

Gulf Cove United Methodist Church
Experience. Embrace. Engage.
Finance Committee Meeting
October 16, 2017 – 7:00 PM

Attendees: John Furtado (Chairman), John McGuire (Vice-Chairman), Doreen Alvarez, Jeanne Shrout, Dawn Tesauro, Linda Starck, Rick Starck, John Rowland, Dana Hanson

The meeting was opened with the lighting of the candle representing Jesus Christ, followed by a prayer by John Furtado. (All references to “John” are to John Furtado unless otherwise stated.)

Corrections to Previous Minutes: There were no corrections proposed to the minutes from the May 15, 2017, meeting. There were no summer meetings, and Hurricane Irma caused the cancellation of our September meeting.

FINANCIAL REVIEW

The total budget for 2017 is \$486,206. The average spendable income needed each month is \$40,517, or \$9,350 each week. We reached the \$40,517 figure in only two months so far this year; three months we were in the \$30,000s; and four months we were in the \$20,000s (June through September). John advised that with two Sundays remaining in October, spendable donations received so far are \$22,209.

The current balance in the Reserve Fund is \$20,897. We used \$6,000 in August and \$9,500 in September, and will probably have to pull from it again this month. This \$15,500 is a little misleading, however, because we also moved about \$300 from one dedicated fund (with permission, from the new outside digital marquee fund) and about \$4,500 from our dinner fund into the general budget. If these two moves had not taken place, we would have had to pull \$20,300 out of the Reserve Fund.

We are currently down about \$23,400 when compared to the same point in time last year. Although we are close to 250 a week in this summer’s attendance, our attendance is down by around 30 people. Admittedly, we have seen several new faces over the summer, but others are still being removed from mailing lists.

Helping the situation is the fact that we are only spending about 87% of each month’s budget. The major factor which caused this is the fact that we budgeted a youth director’s salary for the entire year, but our new youth director did not start until June.

OLD BUSINESS

Audio-Visual Upgrades: We have received about \$8,760 in donations and have spent about \$4,900. The balance is just over \$3,700. We still need to obtain wireless headsets, speakers, amplifiers, and a keyboard. The bottom line is we will need more donations in the A/V upgrade area.

UMCOR Donations: Year-to-date donations to UMCOR total \$2,719. With regard to donations made directly on the UMCOR website, the last question the website asks is for the name of the church to whom credit should be given. When asked if GCUMC is notified of these donations,

both Dawn and Jeanne indicated they have not seen any type of notification. This would mean that our “church” donations are probably quite a bit higher than what our own figures indicate. Dawn advised that support of UMCOR is not part of our apportionments. With regard to the administrative costs of UMCOR, after the meeting, Dana located the following dated 5/16/2016 on the UMCOR website:

The United Methodist Church has renamed a popular special Sunday observance that includes an offering to covered disaster relief costs. “UMCOR Sunday” replaces “One Great Hour of Sharing” within the denomination. ... UMCOR has no source of revenue for administration except from One Great Hour of Sharing (now UMCOR Sunday). One hundred percent of gifts designated to UMCOR go to the cause stipulated. UMCOR receives no money from the apportionments paid to the general church by congregations. ... The new UMCOR Sunday will be observed annually. It is observed on the fourth Sunday of Lent, but can occur at other times if a congregation wishes.
<http://www.umcor.org/umcor/resources/news-stories/2016/may/umcorsunday>

Church Audits: The books of the church, and those of Crafty Ladies and the Men’s Club were reviewed by Ron Caminiti. Again, he determined we meet all generally accepted accounting principles.

NEW BUSINESS

Stewardship: A lengthy discussion took place with regard to the overall financial situation. Some comments include:

- Our fixed bills include salaries, benefits, water, sewer, telephone, office supplies, electricity, internet service, apportionments, vehicle maintenance, facilities maintenance, propane gas, taxes, auditing fees, pest control, pond maintenance, etc. These must be paid out of the general budget.
- Even with help from the membership and church groups who occasionally transfer their funds to the general fund (usually the Crafty Ladies and Men’s Group), there is little available to plan for large or small unfunded needs which arise, such as a leaky roof, a recovering a parking lot, a falling-apart portable, broken playground equipment, etc.
- People must become more spiritually engaged if we are to do more than “just get by” financially.
- Pastor Mike and John have had several discussions about stewardship; i.e., making donation pledges to GCUMC.
- Only a few people in our church actually tithe (donate 10% of their income). If everyone tithed, we would have more than enough to keep the church going and continue in all our ministries.
- A comparison of our yearly budget over the years reflects that it has risen each year somewhere between 2% to 5%. Spendable donations, however, are dropping. As mentioned above, as of the end of September, we have received \$23,400 less this year than last year.
- Some people have mentioned that this is the first church they have attended which did not have a stewardship program (i.e., pledges).

