

Merom Governing Board
Spring Meeting 4-1-06
Merom Conference Center

Members in attendance: Don Houlette, Rex Hinsky, Charlie Overton, John Mier, Mmike Elias, David Shuck, Jim Winters, Jean Illyes, Fred Robberts, Jack Gettinger, Jim Jensen, Susie Larson (ex-officio), Dale Dressler (ex-officio). Also present candidate new members Harold Medsker, Bob Schweikarth, Craig Amlin

Fred Robberts offered the opening devotion.

Election of new board members. The following are presented as candidate new members:

Harold Medsker, Community Council
Bob Schweikarth, Lay Member from Western Association
Craig Amlin, At-Large
Jimmy Watson, Clergy Wabash

Rex Hinskey **moved** to accept new members, seconded by Fred Robberts. Motion Passed. See Attachment #1 for an updated list of board members.

Education Moment – Dale reviewed the current board structure and the members. The Merom Conference Center Operating Policy was reviewed briefly.

Secretary's Report – Minutes from the October meeting were reviewed. Gettinger moved minutes to be accepted, seconded by Elias. Passed. Future minutes will be posted on the Merom.org website following meetings for access by members.

Financial Report – See Attachment 2. Income is about \$3300 ahead of 2005 at this point. Housekeeping expenses are already at the annual level. It appears that the purchase of a carpet extractor and cleaning equipment was mis-classified under housekeeping supplies and will be reallocated. The expense was allocated by funds from the Bloemker Annuity gift. The 2005 financial results resulted in a deficit of about \$25,000. This was covered by expending the entire amount of the Merom Unused Earnings Fund and additional funds from the Bloemker Annuity Gift.

Program Coordinator Salary – due to the shortfall in the 2005 financial results, an agreement was made with the Indiana-Kentucky Conference Board of Directors that 2006 spending levels needed to be reduced from the previously approved budget. If a financial shortfall appears imminent for 2006, the Program Coordinator position will be review prior to October 1 to consider the ability to continue the position.

David Shuck reviewed the structure of the budget and the function of the restricted accounts. The Bloemker Annuity gift was received about a year ago. Discussion took place in past meetings concerning the use of the gift, but no finite purpose had been set. After the Executive Committee determined that part of the funds were needed to close the 2005 deficit, about \$25,000 of the gift remains at this time.

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2005 Nature's Classroom income was \$11,515. Bookings for 2006 have a projected income of about \$18,000 thus far.

Shuck moved the Treasurer's Report be accepted, seconded by Overton, Passed.

Staff Pay – Jim Jensen presented that Nature's Classroom teachers are paid on a stipend basis of \$50 per day if they stay overnight, \$40 for full day and less if they are here only part of a day. As the number of hours they work are compared, it computes to be less than minimum wage. There is also question of whether they can be considered independent contractors or must be employees with appropriate tax considerations. This also applies to the summer staff. Rebecca Braganza is reviewing rules that affect these issues with both our accountant and attorney and will report her findings. Jim will bring a report back to the board for the board to consider any changes that may need to be made.

Fundraising – Dale reported that he attended a fundraising class many years ago with other board members, all of whom left shortly after then and nothing took place. Dale offered that more intentional fundraising could find additional funds to support our paid positions and capital projects that have been planned, but not yet funded. Dale proposed a fundraising committee be formed – 4 people have already volunteered: Paul Gettinger, Dale Dressler, Sam Wyatt (pastor at Clay City), Jim Dewey. St. John UCC in Vincennes had not paid attention to the special appeal mailing in December, but made a donation gift when it was directly discussed with a member. Fred Robberts moved to create a fundraising committee consisting of Paul Gettinger, Dale Dressler, Sam Wyatt, Jim Dewey, and Jack Gettinger. Seconded by Craig Amlin. Motion passed.

