

**Finance Meeting Minutes  
Prospect United Methodist Church  
November 5, 2012**

**In Attendance:** Florence Alverides, Tim Krauss, Sue Powers, Chairman  
John Rioux, Pastor Bob Sorozan, Don Titus, and Jane and  
Don Workman

**Minutes From Last Meeting:** The minutes from the meeting of October 15,  
2012 were approved with one correction.  
(See old business--T. Krauss e-mail)

**Old Business:** On October 16, 2012, Tim Krauss , Church treasurer, e-mailed members of the Finance Committee about modifications to the 2013 Church budget. The Education portion of the budget is covered by a \$3,500 budget line. Tim Krauss and Sue Powers proposed that the \$3,500 be spread as follows: \$2,000 for Children/Youth Sunday School, \$1,000 for Vacation Bible School, and \$500 (decided by the Finance Committee on 10/15/12) for Youth Ministries. This reduced the bottom line of the overall Church Budget by \$1,500. After checking with Chris Wilson on the Board of Trustees, Tim Krauss proposed that \$2,750 be placed in the 2013 Church Budget to cover the possible need for an outside vendor to do lawn care for the Church and parsonage in 2013. Both changes in the proposed 2013 Church Budget were approved by the Finance Committee.

The 2013 Church Budget figures are:

Expense Budget	\$205,138	(4.7% increase)
Projected Income	162,275	(-3.4% decrease)
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Budgeted Income/ (Deficit)	(\$42, 863)	53.3%

Chairman John Rioux raised the question of how the Church parishioners would react to this budget. Sue Powers mentioned that the membership should be aware that the transition from a part-time minister to a full-time minister does incur additional costs. Pastor Sorozan and Tim Krauss felt that some of the new programs and activities in the Church along with the "narrative budget approach" would lead to more members, more attendance, and more giving. Don Titus felt there was a need to reach out more to our passive membership in an effort to increase pledges and giving.

**New Business:** Don Workman, a member of the 2011 Calendar Year Audit Committee, presented a written report on the Church's  
**Audit:** financial status from January 1, 2011 through December 31, 2011. The total amount of cash in all treasuries of the Church was \$827,839 at that point. Don commended Tim Krauss for his assistance and credited the Power Church program for making the nearly-completed audit possible. The Audit Committee made nine recommendations to make financial audits easier in the future and to improve financial business conducted by the Church.

Don's biggest concern was that the Endowment Fund 36 Restricted Account beginning balance needs to be adjusted for asset value changes to be consistent with the UBS balance. Report of Endowment Fund 36 balances to the Charge Conference should disclose fund activity for the Restricted Account, the Unrestricted Account, and the Carrington Account. This could be done through a Trustee disclosure or the Treasurer's report. The significance of this disclosure is to show the transfer of interest and dividends to the General Fund 01. Tim Krauss said he would check with the Board of Trustees on this matter.

The Audit Committee also recommended a back-up person be appointed to help the Church treasurer. It also recommended that the list of persons who are authorized to access Church accounts needs to be brought up to date. Webster Bank accounts--7875, 4168, 6726, and 5192--need to be added to their online system.

Chairman Rioux thanked Don Workman and his Audit Committee for the excellent and prompt report, which will be available for the Charge Conference on November 29, 2012. Tim Krauss will provide the Audit Committee with additional information to officially complete the audit. The Audit Committee felt the accounting practices being followed satisfy the requirements as outlined in the Local Church Audit Guide.

**Letters:** Pastor Sorozan mentioned he would be sending out holiday letters for Thanksgiving and Christmas. He also related that the Stewardship Committee will be sending out letters this month pertaining to the pledge campaign.

**Sunday School:** Sue Powers requested that the Committee explore the possibility of clearing its office of furniture and moving into

the vacated assistant minister's office by April 15, 2013. The Sunday School is in need of additional classroom space. Tim Krauss and other members of the Finance Committee agreed to explore this idea more.

**Financial Report:** Tim Krauss presented a financial report covering expenses and income for the 2012 year through October. He mentioned \$55 for the "One Great Hour of Sharing" should not have been credited. He will adjust this at a later date,

Tim also noted a "negative balance" for funeral receptions. Discussion took place on whether or not families are charged \$50 to cover the costs of a funeral reception, and how this money is collected. Members of the Committee will check the handbook and deal with this matter in the near future.

**Next Meeting:** The Finance Committee will meet on Monday, December 3, 2012 at 7:00p.m.

Respectfully submitted,

Don Titus