

Minutes
North United Methodist Church, Inc
BOARD OF DIRECTORS MEETING
September 25, 2024, * 5:30 p.m.
In-Person Meeting

Members

Orson Mason, Chair
Kathy Gifford, Vice Chair
Troy Barker, Secretary
Jeff Eggert, Treasurer
Eric Lekberg (LL/MC)
Jeff Bonner (Trustees)

Ex Officio

Shawn Denney (Finance)
Jacqueline Blackwell (At large)
Jeff Warbinton (SPRC Chair)
Mary McDonald
Lyn Berkebile

Darren Cushman Wood

1. Roll Call

All members listed above were present except for Kathy Gifford and Mary McDonald. Eric Lekberg, Shawn Denny, and Jeff Warbington participated via Zoom.

2. Opening Prayer Lead by Orson Mason

3. Approval of the Minutes from the August meeting

Motion made by Troy Barker, Seconded by Eric Lekberg. Motion approved unanimously.

4. Finance – (Shawn Denney)

- Monthly Finance Report were distributed in advance.
- Shawn indicated that progress was being made regarding the assembly of finance reporting and accounting in general.
Total Revenue is down \$149,000, current year pledges are down \$74,000, Non-Pledges Income are down \$17,000.
Nancy along with bookkeeping plus are working on ensuring all expenses are in the appropriate account/category.
Shawn stressed that all bills and payrolls are being paid.
Shawn indicated he has a raised eyebrow and is watching revenue streams.

5. Senior Pastor Report, Leadership Development & Land Development (Pastor Darren

- Staff Update
- 2025 Budget
Darren acknowledged Nancy Ricketts in leading the charge to implement best practices (accounting).
Darren indicated that a **staff meeting** will convene on October 23, 2024, regarding the 2025 budget. The gathered information will be provided to the SPRC and the Finance Committee.
- No updates for Land Development
- Leadership Development
Nominations are coming along with the slate for 2025. This should be completed by next week. (week of September 29th)

- Darren is looking for individuals that are good minutes keepers for several committees. Please be on the watch and if you have any ideas share those with Pastor Darren.
6. Ministry Council – (Eric Lekberg)
 - Ministry Council met the week of September 18th. Fall Festival planning and Words of Welcome were discussed. Pastor Darren provided an update to the Ministry Council regarding staff members alignment to the different ministry committees.
 7. Staff Parish Relations Committee – (Jeff Warbinton)
 - Update on recent staff changes
Jeff reported they are looking for an office assistant and a community formation individual.
 8. Trustees – (Jeff Bonner)
 - Update on Sacred Places Indiana
The trustees met in September and met with the masonry contractor (ARSEE Engineers – 9715 Kincaid Drive, Suite 100, Fishers, IN 46037) regarding the masonry scope of work. The current plan is to tuckpoint the sanctuary south and east sides of sanctuary (estimated cost \$450,000).
 9. Endowment Committee Discussion – Orson
 - Orson reviewed the Endowment Policy Statements. (attached).
The Endowment Committee members are as follows:
Bob Sachs, Chair, Todd Daniels-Howell, Vic Childers, Tom Welch, (Board of Directors Chair) Orson Mason (Darren Cushman Wood - Ex Officio)
 10. New/Other Business
 - The Strategic Financial Planning Task Force will be present to present at the October meeting.
 11. Adjournment

Meetings Scheduled for 2024

| | | | |
|-------------------|------------------|----------------|-------------------|
| January 24 ✓ | April 24 ✓ | July 24 ✓ | October 23 |
| February 28 ✓ | May 22 ✓ | August 28 ✓ | November 27 |
| March 27 Canceled | June 26 Canceled | September 25 ✓ | December 25 (TBD) |

Appendix B
Investment Policy Statement

Purpose: This policy statement sets guidelines for the investment of endowment funds of North Church. The endowment funds include the following two primary endowments:

The Building Capital Endowment Fund: The purpose of this fund shall be to provide funding for capital improvements, including the cost of renovation and major repairs considered capital expenditures under generally accepted accounting principles.

Program and Mission Endowment Fund: The purpose of this fund shall be to provide funding for the ministry and mission programming of North Church.

Several named endowment funds exist within these two primary endowment funds and others may be created to fulfill specific restrictions directed by donors.

Following is a listing of the endowment funds:

- Building Capital Endowment
- Eckleberry Endowment
- Worth Chapel Endowment
- Mider Building Capital Endowment
- Program & Mission Endowment
- Ratliff Endowment
- Childers Endowment
- Mitchell Endowment
- Hicks Endowment
- Tyner Endowment
- Ratliff Bible Endowment
- Hamilton Endowment
- Blankenbaker Endowment
- Mider P&M Endowment
- Parsonage Fund
- P&M Unrestricted
- Building & Capital Unrestricted

Refer to Appendix F for additional information regarding each of the endowment accounts.

Objective: Endowment funds will be invested taking the following into account:

1. The Social Principles of The United Methodist Church as set forth in the most current Book of Discipline of The United Methodist Church, and Resolution 4071 of the most current Book of Resolutions.
2. The Uniform Management of Institutional Funds Act of the state of Indiana (IC 30-2-12).
3. All provisions contained herein are intended to comply with the operational policies and procedures of the Church and with donor gift instructions.

Asset Allocation: Following is the allocation for all endowment funds:

| <u>Type of Security</u> | <u>Target Range</u> |
|----------------------------------|---------------------|
| Domestic Equities | 32-38% |
| International Equities | 27-33% |
| Fixed Income Securities and Cash | 32-38% |

Investment Performance Goal: The goal for all endowment funds is an average annual return of 7.5% net of fees over a five to seven year period of time.

Investment Performance Benchmark: Following is the benchmark for all endowment funds:

| <u>Components</u> | <u>Percent</u> |
|---|----------------|
| Russell 3000 Index | 35% |
| MSCI All Country World Index, ex. USA, Investible Mkt Index | 30% |
| Bloomberg Barclays U.S. Universal Index, ex. M.B.S. | 35% |

Managing Endowment Funds:

1. Maintain the Investment Policy Statement.
2. Conduct a "Request for Proposal" every five to seven years to determine and hire an Investment Manager(s) that will be responsible for the day to day managing and/or investing of the endowment funds.

3. Ensure that the Investment Manager(s) is doing the following:
 - a. Investing the endowment funds in compliance with the Objectives set forth in this Investment Policy Statement.
 - b. Maintaining the asset allocation set forth in the Investment Policy Statement.
 - c. Reporting to North Church the fund balances and investment performance by endowment fund on a quarterly basis.
 - d. All net income from the investment of the endowment funds shall be added pro-rata to the earnings accounts for each separate endowment fund.
4. Periodically meet with the Investment Manager(s) to discuss the following:
 - a. Any concerns
 - b. Changes to the Investment Policy Statement
 - c. Update from the Investment Management firm
 - d. Investment performance
 - e. Investment outlook
5. Monitor the investment performance of the endowment funds considering the following:
 - a. Historical investment performance of the endowment funds
 - b. Current market conditions
 - c. Anticipated future market conditions