



Feasibility Study Report for

Our Savior Lutheran Church

Minot, North Dakota

*Mark Davy & Associates provides
strategic approaches to deliver
transformational results.*

April 29, 2014

Our Savior Lutheran Church
3705 11th Street SW
Minot, North Dakota 58701

Greetings,

Please find accompanying this letter our feasibility study report for Our Savior Lutheran Church.

Mark Davy & Associates was given an opportunity to listen and learn about the vision of Our Savior Lutheran Church as viewed by interested members of the congregation. Our analysis of the feasibility study results conclude that there is an opportunity to move forward with a campaign.

It is our sense that through an effort to involve as many members as possible and educate the entire congregation your vision can become a reality. Within this report are the results of the study and recommendations.

We are grateful to everyone who assisted us in preparing for this study. Finally, we are thankful to the many people who participated and were so generous in sharing their thoughts and opinions.

Sincerely,

Michael Davy
President

Introduction

At the invitation of Our Savior Lutheran Church, Mark Davy & Associates conducted a feasibility study to determine the faith community's capacity to move forward with a capital campaign.

Purpose

The purpose of the study is to determine:

1. The faith community's awareness regarding the campaign vision. This assists in measuring the amount of education needed before asking members for gifts.
2. How important the campaign initiatives will be to the future well being of the church.
3. The strengths of the faith community. This will determine the focus of a future educational plan.
4. Concerns among members that may affect a campaign. Identifying and addressing these concerns is important before moving forward with the gifting phase.
5. The level of potential leadership within the congregation to conduct a successful campaign.
6. The level of financial support available for the campaign.

Methodology & Response Results

Mark Davy & Associates conducted 44 interviews, which involved 62 influential and interested members.

Additionally, we mailed surveys to gain a broader base of opinion and support the validity of the interviews. An opportunity to respond online was also made available. Survey responses were received from 36 households.

To obtain candid responses, we assured participants that their answers would be held in confidence. For this reason, comments included in this report are not identified or quoted by name.

