

Approved Congregational Meeting Minutes

First Unitarian Church, South Bend
Annual Congregational Meeting
May 19, 2019

1. Call to order by President Chuck Leone at 12:00.

2. Quorum —The Secretary determined that a quorum of members (35 plus 7 proxies) was present.

3. Opening — Chuck Leone

4. Approval of Congregational Minutes — Florence Klecka moved that the minutes of the May 20, 2018 Annual Meeting be approved as written. Roger Birdsell seconded. The motion was passed unanimously.

5. Reports

a) Minister — reviewed

b) President — Chuck referenced his report on page 5 of the Annual Meeting booklet, emphasizing our successes at revising the children's religious education program, the hiring of Rich Wallace as the new Coordinator of Religious Education and the the ongoing work on the Strategic Plan. But he also highlighted some continuing challenges such as financial issues and the need for stronger marketing leadership.

6. Proposed 2019-2020 Operating Budget — (Report, pp. 6-8)

- Treasurer Elena Wake pointed out that the proposed budget has pledges of \$152,000 and Total Revenue of \$173,800.
- She also noted that on p. 7, line 205, our mortgage payments for the year are estimated at \$22,700. This includes payment on additional mortgage debt for roof repair and the fact that the mortgage interest rate will most likely rise when renegotiated in June or July.
- Another factor in the budget is that the Board raised the salary for the Coordinator of Religious Education, line 809.
- Barbara Williams asked how much the solar panels are saving us. Chuck said that this was difficult to say exactly because we also replaced the AC system, put in the solar panels and some of the electricity is being sold back to the utility. Elena found that our 2015-2016 cost was \$6,500 and now the cost is under \$2,000.
- A motion was made by Byrd Tetzlaff to adopt the 2019-2020 budget as proposed, seconded by Dan Groteke. Discussion centered around the proposed deficit of \$21,527. Joseph Gress pointed out that last year the budget deficit was \$5,000, and that year we had a surplus of \$11,000. Joseph raised a flag about a pattern of budget deficits as a long-term concern. Chuck said that typically we underspend our budgeted items and that leads to a surplus. This year our pledges have flattened, the CRE Director's salary has been raised and the north roof needs to be redone. We can cover the deficit with a combination of the 2018-2019 surplus, unrestricted savings and fund-raising for the roof which has already begun. The motion to adopt the budget passed unanimously with no abstentions.

7). Endowment Disbursements

- Joseph Gress made a motion to adopt the list of disbursements by the Endowment Committee, seconded by David Wistreich. Ruth Regan asked where the playground will be. Rich Wallace answered that it will be in the fenced area on the north side of the RE wing. The motion was carried unanimously with one abstention.

8). Elections

a) Officers and Trustees for 2019-2020 — Gary Metzler moved that the slate of Officers and Trustees as listed on page 11 of the Annual Report be elected. David Mayfield seconded.

Officers:

| | |
|----------------|----------------|
| Vice-President | Suzanne Waller |
| Treasurer | Elena Wake |

Trustees:

Howard Berberick (2-year term)
Camla Seegers (2-year term)
Janet Bogar (1-year term filling remaining term of Rich

Wallace)

The motion passed unanimously.

b) Endowment Committee Members — Lois Holm moved that the slate of two members for the Endowment Committee listed on page 11 be elected. Lynn McDonald seconded.

| | |
|-----------------|---|
| Three-year term | Marilyn Shaul |
| One-year term | Joseph Gress (filling remaining term of Suzanne |

Waller)

The motion passed unanimously.

c). Nominating Committee — Dale Gibson moved that the slate from the Nominating Committee be elected. Wendy Lohman seconded.

| | |
|---------------|---|
| Chair Person: | Chuck Leone (outgoing Board President, 1-year term) |
|---------------|---|

| | |
|-----------------|---------------------------------|
| New Member: | Becky Lindstrom (two-year term) |
| Current Member: | Wendy Lohman |

The motion passed unanimously.

Nominating Committee Alternate — Lynn McDonald volunteered from the floor to fill the Alternate position. Rich Wallace moved that Lynn McDonald be elected Alternate on the Nominating Committee. Jim Ward seconded. The motion passed unanimously.

9). Resolutions

Resolution #1

The Board of Trustees of the Church is hereby authorized to negotiate the renewal of the note and mortgage on the Church building at 801 E. Washington St., South Bend, Indiana, with 1st Source Bank, the current mortgage holder, at the prevailing interest rate for loans of this type, and under such other terms and conditions as the Board deems appropriate.

