

**Minutes of the MCCDC Board of Directors
Tuesday, April 19, 2016**

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

Guests Present: Rev. Cathy Alexander, Cathy Batson, Johanna Hardy, Tim Helm Lance Jameson, Terry Neal, Bob Whitman, Imani Woody-Macko, Denise Wright

I. Song/Scripture

Dave shared the song “I believe” by Brooks and Dunn, talking about his religious roots and the way the lyrics of the song touch him deeply. Dwayne shared the Easter message and scripture from Colossians 3:1-2: “If you have been raised with Christ, seek the things that are above... Set your minds on things that are above...”

II. Call to Order/Opening Prayer

Rev. Dwayne called the meeting to order at 7:04 p.m. He opened the meeting in prayer.

III. Consent Calendar

Mark moved to receive the consent calendar. The motion was seconded by Knut and was approved unanimously. Mark said that there was no update from the Trustees but the minutes of the last meeting had been distributed. He moved to accept the consent agenda and Dave seconded. The motion carried.

IV. Informational Items

A. Shout Outs

A shout out went out to the 45th anniversary team for their good work and Frank Wirmusky and Rev. Cathy for putting together the “45 Years of Changed Lives” series with reflections for 45 days up to anniversary weekend.

B. 472 Update

Mark reported that we have tenants for unit 2 (24 months) and 3 (18 months) that have signed leases. The tenants in unit 3 have moved in already and the tenants for unit 2 will move in on May 15th. The subdivision will be completed once we will have reported the taxes. Mark also met with the architect who will

do the drawings. There was one issue with the Internet connection being switched over from a commercial account but Lance helped to resolve it.

C. Treasurer's Report

John presented P&L reports for January through April 14, 2016. The combined P&L showed a negative of \$22,872. The April 14 statement showed a negative for the month of \$6,141. The checking account had a positive balance of \$5,252, which does not include restricted account balances. We made the most recent payroll and the next one is due on Friday, April 22. The short and long term financial issues were addressed later.

D. 45th Anniversary

Knut presented an update on the planning for MCCDC's 45th Anniversary celebrations.

Tickets for the May 21st Gala are almost sold out (188 of 200) and a wait list has been created. The remaining 12 tickets are being reserved for congregants who might not be able to pay full price and who will be offered a scholarship for a reduced price or free ticket.

The booklet ad sales numbers will be updated on Tuesday night. The booklet printing costs will be covered and there will be a net profit from ad sales. As of now, the Committee has generated about \$13,500 with fundraisers and ticket sales and has about \$10,000 left to spend. Additional \$7,000 are needed for the gala and will be raised by the booklet, fundraisers such as the soul food dinner and the silent auction.

Kathleen asked whether the Committee still needs items for the auction. Knut confirmed that more items would be helpful and asked the Board for help reaching out.

V. Discussion/Voting Items

A. Denise Wright

Denise Wright introduced herself as a Trustee candidate and shared her personal story. She first came to MCCDC in 1999 and has gotten progressively more involved over the years. Dave moved to approve Denise as a Trustee and Fenicia seconded. The motion was approved unanimously.

B. 472 Eagle Bank Loan

Mark spoke with Eagle Bank and said that the bank approved a modification of our construction loan of \$100,000 to finish the basement. This will cover permits, architecture drawings, labor, supplies and the addition of two windows. We will have to expand windows in the basement for exiting in case of emergency. This will increase our loan by about \$458.33 for the first 12 months and \$614.37 over the maturity of the loan. We will have a monthly payment of \$2,097.

Once we have drawings and permits, Dennis said it would take 3-4 weeks to complete as some work had been done for the upper floors already. We will not start construction without having the permits in hand and the architect will take care of that. We are expecting \$8,200 in rent after the basement is complete.

Current Loan Numbers:

Rate: 5.15%

Origination Fee: 0.75

Monthly Payment (First 12 months): $\$12,875/12\text{mo} = \$1,072.92$ (approx.)

