



## BOARD OF DIRECTOR'S MEETING MINUTES

Tuesday, January 4, 2022

5:30 pm – via Zoom

### **Attendance**

**Board Members:** Donna Blaul, Camilla Fischer, Mike Heidemann, Diane Horsager, Gene Mickelson, Jay Olstad, Barb Peterson, Marlene Robertson, Josh Tuchscherer

**Staff:** Jeff Marian, Jane Victorey, Julie Klein

### **Call to Order**

Barb called the meeting to order at 5:30 pm and Jeff led the Board in devotions.

### **Agenda**

*Motion by Diane to approve the agenda with flexibility. Second by Donna. Motion passed.*

### **Approval of December 7, 2021 Meeting Minutes**

*Motion by Gene to approve the minutes of the December 7, 2021, meeting. Second by Jay. Motion passed.*

### **New Business**

- **Board Connection Opportunities**

Jay proposed an idea for an opportunity to create more board member visibility and face time with the congregation. The Board will proceed with a plan to be present in the Community Room on Sunday mornings after worship services. This board/congregation connection opportunity will be scheduled one Sunday per month with 2-3 board members present on a rotating basis. Barb will coordinate a schedule.

### **Reports**

- **Lead Pastor Report – Jeff**

Jeff noted the remarkable season of Advent and Christmas celebrations and the remarkable creativity and teamwork of staff. Attendance at Christmas services was between 1300 and 1500.

Jeff has been working with Jason Kramme to network with Shepherd of the Lake, Shepherd of the Valley and Easter Lutheran to begin coordinating our adult education offerings. In phase one we will simply aggregate and advertise our offerings to our congregations. In phase two we will begin to plan together so that we are more cohesive and less redundant in our offerings. If all goes well, additional collaboration will follow, and we will begin to invite other local Lutheran congregations to participate. The vision is to begin to see the nearly 250 Lutheran churches in the Twin Cities as one multi-site church.

After lots of construction delays, we are finally ready to launch the Grand Opening of the new Mission Outpost and Child Care space on Sunday January 23. Staff and volunteers have been working diligently to move things from the Christian Life Center into the new space without interrupting service to our clients. Barb invited the Board to serve as greeters during the Grand Opening.

Barb and Josh had questions about the medical partnership that Mission Outpost has with Dakota Child and Family Clinic. Jeff will follow up with Eric Elton to address these questions.

- **Finance Director Report – Jane**

Offerings are short of budget year to date through November, and overall revenue is down. But expenses continue to track better than budget through November. The most significant budget savings are in payroll costs from open positions, loan expense from the delayed closing on our construction debt, and camps/trips from cancellations and lower attendance. Camps and trips have a corresponding decrease in income. Overall, our net

revenue year to date is running close to budget – which is projected at a \$115,000 deficit for the year. A communication piece went out the beginning of December asking people to catch up or contribute what they can. We have had some response, with some additional giving and some that fell behind and noted with their contributions that they were catching up. December will be the critical month for projecting offerings for the remainder of the year. There is one more week of December giving which is not yet posted, so it is too early to tell how the first six months will end. We can't expect continued savings on expenses as we hire open positions and close on our loan.

Phase 1 costs came in \$500,000 under budget. All *One Church* donations were applied to construction cost, along with \$3.5M of the proceeds from the Christian Life Center sale. This left \$2,586,000 in debt associated with Phase 1.

So far, we have spent \$6.3M of the \$7.55 estimated Phase 2 costs. We have borrowed \$750,000 for Phase 2 to date, and our current debt is \$3.336 M. Our loan could be as high as \$4.8 M at the end of construction. When construction is complete, all capital campaign proceeds through the rest of the campaign (1/2024) will be applied to principal on the debt.

Phase 2 costs include construction expense, architects, Sanctuary and Chapel technology, new main parking lot, and replacement of the parking lot lights. Proceeds from the sale of the Christian Life Center was used toward pay down of Phase 1 debt and costs of Phase 2 construction. Total pledges for this phase are estimated at \$3.8 M, including contributions without a pledge and electronic giving.

Jane has worked with CDLC Director Marie Strain on budget assumptions for next year for CDLC. The state has continuing COVID funding available for another school year. This year our enrollment skewed towards younger students who are likely to return for another year of preschool. The budget projection is for 10-15 more students than we have this year. This is still 15 students below our 2019-2020 school year.

We have set tuition at a 5% increase over this year. This would provide a 3% raise for teachers and aides as we continue to bring salary levels to a higher standard. Between the tuition increase and the increased enrollment projected, preschool is expected to be at breakeven next year. This year Marie applied for a Foundation grant to address their projected shortfall.

- **Construction Update – Jane**

We are on schedule to move from the Christian Life Center building to the Worship Center and be ready to open the week of January 10. The Dental Clinic closed for two weeks to move the server and computers, and get the new space set up. We are in the process of ordering new computers for the Resource Center and additional equipment for the Dental Clinic. New phones have been purchased for the Outpost and Child Care area and staff will be trained in on that system.

Jane will be coordinating with Fairview to give final notice and turn over the Christian Life Center building. This week she will confirm our timeline to be out and provide the 30 days' notice that is required to vacate.

*Motion by Josh to receive and file the written reports for January submitted by Jane Victorey, Finance Director and Jeff Marian, Lead Pastor. Second by Mike. Motion passed.*

## **Adjournment**

Barb adjourned the meeting at 6:21 pm and closed the meeting in prayer.

Respectfully submitted,

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Julie Klein  
Recording Secretary

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Camilla Fischer  
Secretary