

**MINUTES OF THE ANNUAL MID-WINTER MEETING
THE GLENVIEW COMMUNITY CHURCH, UNITED CHURCH OF CHRIST**

February 8, 2009

- I. Recording that due notice of the meeting was provided and determining that a quorum was present, the meeting was called to order at 9:35 a.m. by Moderator Tom Amos.
- II. The opening prayer was delivered by Rev. Dr. Howard Roberts.
- III. The Minutes of the Glenview Community Church Annual Meeting of May 27, 2008, were approved as presented.
- IV. The report of the Church Clerk for the year 2008 was given by Beryl Bills. As of December 31, 2008, total Church membership is recorded at 1,832, a net decrease of 31 members from the prior year. Of the 1,832 members, 1,495 are classified as active full-time members. Following several questions related to the determination of members being active versus inactive, a motion to approve the report as submitted was made, seconded, and approved by those present and voting.
- V. The report of the Church Treasurer for the year 2008 was given by Rob Hevey. In summary, for the year 2008, total revenues were \$40,671 under budget and total expenses were \$14,562 over budget resulting in a net deficit of \$55,233. The deficit, netted out against a \$28,603 surplus in the General Fund and a \$26,000 draw on funds in the Capital Reserve Fund resulted in a year end General Fund balance of \$630. A motion to approve the report as submitted was made, seconded, and approved by those present and voting.
- VI. The report of the Leadership Committee was given by Constance Filling, Vice-Moderator, who nominated Beryl Bills for Church Clerk and Rob Hevey for Church Treasurer, each for the term of one year. A motion to approve the nominations as submitted was made, seconded, and approved by those present and voting.
- VII. The report of the Stewardship Board was presented by Tom Amos. As reported, 483 pledges totaling \$951,561 for 2009 have been received. A motion to approve the report as submitted was made, seconded, and approved by those present and voting.
- VIII. Don Clark, Past-Moderator, having noted that due notice of the proposed amendments to the Glenview Community Church Constitution was provided, summarized the more substantive changes being proposed, including: adjusting the duties of members and the process for removing members to inactive status; increasing the quorum necessary for congregational meetings to 50 members present; placing the duties and responsibilities of the ministers in the bylaws; permitting voting by alternative means on matters for which no discussion will occur at congregational meetings; and, allowing notice of adopted amendments to be published on the GCC website.

A motion was made and seconded to accept the duly proposed amendments to the Glenview Community Church Constitution. A motion proposing an additional amendment was ruled out of order for failure to comply with the requirements of Article IX of the Constitution regarding the method of proposing and providing notice of proposed amendments.

The duly proposed amendments to the GCC Constitution for which proper notice was provided was approved by more than two thirds of the active members present and voting.

- IX. Tom Amos, citing the desire of the Executive Board to reconsider the proposed 2009 Budget before presenting it for adoption, recessed the Mid-Winter Congregational Meeting at 10:10 am until March 8, 2009 at 9:30 am at which time a proposed 2009 Budget will be presented for adoption.

**MINUTES OF THE RECESSED ANNUAL MID-WINTER MEETING
THE GLENVIEW COMMUNITY CHURCH, UNITED CHURCH OF CHRIST**

March 8, 2009

- I. Recording that due notice of the meeting was provided and determining that a quorum was present, the recessed meeting was called to order at 9:35 a.m. by Moderator Tom Amos. The opening prayer was delivered by Tom.
- II. The Glenview Community Church Budget for the year 2009 was presented by Tom Amos, Moderator. A copy of the proposed deficit budget previously approved by the Executive Board was made available both prior to the meeting and at the meeting. A summary of the proposed 2009 Budget and plans for balancing the 2010 Budget were presented by Tom. (A copy of *GCC 2009 Quick Look at the Budget Plan* is attached.) In summary, this budget
 - Is a \$83,500 deficit budget before transfers. Using \$43K in fund transfers from the Yacktman Leadership Fund, Romeiser Fund and Music Funds, the deficit is reduced to \$40,082.
 - Has no salary increases for any employees including Ministers
 - Does not eliminate any employee positions or reduce salaries
 - Provides no funding of the Capital Reserve Fund
 - Does not have Finance Board support.
- III. A motion was made and seconded to accept the proposed 2009 Glenview Community Church Budget.
- IV. Comments concerning the proposed 2009 Budget were received from the Congregation. A summary of the remarks follows:
 - Bob Kappus: Past Moderator, and chair of the 2009 Budget Committee, stated his opposition to the proposed budget for the following reasons: (A copy of his written comments are attached.)
 - Historically, GCC has provided a balanced budget; an exception was in 2004 when a deficit budget was passed. In reality, over the past five years, the church has ended four of the five years with a deficit; \$56K in 2008 despite the receipt of \$72K in over-pledged income at year's end. From 1999-2003, financial statements show a small surplus each year, but in reality the church probably had deficits of \$14K-46K because of the distribution of funds from the Housing Trust and other trust accounts to cover operating expenses.
 - The 2009 proposed budget is another deficit budget. Projected revenues are \$112K less than revenues budgeted in 2008 year. The projected deficit is \$108K. With the transfer of \$43K from internal accounts (Romeiser, Yacktman and Music) and no funding of the Capital Reserve Fund (\$19) the projected deficit will be reduced from \$108, 663 to \$45,871.
 - Over the past ten years (1999-2008) total revenues have increased \$175K while total expenses have risen \$308K. Approximately \$200 of this expense increase is salaries and benefits, which account for 67% of the total expenses. During the same ten years, missions rose \$15K and programming expenses increased \$5K.
 - In the past, the church has covered revenue shortfalls through investment income, transfers of funds from unrestricted reserve accounts and pledge overages; 2009 the Church cannot count on these resources. Nor can we keep borrowing from the Capital Reserve Fund.
 - The proposed 2009 budget is irresponsible and maybe illegal. We need to take appropriate action to get back on a solid footing.
 - Per Hanson, Past Moderator, stated opposition to the proposed budget. Comments and concerns voiced by Per are as follows: (A copy of his remarks is attached.)
 - It is not a balanced budget. It is a deficit budget to the extent of over \$100K. Proponents of the budget lead one to believe the deficit is \$43K, because the budget does not fund the Capital Reserve Account or the Music Program, and makes use of the Yacktman Leadership Fund and the Romeiser Trust, restricted funds of the Church.
 - Ministers, who had a financial interest in the budget, did not recuse themselves when the Executive Board voted to adopt the proposed budget.

