

Palmer Memorial Episcopal Church
Finance Committee Meeting
Minutes of May 10, 2018

A. Opening

1. Attendance: Jessica Evans, Fritz Glover, Dave Maxey, Tara McConathy, Jim Mercurio, Posey Saenz, Dick Sylvan, Dick Viebig, Kirk Waldron, & Rev. David Wantland. Also in attendance for the first portion of the meeting were Mimi Holt and Bonnie Choy from Blazek & Vetterling
2. Dick V. opened the meeting with prayer at 5:30 p.m.
3. The minutes of the April 2018 meeting of the Finance Committee were reviewed and approved through a motion made by Dick V., seconded by Jim M. and approved by all.

B. Audit Report

1. Mimi & Bonnie started off by introducing themselves and gave a summary of the reports provided.
2. The financial statements are fairly stated with the exception of the property; we don't list our property on the books. This is not unusual with church accounting, but they have to point out that it is not included.
3. Jim M. asked if the auditors review the endowment books. They responded that they do get the board minutes, financials, investment statements, etc. There has been some talk about Jessica keeping the books but there is some sensitivity from the endowment board. It could be a bonus from the standpoint of them to have an objective view. Jim M. asked for clarification – So if I give the Endowment Board your recommendation, we will be good to go? Mimi responded “yes”.
4. Dave M. – Not to skip ahead, but it looks like we have similar control concerns in our operating funds. Mimi H. – Yes, you lack segregation of duties. Jessica has lots of responsibility. Tara has stepped in and offered some reviews, more than in the past, but it is not enough. There are ways to access changes & share more duties. Dick V. – We have talked about this virtually every year. We have said the cost – benefits analysis is such that we don't want to hire another person to help. Mimi H. – it could be as simple as having an independent person open the vault and count everything before giving it to Jessica. It was also pointed out that all pledgers get quarterly statements and are monitoring their accounts and will let us know if they didn't have a check cashed. Another option is to have a designated time period where Jessica goes on vacation and Tara comes in as a back up and that can act as a secondary control & review.
5. There were some adjustments that were made – like Palmer Place and Memorials Funds. Income going into designated funds is not in the financial statements as a general entry. Bonnie C. – Look at pages 3 & 4 of the financial report. The biggest change is due to the gift of the trust and an investment that brought in a large amount.
6. Expenses were cut significantly over 2017 – The Endowment gave a total of \$190,000 and the operating fund has a deficit of \$501,939.
7. There was a recent financial accounting pronouncement – Net assets will be presented both with & without donor restrictions. See Note 5 – Endowment Funds: THIS IS NEW and we need to get someone from the endowment board to agree to this wording.

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8. Mimi & Bonnie thanked everyone for once again choosing Blazek & Vetterling.
- C. Financial Reports
1. Dick S. led the Committee in a discussion of the March financial statements.
 2. Dave M. noted that overall the monthly financials look good. On Budget tracking with revenues.
 3. Dick V. moved to approve submission of the April financial statements to the Vestry. The motion was seconded by Dave M. and approved by the Committee.
- D. Other Discussion Items
1. Posey introduced herself as the newest member of the Finance Committee and was welcomed by the group.
- E. Closing
1. The meeting adjourned.

Submitted by Tara McConathy