

Warwick Memorial United Methodist Church
38 Hoopes Road
Newport News, VA 23602

Minutes of the Leadership Team meeting held on February 23, 2017

Members present:

Carlos Liceaga, Team Leader
Jim Cole, Evangelize
Josie Cole, Serve (Internal)
Steve Elder, Serve (External)
Sandy Marcuson, Trustees
Frank Blake, Trustees
Shaun Kelley, SPRC
Kerry Blazek, Finance
Lisa Bradley, Worship (Lampstand)
Ken Bradley, Lay Leader (Ministry)
Jason Vincelette, Lay Leader (Admin)
Pastor Gina Anderson-Cloud
Pastor Bert Cloud
Pastor Peggy Langille
Linda Brooks, Secretary

Other Attendees:

Nolan Reid, Finance
Henry Bennett, Building Fund Finance Committee
Jim Corliss, Stewardship

Welcome – Carlos called the meeting to order at 7:00.

Opening Prayer – Ken

Devotion – Steve

Discussion Items:

1. Agenda.

a. Added to Consent Agenda: 2) Approve Ken and Lisa Bradley as alternate delegates to annual conference.

b. Consent agenda approved.

2. Transformation or evidence of God's work.

a. Carlos: Felt very blessed during the Honduras mission. They were able to help a lot of people. Felt God's spirit there.

b. Shaun: Asked some of the youth (Trey, Zach, Tucker and Connor) to help referee Upward basketball last year, and all of them came back this year, Shaun really appreciated their help.

c. Pastor Bert: A new young military family, Brian and Meredith, have been coming to church. Brian came back from deployment but has recently been re-deployed, and their son had to have surgery today. Pieces were put in place to provide support. There were Facebook posts where Meredith was having a difficult time, and people have stepped forward to help. We will connect her with C3. She's going to do the Ripple Effect Sunday. She's very committed but also very independent.

d. Pastor Gina: At the last Pastors' Coffee we were trying to pick up people from the fall/Christmas season. Starting to see these families joining because we're being hospitable and getting them involved in Sunday School and other programs. The Young Adult Class is slowly growing, and the people are forming strong bonds. Jason commented that church is a lot more than just a Sunday service. Millennials are looking for a community of work, home and play.

e. Sandy: Funerals without use of a funeral home have been wonderful.

f. Steve: Thrive asked for money and the congregation responded. New facility will have wider doors and hallways. Thrive will own this building. We've been helping get the pantry and conference room in shape. They will also have a big refrigerator and freezer which they didn't have before.

g. Sandy: The library is phenomenal. She spent some time with Dorothy learning how to use the computer. The library can also be accessed from home. Old books have been removed and the current library provides a great resource. Dorothy connects with the sermon series and displays appropriate books which can be checked out

3. Approve purchase of van (\$36,315.18) from Lowe gift.

a. Four to five people drove the van, and a number of others looked at it. Several people checked underneath and thought it looks good. Dealer is replacing seven soiled seatbelts. It comes with a 5-year, 60K mile warranty. Insurance requires drivers to be scheduled. We will need a policy which includes a drivers list with DMV record. All drivers must be at least 25. There's a training program on line which takes 10-15 minutes. Drivers will also have to complete a checklist each time the van is used. We won't have a driver by Sunday. Discussed who will be the keeper of the key. It should be a staff member, probably Jim or Zena. Will have to plan ahead for use of the van. If van has to be driven immediately, a form can be signed (affidavit) that the driver has no DMV violations. Church Mutual may be able to provide guidance for our policy.

b. Van will be purchased using \$3,138.39 from the van K account and \$36,315.18 from the Lowe gift for a total of \$39,453.57. Cost of insurance is \$675/year. We will need something in the Warwick Weekly requesting drivers. The secure location where the sign out book and key will be stored will be common knowledge, but it's recommended drivers get the key on Friday. Group using the van will pay for fuel. We may need to get a credit card to purchase fuel for Sunday use. Maintenance is in the budget. Consensus is to purchase the van using \$3,138.39 from the K account and \$36,315.18 from the Lowe gift. Carlos and Pastor Bert thanked Frank for all his hard work in finding a van. We also need to get people to get their CDL so we can use the bus for trips like the youth beach retreat instead of renting vans. Bus is still for sale but we haven't found a buyer. Frank and Sandy will pick up the van tomorrow afternoon. This van will bless the ministries of this church and keeps in the spirit of why Jean and Paul gave this gift. A member of the church did the logo for the bus. We could also get magnets for temporary use if the cost is too high.

