

Christ Evangelical Lutheran Church Council Meeting
Monday, December 8, 2014
7:00 PM

Present: Jim Schnellenberger, Paul Quel, Jim Pickels, Patty Franz, Judy Garnett, Glen Kellogg, Pastor Moerhing, Tinky Keen, Faith Hobson, Gerald Ransone, Jim Ingraham, Stephanie Feaser, Diane Kellogg, Heather Heckel, Ernie Foltz, Chad Foltz, Shannon Fleming
Absent: Bruce Matson, Ferrell Newman

Meeting called to order 7:04 pm

- 1) Devotions-Pastor Moehring
- 2) Approve November's Minutes—Motion made, 2nd approved unanimously
- 3) Pastor's Report
 - a) New members, Angela Hamer, Bill & Dawn Mottet; motion made, 2nd unanimous approval
 - b) Sunday school; youth and adults, serving ~22 youth, ages 1 yr-high school.
Heather asked about Spark license, correction is that the license runs through May (report says March)
 - c) Important dates—
 - i) 1/11/2015 installation of council members at either service
 - ii) 2/22/15 Richmond Conference Gathering with Bishop Mauney, open to council and congregation. Time tba, but probably afternoon, and finished by 5-5:30 pm. Council is encouraged to attend
 - iii) Pastor will be taking a Vacation day 12/28
- 4) Treasurer's Report
 - a) +\$30,000 for November, nothing else worth noting
 - b) Possibly move to new business: Paul talked to a Thrivent mortgage person about refinancing, if we added 7-10 years to our mortgage, we could save \$11,000-\$20,000/year. If council approves, Paul will start collecting the paperwork. Current maturity, 5/2020, refinance would add 7-10 years, ie 2027. This would cost us more overall, but would reduce the amount we pay annually. The principal is about \$220,000. We are paying 5.375% interest, a refinance would be in the vicinity of 4.5% We will move the discussion to new business/budget
- 5) Ministry Team Reports
 - a) Gerald—evangelism. Play on 12/20 at Glen Allen Cultural Arts Center. Patty and Margaret donated handmade book markers and tissue holders. Marc Belcastro is working on the umbrella holders. A restaurant has donated \$100 towards umbrellas

- b) Stewardship, Jim Ingraham, campaign is ending, 90 cars \$224,000. Some people indicated “will give as able”, asked Cindy Williamson to check and estimate what those people might be expected to give. Would be ~ \$15,000. 24 people did not return cards, but if regular attendees, estimated \$18,000. Total estimate \$257,000, which the committee feels is a reasonable estimate.
 - c) Food for Sunday, Judy asks all council members to bring food for pageant, light refreshments, finger food, snacks. Estimate 60-70 people.
- 6) New Business
- a) Prayer Garden/Memorial Fund Request
 - i) Judy Garnett, one of the trees that fell was in the prayer garden, asking for more work to be done on the white oaks, have them treated, fertilizer, etc. Requesting that \$1000 gift + \$500 gift from Ernest Bolden to be directed towards upkeep of the trees. Some discussion as to where the funds are coming from. Motion to move \$1230 from memorial fund to prayer garden fund, moved, 2nd, approved unanimously. Brings the prayer garden fund to \$2000.
 - b) Constitution update. Heather sent an email of the explanation. 2 sections are blank, so they can be omitted. Sections will not be renumbered in order to keep numbering in line with model constitution. This won't prolong the process anymore, the congregation will approve the changes and approve the constitution at the same time. Motion we approve the changes made by Sarah Vaughan. 2nd, approved unanimously.
 - c) Annual congregational meeting, to approve the annual report, and approve the constitution.
 - i) 2/1/15 is probably the best option.
 - ii) Time? After 2nd service, between services? Only one service?
 - iii) Proposed one service at 9:30, meeting afterward, motion made, 2nd, unanimously approved
 - d) Council Retreat – March 7, 2015
 - i) Save the date, Saturday, Jim Schnellenberger will be leading
 - e) Devotions/Door Keepers for 2015
 - i) Pass the information around sign up
 - f) Other New Business
- 7) Budget Discussion

