

Finance Committee Meeting Minutes
January 23, 2018

Attendance: Bruce Willson, Pat Moore, Carolee Patek, Sarah Denother, Jon Woodrum, Dr. Mike Gillen

Opening Prayer – Given by Dr. Mike Gillen

Minutes: Minutes of November 21, 2017 Finance meeting were approved.

A summary of the Finance Committee Responsibilities from the UM Book of Discipline was presented to the committee by Dr. Mike.

2017 P&L and Balance Sheet were reviewed. The church received \$503k in 2017 giving against an operations budget of \$512k. Operations expenses were \$469k which yielded a positive \$33k income for the year. The Cornerstone Balance Sheet shows a \$3,695,099 in Total Assets.

The 2018 Budget projects total giving of \$518k for Operations, an increase of 2.9% over the 2017 actual, and Total Expenses of \$517k.

A down payment of approximately \$100k has been made to the roofing company for the replacement of the church roof. The roof is expected to be replaced during the month of February. The final insurance payment will be made to Cornerstone after completion of the project and leaving Cornerstone responsible only for the \$1,000 deductible.

The Committee inquired if its meeting minutes should be posted on the church website. The committee agreed that these should be so. Dr. Mike to see that the minutes will be posted beginning in February.

The possibility of Cornerstone hosting a “No-Cost” VBS in 2018 was discussed. The Committee was generally favorable to the idea provided that this can be accomplished within the parameters of the 2018 Budget. Dr. Mike will review the idea with the staff and return to the committee with a proposal at a later date.

The Holiday Giving at Christmas 2017 totaled \$3,437. Half will be sent to UMCOR and half to the Operations Fund. The 2018 Easter Holiday Offering will again be split between UMCOR and the Operations Fund.

A procedure for Approval of Invoices was tabled. Dr. Mike and Jon will offer a proposal at the next meeting.

Dr. Mike presented a letter from Tom Evans regarding an invoice and our current contract with JJ Micro for website activities and network server monitoring. Tom is recommending that Cornerstone expand the contract to their Complete Coverage that would include replacement & maintenance of Cornerstones' Networking hardware, Servers, software and desktop computers. Dr. Mike will be

discussing the JJ Micro proposal with the Trustees and considering that much of Cornerstone's computer equipment is near end-of-life it is something to seriously consider.

The Committee asks if the TOPS club that meets at the church on Thursday evenings should be considered one of Cornerstone's "Health Ministries" as is the Yoga classes. Dr. Mike would like to speak with both Greg Evans and with the TOPS leadership before a decision is made.

Kerry Hartsoe has asked for permission to conduct Piano Lessons in her studio/office at Cornerstone. The committee unanimously approved and granted permission for her to do so.

The committee asked the status of a written policy regarding the use of church property. Dr. Mike has this as an action item and will report at the next meeting.

It was determined that the Finance Committee should proceed to finalize loan proposals from three banks: Cass, Peoples & Carrollton. Jon Woodrum will contact the banks and attempt to schedule meetings with the Finance Committee on January 31st.

Treasurer, Jon Woodrum, is running Cash Flow Analysis with various scenarios based upon the Dive-In pledges. However, the Finance Committee desires to have an independent analysis of the Dive-In Pledges to be conducted to re-affirm the total of the pledges and determine the rate at which the pledges will be received. Sara Denother has volunteered to conduct this analysis and one other volunteer to be solicited to work with her in this effort. Dr. Mike will contact the Financial Secretary to make these records available.

In addition the Finance Committee requested a Quarterly Summary Report from the Financial Secretary regarding the status of Dive-In Pledges as to what has been collected and how much additional giving is outstanding.

The question was asked regarding a Contingency Budget that needed to be included in the loan amount? As the proposals from the Building Contractors do contain a small allowance for these it will be necessary to have a final proposal in-hand before this can be answered.

Dive-In (Building Fund) collected approximately \$200,000 through December. Dive-In does owe \$122k to the Operations Account for building expenses incurred during 2017. This needs to be repaid relatively soon as the Operations account contains a minimal \$30k at the present. The Finance Committee authorized the Treasurer to transfer the owed funds from the Dive-In Account to the Operational Account as needed to sustain operations but otherwise defer from taking any action until the next Finance meeting.

The Dive-In Capital Campaign cost the Operations account \$44k through December 2017. A decision on whether the Dive-In Fund should reimburse the Operations fund for the expense was deferred until the next meeting.

The remaining principal on the mortgage for the “old” building will down to \$149k with our February payment. Early retirement of the debt will save the church several thousand dollars in interest payments and has been assumed as part of the Cash Flow analysis for the new building.

The next Finance Committee meeting is scheduled to be held on February 20th at 10:30 AM.

The Treasurer’s report is attached.

A closing prayer was offered by Bruce Willson

Bruce Willson
Finance Chair

January 2018 - Finance Meeting Notes

1. Maint – Church Bldg. Interface Security Systems, \$288.00 Monitoring, maintenance and inspections for 1st Qtr, 2018
2. Pass Thru. Food Pantry. \$1,254.48 donation from Hope High.
3. New account in the GL for Dive In Giving 2018-19-20
(2017 Dive In giving is in the Generic “Giving toward Bldg Fund.”)
4. St Louis Design. Payment made...\$4,700.00
5. Outreach. Chamber of Commerce. Membership dues...\$137.00 1 yr
6. Health care. Pedi-padz for AED’s....\$198.57
7. Missouri United Methodist Foundation Funds:
 - a. Mt Zion Cemetery, 12/31/17 balance ...\$233,043.16
Beg of year, \$182,806.14, deposits \$23,363.33 (from USBank), Income \$2,267.03,
Capital Gains \$24,606.66
 - b. Davis, Frank & Melba, 12/31/17...\$7,425.35
 - c. Davis, Frank, 12/31/17....\$4,775.00
8. PB&T Note. \$149,777.19 before 2/1/18 payment of \$8,171.15
(\$7,609.49 principal + \$561.66 interest)
9. Bldg Maint – Equip. Semi-Annual service of fire suppression system , Pyrotech, Inc. \$183.50
10. UMCOR. Paid ½ Christmas (\$1775 + \$720 UMCOR designated = \$2,495.00)
Remainder of 2017 Holiday Giving transfer to Gen Fund – Holiday Giving
11. Rental Income. \$100.00 from TOPS
12. Snow removal, salting parking lot—Cole’s Outdoor Addiction.
Provided one salt application 1/15 at no charge (donation). 1/11 salt application \$200.00
13. December 2017 Financial Statement revised to expense the Dive In Generosity expenses paid in 2017....\$40,589.64 (see line 133).
This leaves the Bldg Fund owing the GF \$36,859.53 of which \$8,865 is being expensed to GF Generosity in February leaving a balance of **\$27,994.89** due GF from Bldg Fund.
Also due Pass Thru from Building Fund....**\$45,181.41**