Swiss Benevolent Society of San Francisco

CONFIDENTIAL

MINUTES OF THE 140th ANNUAL GENERAL MEETING
JANUARY 31, 2025, AT FIOR D'ITALIA, SAN FRANCISCO, CA

The meeting was called to order at 6:15 PM.

<u>President's Greeting</u>

Ruedi Sandmeier extended a warm greeting to everyone on the occasion of the 140th Annual Meeting, and welcomed our guests, Consul Martin Zaugg and Consul Beat Henzen. Martin will later conduct the reelection of Board members and Auditors. Tonight, we have two recipients of our scholarship program, Mia Call and Kyla Reichmuth as our guests. We'll ask them to tell us a little about themselves later. Finally, we are happy to welcome former Board members Susy Lutsky, Pius Kampfen, and John Zeiter. Above all, thank you, our trusted and generous members, who came to this meeting. Thank you for your generous contributions over the years. We are pleased that you could join us tonight.

Our records show that we have 65 dues-paying members. 10%, or 7 members, represent a quorum. In addition to 30 members in attendance, we have received 10 proxies. We therefore meet our quorum requirement and can proceed with our agenda.

Copies of the minutes of the 2024 Annual Meeting have been posted on our website and also placed on the tables. Are there any questions about the minutes? Hans Schmid made a motion to approve the minutes, seconded by Walter Gyger; minutes were approved without opposition.

<u>Committee Reports</u>

<u>Treasurer's Report</u>

Treasurer David Zeiter joined the Board one year ago, so this is his first report to the membership. David indicated that the P&L statement has been reviewed by our Auditors, then proceeded to read the details of the financial profit and loss statement and endowment balances.

Thank you, David Zeiter, for a job well done!

<u>Auditors Report, presented by Walter Gyger</u>

Walter presented the report of the audit that he and Stefan Welter conducted for the period of January 1, 2024 to December 31, 2024 for the Swiss Benevolent Society's General Fund, the Amstutz Fund, the Canonica Fund, the Isler Fund, the Silvia and Jacques Iselin Fund, as well as the Walter Munz Scholarship Fund, as well as the distributions made from the Klara Holzer Trust. They examined on a test basis the evidence supporting the amounts and disclosures to obtain reasonable assurances that these statements are free of material misstatements. In conclusion, they found that the balance sheets and the statements of operations fairly represent the financial position of the Swiss Benevolent Society and that the books have been kept in a very orderly manner.

On a personal note, Walter encouraged the Board to follow up on previous discussions concerning extending our scholarship program to vocational schools. This, of course, means figuring out how it would work.

Investment Committee Report, presented by Andy Eggler

Andy began by saying what a pleasure it is to be with our members tonight.

Andy began, as usual, with a little synopsis of what was going on in the economy in 2024 and what we can expect the current year to look like.

"The stock market had an impressive year in 2024! The Dow Jones was up 13%, the Nasdaq jumped 30%, and the S&P 500 climbed 23%. These gains happened despite the fact that our national debt has reached nosebleed, record-breaking levels. To put it in perspective, the government now owes as much money as the entire U.S. economy produces in a year and is expected to surpass that number in 2025.

If government debt keeps growing at this pace, it could lead to some serious financial challenges such as higher interest rates, rising inflation, less investment in business, a shaky economy and a potential stock market downturn, erasing gains and triggering financial instability. This is a perfect economic storm with severe consequences unless spending is brought under control.

Our investment account had a solid return of 11.5% - not as high as the overall market let alone the jaw-dropping 54% of Nancy Pelosi's portfolio but there is a good reason for that! We don't gamble with our funds. Unlike individual investors, we are required by our bylaws to invest in mutual funds and dividend-paying exchange-traded funds (ETFs). Plus, a significant portion of our investments must be in safer, fixed-income assets like bonds.

Right now, the fixed-income portion of our portfolio is in a government money market fund earning 4.25%. In uncertain economic times, the yield curve tends to be flat, in other words, unpredictable long-term investments don't offer better returns than short-term options, like money market funds, Treasury bills, or CDs. This strategy keeps our investments flexible and secure while we navigate the economic landscape. While others chase big risks, we are taking the smart, steady and responsible approach – protecting our investments, growing our funds responsibly to ensure we can continue supporting our mission for years to come."

Ruedi thanked Andy for the steady way that our investments are managed.

Welfare Report, presented by Carla Twitchell

"The San Francisco Bay Area is home to many technological companies that pay good salaries and attract skilled workers. Housing is in demand for new workers in the area. The companies are competitive and when there are advances in the technology, there is often a sudden turnover or reduction of jobs. It is when workers are laid off that the Swiss Benevolent Society receives requests for financial assistance to pay utility bills or premiums for temporary health insurance or health care. We are limited to helping those of Swiss heritage who are registered with the Swiss Consulate.

Toward the end of 2024, we helped a young adult who lost his health insurance when he dropped out of college due to anxiety attacks. We paid for his therapy sessions with a psychologist to help him pursue a different line of work while he regained confidence in himself. His mother had previously been a recipient of financial help from the Swiss Benevolent Society when she needed to repair her roof when her clientele had dwindled during the Covid period.

In a different scenario, an elderly Swiss man had not renewed his visa to work in the U.S. and had depended on his inheritance for support, not mindful that he would run out of money during his stay in the U.S. In this case, we are considering that he returns to Switzerland since he is not a U.S. citizen and that he asks for financial help from the Swiss government.

To reach a larger group of Swiss in our area, I will be sending letters to the presidents of the many Swiss clubs in the Bay Area to publicize the availability of financial aid from the Swiss Benevolent Society for those in need who are registered with the Swiss Consulate."

