

HCC-Family Business Meeting-February 27th, 2011

The Hillside Christian Center Annual Business meeting was held on February 27th, 2011 and was officially convened at 6:35 PM with 77 members present, 39 being a majority. In addition, 49 non-members were present for a total attendance of 126.

Minutes from 2010 Meeting:

1. The minutes from the 2010 Business meeting were read and received by the members present; with Darolyn Davis giving the first motion to approve and Tim Fry the second.

2011 Ministry Report & Board Elections:

2. Pastor Eric reviewed the highlights from the 2010 Annual Report. Motion was made to receive 2010 Annual Report, and Pastor Eric opened up the meeting for questions on the annual report.

-Lovert Mays asked if we shouldn't challenge ourselves to have more than 50 new believers for 2011. Pastor Eric said that believing for 60 or 70 was considered during the Core Leadership offsite meeting; but having 50 is still a challenge for our congregation.

3. The election by secret ballot of three board members to serve three-year terms was held. Pastor Eric noted that the nominating committee had proposed the names of three members (Larry Hess and Tim Snowden to be re-elected to another three-year term and Darin Whitt to serve again after a one-year absence) for this election and the Board had given its approval for all three. The votes were cast and all three men were elected to serve terms as members of the Church Board. Final results were Larry Hess – 74, Tim Snowden – 75, and Darin Whitt – 73.

4. Ed Miller had elected not to serve after a three-year term. Both Ed's and his wife Betty's contributions both to the Board and to the church as a whole were recognized and appreciated and they will continue on serving the Lord here at Hillside.

5. Pastor Eric then led a discussion on the end of year financial statement. We originally planned on being over budget by \$25K with the addition of Barrett, Ronnie, and Gina to the Hillside Staff. Instead, we received \$17K over and above our planned budget, which meant we only need to use \$7823.12 from Pastoral Support Funds.

6. There was a correction to the balance sheet where the top two accounts were noted to have been at Umpqua Bank at the end of 2010 and not at Mechanics Bank.

a. Allie Wyman: Were there any changes in the 2011 budget from last year?

i. Pastor Eric: Budget is essentially flat – we wanted to be conservative due to the current economic issues. We may adjust the budget as needed during our mid-year assessment. An item of praise – the offerings for the last three Sundays have been over \$14,000 each!

b. Ron Ruggerio: What is the budgeted amount needed to receive each Sunday?

i. PE: \$11,800.

c. Mary Trambley: Have we considered supporting the Healing Rooms?

i. We have criteria for supporting outreaches and/or ministries: unreached peoples, church planting, and benevolence. While the Healing Rooms are a local ministry, we chose instead to add support to the Expressions of Hope foster parent ministry and Teen Challenge in Vallejo.

d. Billy Ruth Crump: Do we lend support to Jeff and Tanya Devoll for their projects?

i. We had been supporting the My Campus ministry for many years but made the difficult decision this past year to discontinue their support based upon the above criteria.

e. Leah Miller: Are the staff salaries in the budget?

i. All salaries are represented in the budget for 2011. Staff salaries are about \$300,000 while budgeted contributions are \$618,000 – keeping a ratio of 50% of salaries to general offerings is healthy for churches.

f. Allie Wyman: How much are we saving from Pastor Greg's former salary?

i. It is basically a wash between redistribution of his former salary between Ronnie, Gina, Anna and Barrett's salaries and the new financial and membership tracking databases.

g. Lovert Mays: The Media and other computers are old and slow; do we have plans to get new ones?

- i. We do have a budget for new equipment; we try to balance between the newest and best vs. good stewardship. We are getting one new computer this year for a staff member and one for the Media Team.
- h. Zena Kirtlink: Noted utilities costs are very high; may want to consider installing solar panels for both power and potential income from selling excess power to the grid.
- i. We are changing our lighting to ensure we have the right lights for our needs; we are also checking into an energy efficiency company to advise us on how to achieve the greatest efficiency in energy usage (our greatest need at the moment). We will look into solar power – may be different returns for corporations versus private residential installations.

Tom Smith and Lovert Mays motioned to receive the 2010 Annual Report and Financial Statements; this was unanimously accepted by all present.

Hillside Master Plan:

Pastor Eric then introduced the new Hillside Master Plan. He wished that he had been present 25 years ago when the vision to move the church to this present facility was birthed – with those who planned and dreamed for Hillside Christian Center. This dream is now being renewed to facilitate sharing Jesus with the Napa Valley and around the world.

