

Palmer Memorial Episcopal Church
Finance Committee Meeting
Minutes of September 12, 2019

A. Opening

1. Attendance: Jessica Evans, Fritz Glover, Burdette Keeland, Dave Maxey, Posey Saenz, Dick Sylvan, Dick Viebig, Kirk Waldron, Rev. David Wantland, Larry Wood
2. Dick V. opened the meeting with a prayer.
3. The minutes of the August 2019 meeting of the Finance Committee were moved for approval by Fritz G., seconded by Dick V. and approved by all.

B. Financial Reports

1. Dick S. led the committee in a discussion of the August financial statements.
2. Larry W. noted that expenses month to date and year to date appear to be on point with the budget and with the prior year.
3. Jessica E. mentioned that included in this month's package there are comparison reports to help with reviewing revenue and expenses for the prior month, as well, as the same month prior year.
4. Kirk W. noted that we have held off on spending cash in the summer months and will need to spend more cash in the fall. Kirk W. referred to the list of 2019 building expense "to do's" that will still need to be taken care after the summer months.
5. Dick S. reminded the committee that he and Dick V. will attend the September Vestry meeting on Tuesday to discuss any financial issues and to emphasize the importance of the stewardship campaign this year. They will also attend the September Endowment meeting along with Jim Key. David M. asked if they could get an update on when the rest of their pledge will be paid. Jessica E. noted that a check will be mailed to Palmer next week for the remaining pledge.
6. Kirk W. noted that the Endowment needs to be aware of the cash balances as they are continuing to decline. Fritz G. reminded the committee that the cash balances have been consistent for the last 4 years. November of 2018 we may have needed to borrow from restricted funds. Fritz G. asked why the Origin bank account balance hasn't changed since he's been a member of the committee. Dick V. explained that the Origin bank account was opened to keep cash below the \$250,000 FDIC. It is a regular operating fund cash account to be used as needed with no service fees. Burdette K. noted that in looking at the comparison reports, we can clearly see consistency between prior months and years.
7. Dave M. moved to approve submission of the August financial statements to the Vestry. The motion was seconded by Dick V. and approved by all.

C. Other Discussion Items

1. 2020 draft budget: Larry W. asked if there was any inflation of expenses. Kirk W. replied that the budget does include a 2% salary increase for clergy and lay staff. The committee agreed that the budget should include a 3% salary increase for both clergy and lay staff.
 - a. Larry W. asked for an explanation on how clergy stipend and housing is determined. Rev. David W. explained that clergy can determine the amount to be paid as housing, the remainder is considered stipend.
 - b. Larry W. asked if we break even on weddings. Rev. David W. replied that it is very close. He and Tara have met with Ragna Case to review the fee schedules and Palmer appears to be in line with what other churches are charging.

- c. Fritz G. noted that revenues are listed at \$1.7M, expectations are too high. Fritz G. mentioned that Archway's revenues are near \$1.1M, they are not paying Palmer enough. Larry W. noted that if we keep leaving Archway's fees flat, we are subsidizing on expenses even more. Dick V. stated that this is something for the Vestry to look at regarding Archway and the German preschool's fees to determine if they should pay more. This is part of our Outreach/Mission. Posey S. noted that the pledges are currently a plug to balance expenses and the expenses are populated using requests sent in by different ministries.
 - d. Dick S. noted that we will not have a good handle on revenues until the end of the stewardship campaign. The first pass of the budget looks reasonable until we have more information on revenues.
2. Rev. David W. asked if there has been any grant writing done in the past. Kirk W. responded that we did do it with the Way Station and received responses but, it would be more difficult writing from a church.
 3. Larry W. asked if there is currently an outreach strategy to increase stewardship. Dick S. replied that starting this past Sunday, there will be speaker each Sunday until Covenant Sunday. Rev. David W. said there will also be a brochure provided with current expenses to show people what is needed to keep Palmer running.
 4. Kirk W. stated that parking is a huge issue and is impacting our ASA. Burdette K. replied that we had similar parking years ago and the pews were still full. Posey S. noted that as a Sunday school teacher, the 10:00 service has started to overflow into the 11:00 service.
 5. Burdette K. let the committee know that the \$25,000 to repair the rectory chimney was requested from the Endowment. They agreed to it but, they would deduct this from their 2020 pledge. We plan to revisit this issue with the Endowment Board.

D. Closing

1. Rev. David W. closed with a prayer.