- The Church is subject to the Uniform Management of Institutional Funds Act relative to how an Illinois institution may expend restricted Funds. An outside opinion on the effect of this act relative to use of the Romeiser Trust and Yacktman Leadership Fund was requested
- A “recessed meeting” of the Congregation is not a proper [legal] way to adopt a Budget. Rather, a “special meeting” of the congregation needs to be called.

- Pam Riedy, Executive Board member At-Large member, stated opposition to “going into the red” with the proposed budget.
- Marcia Kiraly, GCCNS Director, voiced opposition to a deficit budget
 - The Nursery School has worked to develop a balanced budget each year and has over the past four years contributed \$39K for facility improvements and playground enhancements in addition to the 10% of revenues contributed to the church
 - The NS will continue to work collaboratively with the Church and has made an additional \$5K payment to cover expenses.
 - GCC like the NS needs a balanced budget
- Scott Lothian, lifetime member. Families and church are the two most important things individuals turn to when faced with hard times. It is up to the members to make GCC a stronger church to meet members’ needs.

IV. Following comments, voting was completed via paper ballot. The motion was defeated with 50 yes votes and 119 no votes.

V. Moderator Tom Amos recessed the meeting at 10:25 a.m. until a future date at which time a revised proposed 2009 Budget will be considered.

**MINUTES OF THE RECESSED ANNUAL MID-WINTER MEETING
THE GLENVIEW COMMUNITY CHURCH, UNITED CHURCH OF CHRIST**

March 22, 2009

- I. Recording that due notice of the meeting was provided and determining that a quorum was present, the recessed meeting was called to order at 9:35 a.m. by Moderator Tom Amos. The opening prayer was delivered by Tom.
 - II. Jeff Wagner, Finance Board Chair, presented the proposed 2009 Glenview Community Church Budget. A copy of the proposed budget approved by the Finance Board and unanimously approved by the Executive Board on March 17 was made available both prior to the meeting and at the meeting. (A copy of which is attached.) In summary, this proposed budget:
 - Is a zero break-even budget inclusive of over \$43K in transfer funds and \$38K in non-specified salary adjustments (either staff reductions, salary reductions or a combination to be determined by the Ministers and Moderators as prescribed by the GCC Constitution).
 - Meets the requirements of those Trust funds used in preparing this budget
 - Includes proceeds of interest income and dividends only
 - Includes a \$3K one-time gift from the Women's Association
 - Provides no funding of the Capital Reserve Fund
 - Is a transition budget to stem the fiscal bleeding in 2009 and will lead to a balanced budget in 2010, which at this time is estimated to be a \$100-\$150K deficit budget.
- Jeff read a letter from Bob Kappus, Budget Committee Chair, indicating his support of the proposed 2009 Budget.
- Questions were raised and clarifications provided in the following areas: where and how salary adjustments will be accomplished; inclusion of additional revenues from the Resale Shop; increased pastoral expenses (i.e., conferences and insurance); and, use of music funds rather than pledged income to cover music expenses, excluding music staff salaries.
- III. A motion was made and seconded to accept the proposed 2009 Glenview Community Church Budget.
 - IV. Comments concerning the proposed 2009 Budget were received from the Congregation. A summary of the remarks follow:
 - A need for increased revenues/pledged income: those who have not pledged in the recent past, to do so; need to shift non-pledged income to pledged income; seek contributions rather than pledges from those who have not pledged recently.
 - Lack of funding of the Capital Reserve Fund in 2009
 - Concern over undefined potential staff reductions and the impact on church operations; not the time to make staff reductions.
 - VI. Following comments, voting was completed via paper ballot. The motion was passed with 110 yes votes and 43 no votes.
 - VII. Motion to adjourn the meeting was made, seconded and passed. The meeting was adjourned at 10:20 a.m.

Respectively submitted,

Beryl B. Bills, Church Clerk March 23, 2009

GCC 2009 Quick Look at the Budget Plan

<u>Total Expected Revenue:</u>	<u>\$1,125,487</u>
Pledge Contributions (93%) (3/4/09)	898,661
Other	226,836
<u>Total Expected Expenses:</u>	<u>\$1,208,987</u>
<u>Deficit Before Transfers:</u>	<u>(\$83,500)</u>

Fund Transfers

A. Music Funds*	13,068
B. Roemeiser Funds*	22,850
C. Yacktman Leadership Funds	7,500

*Funds can be used in 2009 only

Deficit with Transfers: **(\$40,082)**

Important to Note:

- (1) There are no salary increases in 2009 for any employees including Ministers.
- (2) No employee positions have been eliminated or salaries reduced.
- (3) Our Capital Reserve Fund is not being funded in 2009 and as a result of the deficit will result in a balance of \$202,344 with \$325,000 worth of projects projected over the next 3 years.
- (4) The Budget proposed by the Finance Board was turned down. This is a proposal by the Ex. Bd.

Plans for Balancing a 2010 Budget:

- A. The projected budget deficit for 2010 could be within a range of \$170,000 - \$220,000.
- B. Your Moderator is appointing a Personnel Task Force to examine all personnel job descriptions along with the compensation and the consequences of eliminating or reducing each position.
- C. Your Moderator and the Task Force will present areas of possible consolidation, elimination or reduction by cost for a 2010 balanced budget at the May Congregational Meeting. Congregational discussions will be held before any action is taken.
- D. A plan for balancing the 2010 budget will be presented to the Ex. Bd. in the fall of 2009.
- E. While there will be efforts to increase revenue through fund raising and increasing pledges, the budget planning for 2010 will assume no additional available funds.