Our Savior Lutheran Church

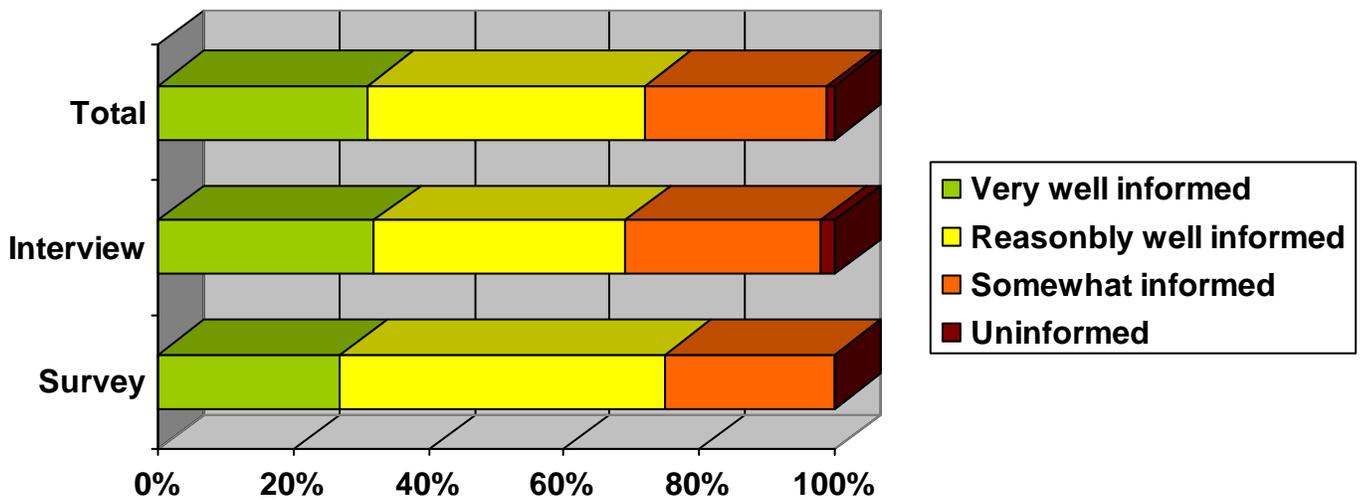
Minot, North Dakota

FEASIBILITY STUDY

1. How informed are you of the projects presented in the vision statement?

	<u>INTERVIEWS</u>		<u>SURVEYS</u>	
	<u>NUMBERS</u>	<u>PERCENTS</u>	<u>NUMBERS</u>	<u>PERCENTS</u>
Very well informed	20	32	9	27
Reasonably well informed	23	37	16	48
Somewhat informed	18	29	8	25
Uninformed	1	2	0	0

Responses to this question assist in gaining an understanding of how comprehensive an education phase needs to be before asking members for gifts. Each participant was asked to read the vision statement before participating in the interviews or survey which should have given them a general idea of the campaign purpose and goals.



The people surveyed were more informed of the campaign initiatives than those interviewed. Seventy-five percent of survey participants and sixty-nine percent of interview participants responding “very well informed” or “reasonably well informed” indicates a need for further education. An education phase to continue informing the faith community and building momentum is necessary for success.