Bloemker Annuity Reconciliation:

Gift Received	\$54,487.27
<i>Expenses</i>	
Freezer	\$13,582.35
2005 Operating Loss	\$11,280.10
Carpet 2006	\$ 2,776.65
Vacuum Cleaner & Carpet Extractor	\$ 2,679.29
Total	\$30,318.39
Gift Remaining	\$24,168.88

Old Business:

Lights for Entry: Judy Olinger presented in October lighting ideas for the entrance drive and general costs. John Mier moved to approve lighting for the entrance drive as the funds are made available, subject to approval of the final plan by the Governing Board.

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Seconded by Shuck. This plan may include lighting for the sidewalk along Hatton Lane. Motion passed.

Site Study Committee: a brief meeting was held just prior to this meeting and set two potential dates for full meetings.

Dan Crown Memorial Cabin – The Crown family has created a proposed design for the cabin. The family would like a commitment to adding a cabin before they begin fundraising. Hickory Grove Church in Delphi (formerly UCC church) has verbally indicated that the proceed's from Dan's estate that they receive will be donated to Merom. A preliminary design was provided to the board (see attachment #3) for review. The projected cost is \$80,000-\$100,000 using donated labor. Construction intended is concrete block with textured block finish. Shuck **moved** that a new cabin be built in memory of Dan Crown. Second by John Mier. **Motion passed.**

Restructure of Merom Governing Board and Outdoor Ministries Committee. OMC met a week ago and discussed the current structure. They resolved to propose a joint committee of 3 people from each group that would meet to bridge between the groups. There are several areas that overlap occurs in consideration and expenses are frequently intermingled or confused. Rex Hinskey moved that a task force be created consisting of 3 people from OMC and 3 from MGB to study the structure and develop a plan to restructure with the Conference, with Dale Dressler as Ex-Officio member and to report back to both groups for action. Second by Jim Jensen. Motion passed.

Historical Council: Dale reported for Bob Brown. Dale obtained a portrait of a Union Christian College professor from Ebay and historical council paid to have it professionally framed and will be hung in College Hall.

The historical council has recorded all of the names of the students of Union Christian College on index cards. They have asked that they be transcribed to an electronic copy

Spring concert on April 29 at 7:00pm. A French horn concern will be played with accompanist.

Minutes from their November 9 minutes are attached

Confirmation Retreats – About 130 attended this year's Confirmation Retreats, including the first one held at Tower Hill in southern Michigan. This retreat was well received and pastors in the NE and NW area have great interest and want to increase participation there. In the second year of retreats 150 attended and 90 attended last year in the third year. Last year's attendance was held down some by weather issues. Retreats for 2007 have been scheduled: Jan 26-28 & Feb 16-18 in Merom and at Tower Hill. Over 50% of the confirmands that come have not been to Merom before. Hopefully this will crossover to increase camper numbers.

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Nature's Classroom:

3 groups are booked for May, each being a 1-day program. Two are booked for Fall, each being 3 days. This projects to about \$18,000 income. Schools have difficulty programming field trips because some are now having to pay for bus usage to transport the kids.

Advisory Council – a meeting was held 3 weeks ago and reviewed the use of volunteers and are having a meeting at the end of April to review marketing, contacting schools, structure. Jim Jensen noticed a potential additional market of competitive sports groups using low ropes course for team building. Jack Gettinger moved to encourage marketing of use of low ropes course by sports teams or band camps with the staff empowered to set the rate. John Mier seconded. Motion passed.

Director's Report:

Funds as of 12-31-06

Merom Endowment Fund – current balance is \$272,912.69

Merom Restoration Fund - \$20,504.82

Only interest can be used from these funds.

Merom Unused Earnings Fund was \$13,756.79 and was totally expended toward the 2005 shortfall.

Carpet and extractor – Whalen flooded in a heavy rain and the extractor removed the water right away and saved the carpet. It has also allowed easier work than when renting a unit

Director's House repairs - \$4,000 was allocated to perform repairs to Gettinger House. Due to the financial situation, Dale & Jennifer have decided not to make any improvements at this time and will re-evaluate when the 2006 financial position unfolds.

