

**Gulf Cove United Methodist Church**  
**Experience. Embrace. Engage.**  
**Finance Committee Meeting**  
**February 20, 2018 -- 7:00pm**

**Attendees:** John Furtado (Chair), John McGuire (Vice-Chair), Pastor Mike Weaver, Jeanne Shrout, Rick Starck, Linda Starck, John Rowland, Carrie Humke, Dana Hanson

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

Corrections to Previous Minutes: Dana Hanson was not notified of any corrections to the minutes from the 1/16/2018 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.

**2018 FINANCES**

Budget: The budget for 2018 was finalized a few days after January's Church Council meeting. The total budget is \$486,487 (\$281 more than 2017). The average spendable income needed each month is \$40,541, or \$9,352 each week.

Spendable Income: John reported that for February, spendable income received to date is \$27,790, with one more Sunday remaining. Spendable income received during January totaled \$48,712. Note that this includes the amount of \$12,400 received from one member who made an annual donation (instead of weekly or monthly). There is at least one other individual who has indicated they may make an annual donation by donating some of their minimum-required-withdrawal out of their IRA account.

Set Monthly Transfers: Accounts into which a set amount is placed most months reflect the following balances as of the dates shown in the following table.

	07/31/2017	08/31/2017	09/30/2017	10/31/2017	11/30/2017	12/31/2017
A/C Fund 320.007	9,289	9,389	9,589	9,789	9,989	9,989
Church Property Taxes 320.024	2,720	3,080	3,440	3,800	360	360
Facility Expansion 320.026	13,511	13,751	13,991	14,201	14,416	14,631
Facility Up Keep 320.028 (prior mort. pmt.)	16,117	16,117	16,142	16,142	16,142	16,142
Pastoral Changes 320.031	210	240	270	300	330	330
Parsonage/Oaks Cove Taxes 320.040	700	800	900	1,000	100	100

Reserve Fund: During February to date, donations to the Reserve Fund total \$1,504, bringing the total in that account to ≥\$23,135. The following schedule reflects Reserve Fund withdrawals.

	2015	2016	2017	2018		2015	2016	2017	2018
January	0	0	0	0	July	6,000	0	0	?
February	0	0	0	?	August	0	6,379	6,000	?
March	0	0	0	?	September	0	10,000	9,500	?
April	0	0	0	?	October	0	0	0	?
May	0	0	0	?	November	0	6,000	6,000	?
June	0	4,000	0	?	December	0	500	0	?
<b>TOTAL</b>						<b>6,000</b>	<b>26,879</b>	<b>21,500</b>	<b>0</b>

### OLD BUSINESS

Investment of Dedicated Funds: John has been in touch with Rev. John Peterson of the Florida United Methodist Foundation regarding investing some of our dedicated funds. He is our church's contact regarding this issue. Rev. Peterson said they have a Development Fund which pays interest quarterly and is reviewed quarterly. Since the end of 2012, it has been paying 1.5% annually. We currently have our two scholarship funds invested in the Development Fund.

Information on the Development Fund indicates that funds can be received in as little as 72 hours. Rev. Peterson explained that a withdrawal slip is prepared with the required signatures. The slip can then be scanned and emailed to the Foundation.

Pastor Mike indicated that the Development Fund was a topic of discussion at one of their clergy meetings. A representative from the Foundation attended one of their meetings and indicated that it was very easy to get money out of the account. John pointed out that the Development Fund is not FDIC insurance; however, they do have over \$300 million in assets. The main office number is 866-363-9673. More information can be found on the website at <https://www.fumf.org/development-fund/>. That webpage states, "Any Florida resident, church, organization or business can invest in the Development Fund with a minimum investment of \$100. The foundation uses the fund's accumulated assets to offer low-interest loans for new construction, expansion and maintenance."

Dawn is evaluating which dedicated funds accounts are appropriate for investment, as they must not be accounts into which funds are often placed or from which funds are often pulled (referred to as "in-and-out" accounts). John estimates that there is a little over \$60,000 which might be eligible for the Development Fund. He hopes that our first investment can be made within the next few weeks.

### NEW BUSINESS

Sale of Floodlight: We have been trying to sell our floodlight for some time. It has been stored in the barn for the last 1½ years. John put it on Craig's list on February 15 at \$500. If it does not sell within 45 days, and if there are no objections, he plans to drop the price and re-list it.

Memorial Funds: John contacted a few families which have control over some of our older memorial fund accounts. He received authorization to move the funds which remain in their respective accounts into our general budget. As a result, about \$1,000 was transferred.

Financing for Future Expansion: Rick advised that the trustees recently discussed this topic which relates to the financing of construction of a new building. One concept they discussed deals with replacing the four portables which are in very bad shape. Each building is around 1,000 square feet. Rick envisions a building in the range of 8,000 to 12,000 square feet. This would provide not only enough space to replace the portables and extra space for our own needs, but also space that could be rented out. We may have to create an LLC to rent the space, but the LLC would be owned by the church. He said that, since the annual Arts & Crafts Fair is no longer being held and its overflow parking area is no longer needed, he also envisions renting out the back acreage. He and the trustees discussed developing an RV and boat storage facility -- something simple that does not require a lot of upfront money. It would likely require lights, a security camera, fencing with a security gate, insurance, etc. He thinks that between rental of part of the new building plus rental for RV and boat storage, we would be in a good position to pay off any construction loan. Some comments made during the ensuing discussion were:

- If we started now, construction would still probably be three years down the road, when the Discipline, County, and architectural requirements are considered.
- A kitchen should be included, or at least the plumbing for one.
- Providing shower and laundry facilities would be ideal.
- The extra space could be shifted into a short-term, cold-weather shelter.
- Many meeting attendees indicated they were in favor of a community-hall type space which we could use for dinners and other large church events, in addition to renting it out.
- One consideration is the availability of ample parking for such a large building.
- Installation of a cell phone tower (a topic of previous discussions) is still an option -- but we are at the mercy of when the cell phone companies need out location.
- If needed, we could consider purchasing the land behind our current back acreage.
- Another 1% club could be created, where people commit to paying, over time, up to 1% of the construction costs.
- If used, we would have to ensure that the back acreage would not flood, and that the environmental concerns regarding gopher tortoises were met.
- It is believed that the land is not wetlands.
- Pastor Mike indicated he would like us to be cautious as to whom we might rent any rooms in a new building.
- Several years ago, Terry TenBrink lead a team which considered new construction. He should be consulted and what they have already determined should be considered.
- It was voiced that building a new formal sanctuary is not necessarily the way to go, even though it was in GCUMC's original architectural plans for future expansion.

Rick believes that unless we come up with a way to help finance any construction, it won't happen. It has been a topic of conversation for more than ten years. Rick asked that we all prayerfully consider being on this facility expansion team. He noted that his thoughts as outlined above have not yet been brought up before the Church Council. Unfortunately, Rick and Linda will not be at next Monday's Council meeting. John Furtado indicated he would make a short presentation in Rick's absence.

**SUMMARY**

*Finance Committee Lights & Resolutions for Church Council:*

Red:	➤ None. Yay!
Yellow:	➤ We still cannot routinely set aside \$1,500 each month.
Green:	➤ We are making excellent strides on how we can invest some of our dedicated funds so as to avoid the miniscule bank interest rate of 0.0005%.

The meeting was adjourned at 7:31pm with a prayer by Pastor Mike. The next scheduled meeting is Monday, March 19, 2018, at 7:00pm.

Respectfully submitted,  
Dana Hanson