

**FAITH EVANGELICAL LUTHERAN CHURCH  
WACONIA, MINNESOTA**

**Special Congregational Meeting Minutes  
March 1, 2009**

72 members attended.

Representing Council at the meeting were Pastor Dale Peterson, President Dawn Genz, Secretary Cindy Schmiege, Stewardship Mike Haugsby

Representing the Capital Campaign Committee were Ross Hanson, Ron Christensen. Soctt die Charlie Vacek

**CALL TO ORDER**

Council member Mike Haugsby called the meeting to order at the end of the 9:30 a.m. service. After a short recess Dawn Genz reconvened the meeting at 10:40 a.m. in the fellowship hall of Faith Evangelical Lutheran Church.

Purpose of meeting is to approve a capital campaign.

Dawn reviewed the Capital Campaign process that has taken place. There have been two motions approved at the February 17, 2009 Council meeting:

**MOTION: to have FELC enter a 3-year capital campaign with proceeds going 95 percent to debt reduction and 5 percent to Mission work.**

**MOTION: to approve the recommendation of the Capital Campaign committee to enter into a contract with Mark Davy and Assoc. for a three year capital campaign at the cost of \$28,000.00.**

Dawn introduced Mike Haugsby as facilitator of this meeting. Mike introduced the Capital Campaign Committee.

Ross Hanson explained why we are using Mark Davy. We believe that based on surveys and information received, we will raise more than we would without an outside expert. We can compare this to decision one makes when selling a home – you could choose to sell yourself, however, in most cases you chose to use a professional like a realtor. Since there are many things about fundraising that we as a congregation don't understand, it would take us a great deal of time to develop this information and to create teams to take this on. It involved contacting every member of the congregation. The volunteers will work as hard as they can, but simply can't take on all aspects of a capital campaign.

FELC has paid \$5,000 for a feasibility survey. We compare this to doing a credit check or an appraisal on a home. The survey helped us to understand what we can afford and what we can raise. Our target is \$750,000.00.

Ron Christensen explained the process to select Mark Davy & Associates. We considered three different consultants. A committee talked with each company

**FAITH EVANGELICAL LUTHERAN CHURCH  
WACONIA, MINNESOTA**

**Special Congregational Meeting Minutes  
March 1, 2009**

about the process they use to conduct a campaign. We compared the processes of the three and unanimously agreed on the process of Mark Davy & Associates. A key factor was the readiness survey to help us assure success. The second factor was the comparison to the firm FELC used last time—Mark Davy & Associates' values and approach were most similar to FELC. The Final reason and not the most important was the cost. Mark Davy & Associates were the most reasonable compared to the other two organizations.

Pastor Jason reported that the Council asked to add the 5% benevolence gift to the money raised. Two places that this came out: our mission statement to learn, serve and share the gospel by growing in our relationship with Jesus Christ, one another and those beyond our walls. In any instance where we gather we must be faithful to this. In our money raising we owe to God ourselves and each other to share for the betterment of the kingdom. Our scriptures are clear on this in instance in personal or in whole, we are instructed by God to share 10% of what is gathered. Coming humbly at this time, when we must pay down our debt, Council felt a faithful compromise is to share 5%, not 10% with our partner congregations. It is an opportunity to be faithful to our partnerships. This is a way to be faithful to long term goals.

Mike Haugsby reviewed proposal,

**MOTION: Be it resolved that Faith Evangelical Lutheran Church enters into a contract for a three-year capital campaign with Mark Davy and Associates at the cost of \$28,000 with proceeds going 95 percent to debt reduction, and 5% going to mission work. Ron Christensen.** Ross Hanson seconded.

Discussion that while it is noble to take a look at spreading proceeds outside of our congregation. Since there wasn't an advance notice it was suggest that we take 5% that off the motion.

**Friendly amendment to the Motion: Be it resolved that Faith Evangelical Lutheran Church enters into a contract for a three-year capital campaign with Mark Davy and Associates at the cost of \$28,000. Doug Kurkowski.** Second Chuck Dueber.

Discussion that would like to see the 5% discussed within the congregation. When visiting Nigeria found they could build a facility there for \$25,000.

Comment on our priority to increase FELC giving to the Synod. Should we consider giving to them before going out to our partners churches.

**FAITH EVANGELICAL LUTHERAN CHURCH  
WACONIA, MINNESOTA**

**Special Congregational Meeting Minutes  
March 1, 2009**

At May congregational meeting, the plan is to present our capital campaign plan and building assessment report. We can take up this discussion at that meeting.

Question arose if we are for sure going ahead with a capital campaign. Pastor Dale reported the two motions from council, one to go ahead with the campaign and two to hire Mark Davy.

**Call for the vote by Chuck Dueber.** Seconded Russ Heagle.

**Friendly amendment passed by majority vote.**

**MOTION as amended: Be it resolved that Faith Evangelical Lutheran Church enters into a contract for a three-year capital campaign with Mark Davy and Associates at the cost of \$28,000. Ron Christensen.** Ross Hanson seconded. Passed by majority vote.

**Discussion:**

Question: Is the \$5,000 paid for the feasibility survey over and above the cost of Mark Davy & Associates. Mike Haugsby reported that a congregational member assisted with the \$5,000..