Copier upgrade. The lease increased \$84 per month. The lease was amended to add functions of color printing and “saddle” stapling, which will allow us to print the summer camp brochures ourselves in color for less than the single color printing in the past. He is making color calendars to sell at camp that will be sold at margin to cover the increase in the lease rate.

Regional Gathering of OMA – The UCC consulting attorney presented a program about background checks for camps and issues surrounding them. Experiences learned will be used in training counselors for camps on issues that have cropped up at other camps. A national sexual offender registry is now available for our review as well at no cost. Discussion was held on having criminal background checks on counselors in addition to the sexual registry check. Acknowledgement forms for 2006 are already out and this will be looked into for 2007 camps.

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Update on National Gathering of OMA – The national meeting for the Outdoor Ministries Association will meet here June 2-6 2007.

Emmaus Walk in September – Dale will be attending the Emmaus Walk held at Clay City to learn of the impact of their program and to understand them better for when they meet here.

Soccer goals were on the wish list last year and a donation was received to purchase soccer goals, which are now here. First UCC in Clay City has offered to bring members' equipment here this August to grade a level playing field.

Merom Wall of Fame – Four photos are currently posted for people that are ministers (ordained, commissioned) that attended Merom as camper, counselor or other capacity.

By consensus, all board meetings at Merom will be scheduled for 10:00 am Merom time.

Motion to adjourn by Mike Elias, second by John Mier. Passed, Adjourned at 2:50 pm.

Future Meetings:

June 3 8:00 informal breakfast meeting at IKC Annual Meeting
September 9, 2006 10:00 at Merom
October 28, 2006 10:00 at Merom
February 3, 2006 10:00 Executive Committee in Indianapolis
April ____, 2007 10:00 at Merom

Merom Governing Board

April 2006

Association Members

Association	Layperson	Clergyperson
(2 members from each Association - one Layperson one Clergyperson)		
Northwest Association	John Mier (07)	Larry Sakel (08)
Northeast Association	Rex Hinskey (08)	Julia Goodall (07) (Vice Chair)
Western Association	Bob Schweikarth (07)*	Richard Carty (07)
Eastern Association	Cathie Campbell (06)	Steve Gettinger (07)
Wabash Valley Association	Charles Harden (08)	Jimmy Watson (06)*
Southeastern Association	Jim Jensen (07) (Sec)	Jim Winters (08)
Evansville Tri-State	Dave McLaughlin (08)	Kenneth Townsend (07)
Lincolmland Association	Fred Robberts (06)	Dan Sergesketter (08)
Kentuckiana Association	Mike Elias (06)	James Dewey (08)

At Large and Council members

(At large and council members are not restricted by clergy or lay status)

At Large Members (3 members)	Mr. David Shuck (IKC Treasurer - Southeast - Lay) (Treasurer) Judy Olinger (07) Craig Amlin (07) *
Historical Council (2 Members)	Mr. Bob Brown (08) (Non UCC - Lay) Mr. John Gettinger (07) (Lay)
Community Council (2 members)	Harold Medsker (08) *
Friends of College Hall (2 members)	Mr. Don Houlette (08) (Kentuckiana Lay) (Chair) Mr. Charles Overton (07) (Southeast Lay)
Staff (2 Members)	Mr. Dale Dressler, Director Rev. Steve Gray, Conference Minister
Honorary Members	Mrs. Jean Illyes (Lifetime Voice and Vote - Wabash Valley - Lay)

