

Minutes from Pilgrim Congregational Church Council Meeting

Tuesday 19 Jan 2021 19:15-20:15

Present (via Zoom)

- Pastor Reebee Girash, Susan Carabbio, Doug Johnston, Jeff Boehm, Ed Bond, Dick Edmiston, Mary Mackie, Marge Saradjian, Dave McClave, Nick Zorn, Bob Beckwith

Discussion RE: 2020-12-15 Council Meeting minutes

- Nick got some updates from Doug and incorporated them just before this meeting
- All in favor of approving

Dave M.'s Treasurer's report

- Sent out the standard operating reports via email – any questions covering the year gone by (2020)?
 - **Ed:** what was the total year-end assets (gain) from Jan 01-Dec 31 2020... if we're over \$1M right now, where did we start the year?
 - Dave: net effect was level; we're in the same position Dec 31 that we were Jan 01; it went up a little, then March came and it cratered, then it rose back to where we began
 - **Ed:** Do we have an update on the SBA loan?
 - Dave: late this afternoon actually, we got the authorization to submit our form directly to the SBA for loan forgiveness consideration; Peoples' Bank has already reviewed and approved it; Dave is assuming the SBA will approve it; it's on the operating report as "SBA Loan Proceeds"
 - **Ed:** Did we spend the SBA Loan Proceeds in 2020? Dave: No, it's been set aside, and we will almost certainly use some/all of it in 2021
 - **Doug** heard the \$900B bill passed by the federal gov't in December has more of this SBA relief in it. Does that apply to us? Dave: Yes, I actually already applied for "round 2", as we realized we met the criteria to remain eligible
 - Dave had to produce what's called a "Gross receipts report"
 - You had to show a $\geq 25\%$ gross decline in receipts for any quarter in 2020 compared to the corresponding quarter in 2019; for the 3rd quarter we were down 39% (mainly because we were combined with Pilgrim Nursery School)
 - Nursery school's 3rd quarter income fell from ~\$53k to ~\$24k – that "carried the day"
 - Per the terms of the loan from the SBA, a large portion (~60%) must go towards payroll, and Pilgrim has 10 active staff (6 church staff members and 4 Nursery School employees) and 2 who are currently furloughed

- **Side note:** Pilgrim Nursery School might not exist past May-June '21 without a serious influx of cash
 - If PNS closes, we have to have a serious discussion about sending all/part of the "round 2" funds back to the gov't SBA, since we won't have those employees on payroll anymore
- Regarding the 2021 budget
 - **Jeff B.** commented that it feels like Dave is being a little bit conservative on the revenue side of things (forecasting a ~\$44k deficit, but there's room for it to improve).
 - That's just how Dave rolls; he calls it "expectation management" – worst case scenario type approach
 - **Doug:** won't (the presumed forgiveness of) the \$28k loan end up effectively reducing that forecast deficit?
 - Dave: From a strictly mathematical point of view, yes. From my point of view as the Treasurer, the \$28k is "manna from heaven" in that it's not recurring income and would give a distorted view, so I hesitate to reduce the projected deficit with it NOW
 - **Reebee:** comment: as we talk at Annual Meeting, we have a few different possible narratives on how we can approach that:
 - On one hand, the \$44k deficit predicted is the largest **ever**, and might appear scary. We are obviously concerned about that.
 - On the other, we might have \$28k loan forgiveness, as well as a deferred \$10k gift for deficit reduction deferred into next year. That total of \$38k might result in it not being that bad...
 - There's not been a year like this as long as any of us can remember – financially, socially, etc. – but despite that, we are blessed to have enough resources in our revolving reserve to reduce our deficit; we can also "operate from a sense of abundance" and even decide to do even more to serve our neighbors who cannot even put food on the table.
 - **Doug** is concerned about possibly conflicting narratives we might be sending – because in a business, if you projected a \$44k deficit, every department across the board might end up having to make cuts, so why aren't we doing that?
 - **Susan:** we are trying to present the most **transparent** story possible, and we might want to be kind of serious about the fact that we are projecting a deficit. We are lucky this year that we have a likely-to-be-forgiven \$28k loan and a **one-time** \$10k gift, but we obviously are not sure where we are going to be next year.
 - **Ed's** comment: what I see when I look at the expenses for next year is that we've really "locked it down"; everything is pretty much the same as last year. \$27k of the deficit is due to the reduction in pledges and PNS income going away. We can pull these things in, but in terms of a medium-term prognosis, we have some difficult times ahead – especially realizing we'll be wearing masks at least through this fall and dealing with continued pandemic effects on the economy and thus the budget.
 - **Susan C.:** I wanted to comment that we *went into last year* with roughly \$160k of pledges, and this year, we are starting out *over* that, which is special.
 - **Dave's** closing reflection: He anticipates the biggest mental hurdle people may have might go, "We were in a pandemic for most of 2020; we will continue to be in a

pandemic for much of 2021; we ended up with almost a balanced budget in 2020, and we might have a -\$44k deficit for 2021.” So he anticipates having to