- a) Glen Kellogg lead the discussion.
 - i) \$224,000 number from Cindy, this represents about \$100,000 less than last year. Amounts from the Top 10 pledgers & Top 50 pledgers are down considerably from last year.
 - ii) Estimated offerings from above numbers and faith money (estimate 12% due to people willing to support but not pledge) ~\$250,000, + funds from Revolucion Apostolica ~\$7,000. \$257,000 total.
 - iii) We will have a budget surplus at the end of this year of about \$30,000.
 - iv) It is important to keep a reserve to be able to deal with unexpected expenses, because we are always dealing with unexpected expenses. We shouldn't use our reserve to supplement next year's budget.
 - v) The base operating expenses are ~\$300,000, which would be achievable with a \$270,000 projected pledge and faith money.
 - vi) From the block budget exercise we did last month, council identified what their top priorities to do with anything over the base budget.
 - vii) We can use these priorities to determine what is most important to council (see handout)
 - viii) We have a gap of ~\$40,000 to get from where we are to where we need to be. Even if we eliminated all non-essential spending (programs, etc), we would only save ~\$17,000 because compensation and building are the vast majority of our budget.
 - ix) Based on current pledges, compensation is ~ 81% of our current pledge is for compensation.
 - x) We promised the congregation last year that the surplus would go to funding the reserve and to increase benevolence.
 - xi) If we spend down our reserve, then 2016 would be very tenuous
 - xii) Proposed changes
 - (1) Hire nursery worker for 6 months, and re-evaluate then.
 - (2) Increase property expenditures, because having visitors (Revolucion and YMCA) will increase wear and tear and expenses for the property
 - (3) Hold education and outreach where they are
 - (4) Decrease benevolence by 1/3
 - (5) Redefine compensation levels, housing allowance eliminated, admin asst to go part time, music director by 10%, discontinue part time assistant

- (a) Would result in ~\$20,000 savings
- (6) Result is a revised budget of \$279,000, which would result in a \$2,000-\$7,000 deficit
- xiii) Jim Pickels: have personnel have been notified.
- xiv) Paul: there probably isn't any other option than to use the surplus. This probably won't end well. Would like to suggest council to consider that incoming members of council that don't have a vote who will have to deal with the "fallout"
- xv) Jim Schnellenberger: we are pledging less as a group than we did last year (even without Pray it Forward), wants to know if the folks who are pledging less should be approached by congregation. Do we expect the staff to keep working to the same level, even though their pay has been reduced?
- xvi) Patty Franz: If we decide to ask members who have made a significant change in our budget, we need to be careful how those questions are asked. Patty has heard that when a pledge changes, the families should be contacted about what they feel is good and by what they feel is bad? What is the hourly rate for the nursery worker? We'd be paying the nursery worker for 4 hours. \$50/Sunday
- xvii) Jim Pickels: we are running into things that we can't move. The economy isn't good, people aren't getting raises, more of our congregation is aging and on fixed income, and inflation continues.
- xviii) Judy Garnett: would like clarification on Paul's comment about things not going well. Paul told the story of a church that made a lot of \$ by selling their land, but made no improvements to the life of the church, and the church eventually died. Think of "eating the seed corn", eventually you run out of borrowed time. We shouldn't pursue people who haven't pledged.
- xix) Pastor; appreciates the narrative Glen wrote. He appreciates the gravity of all that has been presented. But uncomfortable with the concept of the ratio of compensation vs ministries in the budget. Most of Pastor's time is spent doing the work of the church: 25% of time spent in worship, 17% teaching, visitation 22% of time, 30% admin, meeting, etc. Similar breakdown for Katy. Linda also does pastoral care, plus administrative tasks. So has issue with saying that compensation is a large part of what our budget supports. The staff doesn't make widgets, they are not accountants, they do

