

King of Glory

Executive Committee

December 17th, 2012

Sycamore Commerce Centre Conference Room

Attendees: Pastor Rich Merkouris, Arden Sustad, Gerry Heuer, Sarah Marohl, and Kristi Brandt; Tim Reuer joined the meeting in progress as noted in the Minutes.

Arden called the meeting to order and opened with prayer.

The Agenda was presented for review and approval. Kristi made a motion to approve the agenda as presented; Sarah seconded the motion. Motion carried.

The Minutes from the November 12th, 2012, meeting were presented for review and approval. Sarah made a motion to approve the Minutes as presented; Gerry seconded motion. Motion carried.

Treasurer's Report: Gerry Heuer noted that a potential error has been identified in Pastor Merkouris' compensation for 2012 and the salary increase approved for 2012 may never have been implemented. Gerry will work with Justin Reilly to determine the amount required to make Pastor Rich whole if the increase approved for 2012 was never implemented. Gerry reviewed the November, 2012, expenses. Justin is currently looking into some questions regarding the Rent Expense accounts and will make any necessary adjustments to insure they accurately reflect actual Rent Expense. The month of November reflected a Net Income deficit of \$833.76 with year to date showing a positive Net Income of \$23,235.30. Year to date revenue is ahead of budget with actual at \$313,305.56 compared to budgeted revenue of \$259,811.63. Actual expenses year to date are \$290,478.75 compared to budgeted of \$238,996.12. Gerry will work with Justin to reconcile Balance Sheet accounts to the actual bank accounts now that the account changes have been made. Gerry reviewed the recent changes made to the King of Glory bank accounts that were necessary to establish a defined Vision Campaign account prior to year end 2012.

The King of Glory benevolence calendar runs from June to June. A recommendation has been made to change the Commercial Shares Account at the bank to a Mission Account and that 8.4% of total income be transferred into the Mission Account each month per the Mission commitments made by King of Glory.

The 403(b) employee retirement plan thru the NALC has now been set-up and will be an option for contributions by King of Glory employees in 2013. A 403(b) match of 3% of salary was budgeted for King of Glory employees for 2012, but because the 403(b) was not available no matching contributions were able to be made. Gerry will work with Justin to determine a per employee pay-out equal to what the approved 3% 403(b) match would have been to bring employees whole with the benefit package King of Glory committed to at time of their employment.

Lead Deacons' Report: Sarah reported that no Deacon's meeting was held due to illness.

Sudanese Congregation Partnership: A NALC Sudanese congregation is currently meeting at Hillcrest Baptist Church in Sioux Falls. Pastor Rich has been tasked by the NALC to mentor the Pastor and the congregation. They are looking for a place to worship on Sunday afternoons as well as space for offices and prayer gatherings. They are also looking for assistance with their children and youth programs. The next step in exploring a potential relationship is to develop a series of bullet points to review with them to determine their willingness to be compliant with our guidelines. If they indicate a willingness to

follow the guidelines; King of Glory's next step would be to give it a one month trial to see how it would work for both parties. Sarah made a motion authorizing Rich to initiate a one-month trial relationship with the NALC Sudanese congregation dependent on their compliance with pre-established guidelines. Kristi seconded motion. Motion carried.

Tim Reuer joined the meeting in progress.

Lead Trustees' Report: Kim was not available to provide a Trustee's report.

2013 Budget Discussion: The proposed 2013 budget was reviewed and proposed revisions were discussed. The proposed budget contains a 2% salary increase for all staff members. Rich wants to have the proposed budget to the congregation by the first part of January. Gerry made a motion to approve the 12.18.12 version of the proposed 2013 budget; Tim seconded the motion. Motion carried. Rich abstained from voting.

Strategic Plan Discussion: Rich reported that work continues to refine the King of Glory Strategic Plan. Rich asked that the Executive Committee focus in on Sections A & B of the Strategic Plan over the next several weeks. In particular, everyone was asked to look at the goals and consider whether these are the goals we want for each initiative over the next 2-3 years. Also, do we have the goals that we want and are they clear? Rich asked that everyone provide any comments regarding Sections A & B of the Strategic Plan via e-mail including everyone on their responses.

Infrastructure/Facility Piece: At the King of Glory Annual Meeting it will be important to announce whether King of Glory is going to build or buy a facility. Financial information will be available to support the decision presented. Tim is working to organize a time for the Executive Committee to visit several churches to see how they have developed their facilities and to learn from their processes. One other option that may need to be considered is a long-term rental option depending on what the financial and real estate markets do over the next couple years.

Staffing: Rich reviewed the current responsibilities of each staff member as they relate to the goals of the Strategic Plan initiatives. Week to week consistent leadership of four to five hours will be key to the success of the proposed King's Closet project. Currently the music of King of Glory is being managed on a volunteer basis which is a big commitment; this needs to be kept in mind as we look at staffing moving forward. The two areas in the church that create the greatest options for invitation are the child and student ministries. Areas where Julie can provide more leadership continue to be explored. Everyone was asked to give consideration and thought to the King of Glory staffing needs as we move forward.

Feasibility Study: To facilitate the King of Glory Feasibility Study in preparation for the Vision Campaign, two small group gatherings will be held Jan 3rd & Jan 7th with anyone interested in attending asked to RSVP prior to the meetings. The meetings will attempt to find out what concerns those attending have and what they find most exciting at King of Glory. Pastor Rich, Arden Sustad, Current President of King of Glory, and Tim Reuer, current Vice President and in-coming President of King of Glory, will share their personal perspectives at the meetings. At the meetings people will be asked to give consideration to what their financial commitment will be to the Vision Campaign and to respond by a certain date with that commitment.

Annual Report Preparation: The Annual Meeting of King of Glory will be held on Sunday, January 27th. The Annual Report will include reports from the Pastor, President, Lead Trustee, Lead Deacon and

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Treasurer. The reports are to be submitted by January 11th to Pastor Rich. 2012 year-end financial statements will also need to be included with the Annual Report.

Miscellaneous: The need to establish an audit process was discussed. Rich reported that an Audit Committee has been recruited by the Leadership Development Committee for next year.

The meeting adjourned by general consensus and closed with prayer.

Respectfully submitted,

Kristi Brandt, Secretary
Executive Committee, King of Glory