Monthly payment after first 12 months: \$1,483 (approx.)

Terms (years): 5 year term

Balloon Payment: \$221,977 (approx. and assuming no additional principal payments are made at the Church's discretion)

Kathleen asked whether construction would be disruptive for the tenants and what happens if we find major issues with the basement. Mark said that the walls are up and plumbing is done which usually are the most disruptive parts and that the flooring would not be loud. We had to hire a new architect as the old one was not responsive and got the drawings wrong. The new architect was recommended by Menkiti Group, has walked through the property, and will charge about \$1,000 to 1,500.

Dave asked about the loan payment and Mark said it starts when we draw funds. Payments for the first 12 months are in an Escrow account, so we will have no loan payment until September 2016.

Mark moved to approve the modified loan and to start construction in the 472 basement in three weeks and Kathleen seconded. The motion carried unanimously.

C. Don Eastman Survey Update

Rev. Dwayne gave an update on the process developing new guiding statements for MCCDC. The drafting team (Rev. Elder Dwayne Johnson, Rev. Elder Don Eastman, Dale Madyun-Baskerville, Steve Jones, and Rev. Cathy Alexander) provided a draft for the new guiding statements (core values, mission, and vision). Rev. Dwayne reported that more than 135 different congregants participated in the process and shared their ideas.

The draft statements were presented to the congregation in an online survey for feedback. 58 congregants responded and large majorities agreed with the draft statements: 81 percent to 94% agreed with each of the four core values, 85 percent agreed with the updated mission statement and 89% agreed with the vision statement.

Mark asked what the team meant with “MCCDC as a progressive community of faith”. Rev. Dwayne answered that it was mainly referring to how we welcome and worship. He also explained the meaning of “co-creator” as a Biblical concept.

Rev. Dwayne suggested looking at the statements as a working draft and having the Board recommend them as such back to the congregation for continued input and voice. A Congregational Forum should then give final approval.

Dave was unclear about the mechanics of the continued congregational input process and Fenicia said that Board should not decide on this at all. Mark favored presenting the draft to a Congregational Forum and having Rev. Dwayne and Cathy finalize the draft based on that feedback for a final decision by the congregation.

Bob Whitman said that this would drag the process out and that we should present the draft to a Congregational Forum now. Rev. Cathy favored getting the info out as well and simultaneously developing a timeline for a strategic process based on the new guiding statements. Kathleen also said that building excitement is important but it fades from the headlines quickly. Therefore, the new guiding statements should come at the heels of the 45th anniversary, leading into the next 45 years. Since the process started as a Board initiative, we should announce it as the steps the Board has taken and finalize it after congregational input in November 2016.

Dave said the congregation needs to own the statements. He offered a motion that the Board moves the project developing new statements of core values, mission, and vision for MCCDC forward. Mark offered the friendly amendment to move the draft document forward to the congregation and to hold a

Congregational Meeting in June for approval. Dave accepted the amended motion and Fenicia seconded. The motion was approved unanimously.

D. **Finances/Budget 2016**

Rev. Dwayne opened the discussion by stating that the Board tends to operate in a way that we feel like we own all the problems and want to solve them ourselves. However, we need to realize that we do not have to carry the burden alone. We need to invite the congregation into the decision-making process, as people care and want to do more than pray. They want to be consulted. Therefore, the Board should set a congregational listening post on May 8th and 11th (for those who cannot attend on the 8th), share the hard facts and involve the congregation into developing a plan forward.

Tim Helm asked about church income vs. expenses in 2016. We “only” have a \$6,000 shortfall of budget to revenue for the year but that does not give us the whole picture. Our expenses are higher than what we budgeted and we need to know why? The Board just approved a loan modification for 472 and the messaging to the congregation that we borrow additional money for 472 but need to cut programming will be a difficult one. How can we lift us up collectively again, given that a bare bones budget is not going to grow us?