TO THE CONGREGATION AT THE MID WINTER CONGREGATIONAL MEETING:

My name is Bob Kappus. I have been a member of GCC for 27 years. Over these years, I have served on several boards, was Chair of the Finance Board, and served as Moderator. For the last two years, I have been the head of the Finance Board budget committee. Based on these collective experiences, I would like to share some of my observations with you including comments about the attached information.

As long as I can remember one of GCC's guiding operating principles has been a balanced budget. I think the congregation has only approved one deficit budget in the last twenty-seven years and this was in 2004 after the last associate minister was hired. Until recently most members of the congregation, including myself, thought a balanced budget was required by GCC's constitution and by-laws. Much to my surprise, I discovered last December, while serving on the Special Budget Task Force, that a balanced budget was not required by GCC's old constitution and is not required by the recently approved "new" church constitution. Hopefully this will be corrected in May when we vote on a constitutional amendment that **requires a balanced budget**. Meanwhile, the Exec Board wants us to approve a budget with a \$108K deficit disguised as a \$46K deficit. Some leaders of the church want us to believe that our current financial difficulties are temporary due to the recession. They believe things will return to normal in a year or two so we shouldn't overreact to the deteriorating financial condition of the church. However, if you review the attached summaries of GCC's financial statements for the last ten years, you will see that we have experienced various degrees of financial problems for nine out the last ten years.

From 1999 through 2003, the financial statements indicate that we had a small surplus every year. However, upon closer review you will see that these surpluses were actually operating deficits (losses) disguised as surpluses. This was accomplished by distributing excessive amounts, including principal, from the Housing Trust and Other Trust Accounts, to cover annual operating expenses. In reality, the church probably had deficits ranging from at least \$14K to \$46K each of these five years. In 2004, the financial statement reflects a \$59,000 deficit; however, the real deficit that year was approximately \$126,000. To reduce the actual deficit, \$80K was distributed from the Housing Trust and the \$12K contribution to the Capital Reserve Fund was eliminated that year. Fortunately, church leadership stopped the practice of distributing excessive amounts from the Housing Trust and eliminating funding for the Capital Reserve Fund in 2005. The bad news is that we have had an operating deficit (loss) every year since 2005 except in 2006. Also, since projected revenues for 2009 are \$112,234 less than last year's budget, it will now be necessary to distribute \$43K from three "Trust Funds" and eliminate the \$19K contribution to the Capital Reserve Fund this year to reduce the projected 2009 budget deficit from \$108,663 to \$45,871.

In spite of record year-end contributions last December and over \$72K of pledge overage contributions, last year's operating deficit (or loss) was \$55K. Total 2008 pledge and non pledge revenues were \$96,902 less than budgeted. If some very generous members of this congregation had not contributed \$72K more than they originally pledged in 2008, the deficit last year would have been \$127K.

Why have we had deficits nine out of the last ten years? There are two schools of thought. The first is that the congregation hasn't contributed enough money to the church. This may be true; however, I consider that a personal decision that each member needs to make based on their own individual circumstances.

Regardless, of whether members are giving enough or not, this isn't a valid excuse to continue spending more than our annual income.

The second school of thought, which was the consensus of the Special Budget Task Force and the Finance Board, is that GCC's overhead is too high and has far outpaced our revenues. Total contributions in 2008 were only \$175,685 more than ten years ago. However, expenses in 2008 were \$308,477 higher than in 1999. Approximately \$200K of this increase in expenses from 1999 to 2008 was salaries and benefits. During this same period, the church's expenditures on programs only increased \$5K and its expenditures for missions only increased \$15K. Salaries and benefits comprised 67% of our total expenses in 2008 and represent 68 1/2% of projected expenses in the 2009 budget. The budgets for programs were reduced in 2008 and are being reduced an additional 10% in the 2009 budget.

Historically a significant amount of the shortfall between pledge contributions and expenses has been covered by three sources: (1) investment income and capital gains (2) transfers of funds from unrestricted reserve accounts intended primarily for other purposes and (3) pledge overage.

Due to the steady decline in interest rates, we can no longer depend on investment income or capital gains distributions (there aren't any), to help reduce the deficit. In fact, GCC's investments in stocks, bonds and mutual funds have dropped in value 34% in the last fourteen months. We also can't continue spending from "Trust Funds" to cover budget deficits. Not only is this irresponsible but it might in some cases also be illegal. This practice was one of the main reasons why the value of the Housing Trust has decreased from over \$600K when it was created to only \$225,000 today. If we continue spending money from these "Trust Funds" to reduce annual operating deficits, it won't be long before there won't be any money left in these Funds. If that happens, we will have to borrow money to cover operating expenses. Since at least two of the distributions from "Trust Funds" proposed this year are one-time distributions and since we can't continue to ignore the need to fund the Capital Reserve Fund, the Finance Board's budget forecast, if this budget is approved, is a **\$170K-\$220K deficit for 2010**. It would also be very imprudent to depend so heavily on the generosity of a handful of members of the congregation to contribute significantly more than they pledged in order to reduce annual operating deficits. Without the \$72K in pledge overage contributions from these members last year, the deficit would have been \$127,000.

