

**Gulf Cove United Methodist Church**  
*Helping Everyone Meet, Know, and Serve Jesus*  
**Finance Committee Meeting**  
**Tuesday, September 22, 2015 – 7:00 PM**

**Attendees:** John Furtado (Chairman), John McGuire (Vice-Chairman), Rev. Dr. Bill Fisackerly, Doreen Alvarez, Jeanne Shroul, Dawn Tesauro, Ken Priest, Joan Priest, Ilene Sokolich, Gail Borden, Lu Ann Zink, 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 May 18, 2015, meeting.

*In General:* There are four terms that we tend to use interchangeably: general ministries, general fund, spendable income, and operating expenses. These four terms mean the same thing: paying for the day-to-day operations of the church (electricity, water, mortgage, salaries, telephone, etc.), not necessarily for any specific charitable activity or event.

**FINANCIAL STATUS**

**Spendable Income:** With one week remaining in September, we have received \$19,963 this month in spendable income. The Reserve Fund has received \$1,239 so far this month, bringing that current balance up to \$23,583.

**Certain Designated Accounts:** There are several accounts into which amounts are placed monthly, if possible. The balance in each account is in the table which follows:

**320.007, A/C Fund**

- The \$200 amount moved into this account monthly represents approximately half of the average monthly savings after the new air conditioners were installed. This amount was calculated about 6 months after the installation.
- Four humidifiers are now in use in the sanctuary, enabling us to raise the temperature slightly, while maintaining the same comfort level.
- Skip Messenger is working with FPL regarding our peak-load demand charge. Essentially, if all A/Cs are turned on at the same time, there is a tremendous surge on the system, causing a high peak over a short period of time. The highest peak during the month determines the rate at which the *entire* month is charged. This is being changed by not turning on all the church's A/Cs at the same time, and by providing a 30-minute delay between starts. A more thorough explanation can be found at <https://www.fpl.com/rates/understand-demand.html>. Our custodian also needs to be made aware of the need for staggering the starting times of the A/Cs.
- A couple weeks ago, it was necessary to replace two air handlers. The parts are under warranty, but we must pay for labor. It was agreed that the labor should be paid out of this A/C Fund account. Dawn Tesauro advised that she has not yet received a bill for the work.

320.024, Church Property Taxes

- This account is for taxes on the main church property. The amount of \$350 is to be put into the account each month until about \$3,500 is available. (Through a misunderstanding, the entire \$3,500 was put into the account earlier this year, and as a result, nothing has been added since.)

320.026, Facility Expansion

- Several different accounts were combined into this account.
- Amounts going into this account are comprised of donations from people who are still paying under their pledge to the 1% Club (toward the mortgage), or who designate their donation.

320.028, Facility Up Keep

- When the mortgage was paid off, it was determined that \$1,500 (the approximate amount of the prior mortgage payment) would be placed into this account each month, unless it was needed to pay expenses. Starting in May, nothing has been added to this account, which is part of the reason less has been pulled out of the Reserve Fund.

320.040, Parsonage/Oaks Cove Taxes

- A portion of rental income from the parsonage (\$225/month) and from Oaks Cove (\$50) is put into this account monthly to cover real estate taxes when they become due.

100.102, Reserve Fund

- Donations into this account come from designated amounts as well as from the second-Sunday special donation.
- Based on average, monthly budgetary needs of over \$35,000, the spendable income received in June (\$24,623), July (\$24,882), and August (\$30,372) has fallen short.
- In July, \$6,000 was transferred from the Reserve Fund to meet expenses, but no transfers have been made since then.
- Spendable income through August 2015 totals \$274,945, while 2014's was only \$268,309 through August.

	3/31/2015	4/30/2015	5/31/2015	6/30/2015	7/31/2015	8/31/2015
320.007, A/C Fund	5,600	5,800	6,000	6,200	6,400	6,600
320.024, Church Property Taxes	3,500	3,500	3,500	3,500	3,500	3,500
320.026, Facility Expansion	7,610	7,690	7,920	8,150	8,355	8,565
320.028, Facility Up Keep	8,417	9,917	11,417	11,417	11,417	11,417
320.040, Parsonage/Oaks Cove Taxes	1,239	1,514	1,789	2,064	2,339	2,614
100.102, Reserve Fund	22,923	24,384	25,699	26,587	21,471	22,343

**Audit Results:** Ron Caminiti has finished the 2014 audit of the church's books as well as those of the Men's Club and Crafty Ladies. All records passed the audit.

