

**REPORT OF THE FINANCE AND STEWARDSHIP COMMITTEE  
TO THE TENNESSEE STATE CONVENTION  
OF THE CHURCH OF GOD OF PROPHECY  
July 27-29, 2007**

Since the last State Convention, this committee has met on several occasions to deal with financial matters concerning the Church of God of Prophecy State Funds and properties. We respectfully submit the following report:

**Section I**

In accordance with prior State Convention recommendations, the state of Tennessee has operated under a balanced budget concept. With revenues decreasing and expenses increasing due to aging properties, this is a challenging task. We are committed to good stewardship of funds provided and are pleased to share with this convention the report of coming in under budget this past fiscal year.

**Section II**

This committee met after the past State Convention with a representative of AmSouth Investment Services, Mr. Michael Cooper, regarding the Hartford Variable Annuity set aside for the operation of the campground and to secure support for the camping ministry. As previously reported, these funds were transferred to this investment primarily due to the "Principal First" guarantee. (i.e. Any monies placed in this investment are secure)

The increase in the market has brought the value of this initial investment of \$924,627.95 to \$1,245,945.72 (as of 5/31/07). While we are limited on the amount of withdrawals at present, the "Principal First" guarantee will rise from the initial investment amount to market value amount on the fifth anniversary date scheduled for October 16, 2007.

Interest earned on this investment continues to be unrealized gain until the anniversary date in October. At that point, the account balance will be realized as "Principle" and secure. We continue to transfer state reserve funds for maintenance of the campground in addition to use of rental funds received.

**Section III**

Changes in the Financial Structure of the Church of the God of Prophecy have caused stress to this body at all levels. Revenues to the state office have been decreased tremendously the past years. The largest present source of revenue is tithes from pastors and ministers. It accounts for over 60% of the annual budget. We commend those who are faithful stewards of what God has provided and monthly report and tithe from their ministerial income to the state office. Many retired ministers are exemplary in this example by monthly sending their tithes while on a limited income. We are committed to this Biblical principle and believe it is required by God to be faithful.

#### **Section IV**

The keeping of proper financial records and faithful reporting to the local church, state office, and International Offices are imperative. Every pastor is encouraged to see that the members are well informed of the financial matters of the local body. Conducting quarterly business conferences with detailed reports will result in clear understanding. Pastors should confirm on a regular basis that reports have been sent to both International and State Offices by the local church clerk and treasurer.

Tennessee is blessed to have many faithful men and women serving as clerks and treasurers. Several of these have served a significant period of time. The value of their ministry is tremendous. We acknowledge their faithfulness and express our appreciation to them today. Many serve with no financial remuneration, but are diligent in all matters pertaining to the finances of their local church. We encourage pastors and congregations to take opportunity to acknowledge these individuals with special recognition at various times during the year.

#### **Section V**

God has blessed the state of Tennessee with some beautiful state properties. Due to age, several of these buildings have required major repairs since the past convention. Both the state office building and state parsonage required foundation repairs at a cost of \$25,450 with Olshan. A pier lock system was installed to cover the damage with a lifetime transferable warranty. While the work was extensive, it has resulted in immediate visible improvement that greatly enhances the value of the properties. In addition, three heat/air units were replaced the previous year.

#### **Section VI**

One of the state's most valuable properties is the state campground, "Camp Hickory Hills", located near Dickson. The day prior to the annual budget meeting (June 27<sup>th</sup>), members of the state Finance and Stewardship Committee toured the campground to view first-hand particular needs and condition of the facilities. A representative met with us to discuss needed repairs at the gymnasium. We anticipate a submitted bid in the near future.

We commend Campground Manager, Terry Bear, for this diligent labors in beautiful maintenance of the grounds.

Age and use of the facilities has resulted in the need of significant repairs and renovations. A detailed listing has been made and repairs will be made as funds are available. We are committed to preserving these facilities and maintaining the property in quality condition for the use not only by the Church of God of Prophecy today but future generations.

We envision the need for additional facilities, primarily an educational building. While funds are not presently available, we are hopeful they can be attained within a few years. Such a property could be a valuable asset, not only to our own functions; but an incentive

to those desiring to rent the facilities.

## **Section VII**

For a number of years, the state of Tennessee has provided a Disability Insurance Policy for pastors. While the intention is good, it has become apparent that funds used for this purpose might be better invested elsewhere. Those needing assistance have been provided very little. Others in need who have inquired regarding the assistance, have been disappointed in what it offered.

Support and provision for the ministry in Tennessee is of utmost importance to us. We want to make the wisest investment to provide the best assistance when needed.

In the annual budget meeting, an amount was set aside to assist Tennessee pastors when there is a legitimate need. "As an act of love, we would gift to needy pastors an amount per incident (until their regular disability was enacted). This would be a one time gift up to the amount of \$1,000. Any amount above that would be approved with consultation of the State Finance and Stewardship Committee." \*FS Committee Minutes Quote 7/28/07

In addition, local churches are encouraged to assist pastors with Health Care coverage and disability insurance if at all possible.

## **Section VIII**

We are admonished through the Holy Scriptures to watch and care for each other. It is important that the stronger care for the weak. Funds available for assistance to smaller congregations has been increased in the budget. Regular monthly assistance continues to the MidWest Region (Overseer Steve Madrid) and began in July to the Northwest Territory (Overseer Rick Lee).

We are grateful funds have been available to assist local churches with special needs this past year.

Some smaller congregations have worked very hard to pay off church loans and are commended for their labors through every means available to raise funds.

It is especially encouraging when larger, more financially stable, congregations choose to adopt a 'sister church' and assist with finances through a one-time or regular love offering. It brings the blessings of God upon both parties. We encourage and support this type of partnership in Tennessee.

## **Section IX**

This committee recognizes our accountability to Almighty God and the congregations of the Church of God of Prophecy in Tennessee regarding financial matters. We are committed to integrity and openness in all financial affairs.

A comprehensive audit of our financial records has been performed by Blankenship CPA Group. This audit has proven the accountability of all state funds.

Respectfully submitted,

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E.C. McKinley, State Overseer

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Chuck Bailey

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Tim Coalter

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Glenn Creasy

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Paul Holt

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Windell Moore

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Londa Richardson, Secretary & State Treasurer