

2020
2019

EAGLE BROOK CHURCH

Annual Report

JULY 26, 2020

Agenda

July 26, 2020, 6 pm
Eagle Brook Church, Lino Lakes Campus via Zoom

1. Welcome & Prayer

Merlin Satrom, Board Chair
Tim Williams, Online Pastor

2. Appreciation & Call to Order

Merlin Satrom, Board Chair

3. 2019 Annual Meeting Minutes

Merlin Satrom, Board Chair

Ministry Report

Tyler Gregory, Executive Pastor
John Alexander, Executive Director of Creative Arts
Gari Pisca, Executive Director of Operations
Jim Johnson, Executive Director of Development

4. Financial Report

Julie McGrath, Director of Finance

5. Acknowledgments

Merlin Satrom, Board Chair

- a. 102 New Members, 2,387 Members
- b. Board Members
- c. Nominating Committee
- d. Staff

7. Presentation of Ballot & Elections

Merlin Satrom, Board Chair

- a. Board Members
- b. Nominating Committee

8. 2020-2021 Proposed Budget & Vote

Julie McGrath, Director of Finance
Merlin Satrom, Board Chair
Tyler Gregory, Executive Pastor

9. Senior Pastor's Report

Jason Strand, Senior Pastor

10. New Business

Merlin Satrom, Board Chair

11. Meeting Results

Merlin Satrom, Board Chair

Closing Prayer & Adjournment

Merlin Satrom, Board Chair
Jason Strand, Senior Pastor

MINUTES
EAGLE BROOK CHURCH
ANNUAL MEETING
July 28, 2019, 6:30 p.m.

Following a brief reception, the Annual Meeting for Eagle Brook Church for the fiscal year ending June 30, 2019 convened on Sunday, July 28, 201 at the Blaine campus.

Welcome and Opening Prayer

Travis Scharn, Blaine Campus Pastor, welcomed everyone to the meeting. Travis shared a baptism story - his wife & her whole family (from in state & out of state) all were baptized this summer together. It was a reminder, that's why we do what we do – because we believe a life transforming relationship with Jesus is what we need. Travis opened the meeting by leading in prayer.

Call to Order

Dave Stead, Chair, called the meeting to order at 6:40 pm. He thanked everyone for coming.

Dave explained the procedures for the meeting, citing that only members of Eagle Brook Church are welcome to vote, and all others are welcome to participate in discussion. Dave referred to and reviewed the meeting packet and materials.

Meeting Minutes

- ♦ **Action:** Dave Stead called for review and approval of the July 28, 2019 Annual Meeting Minutes for Eagle Brook Church and invited any revisions. Hearing none, Dave called for a motion to approve the minutes.
- ♦ The motion was moved by Jolene Whicker and seconded by Pat Pike. The motion was approved unanimously.

Ministry Report

Tyler Gregory, Executive Pastor, thanked everyone for coming to the meeting, serving and giving. 'Tonight is a night for celebrating what God has done through Eagle Brook – we are so grateful.' Tyler thanked the staff, board and membership for their work.

In the 2018-2019 ministry year, Tyler shared the BHAG from 2 years ago that we set two years ago for 10,000 people to give their lives to Jesus. We accomplished that! This year alone we had 6,001 people give their lives to Jesus- the goal was 5,045. Up 37% over the previous year. 22,211 avg attendance on the weekend. This is a 0% increase but because of the Blaine expansion closing for 17 weeks the number did not increase. Online church has been an average of 13,331, up 18% this year. 1806 people baptized. (This does not include the 1147 just baptized this summer!)

Groups – 8,153 participants

Serving – 9,126

Generosity – 2,635 households giving \$5,000 +

Spend time with God- read your Bible plan that we offer – 3,047

Tyler introduced Dale Peterson, Executive Director of EBA. Dale outlined the wins that have been happening in the EBA. This is a ministry of Eagle Brook. Let's help other churches increase their numbers of salvations. 18,965 people gave their lives to Jesus through this outreach! It is now over 19,000 people.

