

# **Mountain View Presbyterian Church Administrative Commission**

## **Final Report – Oct. 26, 2017**

### **Introduction**

The Administrative Commission (AC) was formed in March, 2017, in response to a letter from the session of Mountain View Presbyterian Church (MVPC) on Feb 28, 2017, requesting dismissal to The Covenant Order of Evangelical Presbyterians (ECO). The commission was formed and began to work actively in March, 2017. The charge to the AC was to “enter into a season of discernment, coordinating the dismissal of MVPC from the Presbyterian Church (USA).” The AC has been in an 8-month season of discernment to be sure that it “complies with all applicable provisions of the Form of Government of the PC(USA) with respect to the work of administrative commissions.”

In addition, the AC and MVPC are guided by the trust clause of the PC(USA) to be faithful to the fiduciary responsibilities with regard to the assets of MVPC:

“As a Presbytery, we recognize that chapter 4 of the Form of Government (FOG) states: “All property held by or for a congregation, a presbytery, a synod, the General Assembly, or the Presbyterian Church (USA) whether legal title is lodged in a corporation, a trustee or trustees, or an unincorporated association, and whether the property is used in programs of a congregation or of a higher council or retained for the production of income, is held in trust nevertheless for the use and benefit of the Presbyterian Church (USA).” (G.4.0203) Therefore, we affirm the responsibility of the Presbytery to provide for and ensure the mission and government of the Church throughout its geographical district (FOG – G-3.0303b).“

As the AC has done its work involving statistics, appraisals, surveys, meetings, reviews of records and more, it has been our sincere desire to determine God’s will in this matter. The Church belongs to Jesus Christ: The Presbytery of Grand Canyon and Mountain View Presbyterian Church are merely entrusted with its care. All of us are in prayer that the ministry of Jesus Christ may continue in this region where God has planted us!

### **Background**

Mountain View Presbyterian Church began as a vision from the New Church Development Committee of the Presbytery of Grand Canyon in 1976, with the presbytery’s purchase of four acres of property in the McCormick Ranch area at the corner of Mountain View Road and Hayden Road. The property cost \$80,000. The presbytery received a loan of \$65,000 from the United Presbyterian Church to help pay for it, and an additional \$15,000 was paid by the presbytery. The cost of that loan was later paid off by the new congregation. The steering committee for the congregation included members from Valley Presbyterian Church and the Salt River and Scottsdale Presbyterian churches. These folks provided volunteer support by ushering, doing other organizational functions, attending worship, and helping with the initial outreach to the community. In the early stages of development, the Rev. Dr. Mark Koehler, from Valley Presbyterian Church, was on loan to MVPC to help provide worship, support, and guidance. The congregation worshiped at the Second Church of Christ, Scientist on Hayden Road for some time during its early life. The congregation quickly became organized with committees and other structure.

The Rev. Ralph Meredith was called as the organizing pastor on March 9, 1980. Soon after, the church was forming a PNC to search for a permanent pastor. On May 17, 1981, Ralph Meredith was installed as the pastor of the church. During these early years of formation, along with generous gifts from the congregation, the church's program ministry was supported by the synod, presbytery and General Assembly (GA) in the form of grants totaling \$51,500, and funds from ecumenical partners in the amount of \$9,500. In 1984, the church received a low-interest mortgage from GA for \$150,000 which was part of their new building campaign. The presbytery co-signed for this loan, which was paid off in 1988.

During this time, as the church was active in the development of the congregation, they began planning for a building. With a ground-breaking ceremony in March of 1984, the building began. The congregation held first services in the new sanctuary on November 11, 1984, in time for Christmas. The congregation was up to 322 members at this time, and had a communicant's class of 18 youth. During this time of growth in the church, a number of new staff persons were part of the vibrant ministry of the MVPC, including associate pastors Lanny Langford (1987-1990), Paula Valle (1993-2003), Jim Rizer (1998-2002), and Cynthia Jennison (2004-2006). There were also several part-time staff at various times, including Rev. Jane Wilson (interim associate from 2003 to 2004), Rev. Chuck Jenkins, Rev. Gary Doan, and student pastor, Bill Good. In May of 2009, Pastor Ralph Meredith retired after 29 years of faithful ministry. Following the interim pastorate of Rev. Bud Engstrom (2007-2010), the Rev. Steve Beard was called as pastor in January, 2011, followed by the call of associate pastor, the Rev. Kirk Sexton in November, 2011. The Rev. Lyn Corazin also serves as a part-time pastoral associate. Over a period of time, the church grew to a significant size, hovering near the 1500 member mark, with a membership of 1479 at the end of 2014. Membership declined since then to 1011 at the end of 2016, and now rests at 935. During this time, it was reported to the AC that a significant number of members/former members are attending Pinnacle Presbyterian Church. Only 35 members have formally transferred their membership to Pinnacle. Likewise, in the past three years, according to records from the clerk of session, 468 members were removed from the rolls for "other" reasons.