* To be elected at April 1st 2006 meeting

MEROM CONFERENCE CENTER
Support and Expense Statement
January - February 2006

	2005 Actual	2006 Actual	2006 Budget	2006 Variance
SUPPORT				
Camp Meals	\$ 161.55	\$ 230.85	\$ 65,500.00	
Non-Camp Meals	\$ 2,579.50	\$ 2,115.25	\$ 46,800.00	
Total Meals	<u>\$ 2,741.05</u>	<u>\$ 2,346.10</u>	<u>\$ 112,300.00</u>	\$ 109,558.95
Camp Facilities	\$ 138.60	\$ 306.00	\$ 54,700.00	\$ 54,561.40
Non-Camp Facilities	\$ 2,786.00	\$ 4,389.22	\$ 43,000.00	\$ 40,214.00
Total Facilities	<u>\$ 2,924.60</u>	<u>\$ 4,695.22</u>	<u>\$ 97,700.00</u>	\$ 94,775.40
Gift Shop Revenue	\$ -	\$ 56.40	\$ 8,500.00	\$ 8,500.00
Program Revenue				
Confirmation Retreats	\$ 3,985.00	\$ 7,490.00	\$ 16,875.00	\$ 12,890.00
Nature's Classroom	\$ -	\$ 200.00	\$ 20,000.00	\$ 20,000.00
Gifts from Congregations	\$ 1,767.00	\$ 389.00	\$ 34,000.00	\$ 32,233.00
Gifts from Individuals	\$ 575.00	\$ 195.00	\$ 4,000.00	\$ 3,425.00
Capital Gifts	\$ -	\$ 5,455.94	\$ 1,000.00	\$ 1,000.00
Investment Income	\$ -		\$ 12,500.00	\$ 12,500.00
Total Support	<u>\$ 11,992.65</u>	<u>\$ 20,827.66</u>	<u>\$ 306,875.00</u>	<u>\$ 294,882.35</u>

EXPENSES

Meals	\$ 2,531.30	\$ 1,799.71	\$ 52,000.00	\$ 49,468.70
Kitchen Supplies	\$ 464.44	\$ -	\$ 3,500.00	\$ 3,035.56
Kitchen Equipment Repair	\$ -	\$ -	\$ 1,000.00	\$ 1,000.00
Canteen Expenses	\$ -	\$ -	\$ 5,000.00	\$ 5,000.00
Housekeeping Supplies	\$ 228.86	\$ 3,211.77	\$ 3,500.00	\$ 3,271.14
Program Expenses	\$ 515.85	\$ 397.91	\$ 2,000.00	\$ 1,484.15
Utilities	\$ 6,079.63	\$ 5,734.76	\$ 30,000.00	\$ 23,920.37
Vehicle Expenses	\$ 365.76	\$ 403.19	\$ 3,200.00	\$ 2,834.24
Swimming Pool	\$ -	\$ -	\$ 3,000.00	\$ 3,000.00
Buildings & Grounds	\$ 840.29	\$ 323.01	\$ 21,000.00	\$ 20,159.71
Public Relations	\$ 25.00	\$ -	\$ 500.00	\$ 475.00
Governing Board Expenses	\$ 171.60	\$ -	\$ 1,100.00	\$ 928.40
Office Expenses	\$ 1,549.50	\$ 1,325.53	\$ 12,000.00	\$ 10,450.50
Communications	\$ 640.16	\$ 2,086.28	\$ 8,000.00	\$ 7,359.84
Capital Improvements	\$ 497.08	\$ 2,776.65	\$ 9,000.00	\$ 8,502.92
Staff Pay & Benefits	\$ 25,902.01	\$ 26,702.47	\$ 150,575.00	\$ 124,672.99
Staff Development & Travel	\$ 460.20	\$ -	\$ 1,500.00	\$ 1,039.80
Total Expenses	<u>\$ 40,271.68</u>	<u>\$ 44,761.28</u>	<u>\$ 306,875.00</u>	<u>\$ 266,603.32</u>

Net Surplus (Deficit) \$ (28,279.03) \$ (23,933.62) \$ -

*Mistake
2006 Budget
- 2006 actual
is now Budget
- 2005 actual*



LIVING AREA
3758 sq ft

HISTORICAL COUNCIL
November 9, 2005

Bob Brown - Opening

Paul Gettinger - Prayer

Jean Illyes - Minutes read and approved

Bob - Talked about a Mr. Allison from Washington, Ind. for a possible speaker for our Annual Dinner in 2006.
(Possible subject - American Indians of Indiana)

Dale Dressler - In the absence of both Bob and Jean at the last Board Meeting, Dale gave a report of the last meeting of the Historical Council.

