

**Minutes of the MCCDC Board of Directors
Tuesday, October 25, 2016**

Members Present: Rev. Dwayne Johnson, Dr. Veronica Franklin, Kathleen Carey, Tim Helm, John Merriwether, Knut Panknin, Bobbi Strang

Guests Present: Rev. Cathy Alexander, Jeff McGary, Johanna Hardy, Jim Garner, Elodie Huttner

I. Call to Order

Rev. Dwayne called the meeting to order at 7:06 p.m.

II. Song/Scripture & Opening Prayer

Dr. Veronica Franklin shared scripture and recited Psalm 100, which she had memorized since being a kid. The scripture reminds us to serve the Lord with gladness. Tim shared the song: "Background" from Christian rap artist Lecrae. He said that different music styles could reach different audiences.

III. Agenda

Rev. Dwayne asked to add two discussion/voting items to the agenda: a proposal on live streaming and a vote on Christmas and New Years worship services. Kathleen moved to receive the updated agenda and Bobbi seconded. The motion carried.

IV. Guest Presentation Jeff McGary

Accountant Jeff McGary presented results from the financial compilation for the years 2014 and 2015. The statement of financial activity showed a loss of \$ 79,000 for 2015, which is about \$50,000 less than the 2014 loss. The loss for 2015 includes depreciation expenses in the amount of \$94,250.

Tim asked whether the statement for 2015 showed an increase in the property value for the 472 building, and whether that was reflected in the fixed assets position 1540. He also asked about the difference between positions 1530 and 1540 as both are marked "Buildings & Improvements"?

Jeff explained that the increase in value between 2014 and 2015 (1540 position increase of about \$146,000) was due to the money that had been invested in the renovation of 472. However, he could not explain the difference between positions 1530 and 1540, and he said he would get back on that.

Tim also asked whether Jeff would be providing a letter and compilation for the congregation, which Jeff confirmed. Jeff also said that he would not provide a recommendation for 2016 but would be available to answer questions if the church decided to contract another accountant/CPA.

Tim asked whether we could receive a side-by-side comparison between the approved budget for 2016 and the current spending levels for each line item to make sure that the percentage of spending would not be over what the congregation had approved. This would be one of the most important duties of the Board. Knut said that this might be challenging given the way we develop the budget. We look at spending levels for each line item for the past year but many expenses such as charges for banks and insurance are not entirely clear during the budget process.

Tim clarified that his concern was more about transparency and that the Board needs to know. The weekly check authorization does not give us the variance between expenses and budget. He said that we had done this in the past without problems. Rev. Cathy said that the variance could be displayed but that it would take extra work for the new bookkeeper to put it into QuickBooks. Jeff added that further reducing the number of accounts would be helpful to have a clearer overview.

Rev. Dwayne said that the Board should send additional questions on the financial compilation to Jeff this week.

V. **Consent Calendar**

Bobbi moved to accept the consent calendar and John seconded. The motion carried.

VI. **Informational Items**

A. **Shout Outs**

A shout out went to Sonia for adding her musical talent to Eclectic Praise on Sunday. Another shout out went to the revival team, especially Johanna Hardy, and UFCDC. The team also met and did an evaluation, which should become practice for all of our events. Tyrone Stanley and the planning team received a shout out for the concert, and Greg Snyder and the landscaping team were mentioned for beautification of the church grounds. The hosting team for the blessing and installation of the Interim Moderator received another shout out, especially Rev. Cathy and Rev. Dr. Gorsline. A final shout out went to Dale Madyun-Baskerville and Johanna Hardy for making live web cast possible and looking into different streaming options.

B. Trustee Update

Jim Garner gave an update on the gender-neutral restrooms. There have been requests to install a door at the men's urinal. The door would cost \$250 but shipping would be another \$140. Therefore, the Trustees are trying to find a local vendor, and they want to finish the project by November 20th. The Board suggested getting in touch with Dennis Cruz who might be able to identify a vendor or custom built something.

Kathleen strongly advocated for making the restrooms gender-neutral even without the door in place. Bobbi agreed and said that having them ready would build a bridge to the community. We are communicating clearly what bathrooms look like and we also have signs in place. She suggested November 17th as the target date.

