

4400 Reading Road Suite 1
Cincinnati, Ohio 45229-1251
513.421.2057 • 800.480.8641
fax 513.421.2058
www.orvumc.org
ohiorivervalley@wocumc.org

Randy Stearns, District Superintendent

Date: July 15, 2009

Permission is hereby granted to Lindenwald United Methodist Church to hold a called session of their Charge Conference on July 26, 2009 for the purpose of approving the sale of property owned by the church. In the absence of the District Superintendent, Reverend Jocelyn M. Roper is given permission to preside over the Charge Conference.

(Signed) Rev. Dr. Randy W. Stearns
Rev. Dr. Randy W. Stearns, District Superintendent

Write in action of Charge Conference---

Date and action taken:

See Attached

(Signed) Victoria A. [Signature]
Pastor

(Signed) Joni [Signature]
Secretary of Charge Conference

Send one copy to the Ohio River Valley office immediately following the Charge Conference. Retain one copy for your files.



**LINDENWALD UNITED METHODIST CHURCH
CHURCH CONFERENCE AGENDA
JULY 26, 2009**

- 1.) Welcome & Introductions:** Tim Crowe
- 2.) Opening Prayer:** Pastor Val Waibel
- 3.) Meeting Purpose:** Tim Crowe
- 4.) Financial Presentation:** Frank Montgomery
- 5.) Resolution:** Pastor Jocelyn Roper
- 6.) Vote:** Pastor Jocelyn Roper
- 7.) Results:** Pastor Jocelyn Roper
- 8.) Closing Prayer:** Pastor Val Waibel
- 9.) Meeting Adjournment:** Tim Crowe

Lindenwald United Methodist Church

Church Conference Minutes

7/26/2009 – 3:00 pm

Financial Presentation by Frank Montgomery: Copy attached

Questions:

- Who is on the Leadership Team?
 - Old Administrative Council.
- What will the \$100,000 loan be used for?
 - It will be used for remodeling purposes.
- Will we show expenses and spending of these funds?
 - Yes, on a monthly basis.
- Is \$100,000 short term?
 - Yes.
- If we sell the rental properties what will we do to cover rental income?
 - No significant monies are raised for operations from the rental properties.
- Will the \$100,000 enable us to begin improvements by December 1?
 - Improvements are to be done by December 1, 2009.
- Why permission to sell the rental properties?
 - to repay loan
 - to give the housing market time to recover
 - it gives us flexibility to use assets
- Why will it be easy to repay loan in 1 to 2 years?
 - We will use the rental properties sales to repay the loan.
- Do we have any reserves?
 - Yes, Frank outlined those.
- Do we see any difficulty in obtaining the loan?
 - No.
- Does giving authority to sell rental properties also give authority to fix up the properties?
 - The Trustees have that authority.
- Can we vote based on those in attendance even if all members are not present?
 - Those present and voting make the decision for the entire congregation.

Voting Results:

Yes = 45 No = 12

Closing Prayer and Adjournment at 3:50 pm.

**LINDENWALD UNITED METHODIST CHURCH
CHURCH CONFERENCE RESOLUTION
JULY 26, 2009**

Allow the trustees to borrow up to \$100,000.00 and have the authority to sell the rental properties on Arlington Ave. and Freeman Ave. to create a capitol improvements fund.

Special Finance Presentation to the LUMC Church Conference

July 26, 2009

Frank Montgomery
Chairman, LUMC Finance

Introduction

- **Stewardship**

- Regular Yearly Pledge and Total Giving - 96 and 98% of planned budget at end of June. *Church staff continue to exercise cost control.*
- ~\$175K Pledged in Miracle Sunday Campaign. Covers 36 months starting June 2009. *(Goal was \$250K)*
- ~\$40K MSFunds donated to date with 10K used to upgrade the sanctuary projector.

Excellent Stewardship

In spite of the current economy

Church Goals

- Win Disciples to Christ. Improve our outreach to the community
- Expand and Enhance Worship Experiences to appeal to a larger demographic
- Define and Implement New Programs of Worship, Bible Study Programs and Ministries that appeal to a wider and more diverse range of people seeking Christ
- Upgrade Facilities/Equipment *to support all the above*

Significance

Timely Availability of Facilities/Equipment is a Key Step in Church Plans for an Enhanced Worship Programs/Styles and Ministries

Status

- Overall MS Plan approved – January 2008 Church Conf.
- Summary of Plan
 - Establish Funding Committee
 - \$150,000 for Staff/Programs/Ministries
 - \$150,000 for Modifications/Equipment
 - Establish Modification Committee
 - Mod/Upgrade completions Goal - Dec 1, 2009