To help with Finances, a Fund Raiser is being considered.

There is a plan for lights along the drive and near the buildings. It is in the works and coming along.

Talked about Dan Crown, his accident, and cabins.

SPRING CONCERT - Possible person to ask - Amber Kim.

Showed a book by John Bower

"2nd Stories - A Hoosier Photographer explores what's upstairs, on top, and overhead."

Pictures for the newspaper ?

NEXT MEETING : April 12, 2006

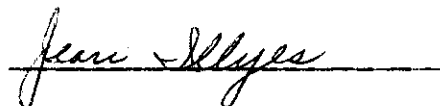
Dale - Closing Prayer

ADJOURNMENT

LUNCH

PRESENT - Bob Brown, George Wilson, Barbara Wilson, Dale Dressler, and Jean Illyes

Jean Illyes
Secretary



P. S. This year's Dinner on Sept. 23, 2005 was a success with Paul Gettinger who spoke on "Union Christian College and Merom Conference Center (Merom Institute)"
Another possibility for our 2006 dinner, Valerie Tutson.

Designated Reserve Funds
Balances as of December 31, 2004

Fund Name	Cash and Investments	Outstanding Loans	Balance
OCWM Fund	\$ 10,000.00	\$ -	\$ 10,000.00
Campus Ministry Fund	\$ 140,908.82	\$ -	\$ 140,908.82
Outdoor Ministries Reserve Fund	\$ 47,577.66	\$ -	\$ 47,577.66
Youth Ministries Fund	\$ 47,399.59	\$ -	\$ 47,399.59
Young Adult Ministries Fund	\$ 49,048.22	\$ -	\$ 49,048.22
DRB Development Fund	\$ 514,147.97	\$ 5,074.50	\$ 519,222.47
Clergy & Lay Education Fund	\$ 109,495.83	\$ 4,795.00	\$ 114,290.83
Pastoral Emergency Fund	\$ 23,859.56	\$ 1,550.00	\$ 25,409.56
IKC Endowment Fund	\$ 16,220.29	\$ -	\$ 16,220.29
Merom Endowment Fund	\$ 272,912.69	\$ -	\$ 272,912.69
Merom Restoration Fund	\$ 20,504.82	\$ -	\$ 20,504.82
Merom Unused Earnings	\$ 13,756.79	\$ -	\$ 13,756.79
Total	\$ 1,265,832.24	\$ 11,419.50	\$ 1,277,251.74

**Designated Reserve Fund Balances As Classified by
Generally Accepted Accounting Principles (GAAP)**

	2002	2003	2004
Unrestricted Funds			
OCWM Fund	\$ 11,406.20	\$ 24,902.58	\$ -
Campus Ministries Fund	\$ 97,969.24	\$ 131,064.49	\$ 140,908.82
Outdoor Ministries Reserve Fund	\$ 32,093.94	\$ 44,616.14	\$ 47,577.66
Youth Ministries Fund	\$ 32,540.54	\$ 42,456.64	\$ 47,399.59
Young Adult Ministries Fund	\$ 32,540.54	\$ 44,229.30	\$ 49,048.22
DRB Development Fund	\$ 403,675.99	\$ 536,244.09	\$ 519,222.47
Merom Unused Earnings	\$ 18,259.50	\$ 7,941.81	\$ 13,756.79
Total Unrestricted Funds	\$ 628,485.95	\$ 831,455.05	\$ 817,913.55
Temporarily Restricted by Donor			
Clergy & Lay Education Fund	\$ 81,119.10	\$ 103,818.98	\$ 114,290.83
Pastoral Emergency Fund	\$ 17,171.91	\$ 22,759.79	\$ 25,409.56
Merom Maintenance Fund	\$ 15,218.24	\$ 18,207.28	\$ 20,504.82
Total Temporarily Restricted Funds	\$ 113,509.25	\$ 144,786.05	\$ 160,205.21
Permanently Restricted by Donor			
OCWM Fund	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00
Merom Endowment Fund	\$ 243,837.44	\$ 254,708.57	\$ 272,912.69
IKC Endowment Fund	\$ 6,856.27	\$ 12,728.80	\$ 16,220.29
Total Permanently Restricted Funds	\$ 260,693.71	\$ 277,437.37	\$ 299,132.98
Grand Total of all Funds	\$ 1,002,688.91	\$ 1,253,678.47	\$ 1,277,251.74

