

# Northminster Presbyterian Church Administrative Commission

## Final Report – March 25, 2017

**Introduction:** This Administrative Commission was tasked by the Presbytery of Grand Canyon to determine whether the congregation of Northminster Presbyterian Church was in agreement with its session to seek dismissal from the Presbyterian Church (USA). And if that was found, the Commission was instructed to develop the terms of the settlement and the dismissal to another Reformed denomination. This commission acknowledges Northminster's more than 50-year of Christian ministry, witness and service. God has called this community of faith to proclaim the Gospel of Jesus Christ decade after decade since the Reverend Paul Moser first brought a fellowship of believers together in 1962 and guided it through early property issues, relocation and re-establishment as Northminster. The church came about during dramatic post-World War II years of new churches and Phoenix explosive growth.

Through a 19-month process and journey, this A.C. determined the clear choice by the Northminster congregation to be dismissed from the PC(USA) and to formally join the Covenant Order of Evangelical Presbyterians, or ECO under the terms of the Gracious Dismissal Policy, adopted in November 2015 by the presbytery. Parties were guided by the trust clause of the PC(USA) to be faithful to the fiduciary responsibilities with regard to the assets of Northminster. The trust clause states that:

"As a Presbytery, we recognize that chapter 4 of the Form of Government (FOG) states that except where otherwise provided, 'all property held by, or for, a particular church, a presbytery, a synod, the General Assembly of the Presbyterian Church (USA) is held in trust nevertheless for the use and benefit of the Presbyterian Church (USA).' 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-4.02; G-3.0303f)."

### Background

Northminster Presbyterian Church in Phoenix traces its beginnings to 1960 when the Presbytery Extension Board made a study of northwest Phoenix and found it to be a growing area for the potential to establish a Presbyterian church. Church history says they could not find a location where a fledgling fellowship could meet. The board, instead, decided to find a tract of land and build the church. Selected in the spring of 1962 was a site just south of Greenway Road. There, a small building was erected at a cost of less than \$12,000.

The Rev. Paul Moser of Ketchikan, Alaska, was organizing pastor. He moved his family to Arizona, and, in the summer of 1962, he began calling on people in the area for a new congregation. The first worship service was held on September 23, 1962. It was called St. James United Presbyterian Church.

Under the leadership of Rev. Moser and a steering committee of four people, a Sunday school was organized, membership class begun and vacation Bible school started. The church saw growth, then it hit a snag with the construction of Black Canyon Highway (I-17). St. James was just west of highway, but the exit to Greenway was cut off, and "new people were unable to find a way to church," and all found it inconvenient, according to church history. Talks with highway officials for a solution went nowhere. The Presbytery advised relocation to a new location. "However, there was a financial obligation on the small St. James congregation for the church and land which made the move impossible," according to church history. "Resolution to the problem came from the Presbytery." The congregation was dissolved, relieving the church of the financial obligation. "They then ordered a new church to be organized at a new location and a new identity." St. James was dissolved, and subsequently, on March 27, 1966, Northminster United Presbyterian Church was organized with Rev. Moser continuing as pastor. They met at Cholla Elementary School and had 94 charter members.

The Rev. Robert F. Clark was installed as pastor on February 2, 1969. Thereafter, funds were raised and the land was purchased at the northeast corner of 35<sup>th</sup> Avenue and Sweetwater Avenue. Their first services in their unfinished multipurpose building was on May 23, 1971. For 13 years, they used that building for worship,

fellowship and recreation and classrooms. A lower level was divided into offices and classrooms. The educational unit and fellowship hall were completed in December 1976. The upper levels and patio area were demolished in October 1984, and the present sanctuary, narthex and offices were constructed. First worship there was July 7, 1985.

Rev. Clark departed in June 1986, and Dr. James Van Dyke was interim pastor for one year. The Rev. Don Waite was installed in 1987. Successive pastors have been the Rev. Bob Furer, the Rev. David Choate, and the Rev. Dave Huskko. The Rev. Wayne Kirk served from May 2011 through June 2015. The Rev. Richard Klaus, who is not affiliated with the PC(USA), served as temporary supply pastor from July 2015 to November 30, 2016. The Rev. David Walker, a retired Presbyterian Church (USA) pastor, was appointed moderator of the session in May 2016 and continued through January 24, 2017. The Rev. Stephen Roosa, an honorably retired PC(USA) pastor, who began Jan. 1, 2017, as stated supply, was named additionally as moderator by Commission on Ministry action on January 24, 2017.

The church's sums up its purpose as "Proclaiming the Word, Teaching the Way, Healing the Broken" (Matthew 4:23).

The church had 97 communicant members, as of December 31, 2016. Membership declined from 132 to 114 in the year ending Dec. 31, 2015. Membership stood at 146 in 2004 and stayed steady through 2011 and has declined since. Worship attendance typically ranges from 60 to 85.