4. Budget Decision.

a. In consultation with the senior pastors, Carlos developed additional ideas to consider which would reduce how much of the gift is spent this year and keep non-recurring costs out of the budget to prevent them from affecting our apportionments for 2018.

(1) Fund the Lowe Ministry (Calling 21) Intern outside of the budget.

(2) Spread the repayment of the building fund loan over 3.5 years.

(3) Given that it only rained three Sundays in 2016, get a quote for a retractable rain cover (will probably cost less than \$10K) to compare against a permanent rain cover (which may cost up to \$60K) so we can make a decision at our March meeting.

(4) Place 10 percent of the remainder of the gift that is not used in 2017 in the Lowe K account for the LT to fund new ministry opportunities and unforeseen expenses this year.

(5) Place 90 percent of the remainder of the gift that is not used in 2017 in the Lowe K investment fund for the LT to fund new ministry opportunities and unforeseen expenses in future years.

b. Calling 21 Intern is now called the Lowe Ministry Intern. Recommend we fund this directly from the gift because we have already had to pay the conference half of the cost. LT concurred.

c. Building Fund loan. Pay \$6K per year, \$3K in 4th year. Henry noted there is a rate increase in September which is more than we expected. Rate is currently 3.75 but could be as high as 4.75 in the future. Investments are paying 4.71 percent. The more you pay reduces the principle and interest. Nolan cautioned not to spend what we don't have. Right now we have \$247K. We need to commit to pay all the loan now or keep the rest in a K account. Money in a K account doesn't bring in much interest. Building Fund campaign fell short of target (\$200K). Henry is optimistic because we receive 95 percent of pledges and about \$39K from memorials and special gifts. There were 13 new pledgers, \$8K in giving. Paying all at once is the biggest bang for the buck. Most pledges were reduced once we showed pledges had been exceeded. Goal is \$250K. If we get less there will be anxiety about paying it off. Operating budget is at a deficit. K accounts tie up dollars that could be used for the operating budget.

d. Frank noted that there are 17 A/C units and \$20K in K account for sanctuary A/C if needed. Average life for a unit is 12 years; ours are 16-17 years old. It costs \$3K for each big fix (compressor, heating coil or heat exchanger). The \$20K is left over from previous years.

e. Question raised if we have to redo the parking lot this year. If we delay, it will cost us more later because of additional deterioration. The \$20K in the Trustees K account could bring their budget up to \$145K. They've budgeted \$35K for major repairs and \$6K for other things. The sanctuary A/C is 15 years old and is going to break at some point. Recommend we band aid if it happens. Pastor Bert noted he's hearing that we need to configure money in reserve for ministry and building needs that arise. Finance and Stewardship need to work together.

f. Serve. Steve noted his budget was \$14,897.69 last year but only \$13,343 this year for a decrease of \$1600. Josie commented \$212 was spent on funerals and \$600 for Peninsula Pastoral Care but there's only \$725 in this year's budget. Recommended the Care K account be used for funerals, C3 training, etc. before budgeted dollars. Nolan noted that individuals give to K accounts for specific purposes. If we want to use a K account for another purpose, we have to call each individual and get their agreement to use it for a different purpose. When done in the

past, we had to go through the counters' sheets to see who gave what. We need to use common sense when using K accounts. Recommendation to pay off the building fund loan before the rate increases. Trustees is going to take \$14K from the K account to replace two A/C units. The \$13,343 for Serve rolls back their mission. They're using 100 percent of their K account for Hands Across the City, Red Bird and Stop Hunger.

g. Evangelize. Jim Cole noted that the money spent last year was more than shown because the bill didn't come in until after the first of the year. They spent their entire budget. There's \$6,155.51 in the operating budget but \$7,250 was spent last year for VBS, Easter, etc. Connect used their K accounts last year. Youth checking account is similar to last year's with more kids.

h. Worship. Budget includes decorations and community support, music, subscriptions, licenses, projection software, video in Lampstand, etc. Did not spend full budget by \$1K. Linda Carrithers and Linda McLawhorn provide a lot of decorations out of pocket. Sanctuary budget includes support for Paige to attend workshops, subscriptions, music library, etc. Biggest portion is choir music for \$3600. Budgeted \$10K, spent \$9.2K. You roll back ministry if you cut programs.

i. Connect. Increased by \$10K. \$4,200 in K account for youth and children. Connect spent almost \$30K with K accounts. Transportation costs could be scaled back. Children's ministry asking in 2017 and actual in 2016 almost doubled. Don't know if they have plans for the entire budget. Looking to grow this program. If children's program explodes we have an opportunity and need funds. Pastor Bert asked if we could get passionate giving from the congregation for specific programs. Need to get the message out in such a way as to encourage giving. Staff Parish is fully funded.

j. Place 10 percent of the remainder of the gift in the Lowe K account.

