



BOARD OF DIRECTORS MEETING
September 20th, 2022

ATTENDEES:

Josh Pratt	Grant Wurdell	Dave Fine	Nancy Zittergruen
Mark Kroll	Kent Heins	Lisa Gunhus	Pastor Adam Hengst
Lisa Johnson			

1. Meeting called to order at 7:05 pm.
2. **Opening Devotional and Prayer.**
3. **Additions to the agenda**—Discuss a bid regarding exterior concrete repair.

Motion to approve minutes from August 17th, 2022 BOD meeting.

Motion to approve: Heins, Second: Kroll. Ayes: 9, Nays: 0.

Motion approved.

4. **Treasurer and Financial Management Committee Report**—Dave Fine

- Reviewed Monthly Budget
 - o The church budget status is \$53k better than budgeted, with the actual budget at \$63k. The improvement this month has been driven by increased general offerings.
 - o The school budget status is \$15k better than budgeted, with the actual budget at -\$40k. The school income is on target with projections.
 - o Copier payments remain 3-4k over budget with the new copier lease. Dave Fine will reach out to Loffler to see if there is a resolution.
 - o Approved expenses from the Strategic Reserve Fund this month include \$7k on the sanctuary sound system, a \$3,400 down payment to replace the exterior railing, and \$1k to go to Excelsior commons.
- Discussed rudimentary projections for the 2023 budget
 - o There is a projection of a 22% increase in maintenance, including an \$18k increase in custodial services, and roughly a \$10k increase in general and ground maintenance.
 - o Utility costs are projected to rise 12%, which is a little under a \$12k increase for gas, electric, snow removal and insurance.
 - o A request of \$2500 more for social ministries has been made, which includes fellowship, service, and social events.

- o Children's ministry is requesting an increase of \$1500 in their budget.
 - o The projected church budget increase is about \$49k over the current budget. Assuming staff raises and the increased cost of health insurance is around 5% with static income, the net will be around \$0. This is compared with a \$95k surplus in 2022.
 - o The projected school budget is -\$95k, which is the same as the 2022 budget.
 - o The overall church and school budget projection will potentially be \$100k in the negative, but actual numbers for teacher salaries and changes in staffing are needed to get a more complete picture. The key assumption will be general offerings.
- Discussed increasing school tuition
 - o Lisa Johnson feels that we are currently competitive with rates of other schools and day care centers.
 - o Tuition increased on September 1st, 2022, and another increase could potentially occur in September 2023. Dave Fine suggests building the 2023 budget based on a 10% increase from Sept-Dec 2022, and then we can reassess by February 1st before new teacher contracts are set. This is not a set increase, but a number to base the projected budget on.
- Reviewed wish list for 2023
 - o \$40,000 for the 100th Church Anniversary. This money should not be included in the budget, but from a reserve fund, since it is not an annual increase.
 - o \$1,000 for cell phones. Should be included in budget.
 - o \$2,000 for a youth room projector. Joe Aurich will be consulted to see if a large television would be a better cost savings.
 - o \$1,500 for Christian life/marriage retreat. Should be included in budget.
 - o Sanctuary projector need—to remain on wish list.
 - o Organ/piano repair/replacement—this is a big-ticket item and perhaps a pledge drive should fund replacement.
- Addressed investment of excess funds
 - o Currently:
 - UBS account: \$568k at 1.5% APR
 - Bank account: \$300k
 - TOTAL: \$868k
 - o Current rates on 1 and 2-year CD funds are 4%.

***Motion to move \$500k from the UBS account and place into a 1-year CD fund.
Motion to approve: Heins, Second: Wurdell.***

Friendly amendment to place 50% of investment funds into a 1-year CD, and the remaining 50% into a 2-year CD at a different financial institution.

Motion: Kroll, Second: Wurdell.

Motion to approve friendly amendment: Ayes: 7, Nays: 2

Motion approved.

