p> <ul style="list-style-type: none"> ● It continues to be a joy to work with the staff and many groups and teams of people who make up this community. ● Frustrated by setbacks imposed upon us due to public health concerns. ● Looking forward to Pastor Eric coming and new things ahead. <p><u>Pastor Josh</u></p> <ul style="list-style-type: none"> ● Met with the District Ministry Commission for an ordination interview. It went very well and the next step is for review with the District Board in March.
V.	<p>Words from the new Board Chair Board Chair</p> <ul style="list-style-type: none"> ● Pastor Eric's start date <ul style="list-style-type: none"> ○ He has encountered some unexpected and unavoidable delays. He, along with the District, is working to resolve the issues and is looking forward to joining us. As soon as we have an update, it will be shared. ● Commissions <ul style="list-style-type: none"> ○ Please submit your rosters (including appointment members and the rosters of the committees that fall under your Commission) to Crystal by February 14 so that she can update the directory. ● Working Together <ul style="list-style-type: none"> ○ Intention is to steer the board toward being a visionary body rather than an administrative body. Please submit written reports to be presented in the agenda packet. Verbal reports are not necessary unless something needs attention from the Board. ○ For any motions that require board action, please submit these in writing to Jeff ahead of board meetings to help streamline meetings. ● Donna on her Vice-Chair position <ul style="list-style-type: none"> ○ Serving as someone to help bounce ideas off of, keep things organized and on track. ○ The Constitution allows for a Vice-Chair to come out of the Board or be approved by the Board. Donna was approved by the 2021 Board to serve in this role. ○ Commissions can reach out to Donna as a conduit for help.
VI.	<p>Action Item: Witness Commission</p> <ul style="list-style-type: none"> ● Proposal regarding the Racial Literacy Workshop (Refer to Racial Justice Working Group exhibit) ● MOTION: The Witness Commission moves that a 4-hour Racial Literacy Workshop, led by Dr. Dawnielle Simmons from Elizabethtown College, be held for members of the Church Board, other church leaders, and members of the Racial Justice Working Group. The fee for the workshop is \$3,500 total for a maximum of twenty-five participants, the cost to be paid from the Outreach and Ministerial Education Fund. This workshop will be held at Elizabethtown College at no additional cost and will be scheduled for the early spring of 2022. <p><u>Comments and Discussion</u></p> <ul style="list-style-type: none"> ● Pastors had discussed the potential of contributing up to \$1,000 from the Pastoral Continuing Education fund for this workshop.

- A note of clarification: The Racial Justice Committee would like to see at least two members from each Commission in attendance. A vote of approval indicates a commitment from your Commission to attend and participate in the event.
- Question of clarification regarding the purpose of the meeting: From reading the report, the stated purpose of the meeting is to discern the biases in our congregational policies and practices and to work to eliminate them. Dr. Simmons's stated task through this workshop is to help the Board gain a foundation for the common understanding of racism. How do these two things reconcile with each other? How will this workshop help to serve the purpose of identifying the biases in our policies and practices? It is not clear what is to happen as a result of this workshop and what next steps will be taken following its completion.
 - The work to review the policies and practices of the congregation would likely be coming from individuals in this leadership group. In order to act upon the biases that exist, we need a deeper understanding of what some of those things might be. Helping to educate ourselves more deeply on issues of race will better equip us to identify the specific things within the context of the church. If we are expecting ourselves to take on that work, the goal is to better equip ourselves to do it.

Action Item Votes

- The Board approves the motion unanimously.

VII. **Action Item: Board Chair**

- Proposal regarding a decision on the status of the building improvement project
- **MOTION:** Jeff Eisenbise moves that the Board approve Option A as described on the worksheet presented to the Board. The scope of consideration for Option A is confined to the existing church building. It will authorize the following:
 - Installation of the already purchased HVAC equipment
 - Upgrading of electrical service
 - Relocation of existing Christian Ed gas boilers to the main boiler room
 - Allocation of funds for the development of Architectural & Engineering designs and bid documents
- Motion seconded by Oliva Knight.

Comments and Discussion on the Motion

- What is the difference between the amount that was pledged for the total project versus what has been spent to date (how much money is left)?
 - We've received ~\$2.7M in pledge money. From that, we've spent ~\$1.3M, leaving ~\$1.3M - \$1.4M on hand. \$975k remains outstanding from the original \$3.6M pledged. Some people pledged over 5 years.
- Knowing we have \$1.4 cash on hand, where does the additional \$500k expense for Option A come from?
 - There is \$1.3M in the long-term funds that were segregated for potential building project use that could potentially be where that money could come from. Or the other option is to run another campaign to raise the funds.
 - Also, pledges receivable of \$975k would hopefully be forthcoming in 2022.
- Expression of gratitude to Jeff for preparing and presenting the project timeline; it was very helpful in expanding the understanding of the entire scope and history of the project.
- Is this decision for the Board to make or does this go to the congregation?
 - The Board will make this decision per the permissions provided in the Constitution. (The Board shall be empowered to act on behalf of Church Council between Council meetings).
- How do we reconcile a difference in scope of the project that almost equals the total amount of pledge dollars that is so different from what people pledged towards?
 - Refer to Caveat #1. Some work will need to be done to inform the congregation of the parameters that guided this decision.
- Regarding Option B: How long would those plans be good for if we would get the bid and plans done but not build anything right away?