(1) Once the building fund is paid, we hope people will give that pledge to the operating budget. We're only growing at 5 percent in budget per year, so it's years before we grow to \$650K. Nolan cautioned to be careful how we set the budget. Where would we be without the Lowe gift? Think about mission and spiritual and family growth. We had a \$160K shortfall and received this gift at the 11th hour. We won't get this in the future. Steve noted that column 1 of the budget spreadsheet was austere in programs. Kerry commented that the congregation needs to be informed about the costs associated with operating the church, e.g., heat, A/C, etc. She volunteered to speak to the congregation about the issue. She thinks people will respond to the need. Jim Corliss and Kerry will discuss. We received 36 percent (\$3,600) of the budgeted loose offering in Jan. Jim Corliss commented that we are walking a fine line in telling the congregation that the sky is falling. Pastor Gina commented that the pastors don't want to lead a dying church. We are not dying. We have been blessed by the Lowe gift and additional giving

by the congregation. We need to be careful how we articulate this. We are a vital church, blessed this year, and need to make smart decisions.

(2) Pastor Bert asked about our purpose. Is it institutional maintenance and sacrifice the work of the Kingdom of God or is it to advance the work of changing people's hearts and making a difference in the world? This church has an extraordinary history of doing work to support the work of God. The world is changing around us. There's \$527K in the operating budget, plus the building fund and other missions that are supported. We need to grow within the life of the church, particularly with families with children and grow spiritually. Gerry needs an additional \$10K for the youth. We can't roll back the growth. We don't plan to spend all the gift this year. Henry's idea of a Lowe endowment fund would only bring in a return of \$200. Suggested what we set aside for an endowment fund could go to the pastors' discretionary fund as a permanent fund. Comment made that the Lowes could have given money to an endowment fund, so why tie our hands with this \$10K with all the issues we are facing. We don't want the remainder just sitting there; could be put in an investment fund for a better rate. Virginia United Methodist Development Co. offers CDs as follows: 6 months, 1.5 percent; 12 months, 1.75 percent; 24 months, 2 percent; and 36 months, 2.4 percent. Concern Old Point may not want us taking money and investing elsewhere. Requested Finance give us options at the next meeting. Kerry will talk to the bank about CDs.

k. Consensus was to choose option 3 on the spreadsheet. Trustees will use \$14K from the K account to purchase two A/C units. Consensus is to pay off the building fund loan this year and fund the Lowe Ministry Intern. Each team needs to provide their budget to Kerry.

5. If the DS approves, Charge Conference will be held March 23rd, followed by an LT meeting. Ten days notice must be given to the congregation.

6. Rain cover.

a. Estimates for a permanent rain cover are \$40-50K. Gas and power lines and Verizon near stump make it more difficult to remove. Pastor Bert looked at weather data in 2016 and there were only three Sundays with rain/snow. Jean initially came to Pastor Bert and the Trustees because she had a problem dropping Paul off and parking the car while he sat out in the weather. There was an issue with the step between the landing and the step. The solution was to pave up the road to the back step. This door is not ADA compliant. We had financial difficulty at that time and couldn't fund. One solution was to have the ushers provide umbrellas. Jean suggested a retractable awning. When Paul's and Jean's health declined they were no longer able to attend church. Jean reminded Pastor Bert about the awning prior to her passing. Issue is there are times when people need assistance at that door. Only person using it now is Paige's father who is 97. Carlos suggested we get additional estimates for an awning. Jean wanted a place to drive up and

get Paul out without getting wet. Josie noted there are other opportunities to use the cover for people going in and out of the fellowship hall or to bring in supplies or catered items. Retractable awning would require someone to get it in place. Permanent cover could be used for all three doors. Consensus is it has to be done.

b. Question as to whether it has to be the sanctuary door. The youth door is ADA compliant and has a push button opening. Best door for the elderly, but it's further from the sanctuary. Side door in the sanctuary is further from the parking lot. Letter says provide "easy access to the sanctuary while being protected from the weather." If it hasn't already been done, Jean wants to fund. Pastor Bert commented that we need to balance that opportunity against other opportunities. We can do some good to account for this requirement and other opportunities as part of the stated goals of the church. Not necessary for the sanctuary door to be ADA compliant because it's an existing building. Trustees will provide additional options in March.

7. We need to tell the congregation about the van and develop a policy for drivers. Trustees will make the announcement on March 5th.

Closing Prayer - Carlos

Meeting adjourned at 10:30.