

**Minutes, MCCDC Board of Directors
Tuesday, February 25, 2014**

Members Present: Rev. Dwayne Johnson, Mark Kornmann, Fenicia Ballard, David Lord, Knut Panknin, Dave Jenkins, Kathleen Carey

Members Absent: None

Guests Present: Rev. Cathy Alexander, Cecilia Hayden-Smith, Jim Garner, Paul Larson, Tom Simmons, Brian Scott, Joe Dailey

I. Opening Prayer

Dwayne opened the meeting by reading a devotional and Cecilia offered a word of prayer.

Mark moved to accept the agenda, Dave Jenkins seconded. The motion passed unanimously.

II. Consent Agenda

David Lord moved to accept the consent agenda, Fenicia seconded. The motion passed unanimously.

III. Informational Items

A. 472 Update

Mark informed the Board that 472 Ridge has been gutted and the underpinning has been poured. The bedroom sizes have been slightly reduced, allowing for additional bathrooms to be added. The interior design is also going to allow for exposed brick. Greg Snyder and Steve Jones contacted property management companies and three proposals have been received. One proposal has come in at 8% rather than the expected 10%. It looks like the comps for rental income came in higher which means that we might have higher income than expected. On the negative side, when the building was permitted, it was stated as having two floors for habitation with storage in the basement. When Antoinette went to increase the number of habitable floors it was discovered that the permits needed to be amended. This process takes 6 to 8 weeks, though Antoinette has been able to work quicker to-date. This issue has required MCCDC to do no more than minimal work in the basement, stopping us from pouring the concrete. Mark suggested that the Board do a walk-through before the next meeting.

B. Board Retreat Update

Mark noted that the Board and Trustees did not finish the work that it needed to get done with respect to the retreat. Mark suggested looking at calendars to identify times that both groups could meet to discuss priorities and who is currently in what slots. Mark will send around documents with potential dates. Mark will complete notes from the retreat and forward them to the participants.

C. Couples Retreat

Fenicia presented the idea of a couples retreat called 3 Rs to Romance. Dates are being looked at for June or July. Dr. Franklin, a member of the congregation, will facilitate the retreat with an expected cost of \$100 per couple.

D. Mautner Gala

Mark informed the Board that all 10 tickets were sold resulting in no cost to MCCDC for the sponsorship.

IV. Discussion/Voting Items

A. January/February Financials/Motions

Kathleen informed the Board that financial reports for the year-to-date had been sent out. Kathleen and Mark met with Lance to discuss various financial items and to make sure that proper balances were listed on the various accounts. For February there will be no rental income from 472 Ridge Street. A very careful eye needs to be kept on income and expenses because of this. Kathleen suggested that the profit and loss statements be sent out each month and that the budget to actual spending report be sent only every six months. This would be to isolate the information to what is most useful for the Board. These monthly financial reports will be made available to the congregation. Dave Jenkins questioned whether providing this information to the congregation without narrative information may cause confusion. It was noted that congregants can cross reference the monthly minutes.

The mortgage is currently paid for out of the Buchanan fund based on income from the rental units in 472. Any remaining portion is paid out of the Operating Fund. Mark moved that until there is rental income from the 472 property, that the church's mortgage be paid from the contingency fund unless SunTrust authorizes the lost rental income being taken from capital projects. The motion was seconded by David Lord. Discussion ensued regarding the advisability of taking the money out of contingency and reserves verses the capital projects account. It was determined that to the extent this money could be taken up-front from Capital Projects it should be done now as it might not be permitted later. The motion passed unanimously.

B. Sexton Position

Mark noted that for some time MCCDC has been using people for maintenance from a program that the City runs called Project Empowerment. As the Church continues to do significant building projects there is need for regular cleaning and presence in the building so that less of these duties fall on the pastoral staff. Mark proposed hiring a sexton for 30 hours a week at \$15 an hour. This would cost about \$22,000 a year in expense to the Church. Mark suggested that the Barrel roof and caulking projects should potentially come from capital projects rather than the Buchanan Fund, leaving the possibility of hiring a Sexton with money from the Buchanan Fund. Dwayne echoed the sentiment by stating the Project Empowerment is a good program, but has presented challenges when its employees are relied upon for outcomes with respect to building maintenance. Dwayne said we need to be using this project to enhance the services to the Church rather than relying on them. Project Empowerment employees have required too much management and supervision from pastoral staff.

Cathy also noted that we rely heavily on building rental income from events and that without a sexton it requires someone from the pastoral staff to be present at all such functions to open the building and keep an eye on the property.

Mark moved that we contract for a sexton for the Church with an annual cap of \$22,000 and that the money be paid out of the Buchanan Fund. The motion was seconded by Fenicia.

Cecilia noted that there is a need for a Sexton but would like to see the cost come from 472 rental income. Brian expressed concern over whether hiring a sexton would drain Buchanan Fund resources or burden the Buchanan Fund beyond its incoming income. Brian also expressed concern about whether some of the functions of the sexton might not be consistent with the purpose of the Buchanan Fund.

