



## BOARD OF DIRECTOR'S MEETING MINUTES

Tuesday, October 2, 2018

5:30 pm

CLC Room 200

### **Attendance**

**Board Members:** Missy Albachten, Diane Burrow, Joy Englund, Chad Caswell, Camilla Fischer, Dan Foberg, Mike Heidemann, Erin Persons, Barb Peterson

**Staff:** Jeff Marian (absent), Jane Victorey, Julie Klein

### **Call to Order**

Mike called the meeting to order at 5:35 pm and Camilla provided devotions.

### **Agenda**

*Motion by Dan to approve the agenda with flexibility; second by Joy. Motion passed.*

### **Approval of September 4, 2018 Meeting Minutes**

*Motion by Barb to approve the minutes of the September 4, 2018 meeting; second by Erin.*

*Motion passed.*

### **Reports**

- **Lead Pastor Report – Jeff**

Jeff was invited to attend the inaugural Hogenson Leadership Institute event in Jackson Hole, Wyoming, and was not present for the Board meeting. The leadership experience for non profit and business leaders was sponsored and funded by a foundation established in honor of Pastor John D. Hogenson who died from cancer in 2017.

- **Finance Director Report – Jane**

Year to date offerings are short of budget by approximately \$64,000, of which \$38,000 are projected stock gifts that are still anticipated. Attendance was off this summer about 4% vs. last year. There are a number of potential causes of lower attendance including cancelling outdoor worship, the great weather for those who wanted to get away on a weekend, and the inconvenience of construction. We will be watching September and October offering and attendance numbers closely. We also had the push for additional gifts to construct the shell of the Chapel space, which might have impacted other giving.

Expenses are better than budget, with salaries and benefits below budget with a few positions open. We will run very close to a break even budget, not including the \$132,000 capacity built into the budget this year for future debt.

MegaSale income and expenses were difficult to project this year with a smaller scope sale operating out of one building. The sale net proceeds were about \$38,000 this year. Because of the smaller scope and uncertain revenue, the decision was made during the budget process last spring to limit the use of the decreased revenue to just POP ministry and Mission Outreach. The MegaSale has evolved over the years and the Board will need to continue conversation on scope of future sales and distribution of net revenues.

- **Capital Campaign Update**

Campaign commitments have been received from 751 households. Commitments to date total \$6,926,111. There are 935 families now participating in the One Church campaign – with either pledges and/or giving to the campaign.

Total new pledges and gifts for the \$230k Chapel match were \$330,921. There were 208 families who contributed, including 63 families who had not committed to the campaign before. Several families had no giving record ever prior to their matching gift. Total campaign giving to date is \$4,630,946.

- **Land/Building Update**

Our loan closed on September 17. The maximum debt is \$9M per the loan terms, but projections are to keep construction financing below \$8M and final debt below \$6.9M. We are locked into the current interest rate until September 2023.

Total construction costs to date are \$1,542,950, campaign and soft costs are \$110,483, and \$464,035 remains in bank/sweep accounts towards construction expenses, plus escrow with the title company of \$2,513,205. Of the construction expenses, \$175,000 is for escrows paid to the city that will be returned within one year of the end of construction.

Excavation is complete for the basement, and footings and framing have gone in. Excavation work for the chapel space has started, but we still have 3 high voltage lines to be moved. We are responsible for the \$19,000 cost, though Dakota Electric will absorb the cost of installing a new transformer.

The 1982 interior is now completely demolished including most plumbing, electrical and mechanical systems. There is some steel in the 1982 addition that will need to be removed, and this is waiting until the new steel is delivered, likely by mid-October. Once the new steel is in place the remaining demo of the outside of the building can be done at the door B entrance. Interior framing had been scheduled this month and has been delayed until the steelwork is done, as it would be more efficient and economical. This will not delay our project. The extensive rain has probably delayed us up to a week, but we remain on track to complete the Phase 1 work close to Labor Day 2019.

*Motion by Missy to receive and file the written reports for October submitted by Jane Victorey, Finance Director and Jeff Marian, Lead Pastor; second by Mike. Motion passed.*

## **New Business**

- **Board Nomination Process**

The Board reviewed and discussed the nomination process for Board candidates, and outlined next steps regarding the nomination timeline including drafting a Nomination Team position description. Chad and Diane will serve as Board representation on the Nomination Team.

## **Adjournment**

Mike adjourned the meeting at 7:25 pm and Camilla ended the meeting with prayer.

Respectfully submitted,

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Julie Klein  
Recording Secretary

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Missy Albachten  
Secretary