

**United Methodist Union of Greater Detroit**  
**Report of the Executive Director**  
**to the Board of Trustees**  
**January 27, 2010**

**Introduction**

Not being a farmer....or even a gardener....I know very little about seeds. My maternal grandparents had green thumbs. But their genetic imprint skipped my generation. My thumbs are brown. As a pre-schooler (living with my grandparents while my father fought in Italy), I learned about creating a 3 inch deep trench, planting one seed every four inches, and covering every seed with dirt....by hand....on my hands and knees. Jesus, however, said scatter the seed. Broadcast it, widely and wildly. Don't sweat the soil. What will be will be. So who was right? My grandparents (who were nominal Catholics) or Jesus? I suppose it depends.

But while you're pondering that, let me tell you about a seed that took, although it was 16 years in the growing. In 1993, Bishop Judy Craig called me into her office (how anxiety-laden was that?) and asked me to chair the capital campaign that came to be known as "Pass it On." Which I did (I mean, what choice did I have?). Joined by Jay Hook, I stumped the state for two years. Resource Services Inc. of Dallas signed on as our professional consultants. Practicing what I was preaching, my own church "ponied up" for a million dollars. All told, when interest was added, we raised six million. The next time you visit any of our camps, stay in Lake Huron's wonderful Littleton Lodge or visit one of the new churches, recall "Pass it On."

As concerns church starts, six were dreamed and four were planted. I have had some interesting linkages with all four. An early investment was with Arise UMC in the Hamburg/Pinckney area of the Ann Arbor District. Long after the campaign was history, I got my Birmingham congregation to kick in some additional funding. I even preached their Consecration Service and (later) conducted a finance campaign for Rev. Doug McMunn after he moved from Arise to Oxford.

Early on, I was passionately hopeful for Exousia UMC here in Detroit, even to the point of doing some heavy lobbying with then District Superintendent Rev. Linda Lee. To my sad surprise, one of the first things I learned when I came to the United Methodist Union was that Exousia was no longer in Detroit and (in a matter of months) would no longer exist at all. Today, the retro-fitted store fronts on East Seven Mile Road (Exousia's last Detroit home) are one of the properties I try to keep rented while lamenting the economic loss they are going to represent when (and if) they are ever sold.

As for Macomb Community UMC, I had virtually no connection at all until recently. Then I began working with Rev. Duane Miller here on the 15<sup>th</sup> floor. Duane launched this congregation.... rather effectively, I might add. But then a series of bureaucratic decisions (at Party Central) moved Duane to Caro and merged the new church with an existing one, creating New Hope UMC. Last week I entertained a call from Rev. George Spencer (whose mother was my congregant in Birmingham). The bank that holds their mortgage collapsed and I am in the middle of helping them find a new deal.

Which brings me to Canton Friendship UMC. Seventeen years ago I was in Rev. Mike Norton's church in the thumb...a merger of three churches (Snover: Moore, Trinity and Elmer). I was appealing for Pass it On pledges. Subsequently, Mike started our new congregation in Canton. For the last 12 years, Canton Friendship UMC has been a "road show" (no permanent home). On Sunday, January 17<sup>th</sup>, they had the first of five grand opening Sundays in their brand new building. I was there....along with over 350 others. Why did I show up? Because I like Mike Norton. Because I love a good story. And because (through the Extension Fund) I've got a \$750,000 "skin in that game." On the way home, I smiled. Somewhere in Slovenian heaven, grandma and grandpa did too.

Now, on to more pressing matters:

### **1. Update: 2009 Apportionment**

As of Monday, January 25, 2010, we have received \$114,246.20 in 2009 apportionment payments from 85 of our 94 churches. In 2008, we received apportionment payments in the amount of \$134,888. We subsequently reduced our “askings” of the churches by 20% for 2009, which would suggest 2009 receipts in the amount of \$107,912. All of which indicates that we have enjoyed a better response than might otherwise have been projected.

### **2. Update: The Movement of our Office**

Having followed this conversation for many months, you are familiar with its history. So what’s new? The following is new.

- A. Our present office building (North Park Plaza) is now officially in foreclosure and has been taken over by the Bank of America. A property manager from Chicago has met with the few remaining tenants. Very little has changed that directly impacts us. The terms of our lease (which expires July 31, 2010) are being honored. Basic services are being addressed, with minimal improvements noted.
- B. We will vacate our offices when our lease is up and move to Metropolitan UMC in Detroit (8000 Woodward Avenue).
- C. Negotiations with Metropolitan are ongoing. I met with these folks in December. Rev. John Lee and Rev. Duane Miller joined me for another meeting on January 21, 2010. We are close to workable agreements on first floor office space for the United Methodist Union and both Districts. Initial cost projections would appear to be in a ballpark deemed “workable.”
- D. Negotiations must now be expanded to include additional representation from our Board as well as from the leadership teams of the Detroit East and West Districts.
- E. Following a formal lease agreement (which ought to be in place by April 15, 2010), we will need to initiate any changes in our physical space to better accommodate our operations. Drawings and schematics, however, could be undertaken at any time.
- F. It appears that the Districts will sign lease agreements with Metropolitan that are similar to, but separate from, ours (a mandate of the Conference Board of Trustees).

