

NBC FINANCE COMMITTEE MINUTES

Date, Time: Tuesday, May 16th, 1:00pm, in person at NBC

In attendance: Karin Elofson (chair and scribe), Rev Will Green, Rob Bunton, Karen (Lulu) Friedman, Barring Coughlin, Joanne Sterling, Celia Huston, Christopher Jenkins CPA

1) Call to Order – Karin

2) Opening Prayer – Rev Will

3) Review of Previous Minutes – April 18th, 2023 minutes approved as written

4) Conversation with Christopher Jenkins

- a) There were questions regarding the taxes paid against the net profit from the Island Directory as the labor was primarily volunteer (excepting printing and binding). Christopher agreed to refile on our behalf once he received the statements of fees and penalties, which have now been provided. There is some risk of raising flags to the IRS.
- b) Christopher noted that creating a “Friends of Brackett Church” as a separate 501c3 would allow us to raise money for causes not directly tied to the mission of the church. Funds could be raised up to \$50K and then transferred to various organizations. The application is two pages and the 990T annual filing is one page. This will be reviewed more closely!
- c) There was a question whether our fiscal sponsorship projects would have paid the same amount of tax if they had their own 501c3s. The answer is no; when it become Unrelated Business Income to the church, it was viewed differently. This further supports our decisions to put time limits on our fiscal sponsorship relationships.
- d) Barring took the action to contact Kathy Hurley for further guidance about our non-profit tax questions.

5) Monthly Reviews

- a) At end April, expenses are at 37% of annual budget and income is at 34%.
- b) Rob took the action to review our pledge rate YTD. Pledges are unpredictable. It was suggested that we be more open with the congregation about our financial health, to promote a feeling of ownership.
- c) Sources of non-budgeted recent expenditures:
 - i) Jan retirement gift (\$2000) – Memorial Fund
 - ii) QBO Live Bookkeeping Sessions (\$550) – General Fund
 - iii) Additional 2023 salary for new Music Director (\$2418) – General Fund
 - iv) 2023 Admin salary (1077 x 8 months = \$8612) – General Fund
 - v) Office Furniture/Live Streaming Equipment, max \$3650 – General Fund (monies transferred from MT Bank)
 - vi) IRS fees and penalties for UBIT (\$2573) – General Fund

vii) Money to supplement Summer Fun Camp (approx. \$2000) – to be reviewed by the Board

6) Other Topics

a) Fiscal Sponsorship Projects

- i) Food Pantry - Karin took the action to contact Susan Hanley about the current options of create their own 501c3, get a new fiscal sponsor or become part of NBC.
- ii) PICC will end after this next PI Fund grant cycle, or transition to be part of peaksisland@info.
- iii) CAP to roll up under NBC.
- iv) Island Compost Project sponsorship to cover Phase 1 only.

b) Debbie Lucatorto, Admin

- i) Lulu and Rob were encouraged to use Debbie to support various finance related activities.
- ii) Rob can hand-off thank you notes in the near term and Lulu will consider working with Debbie for QBO reconciliations.

c) Quickbooks Online Status

- i) Lulu still working with QBO experts to input starting values for various funds. This will make sense of the reports.

d) Updates to Finance Policy and Standing Committees Policies

- i) Karin to resend policies for review. It is important that the procedures detailed in the policies reflect what is actually done.

e) PI Fund Grant

- i) Quotations are expected from Quality Insulation and Energy Management Consultants.
- ii) Scope of phase I to cover improved insulation, solar panels, and heat pumps.
- iii) New siding will require a capital campaign.
- iv) Absolute deadline to apply for grant is June 1st.

7) **Next Meeting** – Thursday, June 15th at 1:00 pm, Zoom or in person, TBD.

8) **Adjournment** - 2:30pm