Early in the life of the congregation, efforts were made to be supportive of the overall mission of the Presbyterian Church. Mission funds of up to 20% of MVPC's income were provided in 1982 for such work, according to session records. The church generously continued that tradition for many years, giving \$375,000 for GA, synod, and presbytery work through 2012. Per capita was paid up through March, 2015.

MVPC is also active in many forms of mission work in the area and outside the U.S. One of their most active projects is The Beatitudes Special Needs Ministry, with staff and members actively working to provide a wide range of programs to provide Christian nurture and support for people with special needs. The congregation also supports work teams who spend weekends in Rocky Point, Mexico, doing a variety of projects and programs. MVPC has teams working on ministries in Africa, the Middle East, and Latin America. The church is also active with support and people power for Habitat for Humanity, Feed My Starving Children, Rainbow Acres, Ecumenical Chaplaincy for the Homeless, Phoenix Rescue Mission, Shepherd's Warehouse, Shoebox Ministry, UMOM/New Day Center, Unlimited Potential, and Vista del Camino. We are grateful for this witness of MVPC to be the hands and feet of Christ in the world.

## Discernment

According to documents provided to the AC from the church, MVPC and their leadership have been concerned for a period of time about the direction of the PC(USA). In the past, MVPC had been what is often called a “big tent” church where a variety of viewpoints were honored and respected. They still feel they are that kind of church. However, in recent years, with the change in the definition of marriage and other decisions by the General Assembly, members and staff became restless about their continued affiliation with the PC(USA). MVPC, both leadership and members, stated that the church had become overly involved in political debate and decisions, especially related to Israel, divestment, and fossil fuels. There was the feeling that the church had abandoned its reformed standards of belief and practice (essential tenets), especially in the interpretation of scripture and beliefs about Jesus. These issues continued to weigh on the congregation. These issues weighed on the congregation until they decided they needed to leave.

Members of the staff and session attended a meeting of The Fellowship Community of Presbyterians in 2013 and decided to join The Fellowship. From that time on, they began a season of discernment which they did on their own, with very little support or involvement of the Presbytery of Grand Canyon. There was also the feeling that the 2014 GA’s decision not to allow special presbytery groups for our more conservative churches was a critical decision that made MVPC feel unwelcome in this branch of the reformed family. They prepared documents for the congregation to read, had some visits from some presbytery pastors, held about eight church-wide gatherings, including Q/A and small group discussions, town hall meetings, and in the Fall of 2016, had an unofficial straw poll, which indicated that of the about 300 people present, 86% agreed with the idea of dismissal. There was also some pressure on session and staff from about 100 members saying that they wanted the church to leave the PC(USA) or they would leave the church.

Following request for dismissal by the session of MVPC in Feb. 2017, the AC was appointed and began to work in March. Since that time, the AC has done the following:

- The AC met with the session (without the pastors present) and with a group of members in the gallery. The session was strong in their unified desire to leave the PC(USA).
- The AC met with all of the staff to discern their feelings about leaving the PC(USA) for ECO, and, to a person, they support the plan. At this time, Pastors Steve Beard and Kirk Sexton will be seeking membership in ECO. Pastoral Associate Lyn Corazin is not seeking to move.
- The AC conducted a survey of the congregation to determine their support for the possible dismissal to ECO. The survey was conducted electronically and by mail for those who did not have such service. The results showed the following:

Total Responses	370 = 39.5% of the congregation of 935
In favor of Dismissal	299 = 80.8%
Those against	49 = 13.2%
Those undecided	22 = 5.9%