Note: We do not want to go into further debt – the present \$500,000+ mortgage will be paid off 11/2017 and we will not be adding to that amount.

The building team consisting of Pastor Stacy, Tanner Bushby, Tracy Caulkins, Larry Hess, Pastor Eric, and Darin Whitt. They are a very creative and passionate group who are diligently seeking the Lord for what He is doing and how we should respond. They each gave their testimonies regarding what God is doing in their lives and what they are doing on the Building Team.

Pastor Eric noted that the renewed Master Plan has three phases: Phase One: now to 2 years out, Phase Two: 4 to 5 years out, and Phase Three: eight to ten years out from now. Although the plan has three phases, we will seek the county's approval for Phase Two and Three as we are working to complete Phase One

Phase one will cost approximately \$490,000 (\$60 per square foot). Even though we are not going to increase indebtedness but fundraise for these new dollars, it seemed wise to consult the congregation because the project is more than 10% of the annual budget. Hillside Board is not required by our By-Laws to seek membership approval to proceed with the plan but want their full support so we submitted ourselves to the process of formal discussion and approval of the congregation.

Consult Drawings Attached for breakdown of Master Plan and Phases.

Questions:

- Bob Davis asked about the playground – where would it be located? Pastor Stacy noted that this would be addressed in Phases 2 and 3 but the ultimate goal is to ensure teachers and students would go there together.
- Lovert Mays asked if young children only would be in the present office building? Pastor Stacy said no – closets would be built to accommodate adult-sized furniture for any needed use.
- Betsy Whitt asked if the present bathroom in the 102 building would be upgraded for an older age group; Stacy said yes and another bathroom would be added on opposite wall.
- Jan McElroy asked what the plans were for the portable building. Stacy said it would remain a mid-sized room for usage such as Momentum on Sundays, etc. – there will always be a need for a mid-sized room on the campus.
- Catherine Forma asked where the nursery would go; Stacy said the vision is to the current office but this still needs to be designed.
- Jeremy Swift and Bob Hafenstine asked if the courtyard would get a covering as shown in the animation; Pastor Stacy said yes – in Phase two. Pastor Eric said this was considered but would potentially add \$200,000 to the cost since we would then have an “enclosed” campus and would need to add more fire sprinkler systems.
- James Carte asked about what the present sanctuary would be used for; Larry noted that it would most likely continue to be utilized by Remain and LiFE.
- Brenda Hafenstine asked if handicapped access would improve. Larry said that was one of the goals that we are still working on to achieve.

-Catherine Forma asked if the skatepark was still part of the vision. Larry noted that the details were still being worked out for the skateboard area for the youth.

-Bob Davis asked if the pads were mostly in place for the projected buildings. Larry said they mostly were – the greatest excavations would need to be for the parking lots.

Pastor Eric noted in response to a question about the proposed North Classroom building having a second story – this would possibly be used as living quarters for interns.

Pastor Eric then, opened the floor for questions and comments about Phase I, as a motion on the floor to be voted on.

-Dan Christian: If we mortgaged the \$490,000 and added it to the present mortgage it would bring us back to a million-dollar mortgage. He encouraged the leadership to not take money from ministry, ask for the body to give for the projects. “Pay as you go” means just that – if we receive only a portion, we shouldn’t finance the rest.

Pastor Eric: The Board has said “pay as you go” only. We have paid \$6000 out of the General Fund for the drawings and permits for courtyard remodel – but nothing has been borrowed. We model “pay as you go” through congregational offerings (examples are the bathroom remodelings and the prayer garden).

-Billy Ruth Crump: Where could we find this on the web – want to be able to account for every dime being spent, need to make sure the people are allowed to see how the funds are used.

PE: We would make this information and other information available on website and in hardcopy form.

-Jim Kent: We need time to pray about this – what does a “yes vote” mean?

PE: It means that we have been given permission to move into the fundraising and construction phase of the project; “yes, we want to do it!”

-Lovert Mays: We should believe in us and in God – if we provide the seats, people will come. This is not just for us – it is a dream for others; we need to take that into consideration and become the light.

-Matt Wyatt: Many questions, would recommend tabling this for now. The plans look great but how does spending money on this project vs. on ministry pay out?

PE: First, Phase One sets up Phase Two and Three.

