

Finance Committee
Asbury First United Methodist Church
February 24, 2025
Meeting Minutes

Present

Michelle Bogue-Trost, Angie Burch, Tim Mahan, John Ormsbee, Dawn Riedy, Ken Slater, Joe Stankaitis, Scott Turner, Mark Wright

Meeting called to order at 6:32 pm.

Tim welcomed Joe Stankaitis who is joining the Finance Committee as a representative of the Giving Team.

Devotion

A devotion was provided by Scott Turner

Approval of Minutes

January Minutes were approved by email in advance of the January Governing Board meeting. Motion to formally Approve Minutes by Ken Slater (second by Dawn Riedy)- passed unanimously.

Finance Updates for Town Hall Meeting (Tim & John)

Tim Mahan led a discussion about the Town Hall Finance Materials which were sent to the congregation earlier today in preparation for the Town Hall Meeting on March 2:

- Balance Sheet, Funds 01-04, December 2024
- Summary of Net Revenue and Changes in Fund Balances
- 2024 Budget Reports for Church Operations and COC Operations, including explanatory notes

The presentation on Sunday will be brief. Congregants with more in-depth questions will be encouraged to speak with Tim after the meeting or email Finance@AsburyFirst.org (effective today this email will be forwarded to Dawn's home email- she will monitor and coordinate with appropriate individuals before responding to inquiries)

For the Town Hall Meeting, Tim will focus on the Summary of Net Revenue and Changes in Fund Balances.

He will explain that the summary of net revenue differences between budget and actual reflects a mid-year decision by the Governing Board to preserve Outreach ministry-specific donor-restricted funds (Dining & Caring Center, Storehouse, UR Well Clinic, Grocery Bag Ministry and Community Garden)- so that these ministry teams could be engaged in a process to determine how best to use these funds over a several year period. This work was accomplished in 2024, and the Community Outreach Center (COC) now has a sustainable fully funded budget incorporating both COC general contributions (and pledges) and ministry-specific funds.

That the end of 2024 Actual for church operations was \$(2,459.75) is good news. This is much closer than we have been in recent years to having general operations income match expenses.

Expenses for 2024 (for both general operations and the COC) were also challenged by significantly higher than expected maintenance and utility (especially electricity) costs.

Looking ahead to 2025, the 2025 budget is fully funded; however, we still a way to go to meet our pledge goals. To date have achieved 93% of our general operations pledge goal- there is an ongoing opportunity for folks to pledge.

If there are questions about the negative cash balance

- Not new- we have had a negative cash balance for several years
- This balance includes a \$155,500 inter-fund loan to close out the A Time to Build capital campaign
- Our overall financial position is strong (Funds 01-10, including our endowments); we are able to borrow between funds as needed to pay our bills
- This is a call to action- we must have a balanced budget and should have 3-5% in cash reserves (currently we have no such cash reserves)
- One of the 2025 priorities of the Governing Board will be to establish a task force to take a comprehensive look at Asbury's finances and to develop a sustainable financial plan

Financial Sustainability Task Force (Tim & Michelle)

One of the highest priorities identified by the Dream Team task force is the need for a comprehensive look at Asbury's finances and the development of a sustainable financial plan. For several years we have been spending more than we have been taking in. The only variable expenses that could be cut are personnel expenses- such cuts would reduce ministries and services and would likely not be in the best interests of the vitality of Asbury First. Rather, we need to figure out how to grow in numbers, increase (and diversify) our pledging base, take a hard look at all of our buildings, strategize about how best to leverage our endowments etc. This is not the job of a single work area, committee or team, and for that reason the Governing Board will be commissioning a multidisciplinary task force to take on this work collaboratively. With gratitude, Tim has agreed to chair this effort.

Moving Forward

Dawn Riedy has agreed to chair the Finance Committee Chair and serve as the Governing Board Treasurer.