Near Term Financial Challenge

- Ability to commit facility and equipment/funding to Initial Phase of the Miracle Sunday Plan

– Funds avail	50K	<i>maturing CD</i>
	30K	<i>Miracle Sunday Funds</i>
– Funds Needed	150K	
	<hr/>	
– Shortfall	\$ 70K	<i>in mod plan time period</i>

~\$70-75K Gap in Initial 2009 Phase due to mismatch of Pledged funds availability and Mod Contract/Plan Schedule

Funding Options Considered

- Reduce Scope of Mod's to Fit Funds Available
 - **Delayed availability** for Planned ministries and programs
- Sell one of the current Rental Properties
 - **Market conditions vs value.** Time of Year may be past peak
- Borrow short term against Rental Property
 - Meets timing
 - Potential near term impact on cash flow / **higher closing expenses**
 - **District recommended against**
- Borrow short term against Church Property
 - Recommended by District
 - Higher loan to value/ less closing
 - Fits best with near term cash flow needs
 - Allows more favorable selling conditions for real estate in 2010/11

Preferred Option

- Borrow short term with option to sell rental property if required
 - Set aside portion of funds to cover first 12-18 months of mortgage payments
 - Leadership Team flexibility to decide on selling within one year based on future growth, program expenditures and cash flow
 - Loan Payoff in 2010 (1-2 yr term max)

This Option is Supported/Recommended by the
Your Church Leadership

Loan Information

- Loan inquiries underway with three local Financial Institutions and the United Methodist Credit Union
- Key results
 - 2-5 year fixed rate commercial loans available
 - APR Ranges: 5-7 percent range - fixed rate. (Reset or Adjust at end of loan term)
 - Closing costs up to \$2400
 - Prepayment Waived
- Applications completed and ready to execute
- Selection criteria : Best offer for costs

Summary/Recommendations

- Approve Leadership plans to proceed
 - Negotiate a bank loan for 2-3 years
 - Use Church Building and property as collateral as recommended by your Leadership Team and the District
 - Authorize the sale of Rental Properties as needed and determined by the Leadership Team

- A Resolution follows this Presentation and Discussion

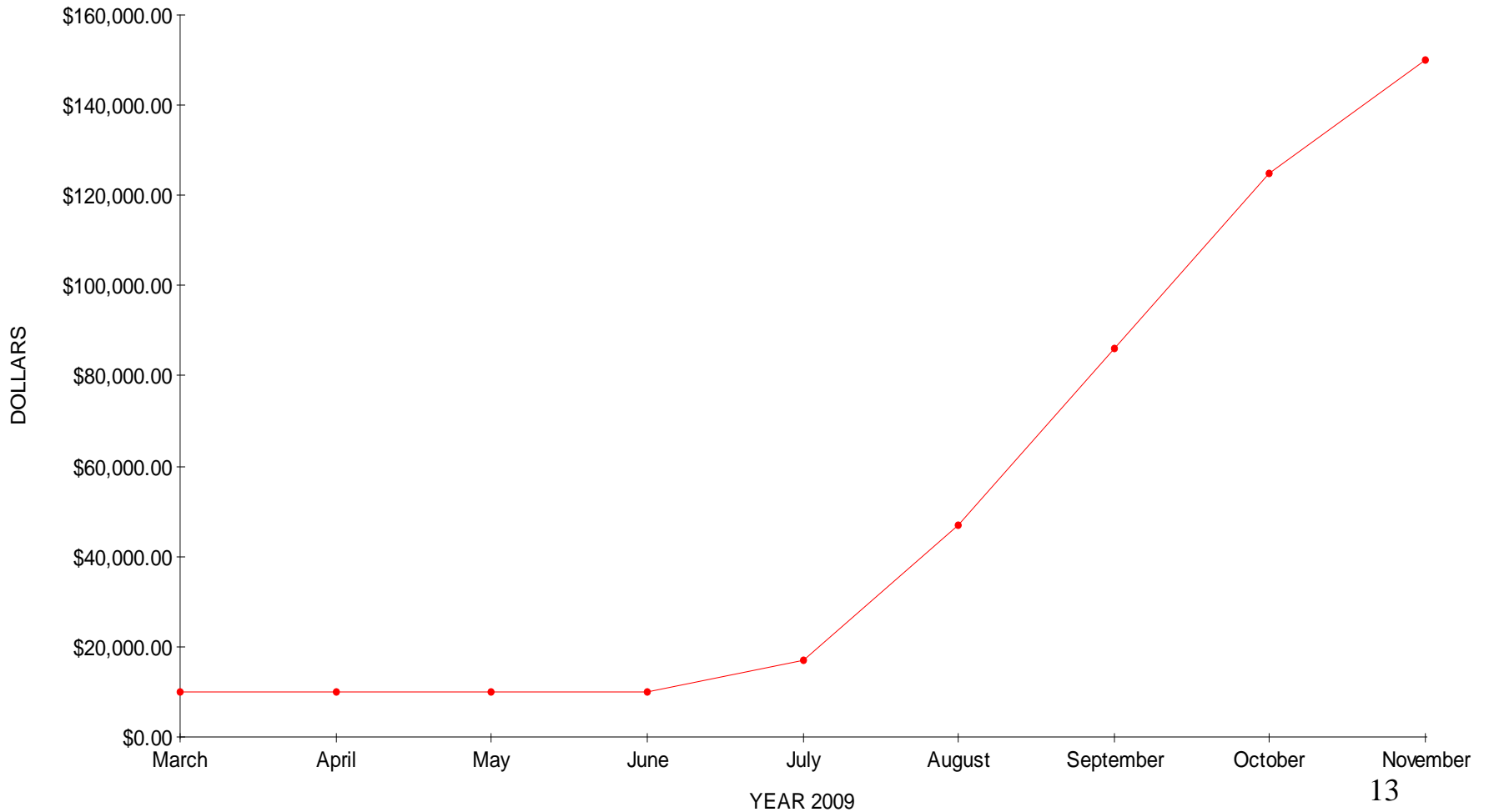
We believe this Plan is the most effective means to
Church Plans/Schedule