Timothy Initiative in India received \$220,000 gift to the project that they are doing from the Heaven on Earth campaign.

People all over coming together to watch EBC online. Winwood, MN example of people coming together to buy a bar & start a church all together.

Since the EBA began 83,509 people have come to faith through other churches that we mentor.

Dale introduced Gari Pisca, Executive Director of Operations. Gari outlined all areas of Operation (HR, Finance, Facilities, Information Systems, Technology, Expansion).

Expansion

Gari explains the Blaine expansion – relaunch Dec 2018. 850 seats to 1500 in the auditorium. New lobby & Kid o deo. 670 people gave their lives to Jesus at this campus alone. \$356,000 under budget

Lakeville- 8th campus April 14. Lakeville S High School. Helping complete the 20-minute vision. Pictures of how the service comes together. 100 decisions to follow Jesus in just 6 weeks of operation

Rochester- Oct 2019 Mayo Center Launch pics to show how it will look. Presentation hall seats over 1,000 people.

West Metro Update- pursuing land in the 6-mile radius of area that we desire. We welcome your prayers as we aggressively pursue this. We are confident that He will bring the right pieces together.

Financial Report

Gari introduced Julie McGrath, Director of Finance. Julie reports it has been an amazing year for Eagle Brook.

General Fund Income

- 2018 \$41,734,000; a 24% increase /// 2019 \$ ADD #'s here

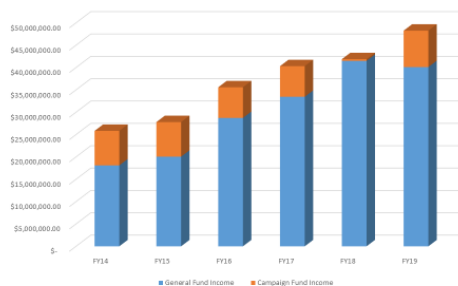
Changes to the general fund donations

- Redirections to campaign fund
- Impact of tax law changes

Personnel Expense

- 2018 \$14,270,000; 34.2% of contributions //// 2019 \$15,725,000; 39.2% of contributions

Total Contribution Income



General Fund Income

- 2018 \$41,734,000; a 24% increase /// 2019 \$40,109,000; a -4% decrease

Changes to the general fund donations

- Redirections to campaign fund
- Impact of tax law changes

Personnel Expense

- 2018 \$14,270,000; 34.2% of contributions //// 2019 \$15,725,000; 39.2% of contributions

Ministry and Operating Expense

- 2018 \$7,318,000; 17.5% of contributions ///// 2019 9,237,000; 23% of contributions

Capital expenditures projects include Lino Lakes & Woodbury Next step spaces, Audio, video updates, kids' area refreshes in WBL & SLP, Centerville office project & security.

Debt recap:

Woodbury campus: 5.6 mill remaining. Principal paid in FY19: \$3,193,00. This is the ONLY debt that we have & it will be paid off in October 2020.

Debt Recap

- Woodbury Campus: \$5.6 Million Remaining
- Principal Paid in FY19: \$3,193,000



Year	Amount	% of Contributions
2019	\$5,585,000	12%
2018	\$8,778,000	21%

Julie reviewed the 2018-2019 results and balance sheet.

2018-2019 Results

	FY19 Budget	FY19 Actual	Variance
Income	\$ 42,000,000.00	\$ 40,109,000.00	\$ (1,891,000.00)
Gain on Investments		\$ 408,000.00	
Human Resources	\$ 18,000,000.00	\$ 15,725,000.00	
Ministry & Operating	\$ 9,542,000.00	\$ 9,237,000.00	
Capital	\$ 2,000,000.00	\$ 1,993,000.00	
Maintenance Expense	\$ -	\$ 304,000.00	
Principal Payments	\$ 3,475,000.00	\$ 3,193,000.00	
Cash Reserve	\$ 240,000.00	\$ 240,000.00	
Investment Reserve	\$ -	\$ 6,354,000.00	
Blaine Remodel	\$ -	\$ 7,927,000.00	
Campus Growth	\$ 8,000,000.00	\$ 1,792,000.00	
Facility Main Reserve	\$ 600,000.00	\$ 600,000.00	
Total Expenses	\$ 41,857,000.00	\$ 47,365,000.00	
Excess/(Deficit)	\$ 143,000.00	\$ (6,848,000.00)	

Income & expenses.

