



BOARD OF DIRECTORS MEETING NOTES

August 15, 2018, 7PM

Members Present: Rev. Dwayne Johnson, moderator, Jim Garner, Linda Hornsby, and Knut Panknin, Vice Moderator, were present in person; Lilah Blackstone and Terri Neal participated by phone. Bobbi Strang was unable to attend due to travel. **Guests:** Rev. Cathy Alexander.

Opening Prayer -- Meeting convened at 7:13 p.m.

1. Song and Scripture

- Jim shared the song “I Didn’t Know My Own Strength” by Whitney Houston. Rev. Dwayne shared Ephesians 6:9 as the scripture.

2. Approval of Agenda

- Rev. Dwayne noted that the agenda built on the revised approach used at the prior meeting by prioritizing major items early in the meeting when the group’s energy levels are highest. **Jim moved, and Linda seconded that the agenda be accepted as drafted. The motion was unanimously approved.**

3. Consent Calendar

- Clerk’s Report – Jim shared a written report noting that he has executed an engagement letter with Cozen O’Connor for them to represent the church on the zoning matter and that he executed two documents the lawyers need to proceed with the zoning matter.
- Sr. Pastor’s Report – Rev. Dwayne shared a written report on activities over the past month.
- Trustees’ Report – No report.
Knut moved to receive consent calendar and Linda seconded the motion. It was approved unanimously.

4. Priority Board Items:

- Upcoming Board Election Recruitment – There will be two positions up for election in November. The Board members were encouraged to share ideas on possible candidates with all members. An announcement will be posted in the bulletin.
- Sale of Adjacent M Street Lot
 - Subdivision of the M Street Lot from the MCCDC property. Knut provided an update noting that Lock7 is working on the subdivision project. Lock7 has engaged a surveyor to complete a survey of all new lots formed by the subdivision of the M Street lot off of MCCDC’s property. Sun Trust is requiring a full survey as part of their approval of the subdivision.
 - Appraisal. Knut reported that the bank’s approved appraiser completed an appraisal of the MCCDC property, not including the M Street lot. The appraised value is \$5.6 million. MCCDC has paid SunTrust for the cost of the appraisal and we will get reimbursed for the entire amount from Lock7 at closing.

- Trust Fund for Sale's Proceeds. Knut reported that he and Terri met with Mak Massillon and Tahir Johnson of SunTrust's investment services team. The financial advisor Mak Massillon presented a couple of products for the church to consider for the proceeds from the property sale. One option provided is a 100 percent Bonds investment. The second option was an investment portfolio that was split between 60% bonds and 40% stock/mutual funds, which would get about a 6.7 percent rate of return (based on the performance of a similar investment for the past 3 years) and would equal about a 5.5 percent return after the management fees are deducted. We are still waiting on SunTrust to provide a socially responsible investment strategy option for us to consider.

The consensus of the Board members was to continue to explore other options that may be available and to seek any thought on financial advisors that may be worth meeting with. Rev. Cathy agreed to share information from the Wesleyan Seminary publication that provides guidance to church leaders on investment strategies.

Knut shared that one good thing that came out of the meeting with SunTrust was that the church should develop and have a clear "Investment Policy Statement" to guide the Board's development of the trust fund with transparency. Knut and Jim volunteered to prepare a first draft for the Board to consider.

- Zoning of 472 Ridge Street. Jim reported that he signed the engagement letter with Cozen and O'Connor for them to represent MCCDC in pursuing the zoning adjustment to allow a third unit to be developed at the 472 property. He also reported that he signed documents Cozen needed to appear on our behalf before the Zoning Adjustment Board. Cozen indicated that the zoning action will likely take until November to resolve. Meetings with the Advisory Neighborhood Committee is set for August 30 and September 4.
- 472 Renovations. As part of the sale, Lock 7 has agreed to renovate and develop a third unit on the property. Jim reported that he provided Lock 7 with the Board's feedback on the renovation workplan developed by Lock 7. We are waiting to hear back from Lock 7.
- Financing. Knut provided the group with an updated synopsis of the costs incurred so far on the sale of the property. He stated that we have spent about \$35,000, including over \$4,000 for the appraisal which we should be reimbursed for at closing. He noted that there will also be a \$13,000 transaction tax assessed by the D.C. government at closing and general closing costs of \$5,000. There is about \$23,000 remaining in the Eagle Bank account to cover these expense.
- Liaison to the Contractor. We will not need to engage the liaisons until after the closing on the sale of property is completed.
- Communications with Congregation. Rev. Dwayne suggested we discuss this when we deal with the upcoming "church chats."

