



Foothills Board of Trustees
Regular Meeting Minutes
Date 09-14-2023

Board Members Present: Beth Adams, Sue Bloomfield, John Hill, Diana Hutchinson, Mary Klecan, Linda Kothera, Walter Nash, Gretchen Haley (ex-officio)

Absent: none

Others present: Katie Watkins, Jerry Hanley

Consent Agenda: The August Board meeting minutes were approved without objection.

Regular Agenda

Board Discussion

Significant meeting time was devoted to preparations for the church Town Hall on September 17th, and included a report on congregant engagement and a detailed update about the new building

- Gretchen began by sharing recent data on levels of engagement
 - Sunday attendance still does not quite match pre-Covid levels
 - Net loss of members over time, after accounting for new members
 - However, giving is on track to meet projections for 2023
 - Non member giving is fairly steady, but data so far suggest that the percentage of giving by members is rising compared to recent years

Building update

- Jerry Hanley and Katie Watkins gave a broad backward-looking view of choices made during the planning, design, and building processes, emphasizing that those choices reflected our values as a church.
 - There will be a few minor adjustments to the construction budget yet, but overall, the BET and Katie have a very good idea of final building related costs.
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- As a result of our relationship with the accounting firm Your Part-time Controller (YPC) financial models were constructed to help project income and expenditures for the next five years.

- This process was particularly important given the significant changes that occurred during construction.
- The annual dollar amount required to borrow for the mortgage (i.e. how much the church needs to borrow) is significantly higher due to several factors out of the church's control that were impossible to anticipate.
- Several models were considered that varied in the amount borrowed and other factors.
- The model preferred by the Executive Team and the BET predicts that the church can meet its obligations through realistic gains in membership, giving and rental income. The model has the church borrowing slightly more in order to not run out of cash before the above gains in income are realized.
 - In addition, the proposed amount to borrow (\$3.3 million) allows the church to focus on growing engagement without having to immediately start to fundraise upon opening the new building.
 - At the end of this round of financial forecasting (end of 2028) member loans will be recast, and the remaining amount will be "recast" to new terms.
- Katie noted that Gretchen has a unique set of skills related to conducting this particular kind of growth analysis, and the model's predictions are better for it.
 - As well it was noted that the new sanctuary is designed to accommodate the kind of growth needed and expected to occur.
 - A question was asked about rental income and Gretchen answered that a balance will be struck between church uses and rental of the space for events.
- As of this meeting, a date of October 5th was set to receive the Certificate of Occupancy. Closing on the loan will follow after that.
- Sue Bloomfield made a motion for the Board to affirm/approve the use of the model that allowed the church to not run out of cash before completing the various growth goals (Model 1). Motion unanimously approved.

Ministry Report

No separate report this month.

The meeting was adjourned at approximately 6:30 pm.

Minutes written and presented by Linda Kothera