

**Divine Redeemer  
Board of Directors Meeting  
August 21<sup>st</sup>, 2023**

Members Present:

Dennis Gehrke, Ken Saydel, Rob Chandler, Mark Bahr, Chelsea Chandler, Jason Hynes, Tim Timmerman, Tracy Holt, Pastor Seth Flick

Members Absent: Gary Peppel

Guests Present: John Bowen, Reid Brueser, Scott Plopper, Steve Anacker, Paul Wervey, Mike Johnson

1. Call to order: Dennis Gehrke Time: 6:03 PM
2. Faith Exploration (Pastor Seth Flick) “Unveiling Mercy: The Fire of God”
3. The amended minutes from July 17th, 2023, meeting was approved.
  - Motion to approve: Mark Bahr
  - Seconded: Chelsea Chandler
  - Motion passed.
  - Section 8: Change verbiage to add “master campus plan” and omit “more complete master plan”.
  - Old Business: Strike bullet 4 under #14
4. CFO Report (Written Report: CFO Kyle Hanson)
  - Church Offerings \$145k vs. \$138k Plan vs. Prior Year \$130k
  - OPERATING SURPLUS (excludes Restricted) \$30k vs. Planned DEFICIT (\$6k)
  - Restricted Revenue \$1,550k on ECDC Campaign
  - NET SURPLUS \$1.6M
  - Cash Unrestricted \$490k vs. \$873k Prior Year with shift to investments
  - Investments-Operating \$509k vs. Non-Prior Year
  - Cash Restricted \$1,556kk vs. \$154k Prior Year with late July donations invested in August.
  - Investments-Restricted \$1,286k includes Endowment \$458k and Other Restricted \$828k.
5. COO Report (Written Report: COO Renee Kandler not present)
  - Multiple tasks completed on premises.

6. School Report (Written Report: Principal Janet Bahr not present)

- Enrollment Update: We have 135 students in Hatchling-4K; 335 in 5K-8th grade as of 8/18/23.
- Building Update – Please take a walk upstairs and see the amazing transformation on Monday! We are waiting on permanent cabinetry and some punch list items left to finish but it is ready for students Wednesday.
- Staff Update – Keri Bash is going to teach choir to the 5th, 6th, 7th/8th graders on Mondays this year. She is currently the music director at Bethlehem, Wales. We have had a few ECDC aides decide not to help us and have been filling those holes as they come up. As of 8/18, we have everything covered! We employ a total of 72 employees which includes cafeteria staff and ECDC aides.
- Auction Update – The auction will be held at the Marriot West in Brookfield on March 9th. More details to come.
- Arrival/Dismissal Procedures were updated to ensure safety and minimal delay for traffic on Hwy 83.

7. Executive Pastor's Report (Written Report: Pastor Seth Flick)

- New Member/Transfer Class is now approx 140 (possible). This includes children. This is also about a 50/50 split of new members to transfers (typically, we've been about 30% new members/70% transfers).
- A 24-hour Prayer Vigil has been scheduled from Sep 9 – Sep 10 directly prior to kick off/ceremonial groundbreaking day.
- Capital Campaign, silent phase continues with \$2.8 million in gift/pledges. That's an increase of \$171,000+ from last week to this week.
- Meeting with another foundation that supports Lutheran educational initiatives to advocate for financial support of the ECDC.
- Working with Anderson Ashton to design and implement bathrooms in the middle school. These would take 1/3 of the science classroom (the largest classroom downstairs, because that space already has plumbing). This project is a huge morale boost for students, but also faculty. This project still needs permit approval; however, the funding is already procured by a generous donor.
- Total Baptized Membership: 1811
- Communicant Members: 1417

8. Financial Review Committee (Written Report: Chairman Tim Timmerman)

- Offerings +7k for the month +15k YOY
- Month ending operating revenue +3k.
- Total monthly operating expenses positive by 33k
- Program expenses were positive by 11k.
- Facility expenses were positive by 8k.
- Restricted revenue and expenses have been segregated for transparency's sake.