2. How important do you believe each project is to the future well being of Our Savior Lutheran Church?

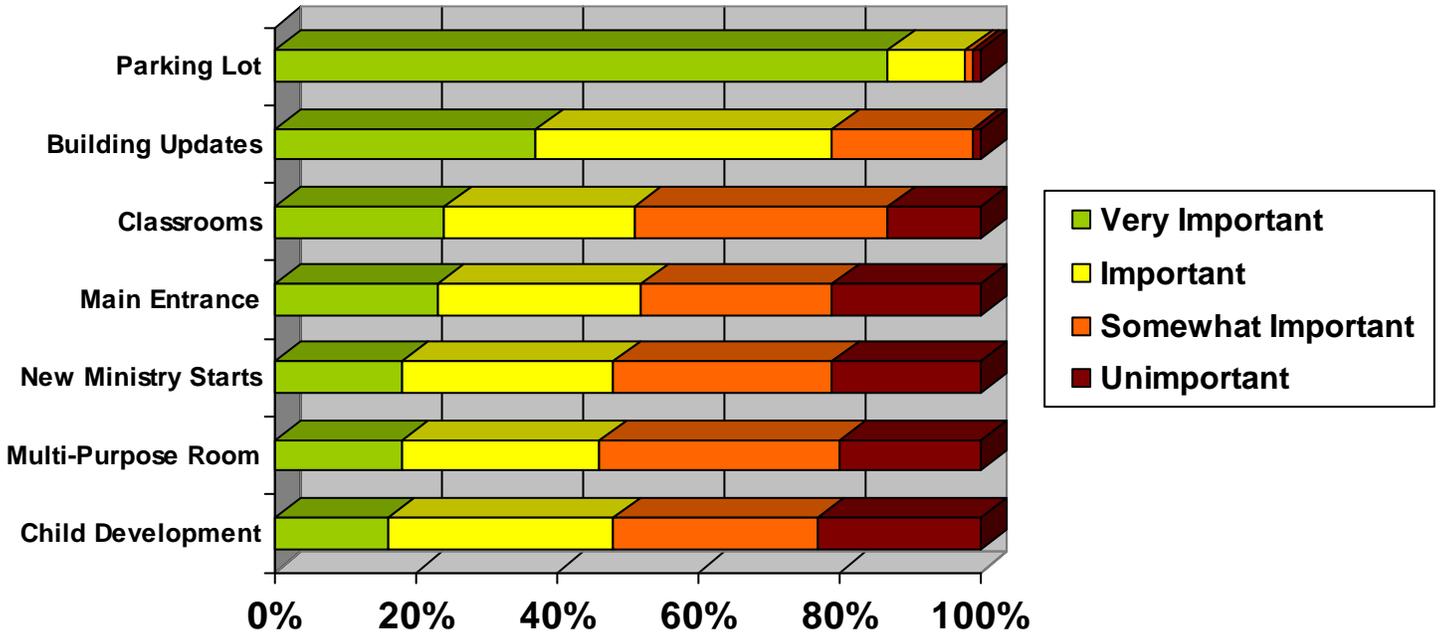
INTERVIEWS

Project	Very Important	Important	Somewhat Important	Unimportant
A Complete Rebuild and Expansion of the Parking Lot	54	6	1	1
Current Building Updates	27	21	13	1
Classrooms and Children’s Ministry Spaces	15	15	22	10
Main Entrance, Lobby or Atrium Area	12	17	19	14
Multi-Purpose Room	11	20	16	15
Expanded Child Development Space	10	18	21	13
New Ministry Starts	11	18	18	11

SURVEYS

Project	Very Important	Important	Somewhat Important	Unimportant
A Complete Rebuild and Expansion of the Parking Lot	29	4	0	0
Current Building Updates	8	19	6	0
Classrooms and Children’s Ministry Spaces	8	11	12	2
Main Entrance, Lobby or Atrium Area	10	11	7	5
Multi-Purpose Room	6	7	16	4
Expanded Child Development Space	5	12	6	9
New Ministry Starts	5	9	10	9

INTERVIEW & SURVEY RESPONSES COMBINED



Responses from participants should be taken into consideration when deciding what projects Our Savior Lutheran Church will pursue. The parking lot and building updates are viewed as most important, but ultimately it is Our Savior's leadership who must determine what initiatives will make the greatest impact on current and future members.

INTERVIEWS

Additional comments to question two:

- Parking lot has to be done (7)
- Multi-purpose room with a kitchen is important (4)
- Daycare is not necessary (3)
- We don't need more space (2)
- These projects will help the church's ministry (2)
- Minot needs early childhood space
- The projects are very important to serving the community
- New ministry start is important, but the least important of all of the projects
- Altar area upgrade may need to be redone to make it more pleasing to the eye
- These projects are key for continued growth
- If projects are needed so we can do the job right – do it
- Existing space for youth is not utilized correctly
- Gymnasium is needed for the kids
- Do not overbuild
- No need to build until the walls are bulging
- Pay off current debt before going forward
- Design of building needs improvement
- Re-look at kitchen design for serving purposes
- Soundproof the nursery
- Definitely need children's ministry classrooms
- Church needs to be more welcoming with the lobby project
- Need adequate bathrooms
- Need storage space for tables and chairs
- Transition space is needed
- Need better handicapped accessibility
- Uniformity of heating and cooling is necessary
- Water is necessary for playground area
- Hand washing stations in daycare are important

SURVEYS

Additional comments to question two:

- Scripture says you can not be lukewarm – a pastor once told us: “build it and the people will come.”
- It is more important to have a bigger worship space either by expanding or building new
- Update classrooms, child center and entrance to the church – include parking
- Expand with new space
- Can see the need for this project – it must go forward not just for the congregation, but for the community
- Use tile or linoleum floors – no more carpet
- Traffic flow into the church needs improvement, subsurface water movement needs to be taken into consideration when designing the parking lot
- The day care is not paying enough for upkeep; like carpet cleaning, replacement and repairs

INTERVIEWS

3. What do you consider to be the two or three of Our Savior Lutheran Church's top strengths?

- Pastoral staff (16)
- Presentation of the Gospel/Sermons (12)
- Friendliness (8)
- Music (8)
- Community outreach (7)
- Activities for members/ministry opportunities (7)
- Welcoming (6)
- Pastor Paul Krueger (5)
- Youth programs (5)
- Members (5)
- Bible study (4)
- Staff (4)
- Leadership (4)
- Location (3)
- Care about everyone (3)
- Contemporary service (3)
- Fellowship with members (3)
- Sense of family (2)
- Sense of community (2)
- Encouragement for projects
- Quality of pastors
- Involvement of younger members
- Philosophy of the church
- Culture of the church
- Sunday School
- Looking for new members
- Compassionate
- Closeness of members
- Pastors are inspirational
- Worship services
- Bringing faith to everyday life – making faith applicable
- Choir ministry
- Passion of leadership
- Reputation of Our Savior Lutheran
- LHLH Ministry
- The congregation steps out in faith
- Trusting congregation
- Administration of the sacraments
- Relationship building
- Small group studies
- Pastor Voth
- Flexibility of leadership

