

Fountain Street Church Governing Board Special Meeting Minutes October 29, 2023

Board Members Present: Cele Badgerow, Tim Creamer, Steve DePolo, Matthew Huizing, Shellie Jeffries, Geoff Kempter, Tony Lanninga, Kristen Loch, Kristin Mayer, Katie Mitchell, Amy Preston, James Taylor, Jon Spalding Wall, John Willette, George Zuiderveen

Board Members Absent: None

Staff Present: Rev. Christopher Roe, Rev. Jody Betten

Guests: Nancy Ayers, Bob Chapla, Tim Chester, Pat Eamon, Heather Palmer, Lydia Stubbs, Bryan Walters, Buzz Wynbeek

1. Call to Order: Meeting called to order at 9:34am.

2. Congregant Comments:

Heather Palmer stressed that the Board needs to make the Bell Tower a Priority.

Bryan Walters said that we all need to discuss other options and relative costs.

3. Budget Proposal

Tim drew attention to the proposed 2024 budget. Items of note include:

The choir will pitch in \$12,000 to keep section leaders. Could also use from the Gilson Fund but we need to discuss if we want to use that for section leaders or balancing budget.

Tim moved to propose the budget with the exception of the \$9,600 for section leaders from the Gilson Fund. Cele seconded.

Discussion about accepting the proposal but with the use of these additional funds. Amy reminded that this is the budget we present to the membership, but the official budget will be approved with any additional info in Jan. or Feb. 2024.

Tim restated his motion with adjustments, and Tony seconded. Motion passed unanimously.

4. Bell Tower/Building Update:

Amy updated:

For some background, the Bell Tower issue has been a conversation for about 14 years. Originally, someone was going to work on it in their spare time. But nothing's happened. These are going to be divisive and scary decisions.

About 4 years ago, Win Irwin as Gov. Bd. chair, formed the Bell Tower Committee to start investigating the Bell Tower issue. Win still chairs that committee. It's been a long, challenging process.

Finally, in June 2023, we got a quote for the project. Opinions differ widely on what should be done. It's complicated, but we have to address this. The Foundation Board and Governing Board got together after getting the quote to discuss this, and to look at the bigger picture.

Second Century Campaign is about the Bell Tower, but other, potentially much more expensive, issues with the building. Kristin Mayer ran several discussions with segments of the congregation.

We can all agree:

- Foundation funds are to be used for the church building, whether it's 24 Fountain or elsewhere.
- Keeping money in the Foundation Trust will likely be more lucrative than using it now.
- The Foundation is limited, and we have to steward it as well as we can. Safety is top priority.
- Great deal of love for this building. At the same time, some people think spending any more than necessary on the Bell Tower is a bad idea.
- Also ranging opinions on when to start raising money, based on what we decide about the building overall.

Gov. Board committed to making a decision by the end of the year, and has engaged the Foundation Board in discussions:

After the last Gov. Bd. meeting, the board wanted to get the FB's desire to move forward with funding tower repairs immediately and/or explore other options for the building. This is what the Foundation Board sent back:

The following motion is based on our understanding that the church has accumulated and earmarked approximately \$703,000 toward the restoration of the bell tower. Our understanding is that the church will dedicate these amounts toward the bell tower.

Project:

- \$300,000 set aside from past annual distributions from the Foundation,
- \$200,000 in unspent funds from an anonymous donor,
- \$103,000 in proceeds from the sale of the Anita Gilleo property, and
- \$100,000 from the Foundation's regularly scheduled distribution in January 2024.

Further, the following motion is based upon the assumption that:

- Repairs to the bell tower will total \$2.3 million, as expressed in the current quote submitted by OAK in June 2023.
- The Second Century Campaign Phase 1 will raise at least \$800,000. When combined with a Foundation match and the accumulated earmarked funds outlined above, the \$2.3 million bell tower expense would be covered.

If the above assumptions are true, the Foundation Board would support releasing up to \$800,000, to match future funds raised in the church's Second Century capital campaign, toward the restoration of the bell tower, under the following

Conditions:

1. Foundation funds will be released as one-to-one matching contributions, and only as donations are received by the capital campaign.
2. The Foundation trust will not serve as a lending source. The church will secure a commercial loan or other outside funds to cover cash flow during construction.
3. All funds received by the Second Century capital campaign will be deposited into the Foundation and kept in a dedicated bell tower fund.
4. The church will conduct a whole-building assessment, to determine the condition of the entire physical property and the estimated costs of addressing the identified issues. This assessment must be completed by Feb. 1, 2024.

The Foundation Board believes the offer, structure, and conditions outlined above are consistent with our responsibilities of honoring the intentions of our donors, acting as good stewards of the trust fund, and supporting the church.

Motion by Nancy Ayres. Seconded by Charlie Gallmeyer. Approved unanimously.

Amy reminded that the Governing Board, ultimately, will have to make this decision.

Discussion on OAK's Proposal

Amy had a discussion with OAK. They would like us to sign the contract, but not to put us on the hook for \$2.3 million. It would be to cement the partnership—a commitment to the project together. Leaves room for modifications. We would pay for the work they actually do, not more. They'd like to get us on the calendars.

Geoff clarified—are we looking at two separate proposals, one the Foundation's and the other from OAK? Yes, that's correct.

James asked if the \$2.3 million includes the \$400,000 that was donated? Thought they were separate. Amy explained that we do have remaining unspent funds from previous distributions from the Properties Committee and some other sources, as outlined in the Foundation Board's proposal.

Geoff moved that we sign the OAK quote, indicating that, should we move forward with the project, OAK will be whom we work with, and we will pay for work done, not necessarily the whole \$2.3 million. Cele seconded.