- Once we get the plans done, we can sit on the shelf for as long as we want them to. The issue comes with putting them out for bid. Once the bids are received, they would only be good for about 30 days.
- If we move forward with option A (completing the details for HVAC plans only), and later decide to request bids on the addition, we would have to spend more to complete the drawings. The cost to complete the drawings would be another \$232,000, which is ~\$60k more than it would be to complete them now.
- Looking for clarification on the difference between option A and the proposal from the Building Committee that came to the Board in December.
 - At the December meeting, there was no information on the breakdown of the design costs. The Board wanted to know the cost to design the HVAC installation for the existing building only separate from the cost to design the new building. Following the December meeting, the Building Committee went back to the architect to clarify the breakdown of the design costs, which is what has been laid out in Option A and Option B. Option A and Option B are identical except for the architectural and engineering design costs.
 - Option B is what was presented at the December meeting. The Building Committee was requesting funds to complete the architectural design development work which would allow us to bid both the HVAC and the addition as two separate alternate bids on one request. Those bids would give us the cost of doing the HVAC work as well as the cost to build the addition (in today's dollars). At the time of the December meeting, we did not know how those architectural design development costs broke out for HVAC plans only.
- Clarification on the HVAC equipment:
 - All of the equipment that has been purchased to date is for the existing building only. The approval for the purchase of the HVAC equipment and interior terminal units was given at the June 14, 2021 meeting. These units were facing cost increases of 25% or more, which is what prompted the Building Committee to come to the Board with the proposal to purchase at that time.
 - Regarding the potential to not use two of the purchased units (which would provide heating and cooling to the sanctuary and fellowship hall):
 - The existing systems that service the sanctuary and fellowship hall are coming to the end of their useful life. Option A includes the utilization of the units that have already been purchased to service the sanctuary and fellowship hall.
 - If we fail to utilize these newly purchased units we are not going to have the energy efficiencies that we are striving for and we will likely face significant maintenance expenses in the near future in order to keep the current systems going.
- If going with Option A and the new HVAC units are on the ground, would this limit us in the scope of any new construction? Can these units be relocated in the future if needed? Looking to keep the dream of a new facility alive.
 - Yes, it would be feasible to relocate them at another time.
- The vision that includes the new addition was conceived during the pre-pandemic period. Is that still our vision post-pandemic? If we were certain that we would build that addition, then it would make sense to proceed with getting the drawings for that building. Even if it costs us more money to revisit this later, I think this pause is worthwhile so we can reconsider our vision.
- Expressions of approval to move forward with the installation of the purchased equipment with a desire to have the opportunity to reflect on our intentions for any new construction.
- Does this motion address any of the maintenance issues that Resources is facing (for example, water issues)?
 - The work coming out of this motion will only interface with the decisions that the Resources Commission has to address regarding upgrades where the construction of ductwork for installation of the HVAC system will take place. It will not address anything regarding water issues.
 - Because installation of the new HVAC system in the current building requires building out soffits at ceiling levels and bulkheads (vertical shafts) and also the disruption and removal of much of the drop-in ceiling panels and gridwork, we will have new gridwork, new ceiling panels, and new

	<p>lighting (most likely energy-efficient LED), all of which is included in the projected installation costs.</p> <ul style="list-style-type: none"> ● Regarding additional maintenance issues Resources is facing: <ul style="list-style-type: none"> ○ If we choose not to move forward with any new construction, Resources is dealing with a number of drainage issues. Scoping of the lines indicated issues under the parking lot and we may be facing a need to dig up the parking lot in order to resolve the water issues in the building. This could disrupt College parking (which was offered to the College in exchange for land). ● Resources expressed that the amount of money that has been set aside for use to refurbish the building is not enough to address all of the needs (which includes flooring, walls, ceilings, lighting) and if building campaign pledges can be converted for use to refurbish the building, that should be considered. <p><u>Vote on the motion</u></p> <ul style="list-style-type: none"> ● The Board approves the motion unanimously.
VIII.	<p>Additional Business</p> <ul style="list-style-type: none"> ● The Board had previously approved the use of funds from the Christian Ed fund to take care of painting the Blaze Classroom. That work has been completed and the final invoice has arrived. ● MOTION: The Christian Education Commission moves to utilize \$1,385 from the Christian Education Fund to cover the costs to paint the Blaze room. <p><u>Vote on the motion</u></p> <ul style="list-style-type: none"> ● The Board approves the motion unanimously.
IX.	<p>Next Meeting</p> <ul style="list-style-type: none"> ● 2022 Church Board Retreat: Saturday, February 19, 2022, 9:00 am – Noon (via Zoom) <ul style="list-style-type: none"> ○ New Date TBD ● Next Board Meeting: Monday, February 14, 2022, 6:45 pm (via Zoom)
X.	<p>Adjournment</p>

Respectfully submitted,
Alyssa Cross (Clerk)
February 6, 2022