The 2009 budget originally proposed by the Budget Task Force and the Finance Board to the Executive Board was designed as a 'transition' budget. It was far from perfect; however, it was meant to be the first step in significantly reducing overhead. The Finance Board budget would have achieved a balanced budget if the "Trust Fund" transfers were approved and the Capital Reserve Fund contribution was eliminated for 2009. Our recommendation was to reduce overhead in two stages, the first immediately and the second by the end of the second quarter if significant additional pledges weren't received by March 31st. This budget, recommended by both the Special Budget Task Force and the Finance Board, was not approved by the Executive Board. Instead the Exec Board, by a two vote majority (14 yes, 12 no and 1 abstention), passed its own budget that included a 3 1/2% salary decrease for all staff retroactive to Jan 1st. That budget would have reduced overhead approximately \$25K. This overhead reduction from \$828K to \$803K wasn't a large reduction; however, it would have been a step in the right direction. Unfortunately, at the last Executive Board meeting, the budget previously passed in January was amended. A motion was proposed by the senior minister, and passed by the Exec Board, that eliminated any salary or staff reductions for 2009. The rationale for this decision appears to be that staff reductions need to be thoroughly and thoughtfully studied by a

special "personnel committee" before any decisions regarding staff reductions should be made. Since personnel utilization was supposed to have been studied by a "Staffing Sub Committee" created a year ago, I don't understand why we need a new personnel committee to evaluate staffing. Can't the earlier Staffing Sub Committee, the Ministers and the Moderators figure this out?

In conclusion, I oppose the Executive Board's proposed budget for the following reasons. We simply don't have any funds available to cover this \$46K deficit except the Capital Reserve Fund. After completing work already contracted for, this \$46K deficit will leave us with less than \$175K in the Capital Reserve Fund to pay for over \$300K of critical capital improvements that the Properties Board recommends be completed within the next two years. You should also know that any funds borrowed from the Capital Reserve Fund to cover the deficit must be converted to a term loan at the end of the year and repaid, with interest, to the Capital Reserve Fund. This is no different than GCC taking out a bank loan to cover current operating expenses. Isn't this just digging the church into an even deeper financial hole? The root cause of our financial problem has been and continues to be excessive overhead. **This budget does not even begin to address this problem.** If leadership is sincere that they want to do something about the excessive overhead, then why not memorialize these overhead reductions in the budget? Then the Senior Minister and the Moderators can make the ultimate decisions about how to achieve these cost savings.

Over the last twenty-seven years I may not have always agreed with the decisions made by the leadership of this church but I've always supported them. However, the budget being proposed today is so irresponsible that I can not keep silent. We need to be good stewards of the resources that prior and current members of this congregation have so generously provided to this church. Continuing to approve budgets which waste these resources and require us to rob Peter to pay Paul to cover operating expenses is not the legacy that I want to leave future generations of this church. Church leadership can't keep delaying these difficult decisions. The longer decisions are delayed, the worse GCC's financial condition will become. If you agree with me, I hope you will vote against approval of this budget and send a message to the leaders of this church that the time has come to change the way we have been operating for the last ten years. I also urge you to attend the Annual Congregational Meeting in May and vote in favor of a constitutional amendment **requiring** a balanced budget. If the amendment is approved, the question will no longer be whether we should live within our means but how we are going to do it?

