**Palmer Memorial Episcopal Church**

**Finance Committee Meeting**

**Minutes of September 10, 2020**

# Opening

# Attendance: Jessica Evans, Fritz Glover, Bet Hunter, Burdette Keeland, Tara McConathy, Dave Maxey, Mike Murphy, Dick Sylvan, Kristi Van Arsdel, Dick Viebig, Kirk Waldron, Rev. David Wantland, and Larry Wood

# Dick S. opened the meeting with a prayer.

# The minutes of the August 2020 meeting of the Finance Committee were moved for approval by Larry W., seconded by Fritz G., and approved by all.

* + - * 1. Fritz G. asked that we include in the June minutes the qualified statement from the auditors.

# Financial Reports

# Dick S. led the committee in a discussion of the August financial statements.

# Dave M. noted that the cash balance is about where it was last year so we haven’t lost any ground and that’s pretty good.

* 1. Dick S. said he was confused about why we are down just under $100,000 and he doesn’t see where it went. Fritz G. clarified that we had about $77K that was in the restricted account that was sent to the endowment and that’s why the cash looks lower this month. He also sent a cash balance sheet out to the committee and it shows that our cash balance is falling rapidly. Dick V. responded that our operating fund available cash is actually up from the beginning of the year.
  2. Larry W. asked if they building insurance line is high due to a timing thing. Tara M. replied that is correct. We paid a bill recently and it will balance out over the rest of the year. Larry also noted that we are still behind on our budgeted contributions – do we know why? Jessica E. stated that they are coming in but reminded the committee that we are always low in the summery. She did acknowledge that they are lower than normal most likely due to COVID-19. Dick S. said we may need to send some reminders. Burdette K. added that the warden’s committee did send a notice to the parish asking everyone to get caught up. One went out as an email and a mailing will go out in about 2 weeks. Jessica E. confirmed we did have a slight bump in pledges coming in after the email reminder went out. She also noted that she just finished sending out year to date statements to all pledgers and hand wrote a note on every one of them thanking them for the pledge. Burdette K. added that Fr. Willard also sent out a video talking about the church reopening and we are hoping that will trigger people to begin repaying the pledge if they haven’t been doing so. Fritz G. said even with all that, it is important to recognize that our cash is still disappearing very quickly.
     1. Mike M. shared that he thinks mentioning in person worship again will certainly lift spirits and if you compare Aug 2019 to Aug 2020 it’s not too disparaging so with the added good news it will bolster the parish. We are always razor thin.
     2. Dick V. stated that he thinks Fritz looks at the overall cash and that is one way to approach things, but what he thinks is also very telling and perhaps more important from his perspective is on page 4 of the financials, that we are $35K positive – and that is an incredible feat and we still have the second half of the endowment payment coming in.
  3. Bet H. added that the endowment is to protect the capital but that being said we would, if there was a dire emergency, help out. But we are not an overdraft line. A dire emergency is not where we are now.
  4. Burdette K. said one additional piece of information he wanted to share is that Neil has been in conversation with Bishop Doyle and there will likely be additional support from the diocese. We can’t budget it yet, but let’s keep that in mind. Dick S. agreed; let’s just continue to watch carefully.
  5. Fritz G. said he is still concerned about the continual, year after year dip in funds – also SO much of our income goes into our building and in my opinion the building should be paying its own way. If we aren’t going to charge for facilities, it should be used for more outreach. What attracted me to Palmer was the Waystation and the building was being used for outreach. We need to look to the future. Bet H. said you make a good point that a large portion of our expense is the building but I think we can talk about the future in a separate small group.
  6. Dick V. moved to approve submission of the August financial statements to the Vestry; Bet H. seconded. The motion was approved by all.

1. Other Discussion Items
   1. Tara M. updated on the status of the PPP loan. Doug, the loan forgiveness officer at Texas Gulf Bank, is now saying that many small businesses are choosing not to wait for congress to pass that new act. Based on the information that we are not willing to make a payment on the loan since we have already booked it as income for this year, he recommended that we submit our forgiveness application as soon as possible. Our first loan payment would be due in November but if we have an application in the review processes, then payments are suspended until the application is approved or denied. Tara M. said that she and Jessica E. had already discussed it together and we are going to begin working on the application as soon as possible.
   2. Fritz. G. said he would like to ask again if we could have a small sub committee to contact B&V to look into the qualified comments on the audit report. Dick V. seconded his suggestion but added that he thinks we should form a permanent audit sub committee that could talk to the auditors every year instead of the whole Finance Committee. They could then give a consolidated report to the FC at the next meeting. Everyone agreed to the idea and Bet H., Dick V., Fritz G., and Dick S. all volunteered to be on the new sub-committee. Fritz G. moved to approve the committee, Dick V. seconded and everyone approved.
   3. Kirk W. said he would like to point out that we started this year with a deficit budget – then we got the PPP loan and if people just pay their pledges, we will be fine. Dick S. agreed.

# Closing

# Mike M. closed the meeting with a prayer.

Submitted by Tara McConathy