

Minutes, February 16, 2016 LB Meeting
New Town United Methodist Church

Present:

Board:

Gary Allen, Chair
Carl Timmer, Vice-Chair
Cameron Boone, Secretary
Rick Machamer, Treasurer
John Lohr
Mark Matney
Pam Klepec

MLT:

Pastor Mike Derflinger
ED Jeff Koob

Staff:

Stephanie Turner
Karen Goins

Guests:

Matt Rapach
Abby Utne
Julie Derflinger
Stewart Winner

Following a day of prayer and fasting, the Leadership Board February 16th, 2016 meeting was called to order by the Chair at approximately 7:15pm, following a day of prayer and fasting, a time of prayer commenced in the sanctuary and a breaking of the fast provided by Pam Klepec, who then provided the evening's devotional.

The Chair commenced the meeting by noting that the report of the Finance Committee, comprised of the Chair, the Vice Chair, the Treasurer and the Executive Director ex officio, would be the primary action item for the meeting. He summarized the initial steps taken by the Board at the January meeting to control expenditures, limiting the payment of apportionments to those accounts which support the Pastor's health insurance and pension. The Chair noted this action was taken as a necessary but sad step by the Board, since the church had for many years paid its apportionments in full and hoped to regain a financial position that would enable it to resume paying at least those accounts which directly support Conference staff positions.

The Chair then stated that the Finance Subcommittee had closely examined existing expenditures and commended the substantial efforts of the Executive Director in paring away portions of those that could be reduced without heavy impact on the ongoing mission of the church and the operation and care of its physical plant. While there were likely a few more nominal savings that could be achieved, far more substantial cuts were required, in the Committee's view.

The Committee thus proposed two areas for possible cuts: the church's practice of giving ten percent of its income to missions outside its four walls, and its rental of the Community Prayer Room in New Town.

With respect to the first, the Chair reviewed the admirable objective of this policy, noting the Committee's view that this practice was not compelled by scripture or United Methodist policy at the national or district level. With the Executive Director's assistance, the somewhat complex method by which the re-giving amount was computed and then either paid or credited to the church's ministry accounts was explained. The ED noted that since last September, payment of the re-giving had been supported by depleting the amounts previously stored in mission accounts, since the operating budget was so tight; going forward, he estimated that the outflow from the operating accounts would be approximately \$3500 per month if no action were taken.

The Chair then outlined the Committee's various rationales for eliminating these payments entirely, since continuing them potentially imperiled the funding of the church's core missions and outreach. However, in recognition of the history and commendable nature of this re-giving and the support it has among church members (particularly as regards the ministries of the Paige's and the Jeremiah Project), the Committee had developed an alternate recommendation to limit the monthly re-giving to \$1,000, with the recipients to be determined in the sound discretion of the Pastor and the Executive Director, since they were best equipped to make such decisions on an ongoing basis.

The Chair then presented the second potential savings that the Finance Committee had identified, the church's monthly expenses (primarily rent) for its Community Prayer Room in New Town; while the monthly rent was set at \$1,000, the ED had negotiated a three-month reduction to \$800 per month for February through April, after which it would return to \$1,000. While the Committee understood that the Community Prayer Room had both present and potential value as an additional prayer, worship and ministry-activity venue, our primary mortgage interest payments cost about \$8,000 per month, with the principal amount of about \$4,000 currently carried by the Building Fund, which will be depleted later this year. The Committee believed that a very good case could be made that financial support for the mortgage on the church building should compel termination of this lease, but in light of the increasing uses being made of the Community Prayer Room and the fact that only one month of 2016 financial support was in the books, the Committee stated that it was not recommending that notice be given to terminate the lease at this time, but that the option be kept in mind and evaluated in the immediate future as the overall financial picture clarified.

The Chair, on behalf of the Finance Committee, then moved that the Board adopt the Committee's recommendation that the church policy be amended to cap the monthly giving amount at \$1,000, with recipients to be determined by the Pastor and ED in their sound discretion. John Lohr seconded the motion.

There was then an extended discussion with sound positions voiced by LB members, staff members and guests on both sides of the issue. Broadly stated, positions against the motion noted the importance of a consistent message in favor of tithing from the church on both the personal and institutional level, and the unbecoming example of the church stopping this giving when it becomes difficult when it might expect its members to do otherwise. Positions in favor emphasized the changes, hopefully temporary, in our membership and giving levels that are quite different from when this policy was conceived and implemented, and that good stewardship of our new levels of financial support required that adjustments be made, unpleasant though they might be.

The Pastor noted that with seven of our eight LB members present, our consensus approach would require all seven to vote in favor of the motion for it to pass. After further discussion, the question was called and it passed 7-0. Pam Klepec, who had spoken against the motion, asked that the record reflect that her vote in favor was cast for the unity of the Board.

The Chair then tabled discussion on the Community Prayer Room, since there was no pending motion from the Committee. Karen Goins submitted an informational document entitled "Justification for New Town Community Prayer Room" for the record. It was also agreed that the Chair would work with the Pastor to communicate to the congregation the steps taken thus far in addressing the financial circumstances of the church, and the potential for more to come.

The Executive Director then distributed his report for review and the record; in light of the hour, its highlights were discussed briefly.

The Chair then briefed the Board on the e-mail he had received that afternoon from former Board Chair Todd Freneaux, stating his concerns that the Board was not at its specified complement of nine members, and that the membership on the Board of the son-in-law of a church staff member represented a violation of the church's conflict-of-interest bar which specifies "immediate family members." The Chair stated that these issues would be addressed and reported on prior to the March meeting.

The Pastor then reported on his activities, including developing a cadre of Communion servers for home-bound persons, coordinating with Craig Marsh re a potential summer revival series, continuing the growth of the Wednesday evening service, and finishing the task of getting Board membership up to full strength.

The meeting was adjourned at approximately 9:15pm.

Respectfully submitted,

Gary Allen