- Due to the summer and the fact that many members of the church were not in town, the AC delayed having small group gatherings to hear further from the congregation in person. In late August and into September the AC held several small group gatherings to listen to members. Not many people came, having felt the survey told their stories. About 25-30 people came to say they wanted to leave, and in another setting, a small number of members came to talk about why they wanted to stay in the PC(USA).
- From the meetings and the surveys, it was clear to the AC that a strong majority of the congregation wish to leave and become part of ECO. On the other hand, it was also apparent from comments on a number of surveys and in letters sent to the AC, that once the church joined The Fellowship, the “die was cast” and the leadership of the church was moving strongly in the dismissal direction. Some members felt that things were “orchestrated” in such a manner that minority voices were not given a fair chance to be heard, or that other voices from the PC(USA) were not fairly represented in the presentations given to the congregation. These people observed other members leaving or drifting away during this time. Having said that, most of the minority have a sense of resignation that there is little they can do about it--it is too late. They regret greatly, that the church will have to pay settlement fees to leave when something else could have been done.
- An appraisal of the property was done, which includes the sanctuary, office and classroom building, the fellowship hall, kitchen and other classrooms. There is also an office building the church owns next door to the church, which is now called the Life Enrichment Center. Part of that office complex is leased to outside parties. The value of the church property is:

MVPC Church, Sanctuary, Fellowship Hall, etc.	Hayden Square/Life Enrichment Center
\$3,460,000	\$1,900,000

Total Value of all Property: \$5,360,000

Current Church Indebtedness on the property is: \$1,375,042

## Issues for Consideration

1. As noted in the narrative above, MVPC has been well supported by the PC(USA), beginning with the purchase of the property and continuing with program funds to help support the ministry in the first four years.
2. The church received loans from the Presbyterian Church to assist with their first building project, \$150,000 of which were eventually paid by the church. Later, due to the program demands of a growing congregation, a second building program was carried out in January, 1988, which included the addition of a fellowship hall and classrooms. This necessitated two significant loans that were provided at a low interest rate through the Presbyterian Investment and Loan Program (PILP) in 2003 for \$1,720,000 and \$1,608,500. The presbytery co-signed the loans and the synod made an investment with PILP to help MVPC secure a lower interest rate. These loans were later refinanced through Mid-First Bank at the time the church expanded their campus with the purchase of the Hayden Square office complex next door. The church leases some of that building to off-set loan payments.

3. MVPC has a private foundation, which has a balance on May 31, 2017 of \$655,101. This fund has been designated for three projects: Seminary Scholarships, African Mission projects, and a significant gift of \$500,000 for the Beatitudes Special Needs Ministry. Due to the designated nature of these funds, they are not considered for this process. The church also has other significant investments and cash, over \$1,000,000. Much of it is designated for maintenance projects and other specified program, so it is not considered.
4. Other Assets: MVPC has money (\$186,000) that was given by donors, on behalf of the church, to the Presbyterian Foundation of the PC (USA). Currently, the church receives a yearly income stream of \$7600 from that fund. However, if the church leaves the denomination that income stops and, because there is no contingent beneficiary, distribution of those funds becomes the discretion of the foundation in consultation with other governing bodies of the PC (USA).
5. Because there is a significant mortgage on the property, the AC feels that it is fair to consider the equity value of the property when determining a settlement amount. The following calculation is used to address the Trust Clause of the PC(USA). The market appraisal (\$5,360,000) is made up of 25.6% debt (\$1,375,042) and 74.4% estimated equity (\$3,984,958).
6. In 2015, MVPC reduced the amount it paid to per capita, owing \$33,549.75 for that year. The church did not pay per capita in 2016 (\$50,286) or in 2017 (\$42,398). The total due is \$126,233.75.
7. The Gracious Dismissal Policy of the Presbytery of Grand Canyon and the Trust Clause of the Book of Order require that the AC take into account the value of the church's property. The AC also recognizes the place of history that allows the congregation to get to the place where it is today, due to the support of the denomination. The AC also recognizes that all congregations emerge and grow from the collective gifts of God's people, including the direct gifts of the congregation (their labors or their money), gifts from other congregations (furniture, supplies, sharing of staff and support from groups such as Mariners), and support from the larger church (presbytery, synod, and GA). All of these partners have helped to make Mountain View Presbyterian Church what it is today.
8. The AC affirms that the pastor, Rev. Steve Beard, and associate pastor, Rev. Kirk Sexton, desire to leave the PC(USA) and become members of ECO, and that the pastoral associate, Rev. Lyn Corazin desires to retain her membership with the PC(USA) at this time.
9. The AC also affirms that MVPC desires to leave the PC (USA) and become a member of ECO.

