

**Finance Review Committee
March 6, 2015
Myrtle Beach Area Chamber of Commerce
Boardroom 10:00 AM**

Committee Attendees: Wayne Morris, Ken McKelvey, Terrance Herriott, Tim Vogel, Lynn Kornita, and Dave Olive

Staff: Jim Wright, Elaine Weidman, Susan Giaquinto, and Nancy Maloney

Outside Presenters: Bob Calliham, CPA and Glenn Bodenheimer, CPA from Smith Sapp, and David Barton, SVP First Citizens Bank & Trust

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- I. **Call to Order 10:15 AM** **Wayne Morris**
- II. **Approval of Minutes** –Terrance Herriott made a motion to accept the minutes for the November 10, 2014 meeting as presented. That motion was seconded by Ken McKelvey. The motion was carried.
- III. **Old Business** – Jim Wright updated the Committee regarding the status of the Edward Jones managed investment account, approved by the Committee at the November 10, 2014 on behalf of the MBACC Educational Foundation. The documents required to establish the account are ready for execution by the Brad Dean, Wayne Morris, and Jim Creel, who will serve as those authorized to sign checks and direct transactions against the accounts. It is expected that the documents will be executed in March and processed accordingly.
- IV. **New Business**
- A. **Presentation of the 2014 Audited Financial Statements and Report** – Mr. Bob Calliham of Smith Sapp presented the 2014 audited consolidated financial statements and related auditors report. The Chamber received an unqualified (“clean”) opinion. Mr. Calliham indicated that there were no items requiring communication by them as our auditors and there were no difficulties, disagreements, or issues noted during the performance of their audit. Mr. Calliham further noted that the Chamber is of sound financial position, with very positive results generated in 2014. He further commented on and expressed his support with respect to the establishing of Board designated reserves particularly those related to meaningful operating reserves, and supported further growth of those reserves. Mr. Calliham concluded his presentation with a brief review of the status of Unrelated Business Income and the associated income taxes thereon.
- B. **Presentation of Annual 401(k) Investment Update** - Mr. David Barton, SVP, First Citizens Bank, presented the annual 401(k) investment update. First Citizens serves as the Plan’s 3(21) Advisor, and as such in addition to other duties, monitors the performance of the Plan’s investment portfolio. In summary, Mr. Barton indicated that only the Fidelity Advisor Strategic Income fund is currently on the “Watch List”, and at this time, no changes to the current funds are being suggested. Mr. Barton noted that because of the concentration of assets invested in the Fidelity Freedom funds, additional analysis of those funds is recommended. First Citizens will perform this analysis and report their findings in Quarter 2. Further, Mr. Barton indicated that not plan changes and/or modifications are either suggested or required at this time. Mr. Barton concluded his presentation with the certain benchmarking data relative to total Plan costs, noting that the Plan currently compares very favorably to peer comparisons in this regard.
- V. **Adjournment** **11:15 AM** **Wayne Morris**