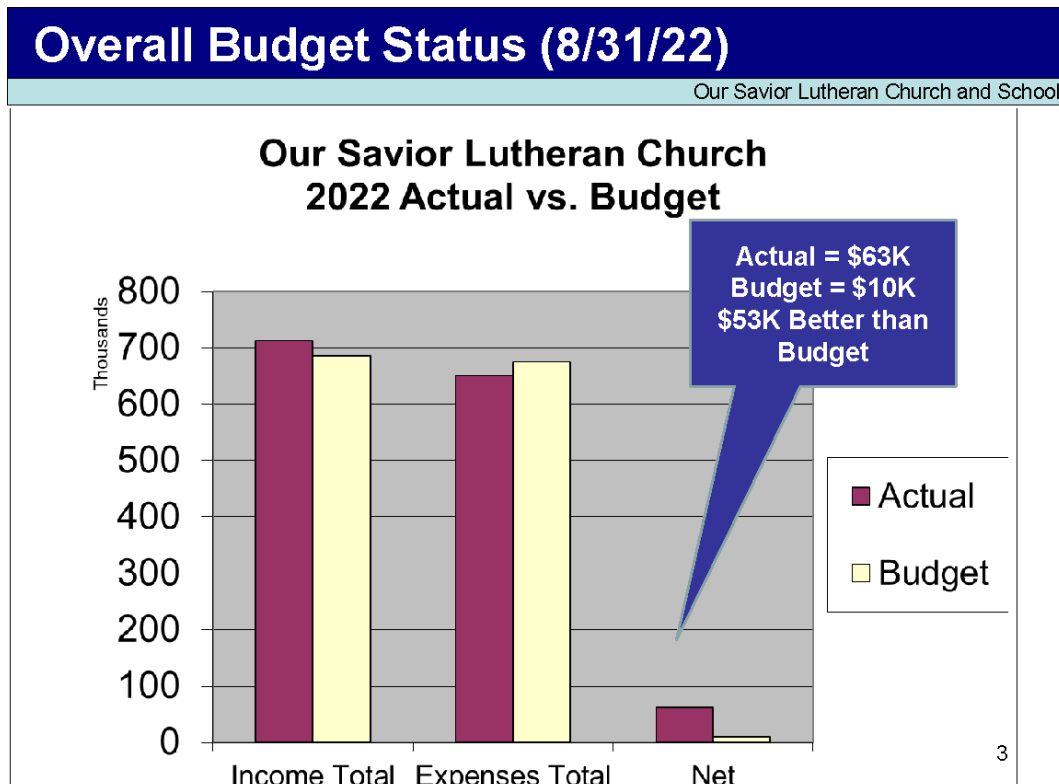
Friendly amendment to change the original proposed amount from \$500k to \$350k.

Motion: Zittergruen, Second: Fine

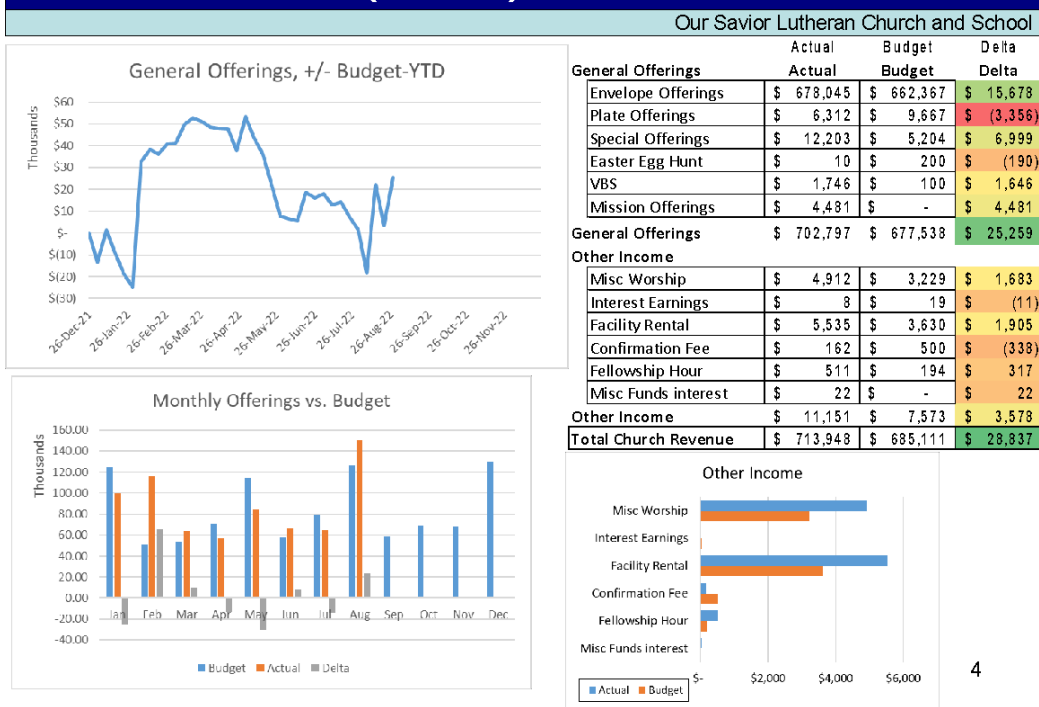
Motion to approve friendly amendment: Ayes: 7, Nays: 0, Abstain: Hengst, Johnson