SURVEYS

3. What do you consider to be the two or three of Our Savior Lutheran Church's top strengths?

- Pastoral staff (13)
- Community outreach (6)
- Variety of worship services (5)
- Music (5)
- Friendliness (4)
- Welcoming (4)
- Bible study (4)
- Activities for members/ministry opportunities (4)
- Sense of family (3)
- The band (3)
- Pastor Paul Krueger (2)
- Children's programs (2)
- Childcare center (2)
- Confirmation classes (2)
- Missions (2)
- Youth programs
- Sermons
- Location
- Caring
- Members
- Leadership
- Staff
- Small family atmosphere
- The disposition of the church
- Size of congregation
- Small groups
- Bonnie Rennich
- Young congregation
- Support
- Charitable and hard working
- Strong in doctrine
- Feeling very comfortable
- Youth leader

INTERVIEWS

4. Would you see any areas of concern affecting a capital campaign?

- Raising the money (12)
- Age of congregation (6)
- Debt (6)
- Keeping the pastoral staff in place (5)
- Meeting current budget (4)
- People are strapped for money in Minot (2)
- Increase in cost of living (2)
- High expectations (2)
- Not as many people attending services (2)
- Ability to support projects (2)
- The church not growing (2)
- Need to bring in young families
- Members on a fixed income
- Daycare is not something we do
- Membership has reached a plateau
- Turnover of membership is high
- A larger amount of the burden goes on a smaller amount of people
- No strong lay leadership
- Commitment to the church
- Cost
- The staff seems to be over extended and may become more over extended by the church growing
- There is little to be gained by expanding the church building
- Meeting the needs of current members
- The amount of time and thought that is devoted to helping members
- The plan is not progressive enough
- Another flood

SURVEYS

4. Would you see any areas of concern affecting a capital campaign?

- People are still struggling for money (3)
- Cost of living (3)
- Ability to support projects (2)
- Losing members that don't feel they can financially support a capital campaign (2)
- Raising the money
- Debt
- Meeting current budget
- Members on a fixed income
- The chosen project
- All members contributing in some way
- The expectation of growth to add on the new addition for classrooms
- That OSLC will "get too big for their britches".
- Flood rebuild of Minot
- Higher taxes
- Doing too much at one time
- That the capital campaign is too broad and open ended that people may choose not to support it

INTERVIEWS

5. **Who, in your best judgment, would be the three to five persons who could provide the necessary leadership to make a capital campaign successful?**

- Dennis Krueger (13)
- Chad Thompson (11)
- Dave Neiss (9)
- Dave Hance (8)
- Merle Zander (8)
- Pastor Paul Krueger (6)
- Shawn Kramer (5)
- Myron Thompson (5)
- Cheryl Coyle (3)
- Curtis Hahn (3)
- Kelly Hayhurst (3)
- Brent Mattson (3)
- Gail Schmidkunz (3)
- Brent Detlaff (2)
- Wayne Johnson (2)
- Bonnie Rennich (2)
- Susan DeForest
- Tadd DeMars
- Erin Dodd
- Sue Dodd
- Craig Eraas
- Joan Hance
- Pete Hankla
- Ed Haugen
- Paul Klug
- Peggy Lentz
- Brenda Niess
- Brenda Reckelberg
- Stephanie Schoenrock
- Cory Thompson
- Bob Timm
- Crystal Voth
- Karla Yates
- Eileen Zander

