

The Congregational Church on Mercer Island
56th Annual Congregational Meeting Minutes--Sunday, January 30, 2022
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1. Call to Order: 55th Annual Congregational Meeting (Cheryl Malcham, Moderator) 12:00

2. Opening Prayer: Cheryl led the meeting in prayer.

3. Declaration of Quorum, Proxy, and Email Votes (Cheryl Malcham)

"A quorum for a Congregational meeting shall be based on the membership in 'attendance' being at least at twenty-five percent of the Congregation's active members." (CCMI By-Laws, Art. IV Polity, Sec. B Quorum Pg. 10)

Active Members= 85 (CCMI By-Laws, Art. V Membership & Covenant, Sec. A Membership, Pg.12)

Required in attendance=22 (CCMI By-Laws, Art.14 Polity, Sec. D Voting, Pg. 11)

Current Active Members in 'Attendance': = 41 present (no proxy or email votes): Quorum is declared as met

4. Approval of Minutes of 2021 Annual Congregational Meeting: (Cheryl Malcham):

Attachment: "Annual Congregational Meeting, January 31, 2021

Attachment: "Annual Congregational Meeting, Part 2, February 28, 2021

Motion: The "Annual Congregational Meeting Minutes" of January 31, 2021, and the minutes from February 28, 2021, *be approved as published. Moved, Seconded, and approved unanimously*

5. Treasurers Financial Reports (Don Rule)

Attachment: Balance Sheet as of December 31, 2021

Attachment: CCMI Budget vs Actual as of December 31, 2021

Attachment: Proposed Budget 2022

A.2021 Financial Reports:

1. Revenue:

a. The past year we saw pledges and contributions \$41,000 over the \$292,000 that was expected in the budget.

b. The Government Paycheck Protection Program (PPP) loan of \$29,000 from 2020 was forgiven in this calendar year.

c. However, we did not have a fundraiser this year, so we missed making approximately \$10,000 that the event usual brings in. Overall, our revenue was up.

2.Expenses:

a. Compensation expenses were on budget

b. Office expenses were slightly higher than budget.

c. Building and grounds maintenance & improvements was \$4,000 over budget. Some of that was the investment in hybrid worship.

d. Liability Insurance was \$9,000 over budget. Instead of \$9,000, it probably should be \$5,000 over budget as the 2020 budget amount was lower than the long-term average.

e. Facility Trustee expenses were \$14,000 over budget.

f. Music program was slightly over budget.

3. Adjusted Revenue and Budget: This summary shows there are some items, like the Pandemic Benevolence Fund, which are imbedded in our P & L, but shouldn't be there. Don wants to bring these items below the budget line from now on as they are not budgeted items. There was a net income of \$34,000 for 2021. We had budgeted for a loss of \$9,000, so we were \$43,000 above budget for the past year. \$29,000 of that was the PPP loan.

4. Budget for 2022:

a. We need to have a stewardship committee to watch the pledges so we can communicate what is needed to the congregation and can plan the budget.

-We won't have the money from a PPP loan this year.

-We also have budgeted for cost-of-living increases for employees.

b. Budget: Don looked at four years of expenses. He considered two years that were non-covid and two covid years. Except for cases when he knew the budget amount, he took an average over the four years, assuming that there will be a time of normalcy in the second half of 2022.

c. He budgeted \$10,000 for a fundraiser.

d. He budgeted for the expenses of opening the building for more use.

e. Total revenue is budgeted at \$250,000 for pledges. With building usage fees, the total is \$289,000. Last year's actual was \$291,000. Our expenses are budgeted at \$325,000. This leaves a shortfall of \$36,000. Other income, like the Memorial Garden payments, will bring in about \$25,000. So, the expected net loss for this year is about \$12,000.

f. Possible solutions:

-we need to know the rest of the pledges, with hopes of greater income.

-see if we can reduce insurance coverage against earthquakes. The earthquake portion is about \$11,000.

- see if we can save money with landscape maintenance.

-perhaps buy our own printer instead of leasing a copier.

-find out if we can save money on our refuse collection.

g. We are in a good liquidity position regarding our investments. We made good investments in the building and are pretty healthy financially. For anyone who is interested in talking in greater detail about the finances, Don offered to host a smaller meeting.

h. It was asked how many pledges have not yet been received but are expected. Erich said that he believes we have received about \$250,000 in pledges, but he needs to check about the ones that haven't arrived yet.

i. It was asked if we could raise the rental rates for use of church facilities.

1. Cheryl spoke of creating a new wedding package for the church. She proposes increasing the cost for wedding rentals. Church members will have no cost except to pay a cleaning fee.

2. Gina Bullock, our office administrator estimates \$28,800 in rental income in 2022, and this doesn't include weddings.

3. At the moment, people are cancelling events because of Covid and because the furnace is broken. It has been a few years since there was a price increase. The church is busy with renters.

5. It was asked how we can promote the use of the church. Cheryl spoke about how she and Gina are working to list the church on regularly used wedding booking sites. Cheryl, Gina, and Jeff Church are also creating a website with more information about renting. The Communications committee will be working to bring in renters for the building.

6. *We need to set a date for the fundraiser this year, as weekend evenings fill up quickly.*

7. A question was asked about the Memorial Garden. Don mentioned a figure of \$20,000, which is the Memorial Garden donations over time. He budgeted \$4,000 this year. Returns on this portfolio are about \$15,000 out of the \$20,000.

B. 2022 Budget Adoption: Motion: The Budget for 2022: *be approved. Moved, Seconded, and Approved unanimously*

6. Nomination Slate Adoption: (Cheryl Malcham):

Attachment: "CCMI Nominations 2022"

A. Several new office holders for 2022 were nominated:

- Moderator: Erich Parce
- Communications: Cheryl Malcham and Peggy Derick as co-chairs
- Social Justice: Linda Jack and Jonathan Harrington as co-chairs
- Facilities Trustees: Diane Calvert
- Spiritual Care: Gail Layman
- Personnel, Stewardship, and UCC Liaison: no committees are being appointed, but the work will be handled by groups of volunteers overseen by the Moderator and Council as the jobs are needed.

B. A grateful thank you was given to all those who were leaving the Council after years of service: John Nelson, Elta Loy, Greg Malcham, Stan Harrison, and Dale Rominger. Thanks also to Cheryl Malcham and Linda Jack, who will still be on Council but in new positions, and to those on the Council who will remain in their same positions.

C. Nominations for positions for 2022: Motion: "The Nomination Slate" *be approved. Moved, Seconded, and approved unanimously.*

7. Committee Annual Reports:

A. Linda Jack said that the last page of her write-up on Communications wasn't included and so she wanted to add her thanks to her committee: Aaron, Carol, Gina, Megan, and Roberta. For the other committee reports we can read the attachments.

8. Closing:

- A. Thanks: (Roberta Rominger): A thank you to Cheryl for all the wonderful work she has done as Moderator and another thanks to the tech team for all the hard work they have done.
- B. Erich Parce was welcomed as the new moderator. He spoke of his enthusiasm as he begins the job.
- C. Roberta announced that a new music director would begin working hopefully at the beginning of Lent.
- D. Closing Prayer (Roberta)