

**Minutes of the MCCDC Board of Directors  
Tuesday, July 14, 2015**

**Members Present:** Fenicia Ballard, Kathleen Carey, Dave Jenkins, Rev. Dwayne Johnson, Mark Kornmann, Knut Panknin, Bobbi Strang

**Guests Present:** Rev. Cathy Alexander, Lance Jameson

**Call to Order/Opening Prayer**

Rev. Dwayne called the meeting to order at 7:05 p.m. and a quorum was established.

**I. Discussion/Voting Items**

**A. Construction 472**

Mark informed the Board that Eagle Bank is reviewing the environmental report and that the origination document has been picked up together with the check for the origination fee. The appraiser will come out on Thursday, July 16.

The Board then discussed the question of hiring a new contractor. Dennis Cruz, who had been considered before and made an original offer in the total amount of about \$158,000 for finishing three floors, is licensed but not for work in DC. Dave asked whether he could be bonded and said that he would need to have worker's comp and liability insurance in order to be considered. Kathleen also voiced her concern that the church would not have much of a recourse in case something goes wrong. Additionally, she was worried that even with payment for work finished at the end of each week, we do not know whether the contractor will not drag out the project week after week. Most contractors do not finish their work in the agreed timeframe.

Mark explained that he will ask Dennis Cruz whether he can be bonded and has liability insurance. Bobbi said that based on DC law, the church would not be liable for worker's comp as this is the responsibility of the general contractor.

Mark also laid out that it will be very challenging to find another contractor for various reasons: the scope of the project is relatively small; the building is – according to Alejandro Sanguinetti from Lofft construction – in a “mess” and if we find another contractor, they will likely be in the price range for Lofft (\$300,000) for three floors. What speaks for Dennis Cruz are his excellent references, the fact that he is a general contractor with his own crew, and that he can start work at the end

of the month. He also said that he would ask Crescent for someone to look at the work completed each week and that we have the scope of work definition which should minimize the risk of running into unforeseen costs.

Mark moved to hire Dennis Cruz as general contractor to complete work at 472, starting with replacement of the windows and finishing the main and top floor units first only. Rev. Dwayne seconded and the motion carried with six yes votes and one no vote (Dave Jenkins).

He and Rev. Cathy are also working on a letter for the congregation with the theme "We've come this far by faith" to inform the church about the financial situation (e.g. additional income from Unity Fellowship etc.). The plan would be to send an eBlast by Saturday and have a forum on Sunday. Rev. Cathy said that we have a revised spending plan which reflects what the original budget did not account for. Mark expressed his concern about the timeline. We absolutely have to avoid being confused about the message for the congregation. Additionally, the Board has not looked at the revised spending plan yet. His suggestion is to discuss this at next week's Board meeting and present it on Sunday, July 19<sup>th</sup> to the congregation.

Dave agreed on the message and said that according to the numbers in the bulletin, we are ahead of budget right now. We need to make sure the message is right.

## **B. Finances**

Kathleen gave a summary of the financial picture based on a profit and loss statement for 2015 (actual numbers until June and projected numbers until December 2015).

Rev. Dwayne said that the congregation is in its giving faithful to the budget and that giving is actually ahead of budget in the past weeks. However, the mortgage costs of about \$2,000 per week were not envisioned in the original budget for the year and that is why it needs to be revised. Lance added that only \$10,000 had been budgeted for mortgage costs in 2015, which is a little more than one month's payment.

Rev. Dwayne also reported from his meeting with MCC's Director of Operations to talk about MCCDC's tithing to the denomination. The denomination appreciates that we are communicating and reaching out early instead of just cutting part of our tithes. There will be a follow up conversation on the church's tithing in four months. Mark pointed out that the profit and loss statement projects a total deficit of \$-65,275 for the end of the year. In order to be consistent with the 45 year anniversary campaign letter to the congregation, we should dedicate the first \$65,000 raised towards church finances. He asked about the balances in the accounts, and Kathleen

reported that the church had a total balance of \$25,008.71 in its checking/savings account as of July 14, 2015.

Mark also suggested taking the origination fee out of the Eagle Bank loan once it has been approved and pay it back to the general account. Eagle Bank has asked us to open a new checking account for revenue generated from 472, and Kathleen suggested we should use that account to put the loan money in there, pay revenue into the same account and also use it for the 472 building's expenses/bills.

The Board then discussed the communication strategy for the church forum on Sunday. Mark will start with an update on 472 and the contractor, and Kathleen and Rev. Dwayne will talk about finances. However, the Board as a whole will be present and available for questions and comments. The Board also decided to hand out the profit and loss statement to the congregation. This will allow an open and transparent discussion on the financial situation of the church.

### **C. 45 Years Anniversary Campaign**

Rev. Dwayne asked for comments on the campaign letter that he had prepared and that included input from some Board members already. The letter and campaign "45 Years: We've Come This Far By Faith" reflects our history and lays out three goals: build our church congregation, reach out into the community with focused efforts, and put our church finances on solid ground. He said that the series of church forums with Rev. Elder Don Eastman was mainly designed around answering the question what does MCCDC want to be known for in the future / what is our niche?

Brian Scott had suggested to spell out in more detail what MCCDC plans to do with the funds raised through the campaign that will not go toward the church's finances (\$80,000). Board members suggested that it would serve as seed money for implementing the vision that will come out of the process led by Rev. Elder Don Eastman.

Mark suggested that the letter to the congregation should include a pledge card and return envelope. The letter will go out through mail, email and eBlast at the end of next week (July 23-24) and Rev. Dwayne will include it in his sermon on July 25<sup>th</sup> and he will mention highlights at the church forum this Sunday. Mark will also prepare a banner for the last Sunday in July.

Kathleen added that apart from the 45-year anniversary campaign, the church needs a more structured stewardship campaign every year. That campaign should start this year around the budget process in November and should include pledge cards and feedback from the church on where members of the congregation are on their pledges throughout the year 2016.

Bobbi moved to adjourn at 8:15 PM and Kathleen seconded. Fencia closed the meeting in prayer.

The next regular meeting will be on Tuesday, July 21, at 7 PM.