SURVEYS

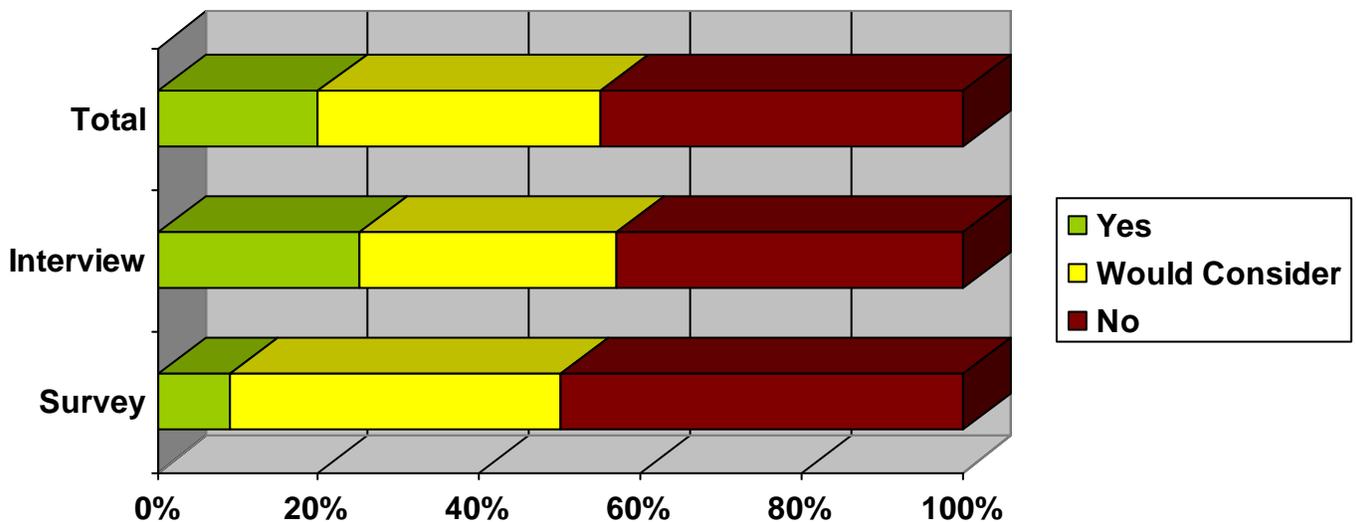
5. Who, in your best judgment, would be the three to five persons who could provide the necessary leadership to make a capital campaign successful?

- Pastor Paul Krueger (5)
- Dennis Krueger (4)
- Chad Thompson (3)
- Dave Hance (2)
- Shawn Kramer (2)
- Brent Mattson (2)
- Bonnie Rennich (2)
- Gail Schmidkunz (2)
- Steve Carbno
- Steve Coyle
- Curtis Hahn
- Mark Haugen
- Kelly Hayhurst
- Todd Hulse
- Dick Messerly
- David Niess
- Dennis Oothoudt
- Rudy Steinke
- Myron Thompson
- Theresa Voeller
- Mavis Zahursky
- Merle Zander

6. A capital campaign will need many volunteers to ensure its success. If asked, would you accept a leadership or supportive role?

	<u>INTERVIEWS</u>		<u>SURVEYS</u>	
	<u>NUMBERS</u>	<u>PERCENTS</u>	<u>NUMBERS</u>	<u>PERCENTS</u>
Yes	15	25	3	9
Would consider	19	32	13	41
No	25	43	16	50

Volunteers are a key element to success in a campaign. They provide a major role in informing the faith community regarding the campaign vision and asking for members' support. Another benefit to recruiting a large number of volunteers is people are more likely to give and/or increase their giving to a project in which they are involved.