Backup Charts

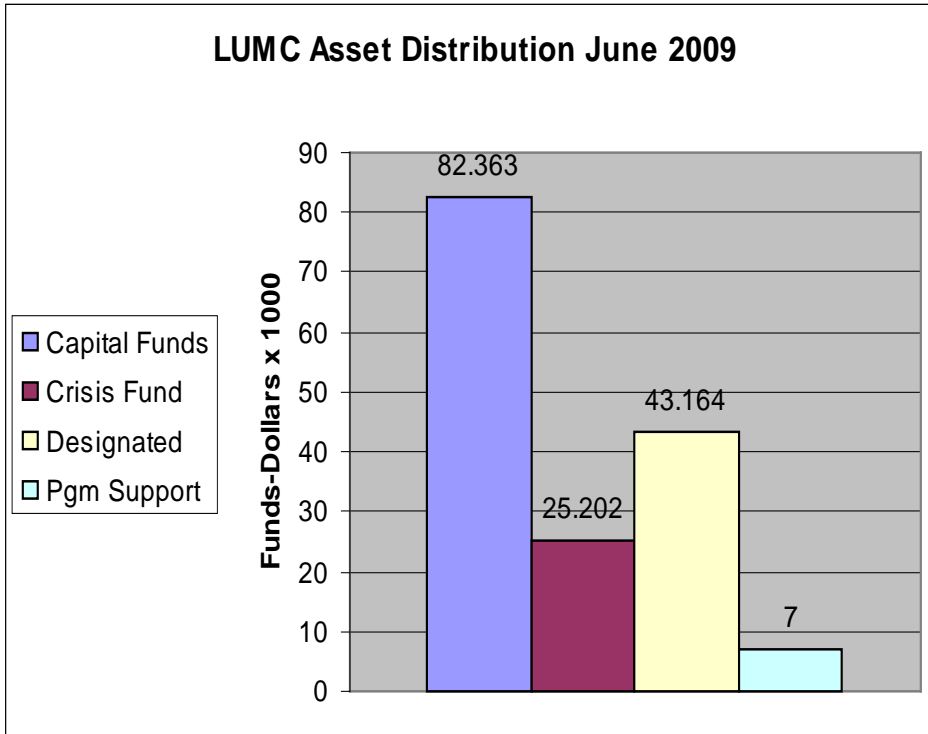
- Charts 11-13
 - Church plans/schedule/estimated funding
- Chart 14
 - LUMC Church Assets at end of June
- Chart 15
 - Loan illustration
- Chart 16
 - Membership and Attendance
- Chart 17
 - Definitions Chart

CHURCH CONFERENCE JULY 26, 2009

MODIFICATION EXPENDITURE RATE



LUMC Assets (End of June 2009)



Crisis	Capital*	Designated	UnD'nated**
		7.467	pars roof repair (ins)
		7.295	brothers keeper
		4.719	mission vision
		1.565	resource ctr
		0.058	Stev Ministry
		3.871	Memorials
		1.209	Sp. Gifts
		4.690	Undes Organ
		3.731	3rd Svc Sound
25.202	82.363	34.605	
	Grand Total	149.170 **	