### **Therefore: the Mountain View Presbyterian Church Administrative Commission concludes:**

#### **Proposed Dismissal Terms:**

In keeping with the Gracious Dismissal Policy of the Presbytery of Grand Canyon and in keeping with the charge to our commission, especially item (e): "in consultation with the session, to seek a mutually agreeable proposal for the disposition of all property, contents, and historical documents, with the aim of furthering the mission of Christ through good stewardship of resources." the AC proposes the following:

1. That Mountain View Presbyterian Church be dismissed from the PC (USA) and allowed to become a member of ECO when the way is clear.

2. That MVPC and the Presbytery of Grand Canyon feel a strong calling to care for members who do not wish to leave the PC (USA). Some may stay at MVPC. Others may wish to become members of a different church. We will jointly care for them, no matter what their decisions are. For those who wish to stay in the PC(USA), their membership can be transferred to the Presbytery of Grand Canyon while they look for a new church. The AC has communicated with all members whom they know are beginning are beginning their search for a new church home.
3. That the church's pastor, the Rev. Steve Beard, and associate pastor, the Rev. Kirk Sexton, also be allowed to transfer their status as teaching elders to ECO, when the way is clear.
4. That the church's pastoral associate, the Rev. Lyn Corazin, will remain with the PC (USA). The AC affirms her desire to continue work at MVPC, and, in keeping with the Gracious Dismissal Policy, her name will be kept on the roll of Presbytery of Grand Canyon as a teaching elder for 2 years, or until she makes other plans.
5. That MVPC will pay the approximate \$7,000 of costs related to the dismissal process:
  - \$4,000 – Appraisal Cost
  - \$ 500 – Cost for Administrative Commission operations (approximate)
  - \$1,500 – Cost for copying all of church documents for historical records –all records concerning members, session and congregation minutes, lists of officers/pastors, all legal transactions, etc. (approximate)
  - \$1,000 – Cost for transfer of property ownership to Mountain View Presbyterian Church (estimate)
6. That MVPC will pay the presbytery 10% of the equity value of the buildings(\$3,984,958 x .10 = \$398,496).
7. That the Presbytery of Grand Canyon will gift to Mountain View Presbyterian Church 90% of the value of the property, which is: \$3,984,958.
8. That in addition, MVPC will pay \$126,233 of outstanding per capita.
9. Concerning the \$186,000 in the Presbyterian Foundation for which there is no contingent beneficiary: The Presbyterian Foundation will make no decision about funds and the interest now given to MVPC until the final settlement for dismissal is signed. Once the church leaves the denomination and documents are filed with the foundation, the foundation will issue a ruling as to whether the beneficiary is the presbytery or someone else.

Therefore, the AC agrees that if the Presbytery of Grand Canyon receives the benefit, the presbytery will refund \$31,729.75 to MVPC. If there is no benefit to the presbytery, then the question is ended, knowing that some other entity received the benefit.
10. That MVPC agrees to pay the full amount of the settlement at closing.

**Total Settlement Amount:** \$531,729.75, subject to the contingency in item 9. Funds from the property settlement will be placed in the Endowment Fund of the Presbytery of Grand Canyon. Per capita funds will be deposited in the Presbytery General Fund to reimburse funds that have already been paid to synod and GA.

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The Administrative Commission is grateful for the continued work toward a gracious dismissal process for this church. Both the session, their negotiating team, pastoral staff of MVPC and the AC have tried to work together to the glory of God and for the future of both the church and the presbytery, which is not easy in these situations. Both parties have appreciated the spirit and effort of all involved.

Members of the Commission are: Ken Page, David Hodgson, Jan Palmer, Joan Fenton, Craig Weber, Gloria Young, and Ed Spence