

Minutes of Congregation Council Meeting
January 16, 2024
7:00pm Via Zoom

- I. Call to Order 7:00pm
 - A. Attendance : Mike Berkheimer, Dean Black, Bob Bolen, Faye Casciano, Mike Epperly, Kristin Ervin, Amy Grubb, Sue Mathieu, Nina McNally, Pastor Mark Wimmer, Pastor Cindy Camp, Pastor Tami Reichley
 - B. Excused: Hayden Fermier, John Osenbach
 - C. Thank you to Nina, Amy, and Hayden for their service to Council
 - D. Guest: Nadine Hohe
 - E. Devotions: Nina McNally

- II. Adoption of previous month's Meeting Minutes. **Motion** by Pr. Tami: To approve the minutes from the December 2023 monthly Church Council meeting. **Second** by Faye Casciano. **Discussion**: deletion of the Finance Resolution due to it needing updating (refer to January 2024 Minutes Section 3i Resolution 1). **APPROVED, with deletion noted above.**

- III. Staff Reports:
 - A. Pr. Cindy: She looking for technology assistance during two upcoming Center for Faith and Life sessions. Deacon Mel is working to resolve the issues.

- IV. Old Business
 - A. Call Process update: Amy Grubb: the committee continues to seek out and interview candidates.
 - B. Director of Music Search: Mike Berkheimer: the position was recently posted. A candidate has already applied for the position.
 - C. Staff Support: Nina McNally: prior to the Annual Meeting on February 4, 2024, there will be a cake to honor Chris Carter's years of service. Chris Carter and Bob Mueller will also be recognized and given a gift card at the meeting. Pr. Wimmer and Mike Berkheimer will be taking Bob Mueller out to lunch at another date to honor his service. Also: Staff Support is working on how to recognize Sharon MacCabe, perhaps with a Coffee House on April 13, 2024. Additionally, Staff Support continues to work on updating position descriptions and the Employee Handbook. Nadine Hohe will be welcomed on 2/11/24.
 - D. Nominating Committee for Council: Council will nominate the following people to Church Council: Rob Sandoval, John Osenbach, Youth Representative Hannah S., and Bob Mueller. Council is still in the process of recruiting two people for two three-year terms. Mike Epperly will be staying on for a second three-year term.
 - E. Artwork: The committed did not have a meeting, so there is no follow-up information at this time.

- V. Mission Team Reports

A. Finance:

1. 2023 End of Year Results: Mike Berkheimer shared the 2022 actual/2023 proposed/2023 actual budget that he shared at Council Forum on Sunday, January 14, 2024. The church ended the year with the actual income exceeding what Council budgeted by over \$50,000, and also ended the year with a surplus of \$43,885. This means that there was not a need to borrow money from Endowment, nor was there a need for a special appeal. This puts the financials in a much better picture going into 2024. When Mike presented this information at Council Forum, there was not a lot of questions about the absolute numbers.
2. 2024 Revenue/Expense Budget: Mike Berkheimer gave an overview of the 2024 proposed revenue and expenses. We are awaiting the breakdown of Congregational Budgeted Benevolence. Regarding expenses, there was a discussion about discrepancies in raises proposed for 2024. The budget at this point will have just over a \$45000 deficit. The idea is to fund the deficit from the cash reserve. As 2024 progresses, Council intends to report back to the congregation on the status of the budget. **Motion** by Mike Epperly to approve and present to the congregation the 2024 budget with a deficit of \$46111, to be covered by cash reserves if necessary. **Second** by Pr. Wimmer. **Discussion:** Pr. Tami was to receive a 3% cost of living raise while the rest of the existing staff are to receive a 5% cost of living raise. Amended **motion** by Mike Epperly: to give all staff a 5% cost of living raise, which increases the budget approximately \$1600, with a deficit of approximately \$47711. **Second:** Sue Matthieu. **Discussion:** about seeking out grants to cover various expenses. This could be a way to come in under budget. Motion **approved**, with one abstention.
3. Finance: Mike Epperly:
 - a. December 2023 Operating Income was \$95,020 being \$10.9 K higher than its December \$84,158 Budget, with operating pledged income being \$9.7 K lower than its December Budget, with operating unpledged income being \$17.1 K higher than its December Budget, while combined loose plate and non-member contributions were \$0.2 K higher than combined December Budget.
 - b. Operating Income YEAR END stands at \$882,353 which is \$50.7 K higher than YEAR END Budget \$831,679. Variance of \$50.7 K reflects combined impact of operating pledged income YEAR END being \$8.1 K lower, operating unpledged income YEAR END being \$29.8 K higher, combined loose plate and non - member contributions YEAR END being \$7.8 K higher, All Specials YEAR END (Initial Offering, Advent, other Specials, and Christmas Tithe) (\$9,241.55 vs \$10.0 K Budget) being \$4.8 K higher, Thrivent Income YEAR END being \$1.3 K higher and Interest YEAR END being \$3.8 K higher.
 - c. Operating Expenses in December were \$95,625, being \$4.1 K lower than December \$99,685 Budget.
 - d. Operating Expenses YEAR END stand at \$838,467 which is \$39.1 K lower than YEAR END Budget amount of \$877,557. ALL Mission areas in December were close or under December Budget. Most Mission areas at YEAR END were close or under YEAR END Budget. MAJOR variances involve these Mission areas: Total

