

Minutes
North United Methodist Church
BOARD OF DIRECTORS MEETING
October 25, 2017
5:30 p.m.

Members

Shannon Priddy, Chair
Ron Gifford, Vice Chair
Kathleen Custer (LL)
Richard Kluger (Finance)

John Drake, Treasurer
Eric Oehler (Trustees)
Jacqueline Blackwell (LL to AC)
Mark Grove, Secretary

Ex Officio

Darren Cushman Wood
Josh Jordan

Absent

Mark Foglesong (AL)
Jim McDonald (SPRC)
Jeff Eggert (AL)
Faustin N'tala (AL)
Eric Galloway (MC/LL)

1. Darren opened the meeting with a prayer.
2. The minutes of the September 27th meeting were approved unanimously.
3. Next steps for land development (Shannon)
 - Following discussion at the September 27th meeting, the final version of the resolution was unanimously approved through e-mail by the Board prior to presentation to the October 16th Charge Conference.
 - Thanks to all for your support at the Charge Conference where North members voted to support the resolution by a wide margin.
 - The Board discussed the status of the land development initiative and steps deemed appropriate for the next phase of the project.

Ending the Task Force and creating a committee of the Board

- With the affirmative vote of the Charge Conference, the initial phase of the land development initiative has been completed and now we move to the next phase. It is an opportune time to provide a revised charge and select the most appropriate membership for a body to address the details required.
- Members agreed this should be a Board-appointed committee rather than one managed through the annual Charge Conference. As it would not have formal decision-making authority, the committee would report to the Board.

Committee Membership

- Pablo Svirsky, Ron Gifford, Tonya Lengar, and Todd Daniels-Howell have been the most active members of the Task Force, with the involvement of David Frick, Ann Mackey, Bill Groth, and Mark Foglesong. A number of this latter group have cycled off the Task Force.

- In the interest of continuity, Board members agreed that the committee should include currently active member of the Task Force along with additional appointments.
 - Pablo, Ron, Tonya, and Todd will be contacted to determine their willingness to continue as members of the new committee.
 - Eric Oehler has agreed to serve as a trustee representative.
 - Jeff Bonner will be asked by the Board to serve as well.
 - Shannon will send a note of appreciation/explanation to those moving off the Task Force, sharing the Board's decision to begin the next phase of the project with a change in charge and adding the skills required to best represent North's position.

Tax Credit Application and Supporting Materials

- The application for tax credits is due November 6th. While Flaherty & Collins will prepare and submit the materials, it needs certain accompanying documents that confirm North's support and involvement in the project.
 - Beyond this support, the resolutions document presented to the Board for review also acknowledges various obligations for North, though which do not go beyond what appears in the resolution approved at the Charge Conference or in the previously approved Developer Agreement.
 - The Board unanimously approved the resolutions document (attached below).
 - An additional *services agreement* is being finalized that also will go to the Board and will be shared shortly. This is separate from the development agreement.
4. Stewardship Sunday follow-up (Shannon and Darren)
- Stewardship Sunday will occur on October 29th. Pledge cards and a letter were mailed this week.
 - Some North members see the day as a *launch* of the annual development campaign while others consider it a *culmination*. As a result, Board members agreed that additional promotion through weekly follow-up announcements throughout the month from the Board would be appropriate. Darren noted the goal of trying to finish the campaign in November, prior to the start of Advent in December. This would also give some distance in case we need a final call for 2017 pledge payments at the end of the year as well as the annual Christmas gift.
 - John Drake will speak on November 12th, Shannon Priddy on November 19th, and Kathleen Custer on November 26th.
 - The Stewardship Committee will be making phone calls mid-November to mid-December to those who have pledged in the past but have not yet done so for 2018.
5. Committee/Board/Senior Pastor Reports
- Finance (Richard and Josh)

- For the past two months, August and September, pledge revenue is well down. While it is difficult to tell with any certainty, it may be this is an evening-out as pledge payments were running ahead earlier in the year.
 - Some members also make payments as a catch-up in the 4th quarter, perhaps prompted by Stewardship Sunday. Overall we should still finish ok for the year in total revenue.
 - Wages were up in September with new hires coming on board.
 - The Finance Committee has started work on the 2018 budget, but dependent on the final target of the Stewardship Committee as well as the results of the campaign.
 - Finance has received budget requests from all committees.
 - Projecting forward, if pledge go up 2.5% a year for four years, North can make progress on the goal of paying our share of the conference tithe, though not on salaries.
 - Trustees (Eric O.)
 - New Building Manager Chuck Teague will be going around the church looking for things needing doing. Chuck should be able to follow Joel O’Neil’s approach of doing some of the “handyperson” work himself.
 - Staff Parish Relations Committee *SPRC* (Jim)
 - The Employee Handbook has (finally) been updated, approved, and distributed.
 - We are initiating the Pastor Evaluation process for Pastors Darren and Ronnie.
 - This year we are using Survey Monkey as the instrument for collecting and analyzing the data, with Kathleen Custer taking the lead position.
 - We will also be conducting personal interviews with the two Pastors as part of the process.
 - We have begun thinking about the 2018 NUMC budget projection, and its possible impact upon recommended staff salary increases for next year.
 - Ministries Council (Eric G.)
 - No report
 - Lay Leadership (Kathleen)
 - All slots are filled for nominations for the Charge Conference.
 - Senior Pastor/Administrative (Darren)
 - Darren and Josh participate in a Sunday night bowling league. With the vote of the Land Development Charge Conference a success, Darren rolled a 278—all strikes and one spare.
6. No Executive Session was held.
 See [January 2015 minutes](#), page 6, item 7

Upcoming Meeting Dates

- November 15 (3rd Wednesday)
- December 20 (3rd Wednesday)

Other Meetings

- November 16 *Annual Charge Conference*
 - 6:30 p.m.

