

**Minutes**  
**North United Methodist Church**  
**BOARD OF DIRECTORS MEETING**  
**December 19, 2018**  
**5:30 p.m.**

**Members**

Shannon Priddy, Chair  
Ron Gifford, Vice Chair  
Kathleen Custer (LL)  
John Drake (Finance)  
Eric Oehler (Trustees)

Jack Leonard, Treasurer  
Alan Archibald (MC/LL)  
Mark Grove, Secretary  
Leslie Knox (AL)  
Jacqueline Blackwell (LL to AC)

**Ex Officio**

Darren Cushman Wood  
Josh Jordan

**Absent**

Jeff Eggert (AL)  
Mark Foglesong (AL)  
David Wills (SPRC)

**Guests**

Peter Chen (2019 Board)

1. Darren opened the meeting by leading the group in prayer.
2. The minutes of the November 28<sup>th</sup> meeting were approved unanimously.
3. 2019 Budget (Josh & John)

**Income**

- Darren and Josh reviewed 2018 pledgers who have not yet done so for 2019. After adjusting for those known to have moved or are otherwise not likely to give to North in the future, Darren and Josh projected an amount for “outstanding” 2019 pledges that reasonably may be expected. The Finance Committee then took a conservative 75% of that total to add to pledges made-to-date in setting the *Current Year Pledge* income line in the 2019 budget.
- As the final total is often variable, *Non-Pledge Contributions* was flat-lined from the 2018 budget.
- Total budgeted revenue for 2019 is \$9,000 lower than it was for 2018.

**Expenses**

- In absence of a December meeting of SPRC, the Finance Committee recommended a 2% salary increase for staff, totaling about \$13,000. This compares with recent years:
  - No raises in 2015;
  - 2% raise in 2016;
  - No across-the-board raises in 2017 (though some funds were used to make [targeted adjustments](#) to the salaries of three staff members to bring them closer to comparable positions in the region elsewhere);
  - 2% raise in 2018.
    - Board members agreed that while the increase seemed appropriate, the *process* of setting the increase was unusual this year and that it is preferable for the recommendation to emerge from SPRC.

- Diane Gattone's housing allowance was increased in the 2019 budget with a corresponding offset in her salary. While this is neutral in overall budgetary terms, it works to Diane's advantage in reducing her taxable income.
- Ronnie Bell is currently at the minimum Conference base salary for ordained elders. The Conference recently set its new base for 2019 with the result that Ronnie's previously approved 2019 salary will increase to the new Conference minimum of \$42,817.
  - As the new minimum was not known at the time of the November Charge Conference that sets clergy salaries, a special (and very brief) Charge Conference will be held in conjunction with the January Board meeting. Ronnie's new salary could not be approved at the December meeting as Charge Conferences require prior notification of the congregation.
- The cost of staff health insurance will be lower for 2019, though the deductibles will increase \$500 and the maximum out-of-pocket expense will go up \$1,000.
  - Premiums are paid 100% by church.
  - At the [November meeting](#) the Board expressed interest in the concept of establishing a small budgetary set-aside that could be used to reimburse staff whose deductibles and/or out-of-pocket expenses go above 2018 thresholds. As it is the church that is benefiting from the reduced premiums, we don't want staff to have to absorb the full impact of the increases in the deductible and out-of-pocket expense.
    - Members agreed to ask SPRC to review such a model and then take any resulting recommendations to the Finance Committee.
    - It is unlikely that all seven staff members would reach the new deductible thresholds, limiting any additional expense for North while still supporting the staff who experience such added costs.
- The 2019 *Scholarship* line is for North youth to attend Methodist Summer Camp, with half of the overall scholarship pool appearing in the operating budget and the other half coming from designated funds.
- Apportionments are going up to 69% of our tithe rather than the anticipated 2019 goal of reaching 75%. This is an increase from our budgeted 50% for 2018.
  - Going with the somewhat lower percentage allows additional spending elsewhere, such as salaries.

#### Discussion

- 2019 will once again be a deficit budget, with the shortfall funded by designated funds overseen by PME.
  - In the past the church has taken the shortage out of unrestricted savings (accumulated unspent earnings from the designated fund distribution). We need to better define what constitutes "legitimate" income.
  - Darren noted that where possible, we try to sync funds generated from eight designated funds to help cover expense line items in the operating budget.
- While the Board doesn't want to micromanage or assume the role of the Finance Committee, as the group with the final fiduciary responsibility for the church, members of the Board agreed they need a better understanding of the different components of North's finances.

