

Finance Committee
Asbury First United Methodist Church
June 23, 2025
MEETING MINUTES

Present: Fred Aten, Angie Burch, Paul Campbell, Tim Mahan, John Ormsbee, Dawn Riedy, Joe Stankaitis, Scott Turner

Meeting called to order at 5:30 pm.

Scott shared a devotion.

Ken Slater has retired from the Committee; he was thanked for his service.

Approval of Meeting Minutes

Motion to approve May 19 Minutes (no corrections). Motion by Joe, seconded by Scott. Approved unanimously.

New Governing Board process for reviewing and posting meeting minutes was reviewed; goal is to have meeting minutes posted on the Asbury website (<https://asburyfirst.org/committees/>) within 2-3 weeks of meeting.

Facilities & Custodial Budget Team

Draft charter presented to and supported by Property Stewardship Committee (PSC). Jim Connell has agreed to lead this effort; he will be assembling a small team over the summer. Goal is to support Directors of Operations and Property Care (Deb and Johnny) and to coordinate the efforts of this committee, PSC, staff and volunteers, help manage spending and strengthen the budgeting process for all Facilities & Custodial expenses.

Town Hall Meeting Debrief

Generally positive response to the meeting materials (emailed in advance), presentation and degree of transparency. Suggest that a link to the meeting be shared with the congregation to encourage others to watch and listen to the discussion. Important introduction to a shared understanding of our not-new structural deficit. Several members of the congregation have responded with offers to help. Leadership giving as of June 22 exceeded \$100,000 goal. The Generosity Team will manage Second Mile Giving efforts moving forward.

Team and Committee Updates

- Governing Board (Dawn)- Revised reforecast COC and General Budgets approved by the Governing Board on June 9. Revisions to General Budget April 29 reforecast discussed below.
- Financial Sustainability Task Force (Tim)- Group has met twice, focused on helping to address 2025 budget gap. Team is now moving forward to address long-term financial sustainability challenges and opportunities. Tim welcomed input and ideas.
- Generosity Team (Joe)- Team will help support Second Mile Giving via ongoing engagement with the congregation and other non-member donors
- Legacy Giving Team (Fred)- no update
- Audit Team (Scott)- Team has not met; John reports no concerns with 2023 audit in-process. Dawn met with Emily Camardello (Team Lead) who recommends we complete the 2023 audit (by fall 2025), then

move on to a 2025 audit (start Jan 2026) as having a current audit will provide the most actionable information. Michelle supports this idea; those present also agreed with this approach.

- Investment Committee (Fred)- Committee recently had a phone meeting with Wespath, one of our new financial advisors. Wespath is a UMC affiliated benefits and investments organization, and this new partnership is a great addition.
- Property Stewardship Committee (Paul)- PSC is carefully weighing 2025 expenditures, with ongoing discussions about what HVAC equipment will/will not need replacement in 2025. Paul explained the rationale for sprinkler replacements in the spaces renovated 20 years ago (e.g. Gathering Space).
- Outreach Committee (Dawn)- May COC Budget review provided; no concerns; gap analysis for 2026 reviewed and planning has started for expanding COC pledges by non-church members

General Budget Review

May General Budget Income & Expenses were reviewed against both the original and reforecast budgets. YTD income is “flat” compared to YTD last year, while total expenses have increased by 19%, with the driver being multiple categories of Facilities & Custodial expenditures.

Having monthly financials early in the month is tremendously helpful, and the plan moving forward is to “lock” the financials in Power Church by the time they are presented to the Finance Committee. Any corrections will be recorded in real time, rather than updating prior month’s financials retroactively.

On June 4, Dawn reviewed May financials with John Ormsbee, David Strong and Michelle Bogue-Trost. Based on May results, several revisions to the April 29 reforecast were indicated: an increase in the Communications budget and increases in several Facilities & Custodial categories (detailed on page 4), resulting in an increase in the deficit from \$243,000 to \$264,000. This revised reforecast was presented to the Governing Board on June 9 and approved.

As a result of the Finance Committee’s May 19 memo, we have thus far \$38,108 in expense reductions:

- PSC voted to reduce 2025 capital improvement fund (CIF) allocation from \$75,000 to \$45,000
- The Outreach Committee voted to reduce 2025 off-campus ministries allocation from \$11,000 to \$6,000 and will begin looking at other opportunities for funding off-campus ministries support
- Administration identified \$3,108 in 2025 cost reductions

PPRC’s work is ongoing. At the time of our meeting, personnel expenses reductions as a result of David Strong’s retirement and internal staff transitions were not yet verified.

