

Palmer Memorial Episcopal Church
Finance Committee Meeting
Minutes of January 10, 2019

A. Opening

1. Attendance: Jessica Evans, Fritz Glover, Bet Hunter, Burdette Keeland, Jim Key, Dave Maxey, Tara McConathy, Jim Mercurio, Posey Saenz, Dick Sylvan, Dick Viebig, Kirk Waldron.
2. Bet H. opened the meeting with prayer at 5:30 p.m. and Dustin Jesudason gathered the group for a quick committee photo.
3. The minutes of the December 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. Financial Reports

1. Dick S. led the committee in a discussion of the December financial statements.
2. Jim M. asked if we are sending a letter out to the people who have the remaining \$36,000 of unpaid pledges. Jessica confirmed that is in the works. Dick V. suggested that the rector and senior warden send the letters. He also noted that we have \$25,000 in our 2019 budget that we are planning to get from the 2018 unpaid pledges and that is a really high optimistic number. Dick S. said we should look closely at the 40-50 unpaid 2018 pledgers and evaluate the likelihood of their pledges and do the same with the 2019 non pledgers. We are at a point where we can look at specifics and decide what are the weak spots? My gut feeling is we will make our pledge goal by this time next month.
3. Dick V. stated we have had the same tight budget for 10 years and sat where you are – so we won't get perfect participation, but we will get some. I did press Jim K. to look at salary levels because I want to be able to look parishioners and vestry in the eye and say yes, our salaries are in a normal range. I do feel the finance committee should have more access to review the salaries sooner in the budgeting process but at least we have had more oversight than past years. I will continue to lobby for more access to that information. But we are hard pressed to make big changes at this point. We really need to think through how we organize this planning process.
4. Fritz G. added that he would still like to see some funds for future growth and planning. Bet H. said we all would, but with our pledges for this year we need to go ahead and work with what we've got.
5. Fritz G. moved to approve submission of the December financial statements to the Vestry. The motion was seconded by Dick V. and approved by the committee.

C. Other Discussion Items

1. Dick S. opened the meeting up to Jim K. for comment. Jim K started by sharing with the group that this is the first year in 5 that we ended with slightly more than we started with thanks to the hard work of this committee and the staff. Tara, Jim M., Neil W & I have really reviewed expenses so we cant make further cuts without affecting programs so we don't need to do that just yet. We are only at \$150,000 left to close the gap. The Stewardship Committee is gearing up to make a final push on the people who pledged last year but haven't pledged yet for 2019. About 40-50 names on this list we haven't yet contacted. Last year we had over \$150,000 come

- in after the first of the year so we are hopeful that will happen again. Fritz G. asked if we can refocus the priority of bringing revenue in – from some other source besides pledges; we are continually chasing a false target. From my perspective we should cut off sooner and only use what we raise as what we live on. We tell music you have X dollars to spend – rather than asking Brady what he wants and then trying to raise that amount. Jim K. responded that we have made big strides in living within our means and the staff and vestry are considering all options with cost savings in mind. If after the first quarter our revenue lines are too optimistic, then we can look closer at making drastic cuts. Dick S. added that I don't think we should make cuts unless it is a last resort. Something I may not value, could be someone else's favorite thing about Palmer.
2. The floor was then opened for any other general comments on the 2019 budget. Dick V. asked if we are agreeing to pass the budget with a \$42,000 deficit. Posey S. added that it is a \$42,000 deficit, with some pretty aggressive optimistic revenue guesses. Dick S. suggested that the committee recommend this budget to the vestry but with the comment that within the next month or two we resubmit the budget based on final numbers. But if the number of our deficit grows because we don't reach our income goals, then we look at cutting major expenses.
 3. Jim M. said that philosophically, he would like to know if the finance committee would be comfortable approving a deficit budget. Kirk pointed out that we saved \$80,000 under what we budgeted, so \$42,000 is nothing. Bet H. suggested that in 90 days we have a formal review. Burdette K. asked if at the annual meeting, are we going to try and present a balanced budget? The entire group responded that they don't think that is possible.
 4. Bet H. asked if anyone is going to talk to vestry about our ASA numbers? Dick S. said that is something we can talk to vestry about but we are leaving any decisions to them.
 5. The group was asked to look at the handout of last year's finance committee report for the annual meeting and decide if they are ok with the same report being used – but with this year's numbers. They all agreed.
 6. Bet H. said that she would like to recommend that the 2019 budget gets passed but with the few caveats previously mentioned. Jim M. moved to approve the budget, Dave M seconded and all approved.
 7. Dick S. addressed the group and said – we are the finance committee. We are not Evangelism, Education, etc. but all of us need to work together to get more people here. He will mention to Fr. Willard to see if he can somehow make this deficit an incentive to the parish to give more if you can, but bring your friends and get them to commit too.
 8. Fritz G. asked if we were ever able to get the org chart? Tara stated that we have not yet had time.

D. Closing

1. Dick V. closed with a prayer