

Plymouth First United Methodist Church
Church Conference
April 11, 2010
Re: Purchase of a parsonage

The Charge Conference of Plymouth First United Methodist Church (FUMC) was called to order in the church sanctuary by District Superintendent Cindy Reynolds on April 11, 2010.

DS Reynolds reviewed the church discipline's doctrine for providing a parsonage. She also reviewed the standards of a parsonage as directed by the conference and handed-out a document listing those standards.

Melissa Christiansen, Staff-Parish chair, gave the background information that has led us to the discussion of purchasing a parsonage. Larry Marhanka, our incoming minister, does not wish to take an allowance toward the purchase of a home as our current minister, Dean Fager, has. Rather, he would prefer to use the housing allowance toward rent or to live in an existing parsonage. Because of the housing market in this down economy, the consensus of the Staff-Parish, Trustees, and Finance Committees was that the purchase of a parsonage would be most advantageous for the church.

Beth Pinkerton, Trustees chair, presented information on the property being proposed for the church parsonage.

- 2001 Felix Place – in the neighborhood north of the hospital
- Built in 1981
- Asking price \$179,900
- \$176,500 is the negotiated price pending an additional inspection to confirm correction of items found during the first inspection.

Per procedure, the home has been approved by the District Superintendent and has been approved by the North District Committee on Building and Location.

Sam Goebel, church member who is providing realtor services for the project, described some of the inspection findings and answered questions about the property.

- A low level of radon is being mitigated at the seller's expense.
- Moisture found in the three-season room is resulting in the following repairs at the seller's expense: roof repair, soffit ventilation, electrical repair, and chimney tuck pointing.
- The home is on city water and sewer.
- The seller has put the home on the market because of a divorce.
- The home was appraised but the appraisal value was not available at the meeting.

Following discussion, the following motion was made: **Beth Pinkerton, Trustees Chair, moved that FUMC purchase a parsonage at 2001 Felix Place. The motion was seconded by Melissa Christiansen, Staff-Parish chair. A voice vote was taken. The motion carried.**

Jerry Kralovansky, Finance Chair, began the discussion to request permission to secure financing for the parsonage.

- Utilizing the assets set aside from the sale of the old parsonage, a remaining balance of \$60,000-\$70,000 will need to be covered by a mortgage.
- With the church being the buyer, the loan will be considered an institution (as opposed to a private home buyer). Institutional loans are only available as adjustable rate mortgages.
- With the church being the owner of the parsonage, the home will be tax-exempt from property taxes. It will come off of the property roles.
- Our current housing allowance is \$15,600 annually. It was suggested that negotiated parsonage mortgage and utility expenses should not exceed the current housing allowance.
- Besides local banks, e.g. First Source, the United Methodist Foundation will be approached as a lending institution.

Following discussion, the following motion was made: Jerry Kralovansky, Trustees Chair, moved for authorization of the finance committee to secure a mortgage with the recommendation that the total expense of the mortgage will stay at or below the current parsonage allowance expenditures. The motion was seconded by Barry Capper. A voice vote was taken. The motion carried.

Before the close of the meeting, a statement was read requesting a better understanding of the current church discipline for congregational input in ministry appointments and, further, how to make changes to that discipline. The question was also asked regarding the plans to recognize the Fager family's service to FUMC. DS Reynolds explained the procedures for changing the Discipline through the Annual Conference. Staff-Parish Chair Melissa Christiansen announced the preliminary plans to hold an all-church Appreciation Party for the Fagers on June 20. (Note: following the closing of the meeting it was discovered that June 20 is also Fathers Day and therefore may not be a good day to also hold the Appreciation Party. Further announcements will come.)

DS Reynolds adjourned the meeting at 3:40.

Respectfully submitted,

Sarah Smith