NOTE: On June 25, John and Dawn verified 2025 personnel expenses reductions of \$27,701, reducing the gap (and need for Second Mile Giving) to \$200,000. The May financial statement that follows has been updated accordingly.

There was consensus that starting this month we will include a General Budget monthly financial statement with the Meeting Minutes so that those reviewing the Minutes have access to this information. See page 4. 2025 YTD Budget amounts are pending as the 2025 Reforecast Annual Budget is being loaded into Power Church.

Balance Sheets Review

The structural deficit in our General Budget impacts not just Income & Expenses, but also our cash balances (cash reserves readily available to meet immediate financial obligations).

John and Dawn provided an introduction to understanding balance sheets (assets- cash and non-cash, liabilities and equity) for Fund 1A (General Budget operating funds), Fund 2A (COC Budget operating funds), Fund 2B (COC

donor-restricted ministry-specific reserves, mostly collected prior to 2024), Fund 4A (a variety of off-budget restricted funds), Fund 7A (capital improvement fund, CIF), Fund 8A (capital campaigns) and Fund 9A (endowments).

Fund 1A (General Budget) has historically experienced periods of negative cash flow that has been supported by cash from Funds 2A-9A. This is a common practice in churches and other nonprofit organizations to streamline administrative operations so long as all fund balances are carefully tracked and accounted for separately and there are adequate positive cash balances in the remaining funds. Fund 2A is budgeted to have a zero cash balance by the end of December, then start anew with 2026 COC pledges and donations. Fund 2B is being spent down over time to support COC-based ministries as part of the annual COC Budgets. The cash balance of Fund 4A is changing significantly over the course of 2025 with the transfer of two bequests to Fund 9A (assets-to-assets but no longer cash assets) and spend down of Columbarium funds with Columbarium construction now underway. The cash balance of Fund 7A is budgeted for needed capital improvements. The cash balances of Funds 8A and 9A are minimal. We need to monitor this situation carefully, and the Governing Board has been notified that we are doing so. Dawn and John will continue their work forecasting net cash balances through the end of 2025 and will report back at our next meeting.

Columbarium Funding

The congregation previously approved the Columbarium project, including use of borrowed funds to complete construction, if necessary. At the start of construction, this restricted account (in Fund 4A) had approximately \$190,000, representing the purchase of niches to date. Bob Shuman estimates these funds will be spent down by the end of August, and that up to \$200,000 will then need to be borrowed using Asbury's existing line of credit in order to complete construction. Since this is a self-funding project, John will create a separate Power Church Fund (Fund 7B) to track use of the line of credit by this project, and to ensure Columbarium funds are used to both pay for the interest on the line of credit and to pay off the line of credit as more niches are purchased.

Timeline for 2026 Budgets

There will be a Church Conference in the fall, however, this does not need to be tied to passing the General and COC Budgets for 2026. Michelle's recommendation is that we move budget approval back to late January. Budget approval in January allows us to have a better idea of pledges (many folks wait until late December or early January to pledge), and will allow Committees, Work Areas and the Financial Sustainability Task Force more time to accomplish their work. This cadence will also allow us to inform and seek feedback from the congregation as the budgeting process moves forward. Those in attendance agreed with this timeline. The Finance Committee will therefore need Committee and Work Area draft 2026 budgets by October 1.

July Meeting

Our July meeting will focus on two topics- the 10 year budgets looks back (lessons learned) and the 2026 gap analysis for both the General and COC Budgets)

Next meetings

July 28, Aug 25, Sept 22

Paul volunteered to do a Devotion for our July meeting.