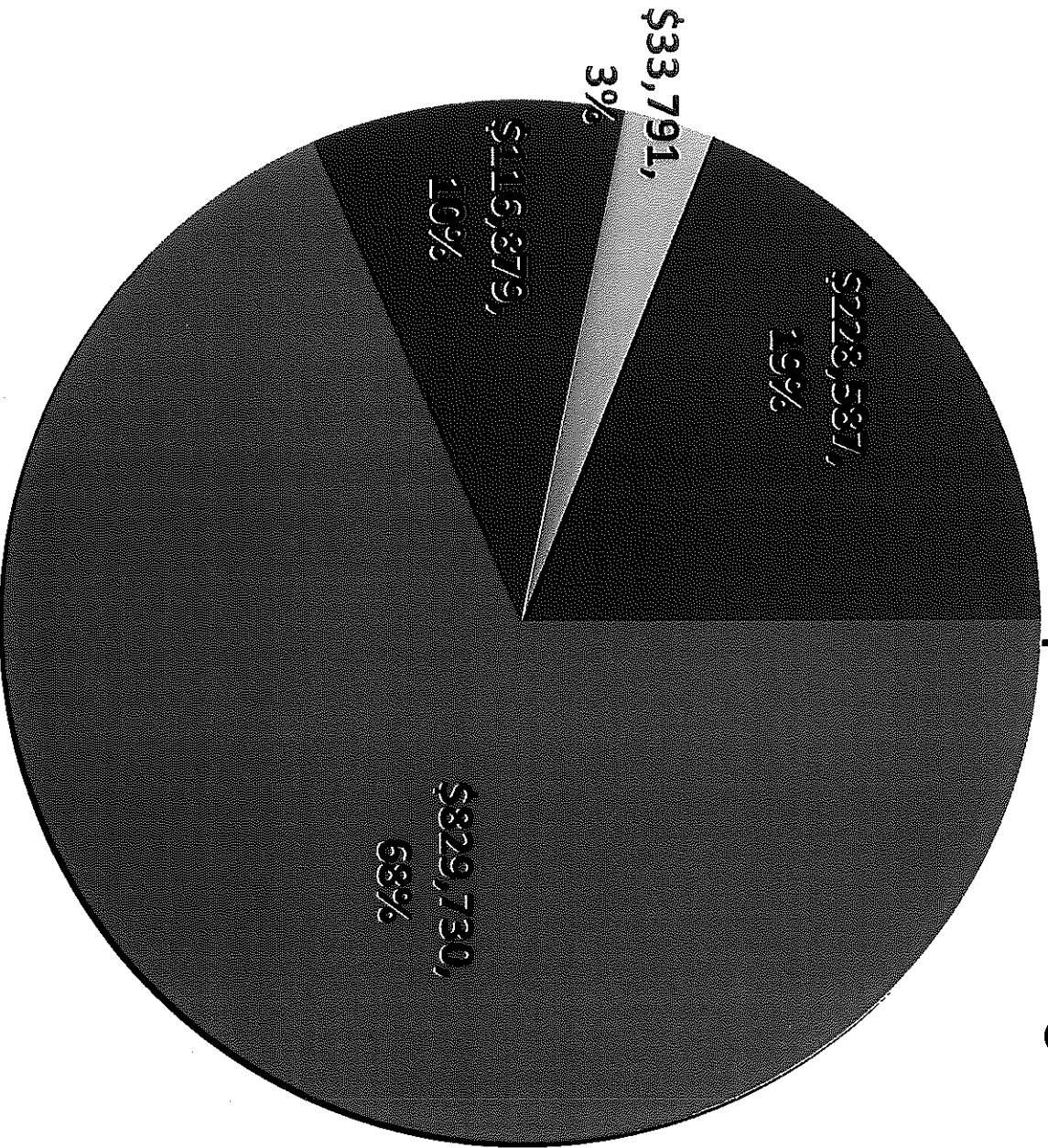
Respectfully,

Bob Kappus

3/8/09

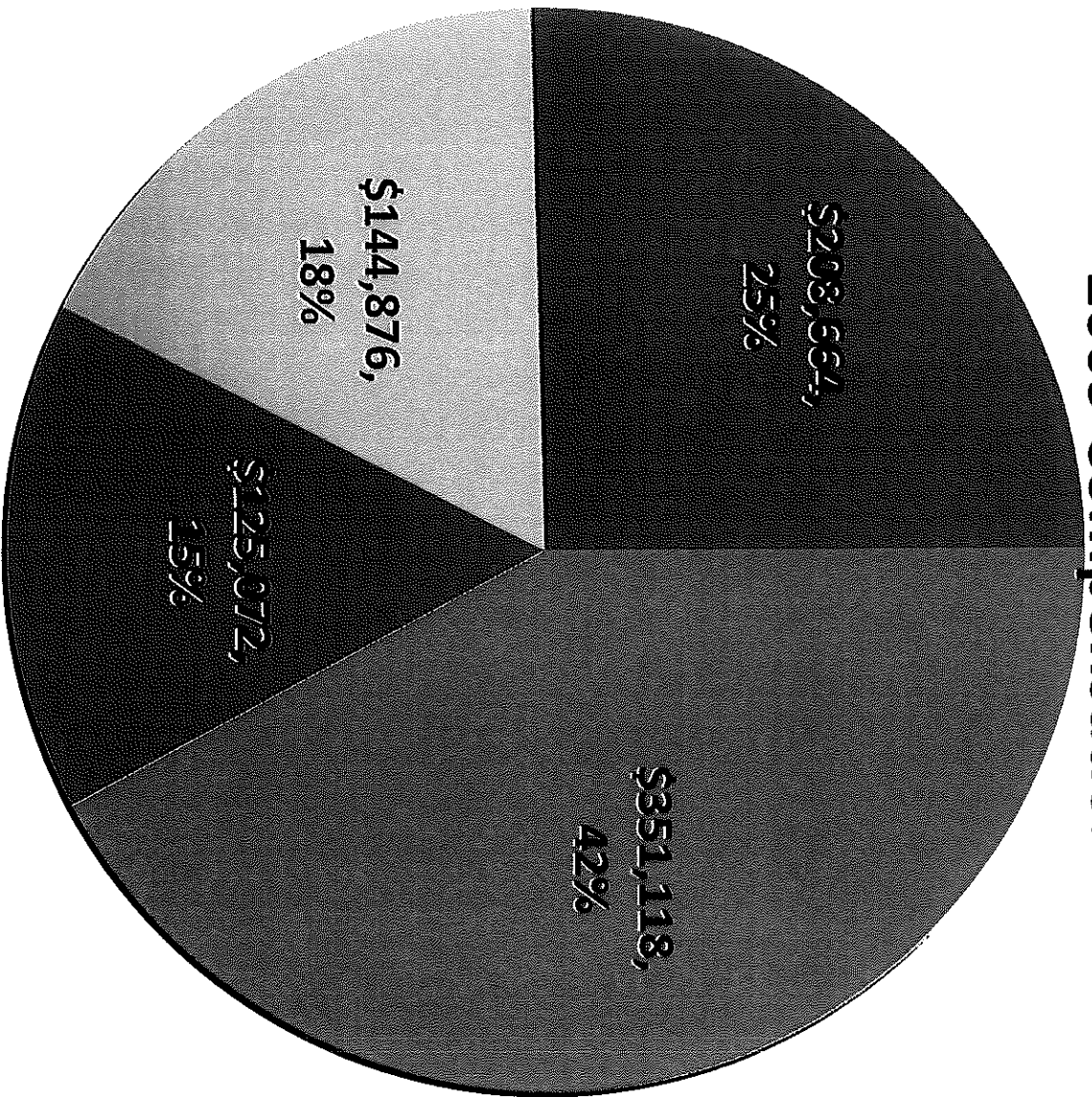
No.	Account Name	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
INFLOWS											
105	Current Contributions	\$767,663	\$797,167	\$802,307	\$798,481	\$812,862	\$821,541	\$902,337	\$970,177	\$929,354	\$916,096
107	Non-Pledged Contributions:	\$41,566	\$68,600	\$52,695	\$76,893	\$50,045	\$49,524	\$86,117	\$146,307	\$177,354	\$68,838
108	End of Year Gifts	\$0	\$0	\$0	\$0	\$0	\$0	\$26,759	\$15,300	\$0	\$0
109	Pledge Overage	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
110	Prior Year	\$9,804	\$9,856	\$12,291	\$11,854	\$16,330	\$6,719	\$16,635	\$13,400	\$2,655	\$2,692
115	Loose Offering	\$10,504	\$13,424	\$11,538	\$8,829	\$12,052	\$11,245	\$12,483	\$8,234	\$9,731	\$9,434
124	Church School Offering	\$1,058	\$849	\$1,529	\$1,644	\$2,499	\$2,740	\$1,920	\$879	\$1,400	\$232
130	Woman's Association	\$6,000	\$6,000	\$3,000	\$6,000	\$6,000	\$5,000	\$10,500	\$8,000	\$8,000	\$8,000
135	Building Fees	\$6,736	\$7,731	\$5,367	\$6,704	\$5,367	\$4,371	\$7,257	\$10,255	\$4,906	\$8,012
136	Program Fees	\$0	\$0	\$0	\$0	\$0	\$0	\$14	\$0	\$0	\$0
142	Nursery School	\$12,021	\$12,928	\$13,783	\$14,925	\$16,038	\$17,172	\$22,792	\$27,969	\$27,988	\$30,451
145	Interest Income	\$9,889	\$16,042	\$13,573	\$8,373	\$5,460	\$1,964	\$4,531	\$13,306	\$17,213	\$6,797
147	Housing Trust Income	\$50,189	\$50,362	\$50,993	\$73,010	\$78,010	\$25,063	\$25,855	\$25,000	\$22,128	\$25,000
155	Endowment Income	\$5,054	\$6,555	\$8,068	\$6,500	\$6,500	\$6,668	\$5,831	\$6,500	\$3,573	\$5,375
156	Trust Account Transfer	\$0	\$0	\$10,000	\$22,593	\$21,500	\$0	\$0	\$0	\$0	\$0
157	Endowment Income II	\$2,089	\$2,751	\$2,765	\$5,713	\$7,196	\$9,935	\$13,226	\$14,332	\$14,790	\$13,436
169	Mission Offerings	\$25,655	\$30,943	\$29,166	\$20,578	\$18,598	\$26,070	\$18,629	\$26,154	\$28,085	\$24,488
199	Housing Trust Transfer:	\$0	\$0	\$0	\$0	\$0	\$55,000	\$0	\$0	\$0	\$0