Julie notes the gain on investments. This is prudent for future projects. Gain of \$408,000 this year.

Organizational balance sheet. Julie reviews & explains:

Organizational Balance Sheet

Liabilities & Net Assets	6/30/2019
Liabilities	3,724,000
Debt	5,585,000
Total Liabilities	9,309,000
Net Assets	126,246,000
Total Liabilities & Net Assets	135,555,000

Organizational Balance Sheet

Assets	6/30/2019
Cash & Cash Equivalents	16,246,000
Current Assets	10,146,000
Assets Held for Investment	4,535,000
Fixed Assets	103,588,000
Other Assets	1,040,000
Total Assets	135,555,000

Campaign fund summary

Goal is 25 million. Intents to give \$21,272,000

Donations received through 6/30/19 received \$8,147,100 – some is invested currently.

Julie turns back over to Dave. Dave thanks all the presenters very much & acknowledges all the hard work.

Acknowledgments

Dave introduced the board members: Dean Hager, Penny Hegseth, Al Holland, Debbie Matteoni, Jim VanDrasek, Merlin Satrom, Bob Merritt. Scott R and Peter Winter serving on Nominating Committee. Dave gave an update on membership, stating there are 65 new members.

Dave acknowledges the over 250 staff members & has those present stands.

Ballots

Dave introduced the election ballot presented to the members by the Nominating Committee and cited those who are nominated for each open board position and for the two open Nominating Committee positions. Dave reminded members that for any nominations from the floor, a nominee's permission is required ahead of time. Dave read each nominee for the board positions and invited any nominations from the floor and there were no additional nominations as each call was closed. Dave then noted the nominees for each nominating committee position and invited any nominees from the floor, and there were no additional nominations.

- ◆ **Motion:** Dave Stead stated that if there is a call for a written vote for the election ballot, it will be honored, and there was none. Dave invited a motion for a voice vote to approve the entire election ballot for board members and nominating committee members as presented. Motion to consider the entire ballot as presented by voice vote was moved by Lauren Advick and seconded by Bob Rowe. Upon calling for the vote by hand to accept the Election Ballot as presented in its entirety, the hand vote to approve was unanimous. Dave declared the ballot approved:

Board Chair (two-year term):	Merlin Satrom
Board Member At Large (second two-year term):	Debbie Matteoni
Board Member At Large (two-year term):	Jim Van Drasek
Nominating Committee Member (two-year term):	Deb Ricci
Nominating Committee Member (two-year term):	Jeremy Krull

2019-2020 Proposed Budget and Vote

Julie referred to the Annual Planning Financial sheet and side screens to present the proposed fiscal year 2019-2020 budget.

General Fund Income

- 2020 \$42,000,000; projected increase of 4.7%

Personnel/Human Resources Expense

- 2020 \$19,800,000; 47.1% of contributions

Ministry & Operating Expense

- 2020 \$11,234,000; 26.7% of contributions

The increase in personnel is caused by a modest merit increase for staff (2.5-3%) and planning for expansion (Rochester, plus West Metro build). Julie asks for questions on the proposed budget.

- ◆ **Motion:** Dave read the motion from the Eagle Brook Church Board for membership approval of the Fiscal Year 2019-20 Budget of \$42,000,000. Motion for voice vote.
Moved by Rob Van Dressek , seconded by Linda B. The motion was unanimously approved.
- ◆ **Motion:** Articles & Bylaw and Constitutional changes up for a vote- presented by Gari Pisca & Dave. Bylaw changes- Gari notes the document that explains the changes that we need to make. Opens floor to Q's. We do have the 10% needed for this vote present. 268 members are present. Written ballot. Christopher Millow motion, Kevin Koske second. The motion was unanimously approved.
- ◆ **Motion:** Constitution change vote- mailing of ballot will be sent out following this meeting. Dan Nelson approves, Second Jennifer M. The motion was unanimously approved.