- So there might be a mental hurdle for people to understand that.
- **Doug:** Is this group of the mindset that we should work it into the narrative that we’ll continue spending at the same level in 2021? Dave doesn’t have a preference.
- **Motion to approve to put it in front of the congregation on Feb 07:** All in favor for except Ed B. who abstained
- Regarding the Fidelity account: There are currently two agents for our Fidelity account. The agent (a prior Moderator) other than Dave requests to be removed from the account for personal reasons. Dave needs a written confirmation from Council that says Dave is authorized to represent Pilgrim.
 - **Motion moved, seconded, and approved unanimously.**

Susan C.’s Stewardship discussion

- The total 2021 pledge income is \$166,430
- The pledge units are down by 8 from last year
 - A few of them who pledged last year simply haven’t responded (perhaps yet)
 - There were several people who pledged for this year who significantly increased their pledge
 - So – the difference has been made up pretty well despite there being less pledge units total
- Susan is very thankful for Diane and the electronic pledge framework

Susan C.’s discussion on Elections & Roles for Council

- We are getting things ready for elections this year
- We anticipate 5 openings on Council for this coming year
- The roles of Moderator and Asst. Moderator will be open and available this year – please reach out to Susan if you’re interested in serving some of those roles.

Reebee’s discussion

- Reebee wants to Thank and appreciate Susan C.’s role as Moderator during a very hard year!!
- Reebee wants to talk about Annual Meeting from a “process” point of view
 - We encourage the Council to make a little more space for people to “catch up” and ask questions, especially
 - Reebee has asked Diane to include the Behavioral Covenant this year to affirm how the congregation should be behaving during Annual Meeting
 - Reebee assumes Susan will Moderate, calling on people who may have questions or comments, and Reebee will likely be the one handling the technical (Zoom-related) aspects of the meeting that day

- Regarding voting – we will need a process to count votes (raise hand or thumbs up for “yes”, thumbs down for “no”, and verbally express any desire to abstain
 - We will have to mandate access to either video or possibly also use chat
 - Reebee and Nick will have to work together on the plan as the meeting approaches
 - If it appears there are a lot of questions/concerns, let’s not rush to finish the vote – “none of us are going out to Shoney’s for lunch” 😊
 - Doug suggests that a roll-call of the members at the start of the meeting only – this would take 2-3 minutes, and people can just say “here” (or “not here?”); then, at each vote, we can just do a verbal yay/nay/abstain. If things get complicated, then we can resort to a detailed roll-call for the vote. Nick’s thought – if we get a thorough roll-call at the start of the meeting, this would presumably be shorter, as we would only be going through the list of voting members in attendance.
 - The Quorum in the by-laws is 10% (pretty low!)
- Worship:
 - We are in a season of scripture readings that are all about **calling**, so Reebee is trying to evoke some questions about that; perhaps in February’s Council meeting, we can take a little bit of time to reflect on that as Council, and to reflect on our collective calling to deal with the rest of the pandemic and post-COVID time
 - Upcoming:
 - Jan 31 – “Notta Benne” – we are being hosted by 2nd Winchester at 10am (Reebee and Dot both OFF that day)
 - Feb 7 – “Holy Hilarity” – we will do a “where would you rather be” type of service, with a warm island type theme
 - Ash Wednesday – virtual service, ashes will be available on a card that can be picked up at the church or request to be mailed to people’s homes
 - Chris Reaske will be preaching on Feb 28 – will be AWESOME
 - Son Mei was on the schedule for this coming Sunday but has asked to be rescheduled for the summer
 - Susan Moffitt is going to preach in March
 - After Annual Meeting, Ed and Reebee will be working on more worship feedback and planning

Next meeting: Tue Feb 16 at 7:15 pm