	Adjustment						(\$764)				
TOTAL INFLOWS		\$948,250	\$1,023,208	\$1,017,075	\$1,062,097	\$1,058,457	\$1,043,014	\$1,154,896	\$1,285,051	\$1,247,180	\$1,191,261
TOTAL PASTORAL EXPENSES											
TOTAL MISSIONS		\$420,559	\$394,275	\$432,351	\$408,506	\$436,508	\$517,960	\$534,118	\$533,677	\$577,153	\$353,119
TOTAL CHILDREN'S MINISTRY		\$102,155	\$110,543	\$112,806	\$103,078	\$96,824	\$107,570	\$115,779	\$117,728	\$126,442	\$117,371
TOTAL CONF. & YOUTH		\$5,721	\$7,856	\$6,999	\$7,918	\$8,141	\$8,880	\$6,967	\$3,747	\$6,650	\$34,374
TOTAL PASTORAL CARE		\$5,360	\$4,861	\$4,850	\$4,740	\$7,353	\$7,091	\$6,537	\$6,812	\$7,253	\$33,653
TOTAL MEMBERSHIP		\$372	\$662	\$200	\$317	\$125	\$900	\$918	\$737	\$695	\$51,752
TOTAL ADULT EDUCATION		\$237	\$2,308	\$1,226	\$4,087	\$1,934	\$3,141	\$2,046	\$3,411	\$2,699	\$31,048
TOTAL SERVICES & SACRAMENT		\$1,220	\$1,364	\$1,871	\$1,687	\$1,922	\$2,023	\$1,672	\$1,388	\$1,276	\$1,857
TOTAL FELLOWSHIP		\$441	\$343	\$195	\$218	\$460	\$316	\$487	\$684	\$445	\$494
TOTAL MUSIC		\$441	\$180	\$349	\$479	\$1,008	\$776	\$544	\$471	\$890	\$759
TOTAL STEWARDSHIP		(\$128)	\$180	\$349	\$479	\$1,008	\$776	\$544	\$471	\$890	\$759
TOTAL GEN. & ADMIN.		\$11,210	\$12,389	\$13,518	\$14,257	\$13,160	\$13,799	\$15,470	\$13,310	\$16,513	\$81,131
TOTAL CHURCH PROPERTIES		\$577	\$1,355	\$1,452	\$2,851	\$903	\$1,208	\$2,691	\$1,894	\$2,605	\$1,207
TOTAL PAGEANT		\$178,552	\$190,695	\$190,523	\$197,869	\$209,486	\$194,241	\$212,600	\$238,648	\$229,031	\$232,007
TOTAL CAP. RES. FUND		\$195,519	\$230,746	\$216,662	\$237,645	\$238,839	\$242,425	\$242,471	\$251,965	\$276,963	\$286,781
TOTAL INFLOWS		\$948,250	\$1,023,208	\$1,017,075	\$1,062,097	\$1,058,457	\$1,043,014	\$1,154,896	\$1,285,051	\$1,247,180	\$1,191,261
TOTAL EXPENSES		\$938,017	\$975,393	\$1,009,505	\$1,009,671	\$1,029,997	\$1,101,915	\$1,155,821	\$1,187,806	\$1,269,837	\$1,246,494
SURPLUS (DEFICIT)		\$10,233	\$47,815	\$7,570	\$52,427	\$28,460	(\$58,901)	(\$935)	\$97,245	(\$22,656)	(\$55,233)