- Currently our mortgage consists of three five-year renewable notes. The first five-year note started in August of 2014 and will be ending in July of 2019.
- The old mortgage rate was 5.67% and Chuck estimates that it will rise to about 7.75%. The budget proposal for 2019-2020 includes the increased interest rate.
- Lois Holm wondered if the Board had shopped around for a better rate. Chuck said that we had not because of the good relationship we've had with 1st Source, but that we could if the membership felt it necessary.
- Susan Siemers said that our other accounts were there and we would have to change our other accounts if we switched.
- The question was raised if there would be closing costs and fees. Chuck said there wouldn't be because it was the same loan.
- Jim Curlee said that he felt we should stay with a business where we had a good relationship and service.
- Byrd Tetzlaff felt we should keep a business where we have a good relationship.
- Roger Birdsell made a motion to authorize the Board to negotiate the renewal of our mortgage note as written in Resolution #1. Dave Wistreich seconded. The motion passed unanimously.

Resolution #2

The Board of Trustees of the Church is hereby authorized a) to contract for the replacement of the north roof of the Church building along with associated work, for an amount not to exceed \$40,000; and b) to borrow the additional sum of not more than \$20,000 from 1st Source Bank to be added to the Church's mortgage loan with the Bank, to be paid under the same terms and conditions as the renegotiated mortgage loan with 1st Source Bank.

- We had an estimate a year ago from Dudek for \$36,600 that Dudek will hold for us. This includes removal and replacement of shingles, replacement of any damaged deck areas, removal of an old vent structure, installation of flashing and of ice and water shield underlayment. The north roof is larger than the south roof (which has already been reroofed) because the north roof includes the area over the sanctuary.
- There was a question about whether we had considered a metal roof. David Mayfield had suggested a metal roof earlier, but the Board had decided to stay with the shingles.
- Dan Holm asked about how this can be financed. Here are possible existing funds.

| | |
|----------------------------------|---------------|
| Remaining Capital Campaign funds | 3,049.05 |
| Ginger Bear Fundraiser | 2,639 |
| Endowment disbursement | 4,000 |
| Raise the Roof campaign | <u>12,200</u> |
| | 21,888.05 (on |

hand)

| | |
|--------------------------------|-------------|
| Gap (\$36,600 - \$21,888.05) = | \$14,911.95 |
|--------------------------------|-------------|

- Other possible sources of funds are: unrestricted savings, more Raise the Roof donations (only 8 people have contributed so far), and adding to our mortgage.
- Chuck said that we probably wouldn't need all of \$20,000. Discussion followed about whether to amend the resolution to lower the amount to \$10,000 or \$15,000. Larry Dzuagis said that it's better to have some extra because many projects run over.
- Joseph Gress asked if we have other major projects to undertake. Replacement of clerestory windows, \$1,000 in repairs to elevator and dishwasher were named.
- Barbara Williams asked if there would be a warranty on the work by Dudek. Kathy Vetter said we had worked with him before and had been very satisfied with his work and service.
- Ron Robinson pointed out that the more we can raise with the Raise the Roof campaign, the less we will have to borrow.
- How does a \$15,000 loan affect our mortgage payments? The budget proposal assumes a \$10,000 loan and a variation of about \$1,000 per year.
- A motion was made by David Mayfield and seconded by David Wistreich to adopt Resolution #2 as written. The motion was passed unanimously with one abstention and 2 proxy abstentions.

10). Committee Reports

- **Stewardship** — Gary Metzler said that the Committee had been working on a plan to enable the church to accept credit cards for pledges and for the auction. This will be coming soon.
- Several people felt that it should be easier to find the Amazon button on our website so we can get a donation to the church from Amazon when ordering.
- Melanie Smith-Guillaume noted how much work that all the committees have done over the year. The Annual Report lays out the volunteer time donated to the church. Thank you to all.

11). Peace and Justice Focuses for 2019 — Reviewed.

12). Volunteer of the Year Award — Gail deSommer and Susan Van Fleit were honored as volunteers of the year.

13). Recognition of 2018-2019 Board

14). Other Business

- Jim Curlee wanted to show appreciation for the Nominating Committee. Thank you.
- Gary Metzler wanted to thank Chuck Leone for his service as President this year.
- Rev. Chip wanted to thank Chuck for being President and also for contributing with his legal expertise. Chip presented Chuck with a book.

15. Adjournment — The meeting was adjourned at 1:15 pm.