Dawn shared her initial thoughts about the role of the Finance Committee and her proposed plans for the committee moving forward. The roles and responsibilities of the Finance Committee are outlined in the United Methodist Book of Discipline. So that we have a shared understanding of these responsibilities Dawn is asking everyone on the Committee to read the United Methodist Guidelines- Finance (2025/2028); discussion of the Guidelines will be incorporated into future meeting agendas. A copy of guidelines document was provided to all in attendance in-person; Dawn will make arrangements to get copies to others.

This committee has an opportunity- and a responsibility- to take a more active role in ensuring the financial vitality of Asbury First. Said differently, how can we best steward the church's financial resources? Our job is not to set spending priorities for the congregation; rather, our job is to match resources to mission- to come up with creative solutions to fund the initiatives the congregation and the Governing Board will prioritize. Dawn is committed to working collaboratively to understand how we have arrived at our current financial position and to develop a balanced budget for 2026.

One key to accomplishing the work ahead is better connections to other work areas, committees and teams this committee is charged with supporting and/or to whom this committee has delegated responsibilities. Dawn is asking that we include representatives from the following groups:

- Giving Team- Joe Stankaitis
- Investment Committee- TBD

- Pastor Staff Relations Committee- TBD
- Property Stewardship Committee- TBD
- Outreach Committee- Dawn Riedy

Dawn also asked for help from at-large members (those not currently representing another committee or team) to establish an audit subcommittee.

Rev Michelle has written a detailed job description for the Finance Committee Chair which aligns with United Methodist Book of Discipline expectations, and we now need a corresponding Finance Committee charter. The last such charter was written in 2013. Dawn has drafted an updated charter which she will circulate by email to all committee members for comment and input.

Dawn's initial thoughts about priorities 2025

- Establish an audit subcommittee and start the audit process ASAP. The Book of Discipline requires an annual audit (by an external auditor for a church our size); our last two audits were in 2016 and 2022.
- Actively participate in the Financial Sustainability Task Force
- Understand how we have arrived at our current financial position (Dawn has started a 2015-2024 lookback)
- Establish a process for ongoing Shelby-Power Church reconciliation. In working on the Fund 02 budget last year Dawn has identified instances of inadvertent misrouting between Shelby and Power Church.
- Review and assess all internal control policies and procedures (many from 2013); update as needed

Dawn has asked that everyone think about what our high priority work areas should be for 2025. With input from everyone, we will spend time at our next meeting setting and prioritizing our goals for 2025.

Group's initial thoughts about priorities:

- Untangling various accounts (streamline accounting, transparency, clarity etc.)
- Easier to understand financial reports (for Governing Board, congregation etc.)
- Balanced budget for 2026
- Optimize budget year cycle to align with best practices for churches
- Incorporate depreciation schedules into budget
- Address culture changes in church attendance and giving (work being led by Giving Team)

The plan is to continue with regular meetings at 5:30 pm on the 4th Monday of the month whenever possible. Dawn, however, will be out of the country March 19- April 1, and the 4th Monday in May is Memorial Day weekend.

Therefore, our next three meetings will be as follows:

Monday April 7

Monday April 28

Monday May 19

Meeting times will be 5:30-7 pm

The meeting ended at 7:04 pm. Rev. Michelle offered a closing prayer.

Minutes respectfully submitted by Dawn Riedy

Finance Committee
Asbury First United Methodist Church
April 7, 2025
MEETING MINUTES

Present: Fred Aten, Jim Connell, John Ormsbee, Dawn Riedy, Ken Slater, Joe Stankaitis, David Strong, Scott Turner, Ellen Williams

Meeting called to order at 5:30.

Devotion: Dawn shared a devotion.

Approval of Minutes

February Minutes were reviewed.

Motion to approve Minutes (with one minor edit). Motion by Scott, seconded by Ellen. Approved unanimously.

United Methodist Guidelines- Finance

Committee reviewed Part One: Getting Started- Your Ministry in Finance

Lessons learned and opportunities identified: helpful resource, value and importance of financial accounting expertise, committee's responsibility to review all funds (not limited to general church operations and COC), value of comparison to prior year income/expense, need for a new mindset around giving (generosity as a reflection of gratitude), opportunity for additional policies & procedures

Finance Committee Charter

An updated committee charter was drafted in February and circulated by email for review by the Finance Committee; draft was also reviewed by Chuck Hanrahan, Governing Board Chair.