The church's 2016 Annual Report financials showed total revenue of \$177,022 and total expenses of \$179,557 for a deficit of \$2,534. The report said for 2017, "member pledges are thirty thousand dollars (\$30,000) lower than in 2016." Northminster's 2017 budget statement showed pledges of \$95,884 and budgeted income of \$114,774, with another \$60,900 in "not budgeted income," included \$50,000 in transfers from special funds.

The church currently holds \$49,560 in the Chris Harri Fund. A number of Phoenix-area Presbyterian churches have been receiving regular funds from the bequest of pioneer farmer Chris Harri, who sold his land holdings to Del Webb Corp. before he died in 1971 (Christown Mall Shopping Center was named for him.) The 2016 report noted that for the 2017 budget, "Chris Harri Trust special funds, as well as Outreach special funds, will be used to support the maintenance and mission of our church."

The church carries a mortgage with BMO Harris Bank of \$79,726. The church is scheduled to pay \$4,300 in interest this year on that loan.

A Corporate Summary of Northminster, according to presbytery records, show mortgages and loans were granted to the church by the PC (USA) General Assembly or Synod of the Southwest or Presbytery of Grand Canyon or guaranteed a loan when granted by community financial institutions. The total of 30 citations, spanning 1965 to 2013, total \$709,497. Although the Northminster congregation paid all those loans in full, they clearly reflect the supportive legacy the PC (USA) has provided to this congregation across more than 50 years. Northminster has a long history of mission outreach. The 2016 report noted the church's food bank gave out 75 tons of food during the year, with about 2,000 guests coming for food. It cooperates with St. Mary's Food Bank to carry it out. Children at Sunshine Home are provided with food, clothing and personal care items. In 2008, the church began its Military Recognition Center to recognize and support anyone serving in the military and associated with families of the church. Care packages are sent to the service personnel at Easter and Christmas,

Their Veterans on Patrol project involves taking for food to a village housing veterans. Northminster hosts meetings of Alcoholics Anonymous and Al-Anon. Model A Club meets on the campus. Members support Samaritan's Purse through a Fry's store arrangement.

### **Discernment Issues:**

The Northminster Session, moderated by the Rev. Don Waite, crafted and adopted a two-page resolution on May 11, 1994, with 19 "whereas" statements denouncing the 1993 'Re-Imagining God Conference' in Minneapolis. It asserted the conference "went beyond the bounds of 'Christian'." It noted that some Northminster members were withholding funds as a "protest of last resort and a matter of conscience." They resolved "that the Session will not remit that portion of Per Capita Apportionment designated for the General Assembly of any active member who request such action in writing..." In addition, "all mission-giving to General Assembly will be designated for specific projects and no funds shall be remitted that are not so designated." The church's action "shall remain in

force until such time that the Session is assured that a new system of accountability has been placed that shall prevent the future misuse of Presbyterian funds....”

The Session voted 5-0 on December 16, 2014, that “Session enter into a ‘Time of Discernment’ and to so inform presbytery of that action.” A letter was sent to presbytery on December 17, 2014, to that effect. A series of meetings for discussion occurred over the following months. The Session voted March 24, 2015, to call a meeting of the congregation. At a special congregational meeting on April 26, 2015, convened by the Rev. Wayne Kirk, a vote was taken on whether NPC should leave the PC (USA) denomination. The vote was 75 to depart and 3 to remain in the PCUSA. There were 78 voting. Elder Hilbert Schouten, a member of the Commission on Ministry, was present to observe the meeting and vote. In August 2015, the Northminster Presbyterian Church Administrative Commission was constituted with seven members and held its first meeting Sept. 15, with Lawn Griffiths chosen moderator and Mary Danforth as clerk.

The commission held its first meeting with the Northminster Session on Sept. 22 to discuss the process, under the Gracious Dismissal Policy, and to explain that the A.C. would be undertaking its own discernment to ascertain the will of the congregation. A nine-question survey was prepared to allow each individual member a chance to describe his or her level of involvement in the church, the degree to which each was involved in the congregation’s season of discernment and members’ reasons for wanting to leave. Initially the surveys were made available to the congregation in the church narthex, but the A.C. ordered a mailing to all on the church membership listings for return to the presbytery office. In the end, 77 surveys were received (42 at the church and 36 through the presbytery office). They showed 70 “yes” for leaving; 2 no’s; 2 undecided and 4 “no response.” Thus 92.2 percent of responses were for departure. It closely matched the March congregational straw vote (75-3). Other data showed 37+ years of average Presbyterian membership and an average of 21 years at Northminster. All written comments were consolidated into a document. Respondents typically were at church two or three times per week and had held numerous leadership and volunteer roles. One observation was that almost no one except the clerk indicated holding roles at the presbytery or synod level, a troubling sign of lower connectionalism. Typical written responses: “We believe the PC(USA) is moving in a direction that is not biblical”; “same-sex marriage, ignoring the Bible’s admonition that marriage is between a man and a woman, treatment of Israel”; “allowing pastors to be part of homosexual unions”; “Presbytery has gone ‘modern,’ not biblical; and “we are very conservative and Bible-based. We believe the Bible is God’s Word to us. We should not be changing his words for our own purposes.”