People YEAR END was \$589,079 which is \$10.0 K lower than YEAR END Budget of \$599,031. Total People YEAR END variance of \$10.0 K reflects impact of lower Salaries expense (\$ 9.1 K) after offset mainly due to open 9 ½ month Production Assistant position (\$12.1 K less) and lower Health Insurance expense (\$5.7 K). Resources for Ministry was \$20.5 K lower than YEAR END Budget mainly due to five expenses: Paper (\$1.5 K higher), Technology (\$3.0 K less), Professional Services (\$3.5 K less), Building Maintenance (\$6.1 K less), and Service Contracts (\$8.5 K less due to NO SNOW PLOW & SALT). Worship was \$3.4 K lower than YEAR END Budget due to Altar & Worship Supplies (\$2.2 K less WITH COMMUNION DISTRIBUTION AT FRONT OF NAVE), Faith Formation for Youth was \$1.5 K lower than YEAR END Budget due to Cat Camp supplement by Endowment covering \$3,610 expense, and Church Growth was \$2.3 K lower than YEAR END Budget due to Promotional Materials (\$1.7 K less). There were \$140 accrual in December.

- e. Net Income in December was a deficit of \$605 which is \$14.9 K lower than expected December Budget. Net Income deficit of \$15,527 bringing YEAR END NET INCOME to \$43,886 which is \$89.8 K higher than ADJUSTED YEAR END Net Income Budget deficit of \$45,879 (This adjustment increase of \$25 K reflects the actual 2023 expense results since LCHS did NOT supplement the Budgeted Benevolence from the Endowment Fund as per the original approved 2023 Budget. In 2022, the Annual Report page 45 showed the expected YEAR END deficit would be \$20,879, assuming \$25 K was supplemented from the Endowment Fund).
- f. OPERATING CASH BALANCE decreased from \$115,070 on 11/30/23 to \$114,465 on 12/31/23.
- g. YEAR END BUDGETED CASH BALANCE WAS \$49,560, as per the original approved 2023 Budget in the 2022 Annual Report page 45. Reducing this original \$49,560 by \$25 K yields an ADUSTED YEAR END CASH BALANCE of \$24,560. ACTUAL YEAR-END OPERATING CASH BALANCE OF \$114,465 IS AN INCREASE OF \$89,905 FROM ADJUSTED YEAR END BUDGETED CASH BALANCE OF \$24,560.
- h. TOTAL BENEVOLENCE FOR 2023 WAS \$61,880 + \$29,400. Budgeted Benevolence was \$61,880; Non-Budgeted Benevolence was \$29,400 NOTE: Above dollar amounts do not include in-kind donations given to Sixth Street Shelter, Christmas Ingathering, Angel Network, God's Work Our Hands, LCHS garden food donations, and many other agencies.
- i. SPIRIT LED/SPIRIT ALIVE CAPITAL CAMPAIGN Account cash balance is \$19,641. (December donations \$13,582) December expense was mortgage payment on Mission Investment Fund Building Project loan (\$2,188). NOTE: December was the fifth of last five months of 2023 where the monthly mortgage payment was disbursed from Spirit Led/Spirit Alive account as per Congregational Council resolution.