Question: Because of decisions made by Council, is the congregation voting on both the campaign and the contract with Mark Davy & Assoc. Mike Haugsby responded that to spend above \$10,000, the congregation must approve.

Question: Do we have a written outline explaining the responsibility of Mark Davy & Associates. Dawn Genz responded that it's a 3-year agreement and that when we go forward with this, Mark Davy & Assoc. will come up with a timeline of events. They are committed to be with us for the full 3 years. They will start with explaining their approach. At what level, is this, if we need more than what was done in the past – MD will be as involved as our congregation needs them to be. It is important that we knew what level of participation they will give.

Question: Is part of the contract defined in man hours to give at certain times? Wouldn't they spell out that in step-by-step process of carrying the campaign out? Dawn responded that we have received information that spells out some of the things they have done. They have been part of 350 campaigns. It's hard for them to spell out since each one is so different. We asked those questions and they responded that they would do what needed to be done. At whatever level, they will do what is needed, if we don't have manpower to send envelopes out, they will.

Question: Is this a fixed cost bid, or an hourly regardless of level of activity? Dawn responded that it's fixed.

**FAITH EVANGELICAL LUTHERAN CHURCH  
WACONIA, MINNESOTA**

**Special Congregational Meeting Minutes  
March 1, 2009**

Question: With an upfront fee of \$28,000, are we comfortable that Mark Davy & Assoc. will be viable for 3 years based on economic situation. Dawn responded that based on their history they will survive. Pastor Dale responded that \$5,600 was due with the signed contract and the remainder over 5 months. This is a small company. Mark Davy founded it. Greg Swan is our main coordinator and Mike Davy will support him. Since it is a small company, they are streamlined and local.

Question: If we don't have enough volunteers to do work such as mailings, etc. will that affect staff or Mark Davy & Assoc? Pastor Dale responded that Mark Davy & Assoc. will get the envelope and do the work. They will do the follow-up. He pointed out the handouts.

Question: Did the Committee check the references of other churches? Ron Christensen commented that they did check references.

Question: Were the references A+ marks from other congregations? Ron responded that the feedback pointed to nothing of concern to the committee.

Question: What was the fee for Walsh & Assoc.? Pastor Dale responded that it was \$45,000.

Question: Even the money we spent for them was successful. Are we expecting similar or better results? Pastor Dale responded that traditionally a second debt reduction campaign brings less. And considering the economy we anticipate less. We raised just over \$1 million in the past campaign. We feel \$650,000 is very doable. We hope for \$750,000. Mark Davy & Assoc. will be there the full way, think if we had done all the 3-year follow up we would have done better.

Question: What is left on mortgage? \$1.9 million.

Mike Haugsby stated that of the three organizations we talked to, Mark Davy & Assoc. was only one that questioned if we wanted to incur more debt before we got current debt down. They seemed very practical.

Dawn Genz reported that we asked Mark Davy and Associates about the education aspect of the campaign. We need to be sure more information is fed back to congregation. We now have a Finance Committee that will feed info back to the congregation. Part of the discussion with Mark Davy & Assoc. was about how much education they would provide to congregation.

Mortgage doesn't fall within our operating budget. We should all know where the mortgage is at.

Question: Most of discussion seems to be around the resource of Mark Davy & Associates. Is there some information on the need for the campaign? Council has

**FAITH EVANGELICAL LUTHERAN CHURCH  
WACONIA, MINNESOTA**

**Special Congregational Meeting Minutes  
March 1, 2009**

agreed that we will have a capital campaign --that is within their authority. The congregation must approve the spending of the \$28,000.

Comment that we should maximize the use of Mark Davy & Assoc. resources over the staff or church volunteers. Dawn reported that Mark Davy & Assoc has stated that part of a successful campaign is to have involvement of entire organization. We will maximize use of Mark Davy & Assoc.

Question: Could we negotiate to not pay all of the contract up front. Scott D. reported that we asked that question, could we forego paying 1/3 of the contract at the end. MD said they had never done that. Dawn reported that we could ask. We don't have that information today.

Question: What recourse do we have if Mark Davy & Assoc. doesn't do what they promise? Dawn reported that we may not have a recourse, but we have the history of success in 350 plus campaigns. We can bring the discussion to them.

Question: You stated Council decided to 1) have campaign, 2) Hire Mark Davy & Assoc. Was there any discussion on how much we could raise with Mark Davy & Assoc. Dawn responded that Council decided we needed debt reduction. The feasibility study gave us a value we think can be raised. Mike Haugsby responded that Council feels the need for some kind of capital campaign. At no point did Council decide that we could achieve a specific number. After deciding we needed a capital campaign we formed a Capital Campaign leadership team. That team worked to determine what could be raised.

Question: The capital campaign will get moving in June. Are they aware that in June our congregation is half the size? Dawn replied that yes, this is understood. Mark Davy & Assoc. plans to help in reaching the congregation.

**MOTION: To adjourn the March 1, 2009 special congregational meeting.  
Keith Sjodin.**

Meeting adjourned at 11:28 a.m.

Respectfully Submitted,  
Cindy Schmieg, Council Secretary