

**Minutes**  
**North United Methodist Church**  
**BOARD OF DIRECTORS MEETING**  
**Wednesday, June 22, 2016**

**Members**

Todd Daniels-Howell, Chair	John Drake, Treasurer
Shannon Priddy, Vice Chair	Eric Galloway (MC /LL)
Linda McClain (LL to AC)	Margaret Mayo (AL)
Mark Grove, Secretary	Mark Foglesong (AL)
	Kathleen Custer, LL

**Ex Officio**

Darren Cushman Wood  
Josh Jordan

**Absent**

Jim McDonald (SPRC)  
Sarah Moore (AL)  
Eric Oehler (Trustees)  
Richard Kluger (Finance)

**Guests**

Pablo Svirsky (North Land Use Task Force)  
Julie Collier (Flaherty & Collins Properties)

1. Pastor Darren opened the meeting by leading the group in prayer.
2. Developer Agreement discussion
  - In describing a development model that would combine the United Way property Flaherty & Collins recently acquired with the Illinois Street initiative, Julie presented an overview of the developer's vision for linking the two projects which she characterized as presenting a bigger vision for the neighborhood. She told the group that the joint development model:
    - Increases the church's capacity and reach in and to the community
    - The United Way building helps feasibility, not hurts
    - Gives the church more leverage with their current site
      - Leverage meaning more control over the asset (building), parking 3<sup>rd</sup> party services, partners, stakeholders (City, Local Initiatives Support Corporation ([LISC](#)), United Way, investor, lenders, residents, and community)
    - Creates jobs and business links
    - Programming for Tarkington Park
    - No additional risk, but more upside
    - Leading growth and change in an important section of town
    - Facilitating solutions to help overcome food desert
    - Asset Managers, who have a say in the quality of property management
    - The asset (full project) could help fund a supportive service provider
      - Creates a type and level of risk that is more attractive to investors
    - Leading bigger part of growth and change and perhaps address food desert problems
    - Could help support service providers through development

## **Discussion**

- There would be some economies-of-scale savings for the developer in a combined project.
- Joining the developments would allow for a more direct and unified message in talking with members of our neighboring community.
- In preparing a mutually agreed-upon set of development goals we can't imagine all the contingencies. Both sides need to develop a sufficient level of trust.
  - Julie noted that Flaherty & Collins will remain involved in the project for at least 15 years.
- There could be variations in the ownership structure based on North's comfort level including protections in the ownership structure. Different management models will be identified and considered in arriving at one that is best for North.
- Midtown would be a co-developer on the United Way site; if the two projects are combined, details for management and North's role and level of control would be in the agreement.
- North may be in a better position to advocate for its social principles in the larger neighborhood if the projects are linked.
- The application for tax credits requires a standard list of components including a market study, appraisal, environmental studies, and ownership structure. The specific amount and location of property to be included in the development has to be clearly defined in applying for funding.

*Following Julie's departure, Board members continued their discussion.*

## **Next steps and timing**

- In order to engage the congregation in a process of discernment about whether or how to move forward with any development would require completion of a developer agreement between North and Flaherty & Collins. Our first step is to work with Flaherty & Collins in identifying in broad strokes a structure with which we are comfortable.
- A working group (Darren, Pablo, Mark Foglesong and Mark Grove) has been constituted to work through the drafting process with Flaherty & Collins. An updated agreement would be brought to the Board for review and approval.
- While not committing North to anything, the agreement would help solidify specifics of the proposal sufficiently to allow for a more informed discussion by North members.
- There would be no legal or financial risk or penalty to North if we choose not to go forward after bringing any final proposal to the congregation for approval.

## **Consulting the Congregation**

- Following the general model developed for the RMN discernment process, we would make use of existing groups at North as well as large group meetings to explain the proposal and gather reaction and input from members of the congregation.
- Three weeks of small group conversations would be scheduled for late-October into November, allowing sufficient lead time for:
  - Finalization of the developer agreement and approval by the Board (July-August).