David offered a friendly amendment to the motion to add - "This motion will be revisited at the first Board meeting after the 472 units are rented in order to determine whether this cost could be born out of the excess rental income." Mark expressed concern that this is not consistent in his view with what the Board had originally stated MCCDC would do with rental income from 472. The friendly amendment was not accepted.

Dwayne noted that there seemed to be broad agreement on the need for a sexton with disagreement about the funding source. Jim expressed support for the notion of the sexton but concern about the source of the funding. Jim questioned the optics of telling the congregation that they should contribute more for someone to clean or repair the building rather than for a construction or capital project. Dave Jenkins questioned whether the project had matured to the point that it was ready for action. Joe expressed

his view that a sexton is needed and that the overall appearance of the building is attributed to the Trustees and that this is true for both big and small things. Joe feels that the condition of the building is a factor in the happiness of the congregation and he has no concern with the funding coming from the Buchanan Fund. Brian expressed that we need greater clarity around what the sexton will do. Brian also questioned whether we could cut back on the number of hours that are required for the position. Dwayne noted that in his monthly appeals for the Buchanan Fund he states that this money helps community groups and the community to use these facilities and that the cleanliness of the building is critical to that effort. Paul noted that paying for this work from the operating fund will result in paying an additional 12% cost because it would have to be tithed on denominationally rather than if the expense is paid from the Buchanan Fund. Cecilia noted that we needed to be less concerned about where the funding comes from and rely instead on God to faithfully come through with the resources. Discussion ensued over whether a statement of work outlining the responsibilities of the sexton should be developed before this vote is taken. Kathleen noted that we have money in the Buchanan Fund and we have a responsibility to use it for the physical well-being of the Church. She noted that the Buchanan Fund should not be confused with the Contingency Fund where substantial cash reserves should be maintained.

David Lord moved to amend the motion to authorize spending up to \$3,600 from the Buchanan Fund for a 60-day period for contracting for a sexton for the Church. The motion died for a lack of a second. David Lord moved to table the underlying motion to next month's meeting. Dave Jenkins seconded the motion to table. The motion to table dies 2-4 (Yes votes: David Lord and Dave Jenkins. No votes: Mark, Kathleen, Knut, and Fenicia).

The underlying motion carried 5-1-1 (Yes votes: Dwayne, Mark, Fenicia, Kathleen, Knut; No votes: David Lord; Abstentions: Dave Jenkins).

C. Capital Campaign

Dwayne met with Carl Davis along with Mark and Cathy. The proposal was previously distributed as the "Think Social Change" document. Part of the focus around this will be on aligning this campaign with other financial efforts by the Church. This document outlines various methodologies for raising at least \$25,000 from external and non-traditional sources. It is anticipated that this would raise a 2-1 benefit from the investment in the initial stage, with the capital campaign monies going toward paying the balloon payment on the mortgage.

Knut moved for adoption of the capital campaign proposal as outlined in the Think Social Change document. Mark seconded the motion.

David suggested a friendly amendment specifying that the initial \$4,000 cost of the program will come from contingency and reserves. The second \$3,000 payment would come from the money raised through the campaign. If income had not been realized at that point the cost would again come from contingency and reserve. The last \$3,000 would come from the income of the campaign, but only if deliverables as outlined in the document were accomplished. The friendly amendment was accepted.

The underlying motion as amended was passed unanimously.

D. Trustee Items - Window Caulking/Barrel Roof

Joe presented the barrel roof proposal from Maggio that would result in repairing this part of the roof. This vendor has a good record and agreed to come down on the price. The total cost of the project is \$39,998. Other bids were received from additional sources that included different systems for repairing the roof. The price of the Maggio proposal is in line with other proposals that were received.

Kathleen had gone onto Angie's List and noted that Maggio has good ratings. She noted, however, that there were about nine other companies that had all A ratings, thus being better rated overall than Maggio. Kathleen noted that Shiner Roofing does both caulking and roof repair and that having one vendor handle both projects might result in savings. Kathleen noted that it might be good to look at additional vendors. Kathleen noted prior bad experience on MCCDC's part with not obtaining enough bids and suggested getting at least two additional bids. Joe noted that he had discussed the roof proposal with Antoinette and she had named a \$40,000 figure as well. A discussion ensued about the problems with the work previously done by Uncle Skeeters and the need to walk through with them and have them take corrective action based on the warranty. It was noted that MCCDC needs to have a building inspector look at this immediately so that we can take action as quickly as possible. Joe will touch base with Antoinette about this issue. Dave Jenkins also discussed whether it would be best to get a monetary settlement to resolve the dispute as opposed to seeking corrective action from Uncle Skeeter. Mark noted the possibility that the vendor that is used for the barrel roof could also look at the problems with the flat roof. Knut also advocated on the side of getting a solar roof regardless of whether the savings is minimal because of the environmentally positive benefits. This might also be a selling point to potential community groups that are looking at renting the space. Knut requested that the new proposals include information about solar options.

The proposal was tabled by consensus with a request that the Trustees obtain at least two additional bids and attempt to see if any bids could include both caulking and roof repair in a single package. Solar options should be explored to the point practicable.

Mark noted a thank you to the Trustees for the trash cans in the welcome hall.

E. Adjournment

David moved to adjourn. The motion was seconded by Fenicia and was approved unanimously