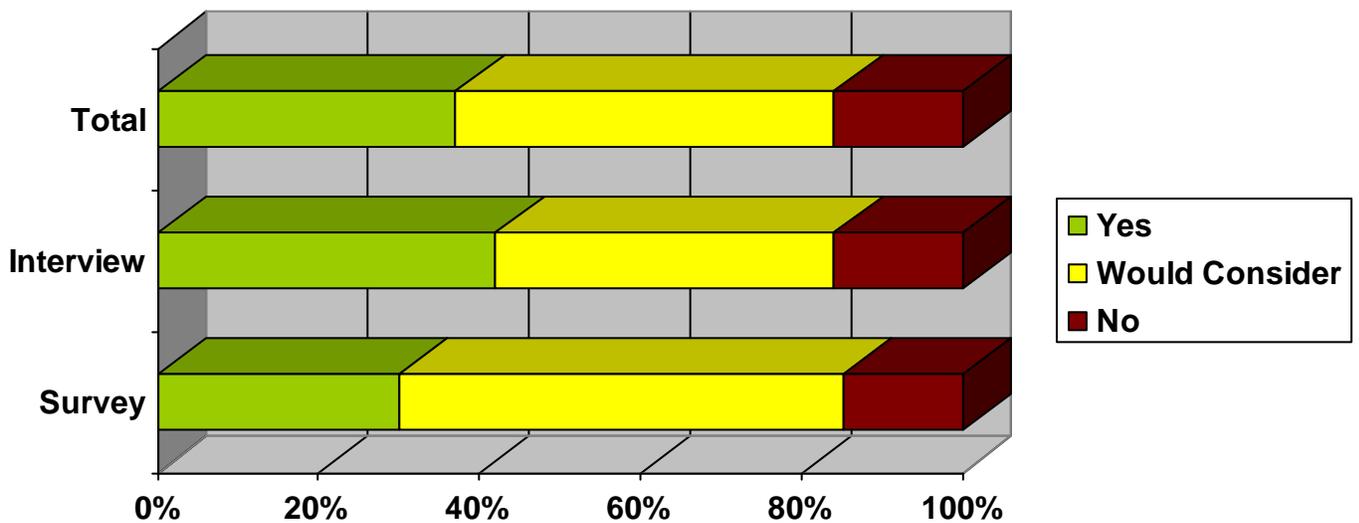


Both the interview and survey percentages indicate some willingness to accept or consider a leadership or supportive role. While the percentages seem low, these represent a normal response as people are reluctant to commit when they are not sure of the job description or specifics of the project. In a more positive sense, there is a pool of 50 people who would agree to or consider taking a leadership or supportive role.

7. **Would you make a gift to the capital campaign, above and beyond your ordinary giving, payable over a three year period?**

	<u>INTERVIEWS</u>		<u>SURVEYS</u>	
	<u>NUMBERS</u>	<u>PERCENTS</u>	<u>NUMBERS</u>	<u>PERCENTS</u>
Yes	19	42	10	30
Would Consider	19	42	18	55
No	7	16	5	15

This question is valuable in determining if there is genuine support for a campaign. Members can often feel that a campaign is important, but a financial commitment above and beyond their regular giving demonstrates assurance that they want to see the church’s vision achieved.



Responses to this question were encouraging and represent a faith community committed to the vision. Eighty-four percent of members interviewed said “yes” or “would consider”, while eighty-five percent surveyed responded “yes” or “would consider” a gift. When the church educates and involves more members these percentages will most likely increase.

8. If so, in which level would your gift be:

GIFT CHART

<u>Level I</u>	<u>Level II</u>	<u>Level III</u>
\$100,000 +	\$ 20,000	\$ 4,000
\$ 75,000	\$ 15,000	\$ 2,000
\$ 50,000	\$ 10,000	\$ 1,000
\$ 25,000	\$ 5,000	\$ 500

	<u>INTERVIEWS</u>		<u>SURVEYS</u>	
	<u>NUMBERS</u>	<u>PERCENTS</u>	<u>NUMBERS</u>	<u>PERCENTS</u>
Level I	2	6	0	0
Level II	16	44	4	16
Level III	18	50	21	84

Measuring the level or range at which members will give to a campaign is a helpful indication of the church's capacity to achieve their vision. For Our Savior Lutheran Church to conduct a successful campaign, it is necessary to have gifts at all three levels.

Responses were encouraging with twenty-two interview and survey participants indicating their willingness to make a gift at Level I or II. However, with sixty-four percent of people participating responding at Level III,, donor sights must be raised to consider larger gifts if the campaign is to be successful. This will occur through education and process.