DESCRIPTION OF RESERVE FUNDS OF THE INDIANA-KENTUCKY CONFERENCE
UNITED CHURCH OF CHRIST

UNRESTRICTED FUNDSⁱ

I. Our Church's Wider Mission Fundⁱⁱ

This fund is made up of two parts - an unrestricted portionⁱⁱⁱ and a restricted portion of \$10,000.00^{iv}.

The income earned on the principal of this fund will be used as additional revenue to the Conference. This income will be credited to the Operating Fund on a yearly basis. The earnings rate will be the average of earnings rate as reported on the investment account year-end report. The income earned will be reported by the Treasurer with other year-end financial reports made at the March meeting of the Board of Directors.

II. Campus Ministries Fund

This fund was established through the sale of Campus Ministry properties which were sold to Indiana and Purdue Universities and by action of the Board of Directors were designated as a fund, whose invested proceeds will be used for Christian Ministry on the campuses of higher education in the Indiana-Kentucky Conference. The original principal balance of this fund is \$75,000.00^v.

The Faith Education Committee will administer this fund by requesting the amount they will need each year in their budget request to the Finance and Budget Committee.

III. Outdoor Ministries Reserve Fund

This fund was set up as of January 1, 2001 from the division of the Eagle Lake Fund. The initial balance of this fund was \$38,466.50 and is to be used to further the camping programs through the Outdoor Ministries Fund. The Outdoor Ministries Committee will be responsible to the Finance and Budget Committee of the Board of Directors. Hence, the Outdoor Ministries Committee will be required to submit a request each year with their budget, for the amount and use of these monies.

IV. Youth Ministries Fund

This fund was set up as of January 1, 2001 from the division of the Eagle Lake Fund. The initial balance of this fund was \$38,466.50. This fund will be under the supervision of the Director of Youth and Young Adult Ministries through the Faith Education Committee. The purpose of this fund will be to promote the spiritual growth and faith journeys of the youth in our conference. The Faith Education Committee will be responsible to the Finance and Budget Committee of the Board of Directors. They will be required to submit their request for the amount and use of these funds to the Finance and Budget Committee each year as part of their budget request.

V. Young Adult Ministries Fund

This fund was set up as of January 1, 2001 from the division of the Eagle Lake Fund. The initial balance of this fund will be \$38,466.50. This fund will be under the supervision of the Director of Youth and Young Adult Ministries through the Faith Education Committee. The purpose of this fund will be to promote the spiritual growth and faith journeys of the young adults in the Conference. The Faith Education Committee will be responsible to the Finance and Budget Committee of the Board of Directors. They will be required to submit their request for the amount and use of these funds to the Finance and Budget Committee each year as part of their budget request.

VI. Donald R. Buckthal Development Fund

These funds will be used to support new church starts and renewal churches through purchase of property, grants and subsidies. This fund will also be used to grant loans to churches needing emergency aid for capital repairs within the guidelines of the Policy approved by the Board of Directors on November 5, 1999^{vi}. The Apollos Offering will be adding to this fund for leadership development in new churches. The Board of Directors administers this fund based on the recommendations of the New Church Start Committee.