- Unrestricted cash position +490k
- Restricted cash at 1.556m
- Restricted investments 1.286m
- Assets to liability ratio to 1.9-still good
- ECDC project restricted cash 1.9m
- ECDC financing options: LCEF vs Thrivent (see handout) BOD discussion on both options.
- Excess cash investment policy: FRC Chair presented language to Governance Chair Jason Hynes for review and further comment. To present at next month's meeting.
- Letter to BOD will be discussed in old business.

9. Committee of Lay Elders Report (Liaison: Gary Peppel not present)

- Visitor/Elder Reid Brueser provided a report that we could use more Elders. Proposal to be presented to Gary Peppel for presentation to the BOD next month.
- Elder Mike Johnson applauded for his continued dedicated service, including covering three services per weekend on a regular basis.

10. Endowment Fund Report (Dennis Gehrke)

- Met august 9th.
- Met with Mike Kaiser and Diana Raasch about estate planning workshop on October 14<sup>th</sup>.
- Received a significant increase in gifts with \$1,000,000 gift from a generous donor.
- Will be invested in CDs on 2-year laddered approach (1m) the basic 500k was 2/3<sup>rd</sup> bonds and 2/3 stock. Has been as low as 450k but is back to 480k.
- 20k interest gained over last year: requesting a 2500 pledge to a place of refuge.
- Motion made by Mark Bahr
- Second by Ken Saydel
- Motion carries

11. Executive Committee Report (President: Dennis Gehrke)

- Discuss Tim Timmermans conversation with the DOT and its impact on the ECDC project.
- Part II discussion What to do about the groundbreaking?
- Should we keep the date as September 10<sup>th</sup> as currently planned or should we move it to accommodate the delays?
- Motion to keep the date as September 10<sup>th</sup> made by Ken Saydel
- Motion seconded by Jason Hynes
- Motion carries unanimously.

12. Governance Committee Report (Chairman: Jason Hynes)
  - Minor changes to 2.0 and 2.5 of appendix E submitted by FRC to governance committee for review and comment.
13. Capital Campaign Report (Chairman: Ken Saydel)
  - Million-dollar match will match pledge cards, not just cash in hand.
14. Old Business
  - Breakout of interest expense- will take place once there is debt service-not completed.
  - Budget policies and procedures: not completed and has been on the agenda for multiple months.
  - Tim's Letter to the BOD (all remaining items not discussed).
  - Tim Timmerman makes recommendation for competent legal counsel to review AIA contract prior to signature by Pastor Seth.
15. New Business
  - President elect should form nominating committee...3 members plus 1 board member.
  - President Elect, Chelsea Chandler, Gary Peppel will need to be replaced.
  - Need to provide names for the nominating committee by the next meeting.
  - BOD self-evaluation to be completed by all members and submitted to Dennis Gehrke
  - Third pastor discussion (seminary graduate):
  - Pastoral call on the December voters' agenda-will the voters approve making the call?
  - An Interview Committee would need to be formed and would interview candidates.
  - Could require an additional voters meeting after interviews if requirements aren't met.
  - Motion to put 3<sup>rd</sup> pastor on December voters meeting agenda.
  - Motion made by Ken Saydel
  - Seconded by Mark Bahr
  - Motion carries unanimously.
  - Director of Church ministries- will follow Concordia Wisconsin guidelines. Stephanie graduates in December
  - Voters assembly date: Currently December 3<sup>rd</sup>.
  - Dennis Gehrke proposes changing it to December 10<sup>th</sup> following the Christmas Concert.
  - Rob chandler makes a motion to move date.
  - Ken Saydel seconds the motion.
  - Motion carries unanimously.
  - \$997k plus gift donated and Baird has certain requirements.
  - BOD resolution that Rob can sign as secretary.
  - Motion to allow Seth to be the authorized signer, Ken Saydel makes the motion, seconded by Tracy Holt, and the motion carries unanimously.

16. Task List

- -Tim to provide language FRC for budget
- -Pastor Seth and Rob to review legal counsel options for contract review
- -Rob Chandler to get quotes for winter conditions and other costs due to Tim's actions.

17. Future Meeting Schedule

- Future Pastor Call in February?
- Voter's Meeting: December 10<sup>th</sup>

18. Closing Prayer: Pastor Seth Flick

19. Motion to adjourn: Jason Hynes  
Seconded: Ken Saydel  
Motion carries unanimously.

Time: 8:35 PM