- j. BUILDING PROJECT LOAN: Balance on Mission Investment Fund Building Project loan at end of December 2023 is \$399,411.25.
- k. BUILDING FUND: December month-end balance was \$13,359. (Donations \$1,850). No expenses in December.
- l. There were six resolutions from the Finance Committee. They are as follows:
 - 1. RESOLUTION FROM FINANCE COMMITTEE: Finance Committee recommends utilizing cash donations available in the SPIRIT LED/SPIRIT ALIVE CAPITAL CAMPAIGN account to make monthly payments of Principal/Interest on the Mission Investment Fund Building Project loan for the first five months of 2024. (January 2024, February 2024, March 2024, April 2024 and May 2024). Request Congregation Council approval of making five monthly payments of \$2,188 in 2024 as described above utilizing cash donations from SPIRIT LED/SPIRIT ALIVE CAPITAL CAMPAIGN account. **Motion** by Mike Epperly. **Second:** Amy Grubb. **Approved.**
 - 2. REQUEST FROM ENDOWMENT COMMITTEE --- Endowment Committee unanimously recommends Congregation Council approval of disbursement from ELCA Endowment Fund Pooled Trust of up to a maximum of \$5,000 to fund Call Committee expenses relating to the Call Committee search work for a new Senior Pastor during 2024. Request Congregation Council approval of this disbursement to fund above-described expense during 2024. **Motion** by Mike Epperly. **Second:** Bob Bolen. **Approved.**
 - 3. RESOLUTION FROM ENDOWMENT COMMITTEE --- Endowment Committee unanimously recommends Congregation Council approval of disbursement from William S. Wotring Endowment Trust of up to maximum of \$6,000 to fund Faith Formation for Youth – CAT CAMP expenses in 2024 Budget. Request Congregation Council approval of this disbursement to fund above-described expenses in 2024 Budget. **Motion** by Mike Epperly. **Second:** Dean Black. **Approved.**
 - 4. RESOLUTION FROM ENDOWMENT COMMITTEE ---- Endowment Committee unanimously recommends Congregation Council approval of disbursement from ELCA Endowment Pooled Trust of \$5,000 to fund Resources for Ministry: Technology to improve LCHS computer infrastructure support with a one-time project labor expense by a third-party firm. Support work will include: remote management to PCs, replace server, upgrade antivirus protection, backup of PCs, and move to Microsoft mail and cloud storage. Request Congregation Council approval of this disbursement to fund above-described one-time project labor expense in 2024 Budget. **Motion:** Mike Epperly; **Second:** Faye Casciano. **Approved.**
 - 5. RESOLUTION FROM FINANCE COMMITTEE --- Finance Committee requests Congregation Council approval of the following Resolution: Resolved: Effective January 16, 2024, the following individuals are granted authorization to conduct transactions on behalf of this Congregation Council on the ELCA Endowment Fund Pooled Trust account with the ELCA

Foundation: Mark A. Casciano, Endowment Trustee; Debra R. Stevens, Treasurer; and Nadine R. Hohe, Operations Manager. **Motion:** Mike Epperly; **Second:** Pr. Cindy. **Approved**

6. RESOLUTION FROM FINANCE COMMITTEE ---- Finance Committee requests Congregation Council approval of the following Resolution: Resolved: Effective January 16, 2024 following individuals are granted authorization to conduct transactions on behalf of this Congregation Council on mutual fund accounts and Brokerage Services Accounts with The Vanguard Group, Inc.: Mark A. Casciano, Endowment Trustee; Debra R. Stevens, Treasurer; and Nadine R. Hohe, Operations Manager. **Motion:** Mike Epperly; **Second** Pr. Tami. **Approved.**
 - B. Outreach Mission Team: Dean Black made a **motion** that the 2024 Lenten Donations go to World Hunger Appeal. **Second:** Mike Epperly. **Approved**
 - C. Faith Formation for Youth: Kristin Ervin sent out a proposal from Amber O'Brien to move Confirmation from spring 2024 to Reformation Sunday in fall 2024. This was tabled until the February Council Retreat due to the length of the January Council meeting.
- VI. Next Meeting – Council Retreat Saturday, February 10, 2024 from 9am-4pm. This will be in lieu of the February Council Meeting, so therefore there is no meeting on February 20, 2024.
 - A. Reminder of the 2024 Annual Meeting on Sunday, February 4, 2024 at noon.
 - B. There will be a Council Forum on January 28, 2024 to answer questions on the 2024 budget.
 - C. Assignment of Devotions for February Council Retreat: Faye Casciano.
- VII. Meeting adjourned at 9:30pm with a closing prayer by Pr. Tami.