

Gulf Cove United Methodist Church
Helping Everyone Meet, Know, and Serve Jesus
Finance Committee Meeting
October 17, 2016 – 7:00 PM

Attendees: John Furtado (Chairman), John McGuire (Vice-Chairman), Doreen Alvarez, Jeanne ShROUT, Carol Ankeney, Gail Borden, 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 September 19, 2016, meeting.

In General: There are four terms that we tend to use interchangeably: general ministries, general fund, spendable income/donations, 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 REVIEW

John Furtado advised that with two weeks remaining, spendable donations received so far in October are \$20,794. We are also expecting about \$3,000 in the form of a stock donation before the end of this month which can be used for operating expenses. Based on the yearly budget of \$477,147, the amount needed monthly is \$39,762. Over the summer, we were able to get by on about \$36,000 a month. However, to pay bills we have had to pull from the Reserve Fund as follows: \$4,000 in June; \$2,379 for pastor moving expenses in August; \$4,000 in August; and \$10,000 in September.

As of right now, the balance in the Reserve Fund is \$22,618. It is anticipated that between \$3,000 and \$5,000 will be needed to pay October expenses, plus another \$5,474 will be pulled as will be explained later.

The pattern this year is similar to other years, in that the months with the most attendance and the most donations are January, February, and March. This year we were also affected by the fact that Rev. Bill was transferred to Tampa and Pastor Mike was transferred here. We have had several new faces in our worship services, but they are usually not aware of how much is needed to handle the day-to-day expenses of operating a church.

OLD BUSINESS

Parsonage Renovation: The anticipated bill was \$48,000, but the actual bill was for \$45,412.07. Dawn TesauRO advised it was paid as follows:

\$12,807.96	from Facility Expansion, account 320.026
\$15,917.83	from Facility Up Keep, account 320.028
\$11,211.95	from Parsonage Maintenance/Repair, account 320.033
\$ 5,474.33	from Trustee Fund, account 320.039

With this action, these accounts have been, or are close to being, completely depleted. John Furtado has asked Dawn to replenish the Trustee Fund from the Reserve Fund, since during

past meetings we had decided to use the Reserve Fund instead of the Trustee Fund. After discussion, it was felt that, if the donor who was going to cover most of the renovation expense is unable to provide the funds within the next couple of months, we should make arrangements to borrow the funds during the first quarter of 2017 to replenish the first three accounts listed above. Those three accounts are comprised of designated funds which should not be diverted to another use. Admittedly, account 320.033 is for the parsonage, but we do not want to zero-out this account; funds must be available for unforeseen or emergency expenditures.

Church Tax Issues (Special Fee Assessments): A meeting has been arranged with Bill Bigelow to discuss the issues relating to the special fee assessments made by Charlotte County against churches. The issues are outlined in the minutes of Finance's 9/19/2016 meeting. Click [here](#) to see those minutes. The meeting is scheduled for Tuesday, November 15, at 7pm.

Church Records Audit: Ron Caminiti has finished his audit of the books and records of the church, the Men's Club, and the Crafty Ladies. His total bill was \$280. He found no problems.

Outside Electronic Sign: It was questioned that, since we are often wondering where our money will come from, how can we afford to purchase a new outside sign? The response is that people made donations for that specific purchase; and once money is designated for a specific purpose, it cannot be used for anything else. Installation of the sign is expected to be around \$6,000. There is currently \$32,000 in a dedicated account (320.042) which is available for this purchase. Jeanne pointed out that we have been researching electronic digital signs for many years. Technology has been kind to us, in that the current cost is less than half of what it originally was.

NEW BUSINESS

2017 Budget: Comments made during the ensuing discussion:

- The church pays the parsonage utilities.
- There is a \$3,000 discrepancy somewhere in the 2016 amounts as reflected in the proposed budget. Instead of a \$474,147 total, it should be \$477,147.
- Using the \$474,147 figure, the proposed 2017 budget is only 3.02% higher than the 2016 budget. Using the \$477,147 figure, it is only 2.37% higher.
- The proposed budget includes the amount of \$28,000 for "church property and building maintenance expenses," account 506.100. We depend on our congregation to fund this expense, as they do all items in the budget. Maintenance of the main church building and the portables is included in this account.
- There are separate accounts for maintenance of the parsonage (506.115) and Oaks Cove (506.121).
- Each of the portables is developing problems. Past reports have indicated that #201 is by far in the worst condition. It is estimated that new siding would cost \$4,000 for each portable. We have no choice but to use them until a new facility is built.
- Dawn has not yet received insurance figures from the Conference, so she added 10% to the 2016 amount.
- John Furtado noted that a new account should be added for Pastor Moving Expense at \$50 a month. This would raise the budget each year by \$600, but it would avoid the situation we faced after Pastor Mike moved here.

- Carol questioned where the Trustees are supposed to find the money to pay for their day-to-day expenses plus major expenditures, such as for installation of the new outside electronic sign, for installation of a reclaimed water irrigation system, and for repair of the four portables. It was suggested that she make an announcement before the congregation, write an article or blurb for the newsletter or bulletins, and add the cost of projects to the church's Wish List. People need to be reminded, however, that money is needed to meet daily expenses first; if an individual has money they can donate toward a specific project *over and above their regular giving*, it would be appreciated.

The budget should be finalized by the end of this year.

SUMMARY

Finance Committee Lights & Resolutions for Church Council:

Red:	➤ None.
Yellow:	➤ Reduction in Reserve Fund. ➤ Possibility of needing to take out a loan.
Green:	➤ We are still paying bills.

The meeting was adjourned at 8:30pm with a prayer by Doreen. The next scheduled meeting is Monday, November 21, 2016, at 7:00pm.

Respectfully submitted,
Dana Hanson