

Minutes
Westminster Administration and Finance Committee Meeting
Wednesday, November 14, 2007

The Administration and Finance Committee of Westminster Presbyterian Church met at 7:00 p.m. on November 14 in Room 302 at the church. In attendance were: Nancy Bea; Lanny Griffith; Terry Grindstaff; David Hill; Bill Keeth; Jane Stilmar; Don Fowler; Bill McCulla; Diane French; Carol Skiba, from the Personnel Committee; and Henri Rush and Linc Cummings from the National/International Mission Committee. The meeting was opened with prayer.

Treasurer's Report: Westminster Treasurer Terry Grindstaff reported for the Operating Budget that October was a strong month financially, especially since there were only four Sundays in October as compared to five Sundays for the past several years. So far November collections are better than last year. There are also five Sundays in December. He noted that plate offerings are down. For expenses, we have a savings in personnel costs. Utility expenses are okay; the weather will determine whether we go over budget in that line item. Transportation costs are up due to the price of gasoline. For Building and Grounds, the contract services for cleaning is on budget. However, there have only been three cleanings of the church facility by the contractor this year since we moved into the church during the 2nd quarter of the year. Next year we may need to add money for four cleanings.

Terry also presented the Foundation and Capital Campaign Financial Reports through October. For the Foundation, the only activity is increasing interest from our investments. We are waiting for Cardinal Bank to release the hold on Foundation funds we pledged for the original loan. For the Capital Campaign, the total cost of the renovation will be about \$6.1 million, as we estimated last spring. Currently, we are holding \$350,267 in assets. We expect a little over \$200,000 to pay for future bills - \$5,000 for construction change orders, \$85,000 to Harry Braswell, \$100,000 for new furnishings, and \$26,000 for the organ refurbishment. We should have everything paid for by the end of 2007 except for the organ refurbishment. We plan to pay \$75,000 to Cardinal Bank starting this month to reduce the principal on the loan.

Terry explained that he and Jane Stilmar had worked with Carolyn Carmack to resolve questions raised at the October A & F Meeting about the way we were accounting for the "Fund Principal" on the Balance Sheet. Adjustments had been made monthly to the "Fund Principal" (surplus carried over from previous years). However, concerns were raised that these adjustments did not following generally accepted accounting standards. When the 2007 Operating Budget was approved by the Session in January, the Session approved the recommendation from the A&F Committee that the surplus be used for three purposes. First, increase the Working Capital Fund by \$8,000 to \$75,000. Second, transfer about \$64,000 for the 2007 Operating Budget. Finally, maintain a \$25,000 Operating Reserve for contingencies. These accounting changes will be made on the Balance Sheet, for the beginning of the 2007, to show how the "Fund Principal" changed from 2006 to 2007. Then the "Fund Principal" will not change for the rest of 2007 so the financial staff can track changes from year to year for this account following generally accepted accounting standards.

The Treasurer's Reports, as presented, were approved.

2008 Operating Budget: Lanny Griffith distributed a copy of the 2008 Budget Timeline and said that he had sent the budget spreadsheets to the committee chairs in electronic format.

Personnel Budget: Carol Skiba reported that over the last two years there have been some personnel vacancies which resulted in some financial savings. We anticipate being fully staffed in 2008. Sandy Calhoun will be retiring, but there will hopefully be a one-month overlap between Sandy and her replacement. The Personnel Committee has requested a 6% increase in their budget over FY 2007. The presbytery recommends a 2.3% COLA and last year we gave 3%. We will determine the 2008 COLA at the end of 2007 when more figures are available. The presbytery has also mandated minimum compensation for all associate pastors and certified Christian educators. We have two staff members eligible for step increases of 3%. The committee wants to find a part-time replacement for Casey in the Director of Young Adults and Singles Ministries position. The committee would also like to hire a part-time building manager to supervise the sextons. Not included in the 6% increase is a raise for three hourly employees who are deserving of a raise. Before factoring in the rate increase for hourly employees, the Personnel Committee expects their 2008 budget request to be \$54,000 over 2007 Operating Budget.

Nancy Bea reported that we have \$873,000 in pledges to-date with about a 9% increase in each pledge. Fourteen of the pledges are new.

United Orphanage & Academy at Moi's Bridge: Henri Rush and Linc Cummings reported that the National/International Mission Committee has \$5,000 in their budget for the Academy at Moi's Bridge with more funding coming from other churches. At its September meeting, the committee approved the establishment of a Board of Overseers for the United Orphanage and Academy to coordinate expenditures of funds and oversight of operations. A group of 10 members has been meeting informally since last July, including four Westminster members - Jim Hoben, Sheila Hoben, Ken Niemann, and Henri Rush. At the October Session meeting, the moderator sent this proposal to A&F Committee for review. The A & F Committee recommended changing the name of the group to Council of Advisors to avoid the appearance of governing authority and determined such a group did not need to be approved by the Session.

The National/International Mission Committee has some unused 2007 mission funds which the committee has re-designated for similar mission purposes, but different accounts. A & F concurred with the committee's intent; the A & F committee members expressed an interest in allowing committees flexibility to reprogram money inside their budgets without having to obtain Session approval.

Sanctuary Piano: A & F Committee was informed of the motion by the Worship and Music Committee that Session approve the purchase of a Steinway grand piano for the sanctuary. Donors have contributed approximately \$66,000 towards its purchase and the piano has been ordered.

Westminster Policy: Lanny distributed a Westminster Policy notebook to committee members. In the notebook were approved policies that were applicable to A & F. June, 2008, is the deadline for committees to provide all policies to the Clerk of Session if they are to be effective after that date. Lanny noted that the Policy on Gifts and Fundraising Activities was passed by Session at its last meeting.

Children Together Request: Children Together is a 501(c)3 organization that provides training for preschool teachers and childcare center employees. The organization wants to use Fellowship Hall on April 4 for workshops. They will pay \$200 for use of our facility. They will have a speaker and will sell educational resources. A & F approved this use.

Nancy Bea would like a more specific fee schedule for the use of our facility rooms by outside groups. She will email a proposed schedule to committee members for review and hopefully approval.

There will be no A & F meeting in December. A & F will meet at 6 p.m. on January 16 to work on the 2008 Operating Budget. The meeting was adjourned at 9:55 p.m.

Respectfully submitted,

Diane French