

Eastport UMC Finance Report 2023

This report details the financial activities of Eastport UMC for the year 2023 as submitted in our Annual Conference. The Finance Committee is led by Chairperson Elaine Fors-MacKellar, Treasurer Neil Bergsman, Finance Secretary (AR) Ruth Gibbons, Finance Secretary (AP) Steve Duckett, Church Council Chair Jill Peddicord, Lay Leader Michael Keller, Harriet (Peanuts) Newquist,

Budget

At the time of the annual charge conference, the committee had not submitted a complete budget for 2023. The budget of EUMC is typically finalized in November for the following year. In our process the Church Council has the opportunity to request financial support for ministries. Giving trends are reported to the Church Council regularly by the Financial Secretary/Treasurer; the need to raise sufficient income to meet the budget was addressed; and the church expects to operate with a deficit budget for at least the next two years due to a decline in participation.

Handling of Church Funds

The Treasurer regularly reports the financial position of the church to the Committee on Finance and the Church Council. All benevolences and other connectional funds are remitted monthly to the conference treasurer. The church utilizes First National Bank of PA and Truist. However, not *all* accounts are FDIC insured at or below the current insurable limit as the church maintains a managed investment account diversified and managed by FNB wealth management.

The church maintains written financial policies, but these have not been reviewed recently to ensure adequacy and effectiveness. Church offerings are counted by a counting committee, and all funds are deposited promptly. Financial officers are not bonded, but the church has a fraud policy in place. The church maintains dual control procedures to separate those handling cash in and payments out. This is reviewed quarterly by the finance team, and electronic giving and payment systems further increase controls.

Our dual control policies ensure the safe handling of financial contributions. Here's a breakdown of what dual control typically entails:

- **Two or more authorized personnel:** Whenever handling church funds, at least two people who are authorized to handle money must be present. This could be during collection counting, bank deposits, or dispersing funds for approved uses.
- **Reduced risk of fraud:** Having two people involved minimizes the opportunity for any one person to steal or misuse funds.
- **Accuracy and transparency:** Dual control fosters precision in counting donations and keeps financial records transparent. This can be crucial for maintaining trust with church members.
- **Variations in responsibilities:** The specific duties of each authorized person might differ depending on the church's policy. In some cases, one person might count the money, while another records the amounts and verifies the accuracy.

Overall

The Eastport UMC Finance Committee follows most recommended practices for handling church funds. However, there are areas for improvement. In the near future we will be developing a budget for 2024, creating a plan to address the deficit budget. Additionally, a review of the written financial policies and the implementation of an annual audit would be beneficial.