- Treasurer's Report

- Rev. Cathy provided update on church expenses, sharing bank account balances, and reviewed financial reports. She described how the church is balancing expenditures in light of the reduced summer giving that the church is experiencing. She also shared that we owe the MCC denomination a Board of Pensions \$408 for the June and July donations and \$6577 for the tithes to the denomination for May, June, and July. We have paid tithes through April, 2018.

Rev. Cathy will work with the denomination to negotiate a payment plan with the denomination. On a related matter, there is a Special General Conference questionnaire/survey going out to voting delegates on August 20, 2018. Delegates will share their views on whether the tithes to the denomination should be changed from the current 11.5% to 10% with the current deductions (such as building fund giving) or to change the current 11.5% to 8% without any deductions.

- **Knut moved to receive the Treasurer’s report and Linda seconded the motion. It was unanimously approved by the Board.**

- Backpack 4 Kids – Rev. Cathy reported another successful fundraising campaign by the MCCDC congregation. MCCDC provided 75 physical backpacks and raised \$3,150 in cash. Overall, we provided backpacks and supplies for about 250 kids and presented the check and backpacks on live TV at NBC4.

- Generosity Team – Rev. Dwayne and Rev. Cathy provided an update on the recent meeting attended by 9 invited congregants on August 2nd to discuss the creation of a generosity team for MCCDC. The actual size of the team may be smaller (3 attendees have already committed to serve). The goal of the group will be to help cultivate a culture of generosity across MCCDC. A letter will be going out to congregants with the status of their mid-year giving totals. With the growing number of people participating with our church via live-streaming, the Board discussed how we might reach out and engage virtual congregants as part of our church life. There was a suggestion that we may need to explore possible changes to the by-laws to discuss how to include virtual members. Knut and Jim will explore this before the next meeting.

- Strategic Planning – Rev. Dwayne reported that the launch of MCCDC’s new Strategic Plan starts next Sunday. There will be a series of sermons on aspirations that will walk through various components of the strategic plan. Instead of a “mini revival” as previously discussed, the event will become part of the strategic planning roll out and will focus on “spiritual renewal” as part of the aspiration message. At the end of August, we will distribute a trifold brochure with a summary of the strategic plan. There will be a social media blitz and a distribution of business cards with a message to encourage each person to personally invite someone to church using the card. There is a plan for a phase 2 after the initial rollout.

- Next Board Meeting – Rev. Dwayne will be out of town on the date of the next scheduled board meeting (September 18). **Jim moved that the next board meeting be moved from September 18 to Tuesday, September 25, at 7 p.m. Linda seconded the motion. The motion was unanimously adopted.**

- Shout-Outs – the Board shared the following “Shout Outs”:
 - To all the organizers of the Partnership Sunday events.
 - Keagan and McKenzie (and Lilah) for their work on the Backpacks4Kids fundraising effort.

- Church Chats – Rev. Dwayne proposed that we conduct a series of church chats as part of the boards commitment to transparency and sharing of information. There will be one on August 26 after at 10:00 a.m. and 12:30 p.m. Knut and Jim offered to handle this first one and provide an update on the sale of the M Street property (including the

investment strategy), church finances and attendance. Future chats are scheduled for September 23, October 28, and January 27.

- Day Care Center Update -- Rev. Cathy provided update on Early Learning Academy. She reported that the provider (Dixie Merchantson) started operations on Monday, August 13. She is starting with 5 children so far and hopes to grow enrollment. Ms. Merchantson must still obtain additional certifications to earn subsidies for certain students that are crucial to making the program work as intended. The courses for the certification are not offered until November.
- Other Matters – Linda reported that she continues to be working on the Bingo game fundraiser and the Share Program. She is also working to contact the solar roof vendor to obtain more information.

5. Announcements/Events

- Susan G. Komen race for the Cure, September 8, 2018
- MCCDC Spiritual Renewal services: September 23, 29 and 30, 2018.

Adjournment/Closing Prayer – Linda moved to adjourn the meeting and Knut seconded the motion. It was unanimously approved. The meeting adjourned at 9:08pm and Rev. Dwayne led the group in a closing prayer.