Jim also reported that fixing the pothole in the parking lot went smoothly, and he thanked Timothy Duncan for his support. He said that the new Trustees raised the issue of the balance and use of the Buchanan Fund. He also asked what the arrangement was for rent income from 472 and whether the percentage going to maintenance would go to the Buchanan Fund. Knut said that the 15% were not designated to go to Buchanan specifically. The formula the Board had decided upon was:

- 15% of the rental income shall go towards a 472-reserve fund, which will also be used to pay the real estate taxes for the building;
- 75% of the rental income shall go towards the mortgage payments for both buildings (472 and 474) as well as repairs for 474;
- 10% of the rental income shall go into a reserve or savings fund for the church for the future.

Tim asked why we transferred money from the General Fund to the Buchanan Fund to pay the mortgage for 472. He also raised the issue that we do not tithe on Buchanan and that the mortgage should be paid for from tithe-able income. Rev. Cathy said that the question was warranted and that we should use this as an opportunity to discuss Buchanan. Bobbi agreed that we needed a special meeting on money and our charters, together with the bookkeeper. Rev. Dwayne asked Board members to send questions we might have on those matters.

Jim also reported that there is misunderstanding in the congregation on how we report our finances in the bulletin. The bulletin shows an income of \$20,000 for Buchanan and congregants asked why we do not spend that on the flat roof repair. These funds have been raised for Buchanan throughout 2016, and they

are not available, as we have spent them on projects and the mortgage. However, this is not easily understood the way it is displayed.

Finally, Jim said that Denise Wright is working on a quote for an electrician to fix the parking lot lights.

C. Treasurer's Report

John reported that as of October 25th, there was a balance of \$48,814 in the SunTrust account available and that there were \$83,915 remaining in the Eagle Bank account. Rev. Cathy added that the Eagle loan payment for 472 for October has been taken care of. As of now, the rental income from 472 gets deposited into the Eagle Bank account and we have to write a check to move money from Eagle into the SunTrust account. The Board suggested making that an automated transfer.

Knut moved to accept the Treasurer's report and Tim seconded. The motion was approved.

D. Budget Presentation and Stewardship Team Take Aways

Tim reported that he had worked with the Stewardship team and that the team did online training on how to motivate congregants to give more. The message that they heard is that some members respond to day-to-day requests (such as expenses for the roof etc.) but the majority of congregations usually respond to new programming that a church is offering. Therefore, he would like to encourage the Board and Pastor that we emphasize some new ideas and programs for 2017, such as an enhanced revival. He knows that we do have a budget proposal in place for 2017 but that should not impede us from presenting new things to our congregation.

E. Agenda for Congregational Forum/Meeting

Knut presented the agenda and reports for the Congregational Forum/Meeting. As of this day, the reports from the Board, Trustees, Treasurer and Pastor had been submitted. Rev. Dwayne said that he would finalize his report by October 26th. The only report missing was that of the Lay Delegates. The following items will be on the agenda on November 6th (Forum) and 20th (Meeting):

- Highlights 2016 (Presentation)
- 2017 Proposed Budget
- Nominations Committee
- Lay Delegates
- Written Reports: Pastor's; Clerk Minutes of November 22, 2015; Board; Trustees; Treasurer; Lay Delegates

- Financial Compilation 2014/2015
- Bylaws Revision

The reports will be made available to the congregation on Sunday, October 30th.

Tim moved to adopt the agenda for the Congregational Forum and Meeting and Veronica seconded. The motion was approved unanimously.

Kathleen expressed her support for a more detailed presentation of the accomplishments for 2016 and asked whether this would be done by handout or presentation. Knut will work with Rev. Cathy on a movie or ppt presentation.

F. **472 Update**

Tim Helm gave an update on the basement unit at 472. The wood frame and plumbing have been installed for a 2-bedroom unit. However, the windows towards the east side of the building are at a height of 62 inches and have to go down to 40 inches to meet code. Moving the windows would have to be approved by an engineer, as it would touch on structural issue of the property. The second issue is the walkway: It is not wide enough for window wells and even if they could be put in place, they would interfere with the drainage of the sidewalk. We would need to engage our engineer to figure out whether window wells can be constructed and we would need to install gutters as well. Our contractor Dennis Cruz estimates the total cost for construction of the 3rd unit at \$70,000.

Tim said we basically had three options for the basement unit:

1. We could reframe the property so that bedrooms match up with windows and the bathroom would be moved.
2. We could make it a 1-bedroom unit with office space without a window. However, DC zoning would likely not approve that.
3. We could have one big bedroom for the unit (open floor concept).

