

Finance Committee
Report to the Presbytery of Middle Tennessee
February 1, 2020

Information:

2018 audit. The auditor's opinion is clean except for the qualification citing that revenues are recognized only when they are received vs. when they were promised, the latter being the GAAP requirement.

Lisa Millman has decided to focus on her consulting and tax practice, so PMT will need to engage a new auditor for our 2019 audit.

December 31, 2019 internal financial statements were reviewed by the committee. Liquidity constraints required the liquidation of \$120,000 of investments. Additional 2019 contributions are expected and will be booked as 2019 income.

The Investment Task Force plans to undertake a project to revise/update the Investment Policy.

A stewardship letter, the purpose of which is to encourage PMT member churches to increase their financial support, was approved. The letter will bear the names and contact information of all members of the Finance Committee as senders of the letter; active elders of PMT member churches will be included as intended recipients of the letter.

Meetings will be held on the third Thursday of the month at 12:30 p.m, immediately before the Administrative Committee's meetings.

Those authorized to sign checks on behalf of PMT are as follows: Robin Thomas, Ray Thomas, Steve Douse, Suzanne McLemore, Allen Kennedy.

Support for the Hispanic NCD in the 2020 budget is reduced by 40% relative to the amount in the 2019 budget.

The Stated Clerk's spouse's BOP medical insurance cost for January and February 2020, up to the amount of \$1,508, was approved.

A recommendation was made that an audit be performed of PMT's policies and procedures regarding employee benefits and that a report be made at a future Administrative Committee meeting as soon as possible.

Admit to Record:

Melinda Sanders was named the committee's Vice Moderator and Allen Kennedy was named the committee's Clerk.

The following routine disbursements were approved to be paid without submission of vouchers: Westminster Presbyterian Church - cost sharing (rent) - \$1,083.33; Sudanese Nuer Church support - \$2,041.67; Nacome - \$5,000 in February, March, April, May and June; Campus Ministries: MTSU - \$1,602.96, Vanderbilt/UKIRK - \$1,602.96, TTU - \$1,373.97.

The Finance Committee reviewed a report (attached) of the expenses related to the Handlson cases.

Recommendations to Presbytery:

1. Beginning in 2021 a new restricted fund be established into which transfers from the operating fund are to be made annually, sufficient in aggregate amount to fund the expected additional cost of an audit, which should be performed at intervals in the future of no longer than every fifth year.
2. A budget for 2020 was approved and is recommended to Presbytery (attached). It shows a budgeted loss of \$10,310 and the charging of \$42,240 of expenses to specific restricted funds.