Dave added that per capita giving and attendance are lower and that revenue has dropped. The problem is not just expenses but also income. Mark said that we all wanted to be more ambitious with the budget. The Board has acted out of fiscal responsibility and not out of lack of aspiration. The income from 472 is welcome but will not be enough. How do we continue our message to grow?

Tim answered that church growth happens with inspiration. We do not have enough of that. Dave agreed and said that this was also the message from the special Board meeting a week ago. Congregants shared that we have neighborhoods but no community and that we need to start with a renewed focus on spiritual inspiration.

Imani Woody-Macko opened by saying that MCCDC is her church and that she feels sad. In her view, there is a disconnect between the congregation and leadership. She struggles with people leaving the church and not coming back. We need to refocus on ministering to people and we also need to pay attention to our staff. She never wants to have to cut staff salary, as people come first. However, she also believes that we all mean the best for MCCDC.

Bob shared scripture from Psalm 55 and offered a prayer giving our cares back to God. He said that he agreed with Tim and Imani. We do not have to bear the worries alone. We also need to be fully open and transparent with the

congregation and let them know why expenses are higher and why we need more income.

Cathy Batson shared that she wants to know what is going on. She expects the church leadership to come and tell what is going on and what we need to keep the church running. Only then can the congregation step up and help. We are a community and need to act as such.

Kathleen said that she has been at MCCDC since 1993 and that she has seen many tough times. The past decision to let Mark Byrd go was also based on finances but if people in the congregation had known back then, they would have stepped up. We have to communicate the current problem in the same way: if we do not increase revenue, this is what will happen. We need to be very specific as people only hear certain things and there are many misunderstandings around our finances.

Johanna Hardy shared that she served on the Board when the church let Mark Byrd go and that this decision is one of her biggest regrets. People do not realize what is going on when we do general announcements on the budget. She also read through all Board notes from the past years and created a chart. It clearly shows downward trajectories for income for more than a decade and she wants to know how she can help.

Dave thanked the guests for being there and sharing their views and feelings. People do care for the church and are frustrated. He has been frustrated himself but also believes in solving problems. For that to happen, we need to know what drivers cause them and how we can address them. He agrees that we cannot cut the church to prosperity. The biggest question is why do we exist if we do not focus on Christian ministry? We are here to give spiritual inspiration through ministry. He himself gets that inspiration only occasionally and that is what is missing from our church in his view.

Tim agreed with Johanna and said that the decline has been going on for dozen years. But if the Board cannot be clear now with little money left in our checking account, he does not know when else. We need transparent communication from the leadership and one voice. People need confidence in our church and our team in order to give. He himself owes his tithes and has not given lately since he does not know where the church is going. We need a joint plan and a leadership message that we are in this together to solve this problem.

Mark said that the Board and the Pastor have been trying to be as transparent as possible. He does not know how we could have been any clearer on the Easter message. He is also proud of the work the Board has been doing. He accepts full responsibility for the mistakes that have been made on the first 472 planning

team, but he has been working hard to bring the building back. It was the right decision to finish the building and the basement. We will have higher long-term debt but the investment will pay off: 472 could generate about \$1 Million in rent over the next 10 years.

Denise said that she heard Rev. Dwayne's message Easter Sunday and that she has set up auto-pay and given more subsequently. The Board has to go to the congregation and tell us exactly what we need and then people will respond with higher giving.

Terry Neal shared that she has not heard a solution yet and that we have not addressed the perception piece around the AV system, guest performers for concerts and other issues that she had brought up in the last meeting.

Dave summed up that it is clear to him that the Board and leadership does not communicate well. We first and foremost need to fix the spiritual place, not just the financial one.

Mark suggested scheduling another special meeting on Thursday, April 28, at 7 pm.

VI. **Adjournment**

Kathleen moved to adjourn at 9:08 p.m. The motion was seconded by Dave and was approved unanimously. The Board and guests present shared in a joint prayer.