9. Without making a commitment, could you share with us what your gift might be?

\$_____per year for three years, totaling \$_____

This question assists Mark Davy & Associates in better understanding the financial capability of the church to pursue a campaign, however, the responses are not all-inclusive or comprehensive enough to report.

10. If asked, would you include Our Savior Lutheran Church in your will?

	<u>INTERVIEWS</u>		<u>SURVEYS</u>	
	<u>NUMBERS</u>	<u>PERCENTS</u>	<u>NUMBERS</u>	<u>PERCENTS</u>
Yes	3	7	1	3
Would Consider	23	52	13	42
No	15	34	17	55
Already in my/our will	3	7	0	0

The response to this question indicates potential for future funding and a need to further communicate opportunities for planned gifts. Three participants have already included Our Savior Lutheran Church in their estate and many others responded “yes” or “would consider”. Some of the largest gifts churches receive are often from planned giving.

11. What is the most effective way for Our Savior Lutheran Church to communicate with you?

	<u>INTERVIEWS</u>	<u>SURVEYS</u>
	<u>NUMBERS</u>	<u>NUMBERS</u>
E-mail	32	13
Newsletter	20	14
Weekly bulletin	13	13
Mail	12	17
Announcements	9	7
Website	1	6
At church	0	1
General information sessions	1	0
One-on-one with pastor	1	0
Phone	2	0
Talking points at service	1	0

Each faith community has a preferred way of receiving communication. The responses to this question make a distinction between what materials members will generally pay more attention to than others.

E-mail and the newsletter were indicated as the most effective ways to receive communication. During the campaign, all forms of communications should be utilized, but the results demonstrate which vehicles should be used most often in the education phase.

INTERVIEWS

12. What advice or comments do you have for the leadership of Our Savior Lutheran Church regarding a capital campaign which you haven't shared?

- More communication is needed (5)
- Complete these projects in phases (5)
- Continue with informational meetings for questions (3)
- Focus on the gospel and ministries before bricks and mortar (3)
- Pray (2)
- Keep people informed (2)
- Make this sensible and thought out with a solid plan
- Think big – think outside the box – expand the vision
- Admire the energy and big thinking
- Do what we can afford
- How will we pave the parking lot?
- Walk softly, low and slow
- Don't be pushy and you will get what you want
- The presentation done on 3/30/14 needs to be done again
- Continue to carry the vision
- Need to know how much this will cost
- Do we still have a debt from the 2000 campaign?
- Be more open on daycare expenses
- Talk to nay-sayers about the projects
- Daycare is a burden and taxation on the church, it needs to pay for itself
- Enlarge the sanctuary along with the rest of the expansion
- Need a better explanation about the projects
- Involve small groups to keep everyone informed
- Think and look outside the box for raising money
- Explore outside financing
- Explore revenue generating activities from outside our four walls
- Need to push more on talking money for stewardship
- Need a business manager
- It is the most expensive time in Minot to build
- Good approach to a capital campaign
- Don't talk about money all of the time, but let the need be known
- Child development is a needed area
- Church council should take control, seek input, give feedback, listen and analyze results

Interview question twelve continued...

- Need more debt reduction before moving forward with projects
- All for it - need to grow with the community
- Take one step at a time
- Explain the capital campaign process
- Who can donate to the church – businesses?
- Can grants be written for additional funds?
- Make things more specific – costs, drawings, etc.
- Continue to work hard on the child development part of the church
- Senior leadership sometimes makes decisions without consulting
- Listen to the congregation – let them have a stake in the projects
- Be practical
- Understand the feasibility study
- Don't go into debt for these projects – get the money upfront and then do the projects
- Move ahead with the plan as laid out in the feasibility study – don't get in the way of the plan that the Lord has for the church
- Understand that Our Savior is a special family
- Establish the fact that the budget is stable
- We are starting the parking lot project too late
- Project for parking lot improvements has increased
- Is there a loan for daycare improvements – regardless of the feasibility study?
- If the church grows - what about growing the worship area?
- Need to determine if we are going to be a school or a church, they should be separate financially
- Meet the immediate needs of the members
- Reach out to members that are not active before the capital campaign – have them get involved
- LHLH can contact oil field companies for money – should be able to get money if approached correctly because it serves a need in the community
- Timing is right for continued growth and to do a campaign
- We need a multi-purpose room
- Needs to be done
- Excited to be part of the campaign
- Stay positive
- Definitely move forward

SURVEYS

12. What advice or comments do you have for the leadership of Our Savior Lutheran Church regarding a capital campaign which you haven't shared?