### **3. Update: Bloomfield Hills: St. Paul UMC**

Following our December 2009 approval of a temporary adjustment of terms for this congregation’s accumulated debt to the United Methodist Union, the Wesley Fund and the Conference Extension Fund (in excess of \$450,000 total), some response has been made by the congregation.

- A. \$16,949.00 has been received through January 25, 2010 at irregular but frequent intervals. As per our agreement, all payments made through March 31, 2010 are used to reduce the principal owed to the United Methodist Union...the smallest of the debts (less than \$25,000).
- B. The congregation is using the month of February to engage in a dual campaign to underwrite its operating expenses with pledges and inspire its members to “give toward our loans out of investment income.” To that end, Detroit East District Superintendent Rev. Duane Miller will offer a motivational presentation at worship on Sunday, February 28, 2010.
- C. Serious conversations are taking place at the Cabinet level relative to making St. Paul UMC

a less-than-full-time appointment, therefore reducing the dollars spent on pastoral compensation and making additional dollars available for debt repayment.

While not every one of the 8 provisions in the December 2009 agreement has been met in full, this is the first sign of progress we have seen in a long time.

#### 4. Updates on Capital Projects Previously Approved

A. **Trinity Faith UMC:** Gee and Missler (the firm currently working on the massive heating and cooling project in Wyandotte: First UMC) did install new controls in the Trinity Faith boiler system in the amount \$4,993.31. This project (split \$3,000 grant and \$1,993.31 loan) has enabled the church to successfully regulate its temperatures, to their great satisfaction. The loan portion of this amount is being addressed by a Promissory Note (two years at 4.25%) while awaiting additional work which may lead us to re-open their present mortgage.

B. **Royal Oak: St. John's UMC:** Even as we gather, work is continuing on the roof by Kearns Brothers Inc. The cost for this project is \$15,000 (\$3,000 grant, \$12,000 loan) at 4.25% over 10 years with a \$122.93 monthly payment for this new mortgage.

C. **Christ UMC, Detroit:** With three bids in hand, a bid of \$34,800 from American Standard Roofing was accepted to rework four sections of flat roof on the education wing. This will be a mortgage-based loan at 4.25% (amortization rate yet being negotiated). There is no grant associated with this loan, due to the \$8,000 grant recently provided to re-start utilities. The future of this church is most precarious. The "renter/savior" still exists but has not stepped up to the plate with any money. Our investment in the roof is primarily to protect future interests.

D. **Second Grace UMC, Detroit:** After multiple delays, this congregation closed on its purchase of an entire city block of Joy Road property, adjacent to the church and across the street from the Joy-Southfield Clinic and Community Development Center. The purchase price was \$97,661. We gave them a \$10,000 grant. We also covered \$35,000 in second-mile pledges which is due to be paid to us this week. The remainder is being added to the present mortgage they already have with us (with no change in terms or length of contract). We will also include in their loan the difference between the actual purchase price of \$97,661 and the approved amount of \$110,000. This amount will be used to improve the only building located on the new property. We have been working on this deal since last July 2009, when the purchase price was nearly \$400,000.

E. **Peoples UMC, Detroit:** A flood (fortunately minor) damaged controls and wiring related to the boiler. The building was suddenly without heat. Pipes were in jeopardy. The church called HVAC which had worked on their system before. I called Allen Gonte who has done much work for us. Allen visited, inspected, confirmed and bid. Their company was competitive and available (immediately). The work had to be done. The cost was \$4,480.00. I agreed to a split (½ grant, ½ loan). We are currently working out a 4.25% short-term Promissory Note. But the building is safe and the people are warm. Will you ratify my action?

#### 5. Update: Soul Harvest Ministries

Please read carefully the enclosed letter to Bishop Lewis and Rev. Lynda Evans of Soul Harvest ministries (dated January 20, 2010). This reflects a conversation in my office which was held on January 11, 2010. It also reflects legal actions authorized at our December 2009 meeting (to which Zac Eskau will speak). We have three options before us and could certainly reject them all and choose another route. Given our second position to Comerica Bank, coupled with a low appraisal on the

building, this does not seem to be a time to hold out for the impossible. I recommend we settle before any more time elapses, the congregation dwindles and the property further declines in value.

**6. Update: lawsuit involving a former employee of a Michigan Masonic organization, Scott Memorial UMC, the General Board of Global Ministries, the United Methodist Union, the Extension Fund**

We have been named in a lawsuit that has “trailers” deep into the past. This dates back to when Scott Memorial church was still in Detroit on the corner of Kirby and St. Antoine. It involves a question of title (clear or unclear) at a time of sale. It would appear that Greco Title Co. also plays a major role in this claim. Our attorney Barbara Ulman, is on the case and I will have the latest verbal update of her analysis when we meet. She has filed to have us dismissed from the claim.

Respectfully submitted,

Handwritten signature of William A. Ritter in black ink.

Rev. Dr. William A. Ritter  
Executive Director