- Members supported a suggestion that a brief tutorial be offered at the January 2019 meeting to help them understand the different budgets/funds, the income generated on them, what is spoken for, etc. This will better prepare members to address the church's need to establish a financial sustainability initiative.
  - Josh and John will draft such an overview and then run it past Darren for a non-financial person's understanding before bringing it to the Board.
  - The budget is a planning and management document, but its current even-monthly distribution of income and expenses makes it hard to identify potential budget anomalies.
    - John will try to allocate the income/expense activity across months as it naturally occurs rather than distributing it evenly across the year.
    - This approach has been suggested in the past and John has made it a goal for 2019.
  - The 2019 budget as presented by the Finance Committee was unanimously approved by the Board.
4. 2019 Special General Conference and North's reaffirming of our beliefs (Shannon & Darren)
- A brief statement reaffirming our beliefs regarding inclusion and our LGBTQ sisters and brothers will be reaffirmed at the Board's January meeting.
    - This statement, likely only a sentence or two, essentially will be a continuing resolution of actions taken by the Board in 2011 to adopt [two welcoming statements](#) and [to join](#) the [Reconciling Ministries Network](#). The reaffirmation can then be announced by Board Chair Ron Gifford at services prior to the 2019 Special General Conference.
  - In January, Darren will contact the other six Reconciling Ministries churches in Indiana to see what actions they may have planned prior to the General Conference and, ideally, developing a press release that summarizes our collective shared beliefs and positions regarding the proposals to be considered in St. Louis. The other Indiana RMN congregations are:
    - St. Mark's UMC (Bloomington)
    - Gobin Memorial UMC (Greencastle)
    - Broadway UMC (Indianapolis)
    - Church of the Saviour (Indianapolis)
    - Trinity UMC (Lafayette)
    - First UMC (South Bend)
  - Darren is working with the Affirming Group at North to create a visual presence/statement regarding our beliefs that can be seen by cars driving on Meridian.
  - Darren will provide two presentations on March 13<sup>th</sup> regarding the outcomes of the Special General Conference.

## 5. Committee/Board/Senior Pastor Reports

- Finance (John)
  - With the benefit of lower expenses, the final 2018 shortfall will be smaller than budgeted. John expects to finish 2018 about \$70,000 short of a balanced budget.
- Trustees (Eric)
  - The dumpster enclosure issue noted at the [November Board meeting](#) remains under review.
  - Under the overall guidance of the Trustees, individual trustees have agreed to volunteer to conduct periodic fix-up work around the church.
  - While the driveway area at the West Entrance is well lighted, the steps leading down from the entrance have none, resulting in a potential safety concern for evening meetings, etc. Eric will ask Chuck Teague to take a look.
- Staff Parish Relations Committee *SPRC* (David)
  - No report.
- Ministries Council (Alan)
  - No report.
- Leadership Development (Kathleen)
  - The annual Leadership Kick-Off will be held on Wednesday, January 16 from 5:30-7:30 p.m.
    - The event is intended for committee and team leaders as well as Board members.
      - A number of housekeeping issues and good committee/meeting management practices will be addressed as well as larger church themes and other activities coming up in 2019.
      - The event also provides an opportunity for lay leaders to meet North's staff.
  - On January 27<sup>th</sup> incoming lay leaders will be introduced and consecrated while outgoing (for now) leaders will be recognized and thanked.
- Senior Pastor/Administrative (Darren)
  - Stewardship
    - One reminder has been mailed to active members who have not yet pledged for 2019. Another message will go out early in the New Year so not to intrude on (or be lost in) the holidays.
  - Service Recognition
    - Darren thanked outgoing Board members Shannon, David, Eric, Kathleen, and both Marks for their service.
      - Kathleen has served continuously in different capacities and is the last charter member of the Board following its establishment with the church's incorporation in 2008.
    - Shannon added her own thanks for the actions and support of the Board during her tenure as chair.

## 6. No Executive Session was held.

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

### **2019 Meeting Dates**

- January 23
  - Budget tutorial
- February 27
- March 27
- April 24
- May 22
- June 26
- July 24
- August 28
- September 25
- October 23
- November 20 (3<sup>rd</sup> Wednesday)
- December 18 (3<sup>rd</sup> Wednesday)

**Save the Date: Leadership Kick-Off**  
**Wednesday, January 16 from 5:30-7:30 p.m.**