Motion to approve Finance Committee Charter with minor edits. Motion by Joe, seconded by Jim. Approved unanimously.

Next step- approval by Governing Board.

Audit Team

An Audit Team has been established. Members are Emily Camardello (lead), Scott Turner (Finance Committee liaison) and Ted Skomsky (member of Finance Team), supported by staff- David Strong and John Ormsbee. Emily is a church member and an experienced certified professional auditor. The Audit Team will report to the Finance Committee and has been charged with overseeing Asbury's annual financials audits (2023 and 2024), reviewing and updating internal control policies and procedures (e.g. opportunities to strengthen accounts payable policies and procedures), and working on other internal audit projects (e.g. reconciliation process for gifts routing from Shelby to Power Church).

Motion to approve Audit Team with membership and responsibilities as outlined above. Motion by Joe, seconded by Scott. Approved unanimously.

Team and Committee Updates

- Senior Minister (David)- The Financial Sustainability Task Force membership is being finalized, and Michelle is preparing to launch a year round stewardship initiative

- Governing Board (Dawn)- Financial Sustainability Task Force (chaired by Tim Mahan) plans to begin meeting later this month; Dawn will be participating; first up will be review of 2025 budget status
- Giving Team (Joe)- For 2025 we have 348 general church operations pledges totaling \$1,148,972. We have 62 new pledges in 2025, while 75 prior year pledges have not been renewed (some moves out of area, some deaths). Overall combined giving (general church operations + COC designated) is up significantly compared to 2024. Still, after multiple rounds of phone calls, current general church operations pledges are \$51,000 below projected \$1,200,000 used in the 2025 budget.
- Legacy Giving Team (Fred)- This team recently began meeting (had been inactive); Rick Phillips, a retired Methodist Elder, will lead the team. Legacy Team asked to educate congregation about how legacy gifts are used by Asbury (e.g. General Endowment if gift is not otherwise specified), and legacy giving options (e.g. restricted/unrestricted as to purpose and/or preservation of corpus)
- Audit Team (Scott)- First meeting was on March 26. 2022 audit was reviewed, and 2023 audit is in process. Team is working on finalizing their charter. Next meeting is April 23.
- Investment Committee (Fred)- Investment Committee recently completed a lengthy review and RFP process to update Asbury's investment advisors. An updated complement of advisors (West Path, Clark Capital and Alesco) is in place as of January 2025.
- Outreach Committee (Dawn)- Currently no issues or concerns regarding the COC Budget (Fund 2A); 50% of budgeted income has already been received, expenses are on-target and monitored monthly by each ministry team
- SPRC Committee (no rep yet)
- Property Stewardship Committee (no rep yet)

Asbury Fund Accounting

John provided a 2025 fund accounting overview, including a high-level description of Power Church Funds 1 through 9 and a brief explanation of donor-restricted verses board-restricted funds. John was asked to provide more information about capital campaign fund balances (e.g. Fund 8A); this information will be presented and discussed at a future meeting.

General Church Operations (Fund 1A) Income & Expenses

A new reporting format was introduced which includes prior year comparisons (current month and year to date) as well as percentage of annual budgeted income/expenses. Fund 1A January through March income and expenses were reviewed. Opportunities for re-forecasting both income and expenses were identified, and this discussion will be continued at our next meeting. The COC Operations Budget (Fund 2A) was not discussed.

Action item: John and David were asked to review and re-forecast Facilities & Custodial expenses.

2025 Finance Committee Goals

Proposed 2025 goals were presented and will be circulated for further review and comments by the committee. We will vote on 2025 Finance Committee goals (and strategies) at our next meeting.

Next meeting dates

April 28 and May 19. Return to 4th Monday in June. Fred volunteered to do the Devotions for April 28.

Meeting closed at 7:10 pm.

Minutes respectfully submitted by Dawn Riedy.