Scholarship Committee Report, presented by Ariana Ghelfi

"The Scholarship Committee (Susann Sandmeier, Ariana Ghelfi, and Phillip Kalsched) is pleased to report that in 2024, the Society awarded $84,000 in scholarships to 19 young Swiss in Northern California. For comparison, in 2023 we made 15 awards for a total of $65,000.

Some details of our program this year include the following.

We received 29 applications (including 14 re-applicants), from which we awarded 19 scholarships for a total of $84,000.
We made named awards from Clement & Frieda Amstutz, Canonica, Walter Munz, and our General Fund.
Scholars are majoring in a diverse set of subjects such as: Aerospace Engineering, Business, Economics, Environmental Science, German, Communications, Ecology, Biology, Education, Psychology, Comparative Literature, Welding, and Interior Design at a diverse set of schools, including campuses of: Boston College, Tufts, Chapman University, Cal Poly, University of Oregon, Sierra College, California State University at Long Beach, California State University at Monterey Bay, University of Utah, George Washington University, Bowling Green State University, San Diego State University, UC Irvine, UC Santa Cruz, and UC Berkeley.

Thanks to the Klara Holzer Legacy, whose experience demonstrated the importance of a good education, all scholarships granted this year were augmented with a generous gift of $500.

Together, the Scholarship Committee would like to express our sincere appreciation to our members for making these scholarships possible!"

Membership Report by Douglas Twitchell

"SBS defines members as those that donate to the organization and voting members as those who have donated in the last two years. The total amount received through regular donations has remained relatively stable from 2013 to 2023. 2024 was the lowest for both the number and amount of donations for the past 12 years.

High was in 2014 of $32,835
Low was in 2024 of $10,035
Average for past 12 years: $20,591

Bequests are not included in the regular donations and do not figure into the membership database. Some of these have been very large.

Number of donors is declining:
186 in 2014 (a high point for the past 12 years)
42 in 2023 (a low point for the past 12 years)
Average amount donated per donor is increasing: $129 in 2013 vs. $239 in 2024

Striving to get new members:

For the second year, our annual mailing included the presidents of the Swiss clubs that belong to the United Swiss Societies (USS).
Our existing members can help in this effort by encouraging friends and family to donate to this wonderful organization. Note: you do not have to be Swiss to donate!"

Ruedi then asked Mia Call and Kyla Reichmuth to introduce themselves and tell us about their studies. Both students expressed their appreciation for the financial assistance they have received from our members, and the chance to meet some of them in person this evening.

Mia Call is a Bay Area native, currently a junior at UC Berkeley and a three-time scholarship recipient. Her studies focus on French and German with a minor in English. She's interested in studying the difference between Swiss French and Swiss German literature.

Kyla Reichmuth, also a Bay Area native, is a junior at UC Berkeley, previously studied at the Berkeley City College. She's enrolled in media studies with a focus on media in a changing world and is looking for an internship in the marketing industry.

President's Report by Ruedi Sandmeier

"As you have heard from the reports of the various functions, our society stands on a very solid foundation.

Of our two social events, the Annual Meeting was held again at Fior d'Italia and was well attended, and we went back to the Spring Dance working together with the Aelpler Gruppe, as we last did in 2019. This event was well attended, and our door prizes well received. We will again celebrate our seniors on Sunday, April 13.

I am now 15 years in the position as president, so it is a good time to look back. We have two counter-current trends, namely:

Financial, we are doing very well. Our total holdings increased more than three times, thanks to generous donations and legacies. I want to mention especially the legacy of Walter Munz. He left us over half a million, all of which we dedicated to scholarships. We have been able to increase the size of our scholarship grants from a total of $28,000 (for 14 recipients) in 2010, to $84,000 (for 19 recipients) in 2024, more than doubling the average grant.

Membership has gone steadily down over the years, from 180 in 2010 to 65 now. Most of this is reflecting what other Swiss societies are experiencing (with some notable exceptions), namely the younger generation is less likely to join a Swiss society.

At this point, are there any questions or comments about what you have heard?

Since no matters to be voted on were submitted from the floor, we can now proceed with the elections.

As I said before, I have an excellent Board helping me to run the various tasks of our society. I hope you can honor that by confirming our Board member and both Auditors. Our Board works well together as a team, and I am honored to work with such a fine group.

Under our By-Laws, the Directors are elected based on a system of rotation over a three-year period. One Board member is up for re-election for a three-year term, Carla Twitchell.

We also need to re-elect Stefan Welter and Walter Gyger for the auditor positions.

Now it is time to hand over the meeting to Consul Martin Zaugg, to proceed with the reelection of one Board member for a three-year term, and two Auditors for a one-year term."

Carla Twitchell, Vice President, Welfare
Stefan Welter, Auditor
Walter Gyger, Auditor

All were approved by acclamation.

"Thank you, Martin, for conducting the elections so efficiently. I would also like to express our deep appreciation for the steadfast support we have been receiving from the Consulate. It has been a pleasure working with your team and we look forward to a continued close cooperation."

Martin Zaugg commented on the fact it is not easy to recruit volunteers for Board of Directors positions. Martin then informed us that the implementation of new travel authorizations has again been delayed but is on track to go into effect in 2025.

Susy Lutsky, following up on Walter Gyger's earlier comments, recommended that we expand our scholarship program to include community college students.

Ruedi: This brings the meeting to a close. Do I hear a motion to adjourn? Thank you, the meeting is adjourned."

Pius Kampfen made a motion to close the meeting, seconded by Susann Sandmeier.

Meeting closed at 7:00 PM.