VII. Holding Fund

This fund will be used to hold escrow amounts from one year to the next. It will include the special offerings and appeals until they are used or added to one of the funds above. No amount will remain in this account for more than a period of one year. Upon the expiration of this time frame any funds not used will be automatically added to the OCWM Fund as income. The Conference share of Neighbors In Need will be put in here to be paid out as grants the following year by the Grants Sub-Committee of the Social Issues & Services Committee. The rest of the amounts in this fund will be under the supervision of the Finance and Budget Committee of the Board of Directors.

VIII. Property Fund

This fund includes all the property owned by the Conference. It includes physical plant, machinery, equipment, inventory, etc. It is administered by the Board of Directors.

IX. Operating Fund

This fund will be used for the day-to-day operations of the Conference. This fund is funded mainly by OCWM Basic Support.

TEMPORARILY RESTRICTED BY DONOR^{vii}**X. Clergy and Lay Education Fund**

This fund will be used to grant scholarships and make loans for education of clergy and occasionally to laity to participate in professional growth opportunities. Student-In-Care grants will be made out of this fund. These distributions will be made by individual grants or for conference-wide programming. Each year, no more than \$1500.00 of the Student-In-Care grants will be designated as Harry W. Bredweg Scholarship and another of \$1500.00 shall be designated as First UCC, Muncie Scholarship.

The Conference Minister and the Associate Conference Ministers will administer this fund. They will provide a written report on the use of these funds to the Finance and Budget Committee of the Board of Directors by the end of the first quarter each year. The Finance and Budget Committee of the Board of Directors will be responsible for releasing the total dollar amount available each year by the end of the first quarter of each year. Any changes to loan and grant policies will need to be approved by the Board of Directors.

XI. Pastoral Emergency Fund

This fund will be used to assist clergy and/or clergy families who need emergency aid. For example, it can be used to pay for pastoral supply in times of illness when all vacation has been used and the local church agrees to continue salary until disability begins. Applications for assistance will need to be made in writing to the Conference Minister or the Associate Conference Minister. This fund will be administered by the Conference staff upon the approval of three of the following persons: Conference Minister, Associate Conference Ministers, Chair of the Finance & Budget Committee and Treasurer. The amount expended may be in the form of a grant or a loan. In the case of either a loan or a grant, the maximum amount will be \$2,000.00. Any loans will be made at an interest rate of 7%, repayable in equal monthly installments over a period of 5 years. An annual report will be made to the Finance and Budget Committee of the Board of Directors by the end of the first quarter of the year.

XII. Merom Restoration Fund

This fund is to be used at Merom for the restoration and improvement of College Hall. It will be administered by the Merom Governing Board in consultation with the Conference staff. The Merom Governing Board will report yearly on the use or intended use of the interest earned to the Board of Directors by the Annual Meeting each year.

PERMANENTLY RESTRICTED FUNDS^{viii}**XIII. Merom Endowment Fund**

This fund was created for the sole purpose of maintaining the buildings and grounds of the Merom Conference Center. The principal should always be held intact and should not be pledged or borrowed against. In the year 2001, \$38,466.50 was added to the principal of this fund from the division of the Eagle Lake Endowment Fund. The interest earned should be used each year to maintain and improve the buildings and grounds. The unused interest should be carried forward or added to the principal balance of the endowment. The Merom Governing Board will report annually on the use or intended use of the interest earned to the Board of Directors by the Annual Meeting each year.

I. Our Church's Wider Mission Fund

Only the interest earned on this portion of the principal of this fund will be used as additional revenue to the Conference and the National Office. This interest will be credited to the Operating Fund on a yearly basis. The interest rate will be the average of interest rate as reported on the investment account year-end report. The interest earned will be reported by the Treasurer with other year-end financial reports made at the March meeting of the Board of Directors.