Second, Phase One increases our ministry effectiveness significantly without spending much money. These buildings are over 25 years old, so they need some remodeling. We don’t have to seek County approval for minor remodeling. We need to keep a fresh look and increase effectiveness of ministry because more people are coming to know Jesus Christ through our work on campus.

The Chairman (Pastor Eric) called for a short break, while consultation was taken from Hillside Board.

Because there was not enough time to answer questions and because of a desire to give time to prayer, they decided to table this motion for 30-60 days. Also during this break of 30-60 days, research would be done on fundraising ideas and processes, as well as guidelines for “pay as you go.”

Leah Bushby and Mary Trembley seconded the motion to table the Motion to Approve Phase One of the Master Plan. (All Agreed)

Pastor Stacy and James Carte motioned to adjourn at 9:16 PM (All Agreed).

Submitted by Joe George, Board Secretary 3/24/10

HCC- Special Family Business Meeting-April 3rd, 2011

A special Family Business meeting was held on April 3rd, 2011 for the purpose of continuing the discussion of and voting to approve the raising of funds for Phase I of the building project. It was officially convened at 6:34 PM with 54 members present, 36 being a majority. In addition, 18 non-members were present for a total attendance of 72.

1. Attendees were given the minutes from the 2011 Business meeting, and plans for Phases 1-3 of the proposed building project.
 - a. Pastor Eric directed those present to refer to the last 3 pages of the meeting notes and the plans for Phase 1. He went over the design presentation on the overhead projector, reiterating the object of Phases 1a and 1b (to shift the overall center of ministry to the courtyard and to centralize the drop-off and pick-up points for the Children's Ministry). He noted that the Board and the Building Committee met to discuss the project and they decided that this meeting should focus on Phase 1 with the goal of centralizing the ministry/fellowship of HCC.
 - b. There are clear needs for repairs to the children's ministry areas and other church facilities; Phase 1 will address these issues.
 - c. Those who attend our church and have no or older children tend to split up and go in opposite directions after the service with our present configuration; Phase 1 would make it easier for people to linger outside and meet/talk.
 - d. We exist as a facility on Sundays to make it possible for people to connect with God by worshipping Him and connecting with other believers who also are there to worship and seek Him. The goal of Phase 1 is to make ministry and the connection with God and other believers more efficient and to maximize the space for this in the time we have on Sunday.
2. The floor was opened for questions on the specific details of Phase 1 and how it is to be funded / executed.
 - a. Megan Dufficy asked if we are increasing the space for childcare in Phase 1 or just moving and updating facilities? Pastor Eric noted that we would be increasing efficiency by moving and updating existing facilities but will not be increasing overall space for children's ministries.
 - b. Arnie Saliaz asked if we are planning on installing extra sprinklers at this time. PErice: Will not be adding the actual sprinklers due to greater cost but plans are to add the piping needed for the sprinklers so we can be proactive for the next phases of the project. The major cost for adding sprinklers would be in getting the needed water to the site.
 - c. Colin Morris asked if the glass windows would change and if there would be any other architectural changes? PErice: May try to add glass doors to Room 108 and also put some up for GPM in the present Room 104 building; will also be improving handicapped access.
 - d. Lovert Mays asked if volunteers would be needed to help move equipment and supplies to the renovated facilities? PErice: Will seek out and schedule volunteers (this will greatly help with costs) for many parts of Phase 1.
 - e. Tim Fry asked if we are planning to ask Cosecha to help with this project? PErice: We may ask if they want to participate financially as well as with volunteers; we may use their rental money to assist with financing this project.
 - f. Catharine Forma asked what are the plans for keeping ministry going while the buildings are being renovated? PErice: Phase I is to proceed in two stages: the ramp, which would not impact most ministry/work at HCC, and the facilities renovation – we would need to move children's ministries either to temporary facilities or offsite. We will wait for funds to come in before we proceed.
 - g. Myrna Baldwin asked what ideas are there for fundraising? PErice: Would be "pay as you go"; projected expense milestones are as follows:
 - i. Courtyard remodel: \$50,000
 - ii. Construction drawings/permitting: \$30,000
 - iii. Early Childhood center: \$170,000
 - iv. Offices: \$150,000
 - v. Elementary center and Café HCC: \$80,000
 - vi. Contingency: \$20,000
 - vii. Total estimated funds needed: \$500,000
- iii. These numbers are attempts at high estimates; if we receive \$500,000 and the total costs are less than that amount, we would put the leftover funds towards other ministries.
- ix. We would follow the precedent set during the 3 in 1 project – we were able to raise \$125,000 in Pastor Eric's 1st year with only 220 people attending HCC:
 1. Lay out campaign details
 2. Contact via regular mail: Vision
 3. Personal contact
 4. Leadership commitment