Senior Pastor's Report

Senior Pastor Bob Merritt thanked Dave & his wife Cathy for their work on the board.

Bob had a few words that came to him when thinking of this meeting- gratefulness in what God continues to do with this church. He is grateful that God has allowed him to be a part of this. He is just an average guy & there is no rational reason for all of the amazing things that happen here at EBC. He is honored that for the past 28 years that God has done so much. Bob talks about how all of the staff are wholeheartedly in it to help people reach people. His second word is humbled. He does not want to have pride or arrogance. We are all here for a reason- the gift of life is a blessing.

Bob thanked Teaching Pastor, Jason Strand for his leadership and heart for reaching people. 'Jason Strand is so so gifted and we are so blessed'. He specifically calls out Jason's teaching this weekend. John Alexander as well is so talented. Phenomenal leader.

Gearhart P – 93 years old this week! Celebrated him & the time that he & Bob had a big snowstorm at WBL. Virginia Woodbury 91 years old this week- such an encourager. Gwen Floerke- oldest members of our church. Barb Merritt 89 years old. All drove here & all pray for our church.

Israelites are moving into the Promise land. He will do it, little by little.

Wayzata land
Lakeville – could be our biggest campus
Rochester

All these things are bigger than us. But He does it, little by little.

God is going before you like a devouring fire. God asks us to fear/revere Him. Walk in all His ways, serve Him with all our heart, observe His commands. Trust Him.
Our church will always have obstacles, but we will continue to follow Him. All praise & glory goes to the Lord alone!

Bob thanks all in attendance for praying, giving, serving, and believing in what God is doing.

New Business, Meeting Results, Closing Prayer and Adjournment

Dave asked if there was any new business for the good of the order. Hearing none, Dave reviewed the ballot results (see above).

Vote results revealed: 268 yes & 0 no's- bylaw changes approved

John Maxwell quote- I want to make a difference at something that makes a difference with people that make a difference.

Dave closing prayer

2019 Annual Meeting was adjourned at 7:58 pm.

Comparative Balance Sheet

COMPARATIVE BALANCE SHEET

ALL FUNDS COMBINED

	6/30/19	6/30/20
ASSETS		
Cash & Cash Equivalents	16,246,000	29,867,598
Current Assets	10,146,000	13,423,991
Assets Held for Investment	4,535,000	4,805,030
Fixed Assets		
Land & Building	106,062,000	106,288,191
Furniture, Fixture, & Equipment	32,730,000	35,402,720
Accumulated Depreciation	(35,204,000)	(40,466,124)
Total Fixed Assets	103,588,000	101,224,787
Construction In Progress	82,000	669,955
Other Assets	958,000	120,795
TOTAL ASSETS	135,555,000	150,112,156

LIABILITIES & NET ASSETS

Accounts Payable	1,051,000	323,261
Other Liabilities	2,673,000	2,872,803
Total Liabilities	3,724,000	3,196,064
Debt	5,585,000	-
Net Assets	126,246,000	146,916,092
TOTAL LIABILITIES & NET ASSETS	135,555,000	150,112,156