Meeting ended at 7:10 pm

Respectfully submitted by Dawn Riedy

General Budget Monthly Income & Expenses	2025 May Actual	2025 YTD Actual	2025 YTD Budget	2024 YTD Actual	2025 Reforecast Annual Budget	2024 to 2025 Increases	Notes	2024 Year End Actual
INCOME								
CONTRIBUTION INCOME								
Pledged & Unpledged	68,145	737,112	Pending reforecast	765,307	1,365,953	-6.3%	1	1,457,281
Second Mile Giving (NEW)	0	0	Pending reforecast	0	200,000			-
Subtotal Contribution Income		737,112	Pending reforecast	765,307	1,565,953	7.5%		1,457,281
ENDOWMENT INCOME	29,287	147,937	146,545	149,257	351,707			359,579
RECENT BEQUEST	2,892	14,458	Pending reforecast	0	34,700			-
PROPERTY USAGE	13,190	64,307	54,778	57,933	126,085			136,137
OTHER INCOME	3,011	18,864	13,666	16,811	31,128			41,646
TOTAL INCOME	116,525	982,679	Pending reforecast	989,308	2,109,573	5.8%	2	1,994,643
EXPENSES								
PERSONNEL	107,201	540,799	Pending reforecast	498,530	1,194,117	3.2%	3,4	1,157,563
NON PERSONNEL								
INTERFUND TRANSFERS OUT	2,500	38,500	Pending reforecast	60,417	51,000		5,6	170,524
ADMINISTRATION	11,108	46,828	Pending reforecast	57,701	118,898			114,934
COMMUNICATION	3,186	19,364	Pending reforecast	13,713	26,218			20,566
MINISTRY SHARES	26,145	131,175	132,842	99,642	318,190		7,8	236,390
WORSHIP & ARTS	(1,668)	7,053	5,229	5,779	11,150			9,602
EDUCATION	6,549	15,402	13,854	5,728	27,250			17,720
CONGREGATIONAL CARE	1,017	6,975	7,608	10,672	15,060			17,055
Subtotal before Fac & Custodial					567,766	-3.2%		586,791
FACILITIES & CUSTODIAL								
Utilities	7,610	61,581	Pending reforecast	49,392	114,860		9	106,821
Janitorial Supplies	1,775	11,463	Pending reforecast	5,905	23,000		10	12,078
Maintenance Supplies	1,647	8,814	Pending reforecast	4,737	15,100			14,755
Maintenance Services							11	100,895
Maintenance Contracts	11,563	35,642	Pending reforecast	7,686	73,400		12	
Uncovered Maint/Repairs	3,731	68,263	Pending reforecast	17,464	95,000		13	
Insurance/Prof Services	0	10,453	Pending reforecast	7,624	24,570			18,201
Subtotal Facilities & Custodial	26,325	196,215	Pending reforecast	92,808	345,930	36.9%	14	252,750
Subtotal Non Personnel	72,662	423,012	Pending reforecast	Pending reforecast	913,696	8.8%		839,540
TOTAL EXPENSES	182,363	1,002,312	Pending reforecast	844,990	2,107,813	5.5%	15	1,997,103
EXCESS INCOME/EXPENSES	(65,838)	(19,632)	Pending reforecast	144,318	1,760		16	(2,460)

Notes:

- 1- 2025 is the first year for a COC pledge opportunity (and first year with an independent, fully allocated COC Budget)
- 2- Percent increase needed to balance budget (yellow = depends on Second Mile Giving)
- 3- Confirmed \$27,700 2025 expenses reduction with July staffing transitions
- 4- Net increase = 2.5% cost of living adjustment + healthcare benefits increases - personnel expenses reduction (green = on-b)
- 5- 2025 \$45,000 Capital Improvement Fund (CIF) + \$6,000 off-campus outreach; \$0 to COC Budget
- 6- 2024 \$75,000 CIF + \$70,000 Ministry Shares rebate to Capital Campaign + \$25,524 to COC Budget
- 7- 2025 return to full Ministry Shares (apportionment, set percentage of unrestricted income)
- 8- 2024 last year of Conference contribution to Capital Campaign (for COC renovations)
- 9- Main cost drivers are electricity & gas (refuse collection moved to Maintenance Contracts in 2025)
- 10- Product cost increases plus increased utilization
- 11- Maintenance contracts + uncovered maintenance/repair expenses (not covered by contracts) grouped together in 2024
- 12- Starting in 2025 Maintenance Contracts include refuse collection (moved from Utilities)
- 13- Includes some carryover expenses from 2024 (yellow = unpredictable, continue to closely monitor)
- 14- Cost driver for increase in Total Expenses is Facilities & Custodial (yellow = continue to closely monitor)
- 15- Percent increase matches percent increase Total Income (yellow= continue to closely monitor)
- 16- Fully funded budget depends on Second Mile Giving (yellow = continue to closely monitor)