5. Congregational commitment
6. Celebration after fundraising completed
3. Pastor Eric then asked for a member to make a motion to vote on the proposal so we could debate its merits. Ron Ruggiero made the motion and Tom Smith seconded to go ahead with pursuing fundraising for Phase 1 without increasing indebtedness. The motion was put up for debate.
 - a. Dan Christian asked if we received up to a certain amount but were short for project particulars, would the leadership take the needed funds out of ministry budgets or go into debt? PEríc: We have never borrowed from a ministry account while he has been Pastor and would not start now and we will not take out any loans for this project. Instead, we would make an appeal to the church to make up for what is lacking to proceed.
 - b. Arnie Saliaz asked when would we start the project and start paying for it? PEríc: We would start as soon as we receive funds and appoint a person to spearhead the project. We would need to meet with the Board to determine if we would start financing the Project with our current savings or wait until funds come in but will definitely not use a professional fundraiser.
 - c. Jeremy Swift asked if we would allow existing ministries at HCC to help out with fundraising. PEríc: We would do this on a case-by-case basis.
 - d. Terry Nance asked for clarification if the vote requires only 2/3 of those present or 2/3 of total membership and if we had a quorum? PEríc: Would need 2/3 vote of only those present and we do have a quorum.
 - e. Comments: Ed Miller wanted to remind those present that they were actually representing the entire membership in their voting and debate – are we willing to accept that responsibility? There will always be a group that won't buy-in to any proposal. He personally believes in the leadership of HCC and felt the Project is a good idea. Catharine Forma noted that we should also make it possible for people to give to other ministries/projects in our church as well.
 - f. During the debate portion of the meeting, nine of those present made comments supporting the proposal (Arnie Saliaz, Colin Morris, Lovert Mays, Jeremy Swift, Angela Daniel, Mary Trzcinski, Nicholas Brooks, Barrett Bogan, and Tom Smith). Their comments focused on the need to make the overall effort at HCC better before we are asked of God to make room for more people. All generations need to be able to mix together to minister to each other and worship the Lord together. This is not just to make more room for the children's ministry but is to make needed repairs and increase overall efficiency (including energy efficiency). It is very important to support outreach efforts and missionaries/ministries overseas and in destitute areas, but we need to also make it as best as possible to reach out to our own community. Building ministry through Phase 1 is an investment in future ministry at HCC. Like Nehemiah, we believe in our Jerusalem; the Project is about upgrading facilities and about promoting effective ministry.
 - g. Matt Wyatt and Leah Miller made comments against the proposal. Matt noted that while this is a good thing, it may not be the best; with the same amount of funds (\$500,000) we can have better effectiveness supporting existing ministries at HCC and also how many other ministries could we be supporting with those funds? Leah Miller wanted to ensure we were not putting beautiful buildings before people in need – we want to change the world and not erect beautiful buildings.
4. After making his comments, Tom Smith called the question (effectively stopped the debate and brought a vote on the issue).
5. As the vote was being taken and tallied, Pastor Eric made some comments that were on his heart. He noted that his ambition was to be the pastor of the largest smallest church in Napa Valley, he wanted to have the least costly facility possible to maximize ministry. Last year twenty-three cents of every dollar donated at HCC went around the world to various ministries – not many churches can match that. We don't need square footage but we do need to set the church up for success in the next 25 years. He looks forward to multi-services, enjoys the smaller congregation sizes on Sunday. He likes being a pastor of 300 – 400 people at a time – “having people at spitting distance.” Whichever direction Hillside decides to go will be acceptable to him, it is our goal to move forward as a unit. Privately we can debate, but we should publically agree together.
6. The final tally was 49 votes for to 5 against for members (needed 36 to pass). Non-members present voted 14 for to 4 against. **The motion to move forward with Phase 1 of the building plan was approved.**
7. Pastor Eric closed in prayer and Billy Ruth Crump made a motion and Catharine Forma seconded it to adjourn the meeting at approximately 8:20 pm.

Submitted by Joe George, Board Secretary 4/25/11