

Minutes
Westminster Administration and Finance Committee Meeting
Wednesday, September 19, 2007

The Administration and Finance Committee of Westminster Presbyterian Church met at 7:00 pm on September 19 in the Westminster Room. In attendance were the following: Barb Studenmund, Bill Keeth, Bill McCulla, Vice Chair David Hill, Diane French, Don Fowler, Chairman Lanny Griffith and Business Administrator Nancy Bea.

It was noted that Treasurer Terry Grindstaff is still in the hospital following surgery. The meeting was opened with a prayer by Lanny at 7:10 pm.

Treasurer's Report: Lanny Griffith and Nancy Bea reported for the Operating Budget that the August 2007 financial figures were showing a deficit of \$48,485 net income versus expenditures. That is not alarming since summer income tends to come in slowly and year-to-date pledge income is right on track with previous years. It was also noted that plate offerings were down and interest income was down. Utility costs are over budget, but utility contributions from outside groups using our facility will be increasing now that groups are starting to come back. Office expenses are high due to the start of the new program year. Maintenance costs for grounds upkeep are over budget at this point due to clean-up costs following construction, snow removal last winter, and the lack of volunteers to do some of the outside chores.

For the Capital Campaign, there is approximately \$300,000 in the bank accounts. Right now the Capital Campaign spending is slow as the committee is finishing the purchasing of furnishings. We still owe \$42,000 for the organ refurbishment and \$85,000 to Harry Braswell. The Capital Campaign account interest rate just went up twice recently.

It was noted that we have over one million in assets in the Westminster Foundation.

The Treasurer's Reports were approved.

Financial Review: Barb Studenmund reported that the 2006 Westminster financial reviews were completed in August for the operating account, the Foundation account and the Capital Campaign account. The reviewers were Molly North, Barbara Studenmund, Diane French and Molly Roden. Assisting the review were Nancy Bea and Carolyn Carmack, the church's financial assistant. The records were found to be in excellent order. There were three recommendations made: (1) As future financial decisions are made, the administrative impact of the decisions should be considered; (2) Once every five years a professional audit by independent auditors should be performed; and (3) Hourly employees should complete and sign weekly timesheets with the appropriate supervisor signing off on the time sheet.

Westminster Accounting Procedures: Barbara Studenmund distributed the newly revised Accounting Procedures document. A & F accepted her report and thanked her for the work done on it.

Barbara also noted three areas for which we might want to consider establishing new policies: (1) A Whistle-blower policy so that an employee could report something wrong without fear of losing their job; (2) A Conflict of Interest policy which could be signed every year; and (3) A Document Destruction Policy. Nancy noted that we already do have a document retention policy.

Finally, Barbara distributed a document called "Financial Mis-Management" by John Wimberly which came from the Presbytery. This article lists some thought-provoking questions to be asking as we make financial decisions for the church.

Cardinal Loan: Lanny Griffith and Nancy Bea reported that Larry signed a letter of intent for a loan agreement modification on Friday. The maximum amount of the loan will drop from \$3 million to \$1.7 million due to the successful second Capital Campaign. The interest rate will be fixed at 7.5%.

Insurance Review: Vice Chairman David Hill reported that current building and content insurance blanket limit of \$7,844,130 has been increased to \$9,967,932. However, our premium will be lower due to some of the new construction and safety features included in the renovation. This is effective as of 9/14/07.

T-Mobile Contract: Nancy Bea reported on the status of the T-Mobile proposal to install a cell tower in our steeple. Sprint already has a cell tower there. This interest by T-Mobile was initiated in 2004, but T-Mobile has not been responsive to us or easy to work with. The proposed lease was not a clean copy and it also did not contain clauses required by the presbytery. T-Mobile has offered to pay Westminster \$1600 rent per month which would be helpful to the budget. They proposed to have the rate go up 3% at the end of each five year term. They want 24 hour access to the site. We are unsure about what space requirements they have and how we will be compensated for the space used by their base equipment. It was noted that this proposal was offered before the church became incorporated. It was decided to give T-Mobile one final chance to address our concerns/demands and to produce the necessary documents. Lanny will contact Mike McAdoo, a member who is a lawyer and who has been in contact with T-Mobile, to inform him of our demands and the presbytery requirements. We will ask Mike to draw up a new document to send to T-Mobile asking them for a revised and corrected lease proposal. If Mike agrees, Lanny will inform Session.

Online Giving: Nancy Bea and David Hill distributed an email from Brain Laubscher detailing the costs of implementing and maintaining on-line giving through our church website. For a merchant account that is recommended by our software company, there is a start-up fee, a monthly on-going fee, a per-transaction fee, and a batch settlement fee. Questions were raised about how to determine if this is a desired feature and if the income generated would off-set the costs. It was agreed that more research needs to be done about this possibility.

Westminster Policy on Gifts and Fundraising Activities: Lanny Griffith distributed the Westminster Policy on Gifts and Fundraising Activities. It was decided that he would take it to the Session next Wednesday for a first read and ask that concerns/questions be brought to the October Session meeting.

It was noted that we need a new Assistant Treasurer for the church, a Foundation Chair and a new Budget Chair. Lanny asked that committee members forward any possible names to him.

The meeting adjourned at 9:10 pm. The next meeting will be at 7:00 pm on Wednesday, October 17th, at Westminster Presbyterian Church.

Respectfully submitted,

Diane French