

Gulf Cove United Methodist Church
Helping Everyone Meet, Know, and Serve Jesus
Finance Leadership Team Meeting
April 21, 2014 – 7:00 PM

Attendees: John Furtado (Chairman), John McGuire (Vice-Chairman),
 Jeanne Shroul, Ken Priest, Joan Priest, Rick Starck, LuAnn Zink, Karen Current,
 Shirley Smith, Dana Hanson

The meeting was opened with the lighting of the candle representing Jesus Christ, followed by a prayer by John Furtado.

CORRECTIONS TO PREVIOUS MINUTES

There were no corrections proposed to the minutes from the March 17, 2014, meeting.

REPORTS

Spendable Income: John Furtado reported that spendable income received as of the third Sunday in April totals \$29,037. Our monthly budget is \$37,000, but we have been spending only about \$33,000 a month.

Reserve Fund:

Balance as of 4/21/2014: \$24,462 (a new high)
 Withdrawals: None so far this year

Mortgage: Our current mortgage reduction challenge runs through the end of May. However, there is insufficient time to enable paying off the mortgage on June 1. As a result, the church will be making three more mortgage payments. The following table reflects our debt reduction pay down and challenge:

Mortgage balance after April 1 st payment posted	\$20,712.54
1% Club amounts available as of 4/21/2014	-3,185.00
Debt Reduction amounts available as of 4/21/2014 (includes \$1,000 received from the Men's Group)	-8,350.00
Amount to be received from Crafty Ladies	-1,000.00
May, June, & July payments (assumes principal paid is \$1,386.50 each month)	-4,159.50
Amount to be paid by challenger (does not include additional amounts received from 1% Club or debt reduction donations)	\$4,018.04

A special *Thank you* is extended to the Men's Group, Crafty Ladies, and, of course, the individuals who challenged our congregation! ☺

The group was reminded that once the mortgage is paid off, monthly amounts equal to one month's mortgage payment will be placed into the Reserve Fund until it is fully funded

(currently \$37,000, one month's budgeted expenses). After that, the plan is to put the same amount into another account, to be determined at a later date.

OLD BUSINESS

Staff Salaries: Joan Priest reported that Rick has received a catalog which lists compensations for 3,500 churches nationwide. It identifies different job descriptions, and provides low, mean, and high salaries. The data is broken down several different ways, with the most meaningful breakdown being salary ranges based on church income. Based on a cursory review, the salaries GCUMC currently pays are woefully low. SPR hopes to start addressing these deficiencies when they consider 2015 salaries.

Sound Booth: Ken Priest asked how much money is available for renovation of the sound booth. A total of \$7,805 is earmarked for this purpose. [\$8,600 was inadvertently indicated during the meeting.] Part of the total available came from a stock donation made in May 2013; \$5,300 of the total liquidation was earmarked for expansion of the sound booth. (See the minutes from Finance meetings on 5/20/2013 and 9/16/2013.)

NEW BUSINESS

Insurance Rebate: The church recently received an insurance rebate of about \$1,100. This rebate was made because the Conference (our insurer) has not had any major claims recently, and because GCUMC pays 100% of its apportionments. The amount has been placed into the insurance account for future use.

Foundation Investment Offerings: Starting July 1, 2014, the Florida United Methodist Foundation will offer new portfolio investment offerings to churches, conference agencies, and UM-related institutions in Florida. <http://fumf.org/InfoForChurches/Investing>. The new investment offerings are:

- **Cautious Fund:** Objective is a regular and constant income stream with high liquidity.
- **Income with Growth Fund:** Objective is income, inflation protection, and liquidity.
- **Balanced Growth Fund:** Objective is a reasonable balance between income and growth.
- **Growth Fund:** Objective is long term growth.
- **Aggressive Growth Fund:** Objective is highest possible performance over the long run.

Each fund is comprised of the same nine sub-funds, but in different allocations. For an overview of the 5 new funds, see:

<http://fumf.org/Assets/Documents/New%20Investment%20Offerings/New%20Fund%20Offerings%20Descriptions.pdf>

For a detailed analysis of the 5 new funds, see:

<http://fumf.org/Assets/Documents/DSAModelFactSheets-ScenarioVI.pdf>

A special note regarding the new offerings states:

<http://fumf.org/Assets/Documents/New%20Investment%20Offerings/Foundation%20New%20Investment%20Offerings.pdf>

NOTE: The Foundation's new investment offerings are only for local churches, conference agencies and United Methodist-related institutions; trusts and planned gift accounts also benefit from these new products. Individuals cannot invest in these Funds. The Foundation's Development Fund (which supports our church loan program) remains unchanged.

As stated above, individuals may not invest in the new investment offerings. They can, however, invest money in the Development Fund. Money invested in this fund (which is essentially a "savings and loan fund") becomes part of a conference-wide loan pool which is available to conference agencies and churches. Development Fund loans help underwrite new construction, renovation or expansion projects. While both churches and individuals may invest in the Development Fund, only UM churches, agencies and missions of the Florida Conference may take out loans. The Development Fund's FAQ brochure can be found at:

http://fumf.org/Assets/Documents/Brochures/Dev_Fund_Brochure.pdf.

Our two scholarship funds (Losh and Henry) are administered by the Florida United Methodist Foundation. There is slightly more than \$64,400 invested in these two scholarship accounts. In both instances, the principal may not be touched; only interest is used to provide scholarships. It is not known at this time whether these funds are subject to conversion to the new investment offerings.

Future Capital Expenditures: Rick Starck has been talking with his brother who is on the board of directors for the Pittsburgh Theological Seminary, regarding capital fundraising. They are in their fourth year of a five-year capital plan, and have raised \$21-million out of their \$26-million goal. Rick would like to see us decide what we want to do and then determine the best ways to raise the funds – ideally, without acquiring a new mortgage. Rick's brother has indicated a willingness to introduce us "to the people who made it happen at PTS."

Cuban Ministry: At recent Church/Ad Council meetings, the possibility of supporting a Cuban Methodist Church has been discussed. While the amount of \$25-\$30 a month will pay for a pastor's salary, only \$1,000-\$1,200 will support an entire church for a year. It has been arranged for Dan Christopherson, the Southwest District Coordinator for United Methodists in Prayer, to give a presentation about this ministry in Cuba. **Anyone interested is invited to attend: THIS Thursday, April 24, at 10am, at Oak's Cove.**

SUMMARY

Finance Committee Lights for Ad Council:

Red:	➤ None ☺ !
Yellow:	➤ The need to conduct a scams & frauds presentation.
Green:	➤ Reserve Fund has reached a new high! ➤ The church's mortgage is close to being eliminated!

The meeting was adjourned at 7:50pm with a prayer by Shirley Smith. The next scheduled meeting is Monday, May 19, 2014, at 7:00pm.

Respectfully submitted,
Dana Hanson