- the work of the church. Also, there are a number of people in our church (growing number, too) people aren't pledging to budgets, but would prefer to target their giving to specific ministry opportunities. People want to give to ministries. Long ago, there were many different funds in the church, and that changed to a unified budget, but these days, people will give to ministries. Example Lutheran Family services, it has specific services that are funded.
- xx) Jim Ingraham: heartily dislikes and adamantly disagrees with the tone of the budget.
- xxi) Patty Franz: says we haven't talked to people about why they haven't pledged. We need to talk, we need to know. Stewardship contacted everyone who didn't respond, and they continued to not respond. No one but Cindy gets to know who pledged what. It's a confidentiality issue.
- xxii) Jim Pickels: we're acting like a losing team, how many of council picked up the cards and took them to someone inviting them to church? We need to pick up more members, by doing things like inviting people to church.
- xxiii) What else can we do? We need to find a way to excite the people who are donating very small amounts now to give larger amounts in the future.
- xxiv) Judy Garnett: this should be something that we need to let the congregation know that Jesus wants us to trust him, and that means giving to the church.
- xxv) Faith Hopson: what about a second collection, a designated area, today we are asking for extra donations to.....(insert target here, youth, Christian ed, etc), this would be a way to bring attention specific areas
- xxvi) Shannon Fleming: concern is the same. People are "pledging in the dark", they may have no idea of what it takes to operate this church. People making a statement by not pledging, she would appreciate a statement made with actual words, because otherwise we are making assumptions. The vision process has been difficult, due to apathy each step along the way. Really bothers Shannon, why people won't make their opinions known. If you don't deal with it, you can't fix it
- xxvii) Jim Schnellenberger: vision, what is our vision, where are we going? We are more than a year into the process, we need additional feedback and communication. People need to understand the fire that is trying to be lit by a lot of people, if people see that they will join, they need to know where

- things are where they are in the years to come, rather than playing a wait and see game. We are a \$300,000/year operation, and we have been at this \$ level for some time.
- xxviii) Heather Heckel: Do we present this to the congregation? Do we cancel the meeting on the 21st?
- xxix) Jim Pickels; in the past when we haven't been able to bring a budget together; council held meetings during the Sunday school hour to explain the budget.
- xxx) Ernie Flotz: really want to get a budget to present to the congregation. These are the numbers that we have to work with. We have to go with what we've got. If it's presented to the congregation, they might be able to increase their giving.
- xxxi) Jim Schnellenberger: we should ask people to stretch
- xxxii) We need to give the congregation an explanation
- xxxiii) Chad Foltz moved to accept the budget proposed by Paul Quel and Glen Kellogg (including cuts to compensation). \$279,000. Ernie 2nd. Discussion: we must have a meeting on the 21st, and to let the church know beforehand what the proposed budget is. If we approve the budget tonight, it could be available to the congregation soon, after staff has been approached and alerted to the pending option.
- xxxiv) Stephanie Feaser: what information would be distributed to the congregation, and to come ready to discuss the budget?
- xxxv) Shannon: where is compensation is set? Synod established guidelines. Pastor can work with Paul regarding costs.
- xxxvi) Gerald Ransone: the rest of the budget beyond fixed expenses is \$32,000 (worship, education, programs, and outreach for ministries).
- xxxvii) We might consider providing the detailed budget, and a summary overview sheet, that is not as detailed as the budget narrative, but just presenting columns of numbers is going to make for a difficult discussion.
- xxxviii) Should we bring up refinancing the mortgage? It will lower our yearly expenses, but ultimately we will spend more by prolonging the debt. We will need to explain that. Paul will get the specifics.
- xxxix) Motion to amend, change the housing cut to come out of salary. 2nd, unanimously approved.

- xl) **Vote on amended budget:** Paul asked incoming council to voice their opinion. Jim Pickels yes, Patty Franz wants to hear what the congregation has to say, Judy yes, Jim Schnellenberger would abstain. Vote from current council members: 3 opposed, 8 in favor, no abstentions. The motion passed.
- xli) **Pastor suggested that members of council could talk with congregation about the budget, during Sunday school on the 21st.**
- xlii) **Request after council meeting adjourned to consider adding \$750 back into budget for the Part-Time coordinator. The sum includes both salary and auto compensation. It represents a cut from last year's amount spent (last year's total was \$1120). This would fund the part-time assistant's (Susan Nepomuceno) work with "the Lakeside Networking ministry that assists those who are unemployed or underemployed with conversation, support & guidance. The target group is not those who have access to so many other avenues of support & search (most often those we call "professionals") but those outside of any avenue because of the jobs they are seeking." (From Pastor Moehring). The request was approved and \$750 to fund the part time assistant was added back to the budget.**

8) Next Meeting: January 12

9) Remarks for the Good of the Church/Closing

Meeting adjourned 9:45 pm