

**Finance Meeting Minutes
Prospect United Methodist Church
December 8, 2022**

In Attendance: Michelle Cornish, Tim Krauss, Pastor Yongyeun Lee,
Chairman Arthur Paul, and Don Titus

Minutes From Last Meeting: The minutes from the last meeting of November 10, 2022 were approved with added clarification with regard to the discussion about the fiscal condition of the church to support a full-time pastor (See Old Business section)

Old Business: At the November 10th meeting, Jill Wilson, speaking on behalf of the Staff-Parish Relations Committee, requested input from the Committee on the fiscal condition of the church, and whether or not Prospect UM Church could continue to support a full-time pastor. A year-end survey is sent to SPRC for their recommendation. She did not seek a "consensus" or "formal" decision from the Committee--just input about our fiscal condition. Members of the Committee expressed varying points of view on this matter. A preliminary 2023 budget had yet to be devised. Pledge cards were still coming into the church, and the Committee still needed to know what the year-end 2022 budget deficit would be. No formal recommendation was sought by the Staff-Parish Relations Committee, and none was rendered by the Finance Committee at that meeting.

At the December 8th meeting, the Finance Committee discussed the above matter and felt the minutes should be approved with added clarification. The Committee did agree that it would attempt to support a full-time pastor for 2023. This was incorporated in the 2023 general budget and went before the Church Council and was approved at the Charge Conference. Pastor Lee related that the decision to go to a part-time pastor for fiscal reasons starts with a formal recommendation from the Finance Committee, then goes to the Staff-Parish Relations Committee, and then proceeds to the Church Council. He stressed that it is crucial that all committees are "on the same page." Otherwise, all types of confusion can result with the Church Conference and the District Superintendent.

New Business:

Financial Report :Reviewing the Accounting Fund Balance sheet through October, Tim Krauss noted that PUMC Endowment Fund did show about a \$3,000 gain despite the fluctuations in the stock market throughout the year. The \$987.82 that has been dormant in the Troop 2--Boy

Scouts of America Fund may be donated to the a newly-formed Cub Scout troop at the First Congregational Church. Where to donate this money has been a source of concern to the Committee for years. Troop 2 no longer exists at our church.

The Unrestricted Net Assets line (spendable cash) showed a -\$4,618.54 through November, 2022. It was \$3,042.14 at this time in 2021--"about a \$7,000 swing." PUMC owes about \$14,730 in unpaid apportionments. Through November, 2022, \$14,613.60 had been spent for church heating oil compared to \$10,315.23 in 2021 (year-to-date). Parsonage heating oil cost came in at \$3,159.48 compared to \$1,509.60 year-to-date. \$2,000 was recently paid to reduce a \$13,000+ oil bill, and another \$3,000 payment is about to be paid in December. Money was taken from a special fund of \$4,700 that was formed to help pay the unexpected jump in the cost of oil. Tim Krauss noted that some of the recent oil bills will have to be paid into February, 2023 with money from the 2023 budget. The Board of Trustees has been looking into using some of the money in the restricted funds in the endowment to help pay the 2022 PUMC apportionment. Tim noted the unrestricted account has only about \$2,000 left in it.

On the income side, \$96,648.56 had been received with regard to pledges and general offerings. \$108,000 was set in the annual budget, and \$104,617.45 had been received in 2021 year-to-date. This was a little disturbing to Tim and the Committee as the year is close to ending. On the expense side, \$172,999.33 had been spent at the end of November, 2022 compared to \$176,784.53 at the end of November, 2021. The snow removal account has been exhausted, and the jump in heating oil have been key unanticipated expenses this year,

5-Year Plan: Tim Krauss has been working on a Strategic-5-Year Plan to share with the church membership. PUMC has 275 members Between 2018-2022, net membership loss was 15 per year. In 19 years, PUMC will be down to 0 members if this trend continues. Between 1993-2017, PUMC accumulated \$967,000 in "cumulative deficits." Only about 6 of those years, PUMC either balanced the yearly budget or showed a budget with a surplus. Somehow, "we managed to keep going."

Next Meeting: The Finance Committee will meet on Thursday 1/12/23 at 7:00 p.m.

Respectfully submitted,
Don Titus