Proposed 2009 Budget



- Compensation & Benefits
- Programs
- G&A & Property Expenses
- Missions

2009 Compensation Breakdown



- Ministerial Staff
- Office Staff
- Facilities Staff
- Other Staff

PER HANSON'S REMARKS TO RECESSED MID-YEAR MEETING
OF GLENVIEW COMMUNITY CHURCH

I (Per Hanson) have been a member of Glenview Community Church since 1956, over 52 years. I have been a Moderator, Vice Moderator, and Immediate Past Moderator of the Church and a member of the Executive Board, Missions Board, Finance Board, and I am now a member of the Membership Board.

I am opposed to the proposed 2009 Budget. The Budget is not balanced and in effect is a deficit budget to the extent of \$106,556.00. The proponents of the Budget would have you believe it is only a \$42,206.00 deficit budget. That is because the Budget does not fund the Capital Reserve Account, The Music Program, and makes use of the Yachtman Leadership Fund and the Romeiser Trust which are restricted funds of the Church. I oppose this Budget.

First, when the Budget was approved by the Executive Board, the vote was close and several if not all of the ministers voted in favor of it. As they had a financial interest in the budget, good sense would have required them to recuse themselves and either not vote or abstain from voting. Voting has the appearance of impropriety.

Second, the Church is subject to the Uniform Management of Institutional Funds Act (760 ILCS 50/1 et seq.) That Illinois Act governs how Illinois Institutions may expend their funds. Particularly it governs how an Illinois Institution may expend restricted Funds. I have not seen any opinion as to whether the 2009 Budget is legal or illegal under that Act. I have seen an opinion of Don Clark dated August of 2008 directed to the Church Leadership except Constance Filling, opining that invasion of the Endowment Funds and the Housing Trust can only take place based on super majority votes of the Congregation. It does not deal with the Yachtman Leadership Fund or the Romeiser Trust. Although Don Clark is a respected attorney, a member of the Congregation and an Immediate Past Moderator of the Church, I feel I need the opinion of an independent attorney or certified public accountant on the effect of the Uniform Management of Institution Funds Act, before any vote on our budget is taken to avoid any illegal action on the part of the Church without professional advice. This is even more important since our Finance Board does not provide for an annual audit of our financial records as required by our Constitution.

Third, I do not believe in unbalanced budget. I and 10 other members of the Congregation have proposed an amendment to Article V, Section A of our Constitution mandating a balanced budget. Our leadership has advised me that consideration of this amendment will be deferred to our Annual Meeting in May, and not considered at this meeting when it has its greatest relevance. I believe that this is not proper as the amendment has more than the five proponents required by our Constitution and the Congregation as a body is meeting.

Fourth, I believe that this "recessed meeting" of the congregation is not proper. There is no provision in our Constitution for a "recessed meeting" of the Congregation nor is there a provision in Roberts Rules of Order which permits such a "recessed meeting." At the meeting of February 8, 2009, the Congregation could have voted to adjourn the meeting to March 8, 2009. It did not. Our moderator announced that the meeting was recessed for the sole purpose of considering the Budget. This action is not proper. Our March 8,

2009 meeting could have been called as a “special meeting” of the Congregation by the Council of the Ministry, the Executive Board, or by 25 members of the Congregation. It was not. I believe a special meeting of the Congregation must be called for any Budget to be adopted. A “recessed meeting” of the Congregation is not a legal way to adopt a Budget.

I am concerned about what I feel is a failure of leadership both lay and ministerial. That is why I have proposed an amendment to our Constitution that would mandate a balanced Budget. I note the trends reported at our Mid Winter Meeting. I see declining Membership, declining pledges, declining revenues, declining attendance, increased expenses and a failure to recognize reality. A mandated balanced Budget would force us to prioritize our ministry and missions and match revenues to expenses. It forces us deal in reality. Our leadership would be reality based, not short sighted and look to the long range stability of the church and not the short term interests of a few.

After 52 years of membership in this church, my options are two. I can resign my membership, or I can stay and help rearrange the deck chairs on the good ship Titanic.

Please, let us postpone consideration of the Budget until we have a legal opinion and we have the sense to look at the long term needs and priorities of the Church. I can only see deficits getting larger in years to come, unless we become reality based. I move to postpone consideration of the Budget until the May Annual Meeting of the Congregation.

	<u>2008 Actual</u>	<u>Proposed 2009 Budget</u>
<u>Revenues</u>		
105	\$916,096	\$898,661
107	68,638	60,000
109	72,560	40,000
110	2,692	5,000
115	9,434	9,000
124	282	300
130	8,000	13,000
135	8,012	7,000
142	30,451	39,766
145	6,797	4,000
147	25,000	13,960
155	5,375	0
157	13,436	10,000
169	24,488	25,000
Total Revenues	\$1,191,261	\$1,125,687
<u>Expenses</u>		
Total Pastoral Expenses	\$353,119	\$362,960
Total Missions	\$117,371	\$116,879
Total Children's Ministry	\$34,374	\$35,385
Total Confirmation & Youth	\$33,653	\$33,392
Total Pastoral Care	\$51,752	\$53,371
Total Membership	\$31,048	\$32,522
Total Adult Education	\$1,857	\$1,998
Total Services & Sacraments	\$494	\$441
Total Fellowship	\$759	\$621
Total Music	\$81,131	\$82,523
Total Stewardship	\$1,207	\$2,201
Total General & Administrative	\$232,007	\$213,121
Total Church Properties	\$286,781	\$270,731
Total Pageant	\$1,567	\$1,341
Total Capital Reserve Fund	\$19,374	\$0
Total Expenses	\$1,246,494	\$1,207,487
Salary Adjustments - Effective May 1	\$0	(\$38,382)
Net (Deficit) without Transfers	(\$55,233)	(\$43,418)
Transfers		
Leadership Fund Transfer	\$0	\$7,500
Romeiser Fund Transfer	0	22,850
Music Transfer	0	13,068
Total Transfers	\$0	\$43,418
Net (Deficit) with Transfers	(\$55,233)	\$0