## **2016 BUDGET**

The 2016 budget needs to be finalized before the Charge Conference on Sunday, November 1 (3:00pm at Edgewater UMC). A proposed 2016 budget dated 9/22/2015 was presented to and reviewed by everyone. Comments with regard to some of the accounts follow:

503.100, Apportionments: Our apportionments for 2016 total \$41,902. This is an increase of \$1,271 over our amount for 2015. Rev. Bill explained that the General Conference, the organizing board of the world-wide United Methodist Church, has selected missions in which the world-wide Methodist church takes part. The amount needed to fund each mission is shared by all Methodist churches. The amount each church owes is not based on membership. Instead, it is based on the total amount that each church pays towards maintaining itself, and includes things such as salaries, utilities, taxes, insurance, etc. Amounts spent on outreach are not included. A specific formula is followed to determine the correct amount.

502.100-130, Pastor Expenses: The 2016 amount is \$1,755 higher than 2015. The increase is primarily due to cost of living increases.

504.245-255, Lay Staff Salary Expense: For 2016, all paid lay employees are being given a small cost of living increase, for a total increase of \$6,414. As passed in December 2014, the 2015 budget for this section totaled \$174,668, which was used in the Treasurer's reports for January through May 2015. In June 2015, a mistake in one of the pension figures was discovered and an adjustment made to the 2015 budget which lowered this section's budget total by \$10,800, down to \$163,868. This lower figure has been used in all Treasurer's reports since June, and it is used in the 2016 proposed budget. Joan Priest, Rev. Bill, and Dawn are reviewing the salary figures.

507.100, Payroll Taxes: Neither the \$12,638 budget for 2015 nor the \$16,000 budget for 2016 have been added into the overall budget totals reflected on page 3. The \$12,638 budget figure for 2015 has been used in all the Treasurer's reports issued so far this year.

506.100-135, Building & Taxes Expense: The 2015 budget for 506.130, Property Insurance Expense, is reflected as \$15,953, instead of the \$19,800 shown in the budget as finalized in December 2014. This is because after the budget was finalized in December 2014, the final figures for the property insurance expense were received from Conference. This budget item was then reduced to what we knew the actual amount would be (\$15,953), and that figure has been used in the Treasurer's reports all year. This adjustment resulted in a \$3,847 decrease to the 2015 budget.

509.100-190, Educ. & Program Expense: As passed for 2015, the amount of \$600 for Boys & Girls Scouts Expense (509.115) was included in this category. That account, however, was recently moved to the category of Outreach. The 2015 budget total was reduced accordingly to the new category total of \$7,750.

510.110-125, Worship Expense: The largest increase in this category is to provide \$2,500 in a new line-item for possible audio-visual expenses during 2016.

Overall 2016 Budget Figure: At a minimum, the \$449,439 total must be increased by \$1,300 (additional annual conference expense) and by \$16,000 (payroll tax not carried into the final figure), for a new 2016 total of \$466,739. If the salary figures change, or other necessary changes arise, then the budget will be adjusted accordingly.

### **NEW BUSINESS**

**Kairos Ministries:** When the Kairos teams were here a couple weeks ago, they asked if we could make a donation to the Kairos [Inside] Ministries. Those present felt that this should be a question for the Outreach committee, and that the congregation should be given the opportunity to donate as well. John Furtado advised that we recently made a \$1,000 donation to the Kairos Outside program under a time-crunch to help them prepare for their next weekend program which is scheduled for mid-October.

### **SUMMARY**

*Finance Committee Lights & Resolutions for Church Council:*

Red:	➤ Finalizing the 2016 budget.
Yellow:	➤ None.
Green:	➤ Financial audit went great!

The meeting was adjourned at 8:25pm with a prayer by Rev. Bill. The next scheduled meeting is Monday, October 19, 2015, at 7:00pm.

Respectfully submitted,  
Dana Hanson