George asked if the \$2.3 million is in addition to what we've already spent? Amy said yes, this is really more of a \$3 million project. Not certain exactly how long it'll take. Every time OAK goes up, it's worse up there. OAK built the building and has the original blueprints. They're trying to preserve our funds, not just find more problems. A more detailed contract would be forthcoming. They want to know we're serious.

George asked if anyone had reasons to say "no, let's not do this."

Discussion on saying that if we do this, we'll do it with OAK.

Amy reminded of 3 other passing motions from the last regular Gov. Board meeting:

- To obtain a quote for long-term building plan
- To consider a feasibility study on likelihood on fundraising
- To investigate other developers interest

Cele asked if we could get a timeline of, for example, if we work at this time we need this money, if we work another few months, we'll need this money. Amy said that would be part of a more detailed contract.

Rev. Jody asked if the various details in front of us will be written out, so that members will understand exactly how this works. Discussion about making clear in the minutes that we are NOT signing to spend \$2.3 million, but to not shop around for other providers with OAK's findings.

James suggested we might need more information before voting on anything, especially as we haven't heard from the fundraising committee. Clarification that this isn't exactly what the motion was about.

Suggestions that we Call the Question. Motion passed with 13 yeas and 2 abstentions.

Discussion on Foundation Board's Proposal

If the Foundation paid for the whole Bell Tower itself, we could, depending on the markets, liquidate the Foundation Trust. Looks like Foundation Board is proposing that we'd have to fundraise about \$1.1 million from outside. We have \$100,000 of that, and another \$200,000 pledged.

Kristin asked about doing this in 2025 and took a year to fundraise. Is it accurate that we are better protected now? Amy said yes, they've put sealant up there. Maybe we should wait until we have a certain amount of money saved?

Geoff said it's an existential question. The church is the people, but it's also the building. We have to ask how important the building is to the community. Is the building essential to the institution?

Tony asked how soon we can get the building assessment done? Amy said, based on the Bell Tower assessment, we're probably looking at a certain level of guesswork. Maybe Spring 2024? Tony said it feels a bit backwards to commit to the Bell Tower when we don't know what else has to happen.

Kristin would like to see a "Phase 2" for the building. The needs of the community around us are quite different from when the church was built. How can we reimagine how we use this space and how it serves the broader community?

Amy said we have to think about how delay changes other factors. Amy asked Tim Chester, who said we need to put ourselves in the shoes of potential donors. What motivates/unmotivates them? People look at board members... are all of them on board and contributing? Are they united and committed? A lot of internal topics won't matter to external donors.

The Foundation Board wants to see some funds come in to match before handing over money. This suggests that funding the repair immediately is not what the Foundation Board wants to do. Bob Chapla confirmed this. Proposal is meant to show a way forward.

We could say that we won't start until we have \$X on hand. Cele said she'd love to have the fundraising feasibility study before we commit.

Nancy Ayers asked if it's wise to commit to negotiating once we hit a funding level if we don't know how much costs increase with delay? Amy said maybe not. Nancy said the 90 day request for other building issues indicates how quickly we need to move forward.

George said we have these two things: A need for commitment to show potential donors we're serious but also a need for more info before committing.

James moved that the Governing Board members consider pledging to the project before the next board meeting, to show the congregation we're committed. Geoff seconded.

Kristen said that, if the Gov. Board only raises a small amount, it might run counter to the purpose. Can we pledge without putting down actual money? Amy said, for this, we need the same info we're already waiting on and have voted to obtain. James is willing to pull the motion.

Amy said these are the three options, all with potential complications, before us:

1. Go all in and use the Foundation money
2. Set benchmarks to meet to be ready to start
3. Get more info before committing to anything

John asked if the 2nd century campaign developed their pledge "outline"? Are they even ready to accept pledges? Amy said we've been ready to accept money for a while now, even if there's no outline.

George asked what the worst case scenario is, if we go all in and find out we can't raise money and then realize we're looking at another \$5 million in the next few years...? Amy said we can incorporate language in the contract. But we have to recognize that committing to the Bell Tower sends a message that THAT is the priority, and we have to think about that.

It sounds like a lot of people want to know the second number—how much to repair the overall building? Geoff asked what that will take... Kristen said maybe we talk to OAK about the roof, the boiler, etc... Geoff said it sounds like we need more info.

Amy said we can table this until our next regular meeting, or meet sooner. Not thinking we'll get much more info before the end of the year, however. Quinn Evans knows we're looking for a building assessment.

Kristen asked if we want to commit as a Board to pushing out the decision to getting the larger scale assessment? Originally, we wanted to have more solid info and a decision by the end of 2023. But, now, we will have a decision when we get this specific info. Tim said we've kicked this down the road for 10 years, we can probably wait another few months.

Amy doesn't want to put out a false sense of urgency when it's not a quick decision that's needed. It's taken 14 years to get here, and we've only had the quote for 4 months. Right now, there's value in having more info. That doesn't mean we won't be working on this regularly.

Geoff said we also need to look at building needs from a safety standpoint and prioritize accordingly. The overall number might be daunting, but maybe we can just tackle the most critical things. Amy mentioned we are monitoring safety. If we were told that the tower was super dangerous, we wouldn't be delaying.

The group opted to not make any motions or decisions right now. We will talk again at the November meeting about this topic.

5. Congregant Comments: Buzz Wynbeek asked how urgent the safety issue is with the Bell Tower? Amy (glad we changed policy and can answer you immediately) said safety is obviously a concern. Some steps have already been taken to improve safety. Steps, sealant, and steel rods. At this point, OAK and QE are confident that it's safe for now. We are monitoring after any significant wind events or external

factors. That said, we know things can still happen. Also discussing monthly inspections, regardless of weather events.

6. Adjourn: James moved to adjourn. Geoff seconded. Motion passed unanimously. The meeting adjourned at 11:36am.