		2008	Proposed
		<u>Actual</u>	<u>Budget</u>
<u>Revenues</u>			
105	Current Pledge Contributions	\$916,096	\$898,661
107	Non-Pledge Contributions	68,638	60,000
108	End of Year Gifts	0	0
109	Pledge Overage	72,560	40,000
110	Prior Year Pledge	2,692	5,000
115	Loose Offering	9,434	9,000
124	Church School Offering	282	300
130	Women's Association	8,000	13,000
135	Building Fees	8,012	7,000
142	Nursery School	30,451	39,766
145	Interest Income	6,797	4,000
147	Housing Trust Income	25,000	13,960
155	Endowment Income	5,375	0
157	Endowment Income II	13,436	10,000
169	Mission Offering	24,488	25,000
Total Revenues		\$1,191,261	\$1,125,687
<u>Expenses</u>			
Pastoral Expenses			
302	Salaries	\$126,913	\$126,913
304	Auto Expense	4,285	3,240
306	Expense Reimbursement	992	927
308	Annuities	35,283	35,283
310	Conferences/Cont. Ed	3,534	6,100
312	Sr. Minister Allowance	539	675
314	Housing Allowance	125,117	125,117
316	Assoc. Min. Allowance	854	900
382	Insurance	37,279	45,482
384	Social Security Add-On	18,323	18,323
Total Pastoral Expenses		\$353,119	\$362,960
Missions			
450	Mission Offering	\$24,488	\$25,000
454	Missions	92,883	91,879
Total Missions		\$117,371	\$116,879
Children's Ministries			
464	Salaries	\$27,503	\$27,503
466	Social Security	2,104	2,104
468	Spiritual Formation	1,597	1,458
472	Teachers Training	372	450
476	Supplies	260	630
488	Fellowship	515	900
490	Education	1,474	1,620
494	Puppet Ministry	(11)	180
496	Child Care	560	540
Total Children's Ministry		\$34,374	\$35,385
Confirmation & Youth Ministry			
526	Salaries	\$25,250	\$25,250
528	Social Security	1,932	1,932
530	Jr-Hi-Confirmation	1,702	1,665
532	Jr-Hi-Social	203	360
536	Sr-Hi-Education	1,976	1,845
538	Sr-Hi-Social	2,590	2,340
Total Confirmation & Youth		\$33,653	\$33,392
Pastoral Care			
550	Salaries	\$50,911	\$52,651
552	Program	841	720
Total Pastoral Care		\$51,752	\$53,371

		<u>2008 Actual</u>	<u>Proposed 2009 Budget</u>
Membership			
572	Salaries	\$27,653	\$27,653
574	Social Security	1,524	2,115
576	Evangelism & Membership	1,871	2,754
Total Membership		<u>\$31,048</u>	<u>\$32,522</u>
Adult Education			
602	Program	\$1,844	\$1,800
614	Miscellaneous	13	63
616	Literature & Library	0	135
Total Adult Education		<u>\$1,857</u>	<u>\$1,998</u>
Services & Sacraments			
624	Sacred Services	\$494	\$441
Total Services & Sacraments		<u>\$494</u>	<u>\$441</u>
Fellowship			
636	Special Functions	\$584	\$486
640	Miscellaneous	175	135
Total Fellowship		<u>\$759</u>	<u>\$621</u>
Music			
648	Salaries	\$64,519	\$64,519
650	Social Security	4,936	4,936
652	General-Instrumentalists	2,475	3,600
654	General-Organ/Piano Care	3,060	3,510
656	General-Cleaning Robes	147	180
660	General-Sub Organist	825	900
666	Chancel Choir-Music	2,121	2,250
668	Chancel Choir-Misc.	614	468
670	Organ Music	500	450
772	Bell Choir-Music	796	450
780	Children's Choir-Music	717	720
782	Children's Choir-Misc.	198	180
784	Copyright Expenses	223	360
Total Music		<u>\$81,131</u>	<u>\$82,523</u>
Stewardship			
802	Offering Envelopes	\$258	\$405
803	Stationary	572	563
804	Postage	174	855
806	Celebration	0	18
810	Misc.	203	360
Total Stewardship		<u>\$1,207</u>	<u>\$2,201</u>
General & Administrative			
822	Postage (ex-Broadcaster)	\$7,020	\$7,200
830	Social Security	9,366	8,888
832	Salaries (Office Staff)	125,954	116,184
834	Payroll Service	3,271	3,135
836	Telephone	6,726	6,500
838	Stationary & Supplies	12,564	11,500
840	Equipment Maint./Repair	15,061	12,800
842	Broadcaster	3,689	4,000
844	Financial Review	0	0
846	Communication/Promotion	3,427	1,000
848	Kitchen	1,247	1,500
850	Insurance (P&C)	37,179	36,554
852	Misc.	3,125	100
854	Office Equip Purchases	2,917	2,260
855	Exec Bd Expense	0	1,000
856	Bank fees	461	500
Total General & Administrative		<u>\$232,007</u>	<u>\$213,121</u>

	<u>2008 Actual</u>	<u>Proposed 2009 Budget</u>
Church Properties		
862 Salaries (Facilities Staff)	\$142,452	\$134,580
864 Social Security	10,118	10,296
870 Electricity	27,791	27,500
872 Water	4,031	3,000
874 Natural Gas	29,188	28,275
878 Maintenance & Repair	31,917	27,500
880 Maintenance Contracts	36,819	32,000
882 Scavenger	4,465	4,500
884 Furn, Fixtures, Equip.	0	3,080
Total Church Properties	<u>\$286,781</u>	<u>\$270,731</u>
Pageant		
Pageant	\$1,567	\$1,341
Total Pageant	<u>\$1,567</u>	<u>\$1,341</u>
Capital Reserve Fund		
950 Capital Reserve Fund	\$19,374	\$0
Total Capital Reserve Fund	<u>\$19,374</u>	<u>\$0</u>
Total Expenses	<u>\$1,246,494</u>	<u>\$1,207,487</u>
Salary Adjustments - Effective May 1	\$0	(\$38,382)
Net (Deficit) without Transfers	<u>(\$55,233)</u>	<u>(\$43,418)</u>
Transfers		
Leadership Fund Transfer	\$0	\$7,500
Romeiser Fund Transfer	0	22,850
Music Transfer	0	13,068
Total Transfers	<u>\$0</u>	<u>\$43,418</u>
Net (Deficit) with Transfers	<u>(\$55,233)</u>	<u>\$0</u>
 Summary		
	2008 Actual	Proposed 2009 Budget
Revenues	\$1,191,261	\$1,125,687
Compensation and benefits	\$837,137	\$829,730
Missions	117,371	116,879
Programs	29,943	33,791
Other expenses	262,043	227,087
Total Expenses	<u>\$1,246,494</u>	<u>\$1,207,487</u>
Salary Adjustment	\$0	(\$38,382)
Net Deficit without Transfers	<u>(\$55,233)</u>	<u>(\$43,418)</u>
Transfers	\$0	\$43,418
Net (Deficit) with Transfers	<u>(\$55,233)</u>	<u>\$0</u>