* denotes redesignated funds from 3530 Arlington per Church Conf.01/09

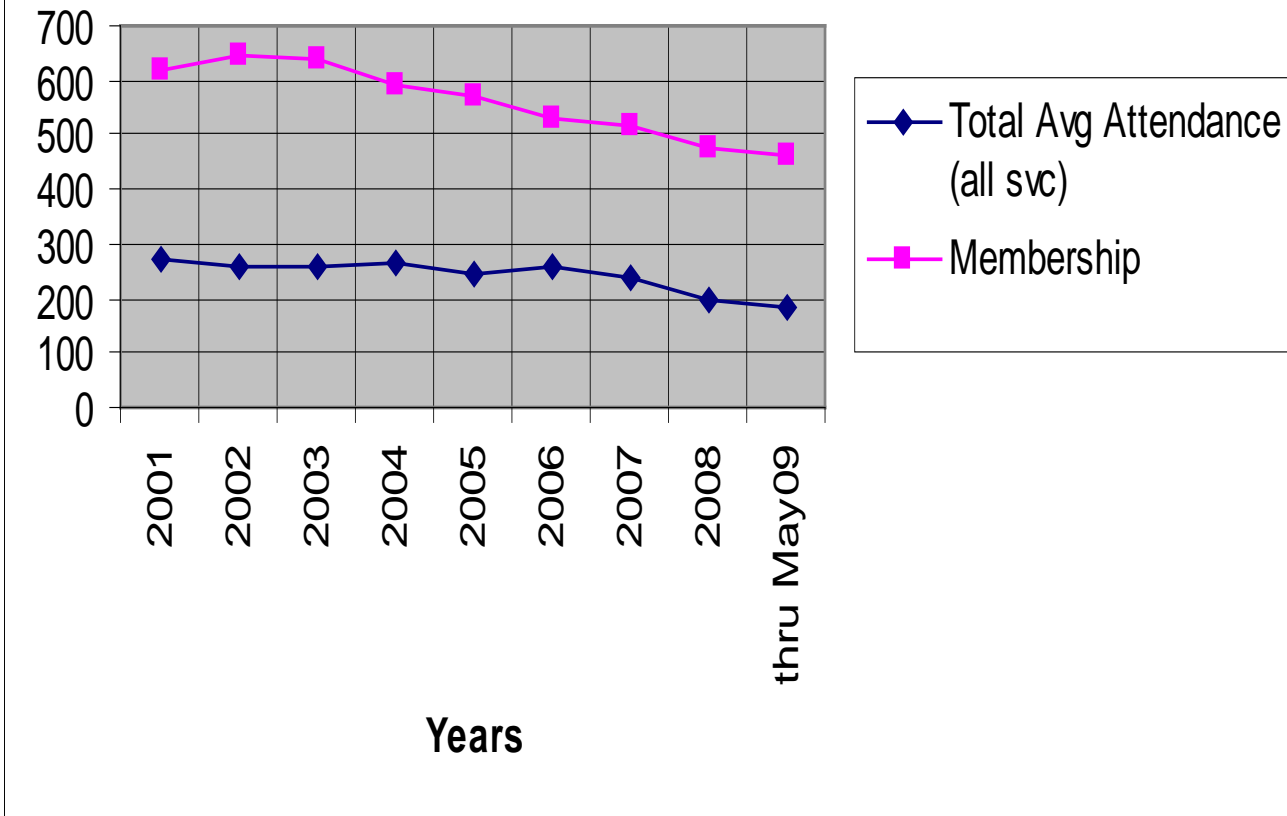
** denotes undes funds for op budget support

** excludes EdMinTrust ~1.0

2008 Mkt Value			
Rental Property			
4158 Freeman Ave	129,000	Note 1	125 est SP
3526 Arlington Ave	109,000	Note 2	105 Est SP
Total	238,000		

Miracle Sunday Funding			
Pledged	\$175,000	(3 yr total)	
To date	\$40,000		
Spent	\$10,000	(projector)	
Avail	\$30,000		

Membership & Attendance



YR	2001	2002	2003	2004	2005	2006	2007	2008 thru May09
Members	620	647	636	593	574	533	515	473
Tot Attend	275	261	257	263	247	257	237	199

Definitions

- **Miracle Sunday Program (MS Program)**
 - Refers to the Miracle Sunday Campaign and the Plans approved at the Jan 11, 2009 Church Conference.
 - Separately from Regular Church Budget (Regular Church Budget is available in the church office, on line, or from your Finance Team.)
- **Types of Funds**
 - Definitions consistent with Methodist Church guidelines
 - **Operating Funds** – Funds used for Staff, Personnel, administration, operations, routine building maintenance, connectional ministries, etc.
 - **Capital Funds** – Funds used in building construction, major systems and equipment. Applies to church property and parsonage.