Vote on original motion with amendments. \$175k will be placed in a 1-year CD, and \$175k will be placed in a 2-year CD. Funds will be transferred from the strategic reserve fund and capital campaign fund.

Ayes: 7, Nays: 0, Abstain: Hengst, Johnson



Church Income (9/3/22)



5. Early Childhood Center Report—Lisa Johnson

- Discussed future of kindergarten program.
 - Lisa Johnson's main concern is that she isn't able to work on planning and other projects to fully develop the program. Without spending more time on development, it is difficult to evaluate if kindergarten should remain open.
 - After the school closed the 1-8th grades, it was decided to keep the kindergarten operating and reevaluating its future after 3 years.
 - The questions to be answered: Looking at the situation from a point of stewardship, what is the best way to move forward? If the kindergarten program is discontinued, will that help grow the rest of the childcare program?
 - There are currently 8 students in kindergarten, including 4-5 students who have Oct/Nov birthdays.
 - Lisa Johnson suggests that most families willing to invest in a Christian education will start their child at the institution where they plan on attending elementary school.



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6. Pastor's Report—Pastor Adam Hengst

- Pastor Hengst reported that 220 people attended church this past Sunday which has not happened since before COVID.
- Website development is progressing slowly. Things are moving forward with steady submissions to Josh Kimber.

7. BOD President's Report—Josh Pratt

- The Board is in the process of reaching out to congregants to serve as new members of the Board of Directors.
- October is church worker's appreciation month. Josh will make an announcement at the beginning of October to encourage the congregation to recognize the staff.
- \$4k remains in the BOD fund for 2022. Nancy Zittergruen will work towards using funds to hold a staff appreciation lunch. Pastor and Lisa Johnson will work with Nancy to find a date on the calendar.
- The next Town Hall is scheduled for October 23rd.
- November 20th is the next congregational meeting. The proposed 2023 budget will be the main item on the agenda.
- A suggestion was made to move the next Director's meeting to 6 or 6:30 pm in October.
- Discussed need to repair the concrete around the exterior of building.
 - There is one current received bid for exterior concrete repair. The bid is vague in detail.
 - Pastor Hengst will ask Jeff Machemehl to secure 1-2 additional, detailed bids.
 - Discussed potential for the repair to be done as an internal service project.
- Josh Pratt met with Sandy Blumenschein, who works in the financial planning center preparing deposit slips and counting money. They reviewed potential vulnerabilities. The errors that have been revealed so far seem to be discrepancies on giving statements only, and not an actual discrepancy of monies.

Closing Prayer

Meeting ended at 9:30 pm

Next Meeting—October 18th, 2022

Respectfully submitted,
Lisa Gunhus
Board of Directors Secretary