Annual Planning

ANNUAL PLANNING

2019/2020 ACTUAL

		% Cont
Contributions	42,806,232	
Retail	650,782	
Gain on Investments	364,909	
Total Income	43,821,923	
Compensation	17,854,384	42%
Family Ministries	335,696	1%
Next Steps & Community Care	226,272	1%
Ministry Development	9,625	0%
Total Ministry Development	571,593	1%
WBL Campus	255,056	1%
LLK Campus	485,086	1%
SLP Campus	254,993	1%
BLN Campus	294,619	1%
WBY Campus	330,257	1%
ANK Campus	309,473	1%
WHS Campus	252,507	1%
LHS	314,888	1%
ROC Campus	222,406	1%
Campus Ministries	22,344	0%
Total Campus Ministries	2,741,629	6%
Online Church/Creative Arts	271,465	1%
Creative & Communications	252,391	1%
Music & Production	370,494	1%
Total Brand Experience	894,350	2%
EBA/Global Impact	368,355	1%
Total EBA/Global	368,355	1%
Finance & Human Resources	1,841,806	4%
Campus Expansion & Safety	278,739	1%
Central Facilities & Grounds	626,079	1%
IT/IS/ Production Tech	1,631,209	4%
Executive & Donor Development	186,542	0%
Total Operations	4,564,375	11%
Retail	777,983	
Total Retail	777,983	
Facility Maintenance Reserve Expenses	64,185	0%
Depreciation & Amortization Expense	3,738,801	9%
Total Other Expenses	3,802,986	
Total Operating Expenses	31,575,655	72%
Net Operating Income/Expense	12,246,268	
Debt Reduction	5,583,384	13%
Rochester Temp Site	2,117,499	5%
Capital Funds Cash Reserve Transfer	2,100,000	5%
All Other Changes (403b, prepaid, int)	1,162,726	3%
Facility Maintenance Reserve	600,000	1%
Investment Reserve	270,450	1%
Cash Reserve	240,000	1%
Facility Maintenance Reserve Capital Spend	187,850	0%
Capital Improvements	(521,322)	-1%
Change in Depreciation/Amortization	(3,738,801)	-9%
Total Other Changes to Cash	8,001,786	19%
Net to Cash	4,244,482	

2020/2021 BUDGET

		% Cont
Contributions	42,420,000	
Retail	913,000	
Total Income	43,333,000	
Compensation	20,850,000	49%
Family Ministries	388,000	1%
Ministry Ops/Groups/Guest Services	217,000	1%
Ministry Development	23,000	0%
Total Ministry Development	628,000	1%
WBL Campus	317,000	1%
LLK Campus	554,000	1%
SLP Campus	339,000	1%
BLN Campus	361,000	1%
WBY Campus	414,000	1%
ANK Campus	446,000	1%
WHS Campus	365,000	1%
LHS Campus	412,000	1%
ROC Campus	635,000	2%
Campus Ministries	53,000	0%
Total Campus Ministries	3,896,000	9%
Online Church	32,000	0%
Creative & Communications	550,000	1%
Worship & Production	350,000	1%
Creative Arts	404,000	1%
Total Creative Arts	1,336,000	3%
EBA/Global Impact	424,000	1%
Total /EBA/Global	424,000	1%
Finance & Human Resources	1,926,000	5%
Campus Expansion & Safety	225,000	1%
Central Facilities & Grounds	706,000	2%
Technology	2,244,000	5%
Executive & Operations	274,000	1%
Total Operations	5,375,000	13%
Donor Development	44,000	0%
Total Donor Development	44,000	
Retail	995,000	
Total Retail	995,000	
Facility Maintenance Reserve	600,000	1%
Cash Reserve	240,000	1%
Capital Improvements	2,500,000	6%
Campus Growth	6,445,000	15%
Total Other Expense	9,785,000	23%
Total Expenses	43,333,000	100%
Net to Cash	-	0%

Budget Ballot

Annual Meeting | July 26, 2020

Motion:

The Eagle Brook Church Board moves for membership approval of the fiscal year 2020-22 Budget of \$43,333,000.

Vote on the motion for the fiscal year 2020-2021 Budget:

- ☐ **Yes**, to approve the motion
- ☐ **No**, to reject the motion

Election Ballot

Annual Meeting | July 26, 2020

Board Member At-large:

(Two-year term)

(Vote for one)

☐ Linda Goodwin

☐ _____ (write-in)

Board Member At-large:

(Two-year term)

(Vote for one)

☐ Dean Hager

☐ _____ (write-in)

Board Member At-large:

(Two-year term)

(Vote for one)

☐ Al Holland

☐ _____ (write-in)

Board Member Assistant Chair:

(Two-year term)

(Vote for one)

☐ Steve McFarland

☐ _____ (write-in)

Nominating Committee Members

(Two-year term)

(Vote for two)

☐ Scott Lien

☐ Tony Paetznick

☐ _____ (write-in)