

**Finance Meeting Minutes
Prospect United Methodist Church
January 12, 2023**

In Attendance: Carolyn Brown (phone), Michelle Cornish, Tim Krauss, Chairman Arthur Paul, Beth Provost, Don Titus, Jill Wilson (phone), and Chris Wilson (phone).

Minutes From Last Meeting: The minutes from the meeting of December 8, 2022 were approved as written.

Old Business: Members of the Staff-Parish Relations Committee met with District Superintendent Alpher Sylvester. Jill Wilson related that Rev. Sylvester did not encourage the Committee to pursue the idea of transitioning to a part-time pastor at this time. He noted that PUMC had budgeted and approved the proposal to keep a full-time pastor for 2023. Prospect UM Church has no mortgage, has a history of paying its yearly apportionment, has been very active in serving the Bristol community, and has over \$500,000 in its endowment. From the office of the District Superintendent, this makes transitioning to a part-time minister a difficult "sell". SPRC dropped its informal survey recommendation for a part-time pastor after meeting with Rev. Sylvester.

The Finance Committee agreed with Jill Wilson's request that "we as a church must come together about the future of the church." An aging building, increasing expenses, and a decline in membership may make it difficult to continue as one church with a full-time pastor without spending down restricted money in the endowment funds. If PUMC were to close, money from the sale of the church property and parsonage would revert to the New York Conference. Endowment money would be dispersed by a Conference committee with input from local representatives. A merger would raise some other issues. Tim Krauss stressed the need for a strategic report on the future of our church. He also reminded the Committee that we need to keep the mission of our church in mind and be aware that the nature of the ministry may change.

New Business: The Committee approved a request from Sue Powers, Carla Heister, Heidi Flower, and Carol Rivard to sell soup every Sunday in February, 2023. Proceeds would be used to help pay for the cost of PUMC fuel.

Financial statements for the year of 2022 are being distributed to parishioners by Michelle Cornish.

Financial

Report: The PUMC Endowment ended 2022 with a balance of \$722,233.99. The beginning balance in January, 2022 was \$823,090.88. Regular interest and dividend income for the month of December was \$5,013.80—twice as much as the treasurer usually gets each month. The Board of Trustees tapped the restricted portion of the Endowment Fund for \$30,000 (4%). This money enabled Tim Krauss to pay the remaining part of the PUMC apportionment for 2022 and pay some oil expenses. The transfer was booked for December 31, 2022.

This move enabled the church to enter the new year with \$11,616.32 in Unrestricted Net Assets (spendable cash). Last year, PUMC entered the year with a -\$3,060.97 in Unrestricted Net Assets.

On the income side, pledges and general offerings (\$105,991.06) were less than last year (\$113,573.68), and less than the Committee budgeted (\$108,000). Total income was a little less than last year, but 6% more than the Committee budgeted. Special donations made to cover oil bills helped. Money from the Roberts Fund was fully used in 2022, but Tim noted that Building Fund pledge money was about half (\$4,311.00) of what it was the previous year (\$8,998).

On the expense side, \$214,186.26 had been spent through December, 2022 compared to \$204,788.25 in December, 2021. Annual budget was set at \$227,885.15. "We came in at 94% of what we anticipated." (Tim Krauss) The \$10,000 increase over 2021 was due mainly to fuel bills (\$25,000 in 2022 compared to \$14,000 in 2021), an increase in the pastor's salary and a change in the PUMC apportionment.

Tim also mentioned that the church was \$5,000 over budget for electricity in 2022, but less than \$100 over budget for electricity at the parsonage. Outside groups using the building may account for some of this. He also stressed that the church will be over budget in paying for the costs of electricity this year unless we modify the 2023 budget.

Carolyn Brown also urged the Committee to keep the congregation informed on budget matters through news releases and notes in church bulletins. Tim also informed Carolyn \$176.45 remains in the budget for CPR/AED training.

Next Meeting: The Finance Committee will meet on Thursday, March 9, 2023 @ 7:00p.m.
Respectfully submitted,
Don Titus