

# Meeting Summary:

## January 8 Congregational Information Meeting

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On January 8, 2013, the COS Council hosted a congregational meeting to discuss three related topics:

- Our HVAC (heating, ventilation, and air conditioning) needs
- Debt reduction and refinancing needs
- An upcoming capital campaign to address the first two points

Leaders of three committees presented background information and shared the implications for the short- and long-term ministry and life of Church of the Servant.

### **Finance Committee: Debt Reduction**

Rich Van Houten reported on the work of the Finance Committee to manage the debt accumulated in constructing our original building (1994) and the building addition (2006). A balloon payment of \$1.5 million is due in February 2013. The Finance Committee plans to refinance the debt at a lower interest rate, with the flexibility to pay off the principal early to reduce interest. Debt reduction would create annual savings that could be redirected to ministry.

### **Facilities Committee: HVAC Options**

Mark Muyskens reported that the Facilities Committee has been working with an energy consulting company to identify and implement energy-saving improvements in our building. Improvements already implemented – a new roof over part of the building, lighting changes, and enhancements to the building envelope – have resulted in energy and cost savings.

The committee's current focus is the imminent need to replace the HVAC systems in the original section of the building (sanctuary/office/nursery wing). These heating and cooling systems are at the end of their expected life. The committee is investigating two replacement options: a conventional system and a geothermal energy system. The church today has no money set aside to cover the cost of either option.

The Facilities Committee believes COS is well suited for a geothermal system and Council has approved the geothermal option, but because of the high cost of entry, COS is contracting with an independent engineering firm to drill a test bore. The firm will advise us whether geothermal-based heating and cooling is a good fit for COS, given the layout of our building and the land that surrounds it.

Mark Muyskens, along with Tony Westrate and C.G. Clarke, gave information about geothermal vs. conventional HVAC systems. In summary:

<b>Conventional</b>	<b>Geothermal</b>
Uses natural gas and electricity (fossil fuels) to generate heat and air conditioning	Uses the constant temperature of the earth to heat and cool a building (with a simple system of wells, pumps, and pipes carrying liquid); the only non-renewable resource needed is electricity to run the pumps
Sits on the roof of the building	Requires a field of wells, which would be drilled on the north side of our property

Costs less up front (est. \$220,000 in our case)	Costs more up front (est. \$660,000 in our case) but sees savings in energy costs and replacement costs over time; can be designed to handle the full capacity of the building, anticipating the time when the HVAC system from the 2006 building addition dies
Has an estimated 20-year lifespan	The wells have a 50-year warranty; pumps would likely need to be replaced sooner, but these represent a small fraction of the overall cost

### **Campaign Committee: Reducing Debt + Funding HVAC Replacement**

Tom McWhertor reported that the new Capital Campaign Committee has been asked to implement a fundraising campaign to address both debt reduction and HVAC needs. He said the committee, which is still recruiting members, believes a three-year campaign of \$1.5 million to \$2.2 million is feasible based on past campaigns. The Council will determine the targeted amount once the geothermal engineering study is complete.

By tackling both debt reduction and HVAC needs, we will address immediate needs and free up money for ministry in the long term. Jack Roeda closed the meeting by encouraging those gathered to think about giving gifts that will put the next generation in a good position to lead and do ministry at COS.

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### **Contacts**

If you have questions about any of this information, please get in touch with one of us:

Tracey Gebbia, Chair of Council

Lori Wiersma, Minister of Administration

Rich Van Houten, Finance Committee chair

Mark Muysken, Facilities Committee member

Tom McWhertor, Capital Campaign Committee chair