2018 Tentative Meeting Dates

- January 24
- February 28
- March 28
- April 25
- May 23
- June 27
- July 25
- August 22
- September 26
- October 24
- November 21 (3rd Wednesday)
- December 19 (3rd Wednesday)

**RESOLUTIONS OF THE BOARD OF DIRECTORS OF NORTH UNITED
METHODIST CHURCH, INC.**

DATE ADOPTED: October 25, 2017

The following resolutions were duly adopted and approved at a meeting of the Board of Directors of North United Methodist Church, Inc., (the "Corporation") held on the 25th day of October, 2017:

WHEREAS, North Neighborhood Lofts, LP, an Indiana limited partnership (the "Partnership"), will be formed for the purpose of constructing, owning and operating a housing complex for low-income and moderate-income residents in Indianapolis to be known as North Neighborhood Lofts (the "Project"); and

WHEREAS, the Indiana Housing & Community Development Authority provides awards of Rental Housing Tax Credits, HOME and Development Funds (the "IHCDA Funds") pursuant to Section 42 of the Internal Revenue Code to meet the affordable housing and community development needs of low and moderate income persons; and

WHEREAS, the Indiana Housing & Community Development Authority has requested that the Corporation include a statement acknowledging the obligation to make a capital contribution or loan to the Partnership to fully pay development fees owed to the Corporation that are not paid out of available cash flow; and

WHEREAS, the Partnership desires that Corporation provide development services to Partnership with respect to the Project and Corporation desires to provide such services; and

WHEREAS, as compensation for the performance by Corporation of the services, Corporation shall be entitled to a fee in such an amount that shall not exceed the amount allowed by the Indiana Housing & Community Development Authority with respect to the Project (the "Development Fee"); and

WHEREAS, the Indiana Housing & Community Development Authority has requested that the Corporation include language that approves the application being made for specific IHCDA Funds; the amount of ownership interest the not-for-profit has in the venture; the not-for-profit's specific liabilities in the Development; and the anticipated amount of Developer Fee the not-for-profit will receive; and

WHEREAS, the Indiana Housing & Community Development Authority has requested that the Corporation include a statement describing the terms of the deferred payment obligation relative to the Developer Fee, including any interest rate charged therefor, and the source of payment for such Fee, including a resolution from the Board of Directors of the Corporation allowing such a deferred payment and interest obligation;

WHEREAS, Partnership shall pay to Corporation the Development Fee as such fee is earned as agreed to between Partnership and Corporation or as directed by the lenders for the

Project and/or Partnership's limited partner. In the event that all earned Development Fee has not been paid by Partnership upon Substantial Completion of the Project, the unpaid amount shall be paid out of available cash flow of the Project in accordance with Partnership's partnership agreement. No interest shall accrue on any unpaid balances. In the event that the entire Development Fee has not been paid in full by the thirteenth (13th) anniversary of the date of Substantial Completion of the Project, the Corporation shall make a capital contribution to the Partnership in an amount equal to the remaining unpaid balance of the Development Fee owed to the Corporation. The Partnership shall then pay to Corporation payment in full of the remaining unpaid balance of the Development Fee owed to Corporation.

NOW, THEREFORE, BE IT RESOLVED, that Darren Cushman Wood as Senior Pastor of the Corporation, as well as any subsequent individual who serves as Senior Pastor in the future, be and hereby is authorized, empowered and directed to prepare and submit applications for IHCDA Funds to develop the Project and to execute and administer resultant awards including requisite general administration and project management, contracts and agreements pursuant to regulations of the Indiana Housing & Community Development Authority and the Internal Revenue Service; and

RESOLVED FURTHER, that North United Methodist Church, Inc., anticipates receiving twenty-five percent (25%) of the Development Fee; and

RESOLVED FURTHER, that the Corporation (either directly or through a wholly-owned subsidiary) shall serve as a Co-General Partner with Flaherty & Collins Development, LLC. ("Flaherty & Collins"). Flaherty & Collins shall serve as the managing General Partner with a ninety percent (90%) ownership of the Partnership, and North United Methodist Church, Inc. shall hold a ten percent (10%) ownership of the Partnership; and

RESOLVED FURTHER, that the Corporation (or such wholly-owned subsidiary as holds its interest), serving as the Co-General Partner, shall have the liabilities inherent in serving as the Co-General Partner of the Partnership as set forth in the partnership agreement; and

RESOLVED FURTHER, that the deferred development fee payment obligation for the Development Fee is accepted by the Board of Directors; and

RESOLVED FURTHER, that the obligation to make a capital contribution or loan to the Partnership to fully pay development fees owed to the Corporation, as described above, is accepted by the Board of Directors; and

RESOLVED FURTHER, that the execution and delivery by the Corporation of any documents including any modifications thereto in connection with the transactions contemplated herein shall be deemed conclusive evidence that the Corporation has determined that such documents and any modifications do not materially adversely affect the Corporation and that such are the acts and deeds of the Corporation.

CERTIFICATE

The undersigned, being the duly elected chair of the Board of Directors of North United Methodist Church, Inc., hereby certifies that the attached resolutions were duly adopted and approved by the Board of Directors of North United Methodist Church, Inc..

**NORTH UNITED METHODIST
CHURCH, INC.**

By: _____

Printed Name: _____

Title: _____

Date: _____