- Preparation of a “curriculum” to be used in the small group sessions. These would include definitions, time lines, charts, and ways in which the proposal is consistent with North’s social principles and ministries. (September-early October).
  - Selection and training of session facilitators (mid-October).
    - In order that the Board may demonstrate its full engagement in these conversations, at least one member of the Board also will attend each session and a recorder will be appointed to record reactions, concerns, and other suggestions.
  - One or two large group sessions will be held which will include a representative(s) from Flaherty & Collins so that they could respond to any detailed issues or questions.
  - These conversations would be completed by Thanksgiving with summaries of congregational responses provided to the Board for consideration at its December meeting.
  - Following presumed Board action in preparing a final recommendation for the congregation, a special Charge Conference would be held in January/February at which time any proposal would be presented for congregational vote.
  - If the proposal is approved at the Charge Conference, Flaherty & Collins can then move forward in its subsequent planning process with an eye toward possible ground-breaking in 2018.
  - The Board unanimously approved a motion to explore a joint development agreement with Flaherty & Collins (Mark F, Shannon).
3. The minutes of the April 27, 2016 meeting were approved unanimously.
4. Finances Review
- Josh reported that the final audit had no significant findings.
  - Financial statements
    - Payments on current year pledges are above budget. Even accounting for one large annual pledge that has now been paid, we are still tracking above last year when payments on pledges finished at 95%
    - Expenses are in line with the budget.
      - In 2015 staff were given an “insurance bonus” to cover the portion of their health insurance they were required to pay. That has been changed for 2016 so that the church pays the full cost of the insurance rather than using the offset model from last year. As a result health insurance will come in above budget and salaries below.
      - Additional musicians were paid for the Sunrise Mass. The actual budget line tapped to pay this added cost will be reviewed for possible reassignment from a general personnel expense to one allocated for such a purpose.
      - Publication expenses seem high, but that is a matter of timing with purchases early in the year.
  - Josh is reviewing options for refinancing of our current debt with National Bank of Indianapolis.

- The bank wants the current amount due in ten years with a balloon payment at the end. Josh is trying to avoid getting ourselves into loan with such a balloon payment.
- Another bank made a presentation, but the Finance Committee and Josh determined this was not in North's best interest. North has submitted an application to another funding group for a 15 year, variable-rate loan with the building as collateral. We have not yet received a written proposal from the lender.
- Given the upcoming deadline for our current loan, refinancing is likely to be submitted for an electronic vote of the Finance Committee and then on to the Board as a recommended proposal, also likely to be considered through an e-mail vote.

#### 5. Strategic Directions review (Darren)

- Following up on recommendations to improve external communications activities, [Hirons](#), an advertising/public relation firm, presented a proposal to improve North's external communications. North's Communications team determined the proposal was too expensive and that with some additional training and use of available resources (such as demographic research available at no charge through the Conference), North could do much of this work with current staffing and through the rejuvenated Hospitality, Evangelism & Ministry committee as well as the Communications committee..
- Darren distributed promotional cards for upcoming events such as the Gospel Mass as well as a summary of steps individual members could take to expand North's membership.
- **Top 10 Tips to Help North Grow**
  - **Share a Post**—Share North Church [Facebook](#) & [Twitter](#) posts on your social media pages
  - **Reply**—Respond to e-mails from staff members when asked to help spread news about upcoming events
  - **Give the Card**—Share a special worship service card with a friend or family member and ask them to come to worship with you
  - **Post the Card**—Put a special worship service card on bulletin boards and on your desk or area at work
  - **Mix Your Friends**—invite a non-church member to a small gathering of church members (e.g. a Sunday School class party) and mingle your friends
  - **Help Create the Buzz**—Tell others about the events and ministries taking place at North Church (you do not need to invite them, just tell them what is going on)
  - **Forward the News**—Share links to news reports about events related to and happening at North Church on social media and in emails
  - **Wear It**—Wear your North Church T-Shirt in public and at all church-related outings
  - **Evites**—Send a social media invitation to friends for church events
  - **Special Signatures**—Add to your email signature graphics and information about the next special event or worship service

6. General Conference implications

- Darren reflected on actions taken at the recent General Conference regarding LGBTQ. This was followed by informal discussion by the group.

7. Committee/Board/Senior Pastor Reports

- Trustees (Eric O.)
  - *No report*
- SPRC (Kathleen for Jim)
  - A welcome reception for Ronnie Bell will be held July 10<sup>th</sup>.
- Ministries Council (Eric G.)
  - *No additional report*
- Lay Leadership (Kathleen)
  - Lay Leadership is beginning its work on identifying leadership and new members for next year’s committee.
  - This Fall, Lay Leadership will host a series of Celebration of Ministries activities that will be aligned with the messages of Darren’s sermons.

**“Reclaim the Name”**

<b>Sunday</b>	<b>Theme</b>	<b>Ministry Area &amp; Related Ministries Foci</b>
Sept 11	Christians Welcome	D&F, HEM, RMN
Sept 18	Christians Serve	M&O
Sept 25	Christians Struggle	C&N
Oct 2	Christians Celebrate	W&A
Oct 9	Christians Advocate	JAT, Green Team, UMW

Each Sunday will be a mini-fair for the specified ministry area. Those areas can do multiple tables and displays in the West Entrance and going around the corner and down the hall, as needed. On their designated Sunday, they will do the Spotlight on Ministries.

- Finance (Richard)
  - *No additional report*
- Chair (Todd)
  - *No additional report*
- Senior Pastor (Darren)
  - *No additional report*

8. No Executive Session was held

See [January 2015 minutes](#), page 6, item 7

**Upcoming Meeting Dates**

- July 27
- August 24
- September 28
- October 26
- November 16 (3<sup>rd</sup> Wednesday)
- December 21 (3<sup>rd</sup> Wednesday)

### **Future Topics**

- Communications report on targeted advertising
- Flower shop
- Innovation Fund