While the members of Northminster were invited to group meetings for face-to-face sharing with A.C. members, participation was disappointing. Just 13 attended the Oct. 11, 2015, gathering after worship; and 8 attended one on Oct. 18. Other times were made available but no one opted for them. Some of the comments: “G.A. strayed too far and went over the edge, and we want to leave the PC(USA)”; “the Word of God has been updated and reinterpreted by G.A. actions”; “angry about the redefinition of marriage”; “G.A. actions are betrayal and unforgiveable”; “gay ordination is inappropriate”; “gay marriage is not an issue”; “don’t like the political correctness that the G.A. is taking”; and “does PC(USA) ever take a firm stand on anything?”

The A.C. informed the church that members wanting to stay with the denomination to directly contact A.C. members to talk about. There were no responses. The findings were shared with the full A.C. at a meeting on Nov. 17 where there was consensus that Northminster should be enabled to depart, that the congregation clearly wanted to continue to work for Christ in its neighborhood, but there was no viable remnant for staying with the PC(USA).

### **Issues for Consideration:**

The Presbytery ordered a professional appraisal of the Northminster property. Valbridge Property Advisers conducted the on-site appraisal on November 19, 2015, and issued its appraisal on the 3.03 acre campus on December 1 in an 81-page report. The market value was determined to be \$1,950,000, which was not been challenged.

The A.C. reviewed the findings and determined that it was the overwhelming will of the Northminster to leave the PC(USA). Two A.C. members met with the Session on December 15, 2015, to provide a summary and the numbers from its discernment work. The session formally received the results and formally voted to affirm that report. The Commission instructed the session that it would need to provide a letter from a Reformed denomination and that the A.C. would request financial and other materials to use to develop a settlement plan. An examination of Northminster's payment of per capita going back to 2004 showed the church essentially sharply reduced and quit paying it for the 2007 year. There were five years from 2008 onward when no per capita was paid. Presbytery Mission giving was \$500 from 2004 to 2008, nothing the following year, \$750 for two years and no more than \$25 per year for the last four years.

### **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 administrative commission proposes the following:

1. That Northminster Presbyterian Church be dismissed from the Presbyterian Church (USA) to become a member of the Covenant Order of Evangelical Presbyterians (ECO) following affirmative action by the Presbytery of Grand Canyon and any required administrative steps.
2. That the stated clerk of the Presbytery of the West of the Covenant Order of Evangelical Presbyterians informed Presbytery of Grand Canyon by letter, dated September 3, 2016, that it assumes ecclesiastical authority for Northminster upon the church's dismissal from Presbytery of Grand Canyon.
3. That Northminster Presbyterian Church, whose property was appraised at \$1,950,000, will pay the total sum of \$192,000, of which \$6,250 will be for administrative commission costs and \$185,750 for the property at 13001 North 39<sup>th</sup> Avenue, Phoenix.
4. Upon approval of the agreement by presbytery, the title company will complete the signing and recording of necessary documents. At that point, Northminster must provide \$6,250 to cover the expenses of the administrative commission.
5. Northminster will make annual payments across a 10-year period, without interest, for the property, beginning January 1, 2018. A payment of \$18,575, will be due each January 1, with the final payment due on or before January 1, 2027.
6. Northminster reserves the right to pay any remainder of the amount due as a lump sum during that time period to complete payments.
7. If Northminster Presbyterian Church, at any time within those 10 years, determines it can no longer meet the costs of operating at its campus at 13001 N. 35th Avenue, Phoenix, Arizona, but seeks to re-establish itself elsewhere, the campus would be sold by the Presbytery of Grand Canyon, with one-half of the proceeds conveyed to the Northminster congregation and one-half of the proceeds remaining with the Presbytery of Grand Canyon.
8. Should Northminster be unable to meet its financial obligations, per this settlement, it will be allowed to continue use of the building and grounds, rent-free, until the property is sold. Northminster must continue to maintain the buildings and grounds during that period.
9. Presbytery of Grand Canyon shall be removed as the guarantor of Northminster's outstanding BMO Harris Bank loan following presbytery's approval of this settlement.
10. We propose that the Presbytery of Grand Canyon take action to approve the above financial terms of dismissal for Northminster Presbyterian Church so that the church can pursue the refinancing of their existing PILP loan and pay off that loan. We ask for a period of 45 days for the church to complete this process. This agreement will not be complete until the loan is approved and all documents are signed, all fees and costs are paid (\$6,250) and approved by the title company handling the Presbytery's property issues. At that time of closing, the title to the property will be signed over to Northminster Presbyterian Church.

Total Settlement: \$192,000

**Members of the Northminister Administrative Commission:** Art Campbell, Jerry Chruma, Mary Danforth (clerk), Lois Hidenbrand, Kathryn Owens, Pat Young and Lawn Griffiths (moderator).