Whatever we decide, nothing can be done without engaging the structural engineer first. Then we would need new drawings and permits etc. Tim suggests that we use the Forum to present the following message to the congregation, since it is the congregation's property: The good news is that we have two units completed and that they generate net income for the church. The basement unit proves challenging. A couple of things would need to be in place to finish it, and then it would generate additional income. We would also have to be transparent and tell the congregation what we would get if we sold the building. The finished apartments at 472 should be part of the presentation of 2016 successes.

Tim suggested a special Congregational Forum early 2017 to present the different options to the congregation. Putting 472 as a big item on the agenda now could become an issue.

Rev. Dwayne advocated for engaging the engineer as soon as possible. The Board would need to know the different options we might have.

Kathleen brought up the designated parking spaces for 472. They are not part of our leases and we do not charge for them. The Board never authorized designated parking spaces for the current tenants. Additionally, it is not clear whether we are still in compliance with the number of parking spaces designated for our congregational size. Tim also said that he looked at the leases and that tenants are not allowed to park on the property but that signs went up. He would be less concerned about the compliance as the city is looking at these regulations now differently than it did when we built the church.

G. Emergency and Safety Procedures

Jacqueline Laughlin is currently working to bring the ideas for emergency procedures into a formal structure that will serve as guidelines for Staff, Ushers, Board and Pastoral Care Ministers. The Board will vote on the guidelines once they have been formulated.

VII. Discussion/Voting Items

A. Live Streaming

Johanna Hardy gave a brief presentation on the different options we would have for live streaming our services and events. She credited Dale Madyun-Baskerville for taking the initiative to look at the video side of our equipment.

Johanna said that we need a provider to stream and that we can only go with one provider with our current equipment. There is a missing piece of hardware that would allow us to use other providers for streaming.

As a congregant, she would like to make full use of our AV system. However, there would be financial obligations involved. She presented options from livestream.com and churchstreaming.tv. The first one would be the better option, as we would be able to live stream right away with our current equipment. We have also successfully tested the platform during Sunday services and for the Interim Moderator's installation. Other benefits include unlimited viewers, cloud storing and archiving; tech support; embedding into our website and a donation link; as well as a link to our YouTube page. The financial

obligation would be a 1-year contract with an all-in cost of \$2,388. A pledge for \$1,000 towards these costs has been made already.

The other provider (churchstreaming.tv) would be cheaper (\$1,668) but would require us to purchase additional hardware and software (estimated costs of \$700) without the guarantee that it would work and with more restrictions (limited to 250 viewers for the price quoted above).

In order to take full advantage of streaming our Christmas concert, we would need to sign up now to get training and test the system to avoid any glitches.

Kathleen said that the whole idea of getting our AV system was to use it to its full potential. Therefore, she moved to sign up with livestream.com for a 1-year contract with payment of 50% upfront and 50% 30 days later, starting as soon as possible. For payment of the total sum of \$2,388, a stipulated line item would be created that expires at the end of 2016. Bobbi seconded the motion and it was approved unanimously.

There will also be a policy sheet for streaming and privacy in place, and the congregation will be informed accordingly.

B. Bylaws Revision

On October 12, 2016 Knut moved to amend MCCDC's Bylaws (as proposed in the draft sent by email to the Board) and to present the Bylaws Revision for approval at the Congregational Meeting on November 20, 2016. Tim seconded the motion and the Board approved the revision unanimously by email vote.

Bobbi moved to affirm the email vote. John seconded and the motion was approved unanimously.

C. Nominating Committee

At the November 20th Meeting, the congregation will vote on five positions for the Board of Directors: two 3-year term positions (serving through 2019), one 2-year term position (serving through 2018) and two 1-year term positions (serving through 2017). For the Lay Delegates, all three positions will be voted on.

Kathleen has convened the Nominating Committee and to date, two applications have been submitted: Knut Panknin is running for a position on the Board and Cecelia Hayden-Smith would like to be re-elected as a Lay Delegate.

The Board suggested additional congregants who could be approached and Rev. Cathy suggested having alternate Lay Delegates if we had more candidates than positions available.

D. Christmas and New Year's Eve Services

Kathleen moved to have one worship service on Christmas and New Years at 10 am since both are on Sundays. Bobbi seconded and the motion carried.

Adjournment

Kathleen moved to adjourn at 9.28 p.m. The motion was seconded by Bobbi and carried. Veronica closed the meeting in prayer.