- Repair the parking lot (3)
- Be cautious (2)
- We need to pay off the debt first (2)
- Need to keep nurturing and growing the current membership of OSLC (2)
- Make sure to personalize it to everyone
- Help everyone be a part – let it be a daily and weekly barometer for all to see the progress
- Don't know if we have enough members who are financially able to give a lot more than they do now
- Expanding is necessary
- Try to put together a project and building group within the church that have knowledge of construction
- Maybe we need to rethink expansion/building to make worship/sanctuary area larger either by expanding or by building that addition – if it is cheaper to build, then use the current worship area as a multi-purpose room
- It does not make sense to offer double the services when we cannot afford double the staff
- Focus on serving the existing young congregation with children
- As OSLC moves toward the future, we cannot lose sight of our ultimate mission, sharing the word of Christ
- We wish OSLC success and growth – our hearts are rooted in the love and acceptance we have felt inside the church
- Current building updates should be tackled second
- A second building for daycare/child development which would not be connected to the church would free up all the classrooms and give us ample space, save on wear and tear of the carpets, heating/cooling etc.
- Don't ask for too much, too soon – people will feel overwhelmed and not give anything
- It might be a bad time for anything that isn't really necessary
- A promotional video of the long-term plan worked well for our workplace expansion
- Let's scale back and secure cash in the bank for a percentage of the costs first
- Let's meet our current weekly budget and go slowly
- Let's all work together for the good of OSLC

Recommendations

Below are Mark Davy & Associates' recommendations for Our Savior Lutheran Church regarding the implementation of a capital campaign:

1. We recommend that Our Savior Lutheran Church use the momentum of this study and move forward with a campaign immediately. Based on our findings, Our Savior Lutheran Church has the potential to raise \$500,000. It is our sense that this amount represents current willingness of your congregation to participate in the proposed endeavor.

With the commitment of leadership to complete a major campaign, the necessary volunteers and a comprehensive education process, we do, however, believe that the opportunity to raise \$650,000 exists. This is what we refer to as the "faith factor". When a true sense of generosity is introduced to a faith community, a spirit of conversion begins which meets all challenges.

2. Although less than what was proposed to fund the entire vision, the above amount represents a strong base of support considering Our Savior Lutheran Church's size. Leadership should review the results and prioritize the projects. During a campaign it's important to present the entire vision and communicate which projects will be completed first based on available funding.
3. The study responses indicate a need for further education before asking members to make a large financial commitment. Mark Davy & Associates' recommendation is to complete an all-inclusive education phase to ensure each member has had the opportunity to fully understand the vision for this campaign. It is vital to provide as much information as possible to all households for each member to make an informed decision regarding a gift.
4. Upon making the decision to move forward with a campaign, leadership should begin immediately to determine who is best to lead this effort. Selecting the right leadership is crucial to a campaign and should not be taken lightly.

It's important to review the question in this study regarding who members believe would be the best candidates for chairing a campaign. Most churches select two individuals or couples to represent the campaign leadership. The following are some of the key characteristics to look for in potential campaign chairs:

- Support the campaign vision and will make a gift
 - Have the time and dedication to oversee the completion of a successful campaign
 - Well known in the church and has a history of working well with others within the faith community
 - Willing to work with leadership and a campaign consultant to oversee and execute the campaign plan
5. Pray and encourage others to pray for the success of this campaign and those who have and will work hard to see its fruition. Ask the Lord to inspire all members to join in this effort with a joyful commitment to volunteer and a spirit of gratitude in giving to this effort.