

Southwood Church

MINUTES

TRUSTEES' MEETING
April 5, 2020
CONFERENCE CALL Meeting
2:00 PM to 2:30 PM

Board Members	Position	P=Present R=Regrets
McIntosh, Bruce	Trustee	P
Rodd, Phil	Trustee	P
Grottenberg, Samuel	Minister/Chair	P

Meeting called to order at 2:04 PM

1. Background Information

- Sam gave an update from the Council meeting on April 2, 2020, highlighting that there were a few financial items that needed Trustee approval ASAP. Phil also attended that Council meeting (which was held via Zoom video-conference).

2. Gift & Legacy Fund

- Council MOTION 25-2020 directs the Trustees to have the investment managers liquidate the Legacy Fund account, given the current crisis we are experiencing.
- The consensus was that we ought to do so, given Council's directive, but that we should ensure the original donor is aware and agrees with this action.

MOTION TRUSTEES-005-2020: That the Trustees approve liquidating the Legacy Fund account, subject to the original donor's agreement with this course of action, and direct the Minister, Church Administrator, and Treasurer to begin this process through the investment managers. Moved by Phil Rodd. Seconded by Bruce McIntosh. CARRIED.

3. The Canadian Emergency Business Account Loan

- Council MOTION 27-2020 directs the Trustees to approve our application for the Canadian Emergency Business Account loan through the federal government. Sam shared information about the loan that was given to us by our advisor from RBC (we would have to apply through RBC for this loan):
 - This would be an up to \$40,000 loan secured by the gov't to help pay for operating expense, payroll, and other non-deferrable expenses;
 - Until Dec 31, 2020, it would operate as a revolving LOC;
 - After Dec 31, 2020, the balance would be converted to a non-revolving 5-year term loan, maturing on Dec 31, 2025 (balance due);
 - No interest would apply until Jan 1, 2023; as of that date, the term loan would accrue interest at a rate of 5% per annum;

- If we were able to pay 75% of the balance of the term loan on or before Dec 31, 2022, the remaining balance would be forgiven (i.e., if we used the full \$40k, and paid \$30k, \$10k would be forgiven).
- The consensus was that we ought to apply for this to help with cashflow in the short-to-medium term. If we don't need it, we don't touch it.
- Some discussion was given to whether obtaining this loan quickly would mean we wouldn't need to liquidate the Legacy Fund, but Bruce advised against that, as we don't know exactly when we'll get the loan, or what will happen in the short term with our investment.

MOTION TRUSTEES-006-2020: That the Trustees approve applying for the emergency loan relief being offered by the federal government in response the COVID-19 crisis, and direct the Minister, Church Administrator, and Treasurer to begin the application process through RBC. Moved by Bruce McIntosh. Seconded by Phil Rodd. CARRIED.

4. Federal Wage Subsidy

- Council MOTION 28-2020 directs the Trustees to apply for the wage subsidy for small businesses and charities being offered by the federal government.
- Sam gave the Board an update: it looks like we will be eligible for a 75% wage subsidy to keep our employees on the payroll during this crisis; we will have to prove 30% loss of revenue over the same months last year; the General Council office is working with congregations and ADP to streamline the process.

MOTION TRUSTEES-007-2020: That the Trustees approve applying for the wage subsidy program being offered by the federal government in response the COVID-19 crisis, and direct the Minister, Church Administrator, and Treasurer to begin the application process in consultation with the national church. Moved by Phil Rodd. Seconded by Bruce McIntosh. CARRIED.

5. The Operating Line (SWUC's Line of Credit)

- Council MOTION 29-2020 directs the Trustees to approve our application for an increase to our line of credit with RBC from \$30,000 to \$50,000.
- Sam explained the rationale, being that we need increased flexibility in cash flow, and the operating line, which acts like an overdraft account, will aid in this.
- The national church is willing to co-sign/guarantee this application to make things smoother with the bank (RBC).

MOTION TRUSTEES-008-2020: That the Trustees approve applying for an increase to our Operating Line (line of credit), with the guarantee from the national church, and direct the Minister, Church Administrator, and Treasurer to begin the application process through RBC. Moved by Bruce McIntosh. Seconded by Phil Rodd. CARRIED.

6. Next Meeting

- The next Trustees' meeting will be held as needed, at the Chair's call.

Meeting adjourned at 2:28 PM.