- Jeanne said GCUMC did have a pledge program in 2003. However, after the results were received no one really seemed interested in pursuing the pledges any further and, as a result, no action was taken regarding the pledges.
- Rick again brought up the possibility of a church business venture, such as starting a day care center or day school once we have constructed a new facility. This would bring in extra money.
- John reminded us of a survey he took regarding education several years ago. Out of 400 possible responses, he only received about a dozen.
- If everybody moved up on their spiritual curve, it was believed it would help immensely.
- People need to become involved in small groups during the week, not just attend on Sunday morning.
- Finance matters should be brought before the congregation more than once a year, even if the information is conveyed on just a few slides on the Sunday morning overhead before services start.
- Perhaps we should consider restarting our monthly dinners for the community.
- We will soon feel the crunch from the lack of extra money which was available in the past after the Men's Club Arts & Crafts Fair which was held in January or February.
- The correlation between church growth and our financial issues should be a topic of Church Council discussions.
- People who visit for the first time need to be carefully nurtured by us so they don't burn out too quickly.
- If we know someone who is struggling personally or health-wise, be sure to let him or her know that Stephen Ministers and our Courage Over Cancer program are available.

Hurricane Readiness: Hurricane Irma, which went through our area on September 10, brought to light many of our deficiencies in hurricane readiness. Before the hurricane, Zak Alvarez came by to take necessary steps to protect the sound booth and the equipment in the sanctuary, including covering items with plastic trash bags. Sean Priest and Naomi Satterley came by to bring many of the outside things inside (urns, hoses, plants, etc.). [There are likely other things that were done before Irma, but they were not mentioned during the meeting.]

After Irma, it was discovered that the circuit breaker in the sanctuary does not protect the bank of lights at the front of the altar, and one circuit breaker was mislabeled. As a result, the electricity going to the bank of lights in the sanctuary was not turned off. After a technician was called out, we also learned that those lights were not working NOT because of a lightning strike, but because the hurricane winds were able to shake the plugs loose out of their outlet and the electrical connection was lost. Until this was discovered, another unfunded expense – to the amount of \$13,000 to replace the lights – temporarily rose to the top of our money needs. Whew! Dodged *that* bullet!

Jeanne and Dawn noted that during Hurricane Charley in 2004, the roof leaked into the office and the hurricane winds forced water under the doorway into the office. Getting ready for Irma, they made sure that as much office equipment as possible was placed on top of a desk, and computer monitors were laid face down.

John Dorotics recently suggested that the church obtain quotes for hurricane shutters on our main building. Then people could "adopt" a window or door to purchase a shutter.

2018 Budget

For our Charge Conference which will be held this Sunday (October 22), the pastor's salary and apportionments for 2018 must be approved. Pastor Mike has again refused a salary increase for 2018. Our apportionments have risen from \$42,524 to \$45,050. All present approved these figures.

The overall proposed budget rose from \$486,206 in 2017 to \$496,435 in 2018. (The higher amount includes an additional \$1,000 mandated by Conference, for account 502.130, which was not included in the 2018 budget printed on 10/13/217.) A summary of the budget by category is reproduced below, and reflects a total, overall budget increase of 2.1%.

Category of Expense	2018 Budget	2017 Budget	Difference
Administration	\$30,575	\$29,521	\$1,054
Apportionments	45,050	42,524	2,526
Pastor	102,125	101,125	1,000
Lay Staff Salary	191,287	187,783	3,504
Payroll Taxes	14,000	14,000	0
Utilities	39,600	36,600	3,000
Building & Taxes	54,698	56,553	-1,855
Mortgage	0	0	0
Education & Programs	10,000	9,200	800
Worship	5,600	5,600	0
Music	2,600	2,600	0
Outreach	900	700	200
	<u>\$496,435</u>	<u>\$486,206</u>	<u>\$10,229</u>

SUMMARY

Finance Committee Lights & Resolutions for Church Council:

Red:	➤ Budgetary needs.
Yellow:	➤ Stewardship program.
Green:	➤ Money is still trickling in for unfunded items such as A/V upgrades.

The meeting was adjourned at 8:05pm with a prayer by Doreen. The next meeting is scheduled for Monday, November 20, 2017, at 7:00pm.

Respectfully submitted,
 Dana Hanson