

CENTRAL LUTHERAN CHURCH CONGREGATION COUNCIL

MEETING MINUTES – APPROVED

December 18, 2018

Call to order: The meeting was called to order at 5:30 pm by President Sara Stensaas.

Members present: Pastors Peter Nycklemoe, D. Foy Christopherson, Melissa Pohlman and Stephanie Friesen, Lisa Beane, Roberta Groening, Sara Gunsch, Phil Holst, John Olson, David Sand, Jen Surla, Mons Teig, Paul Troselius

Staff present: Pat Hansen, Charles Smith

Christ Care Prayers: Pastor Peter invited all to share their joys, sorrows, concerns, and thanksgivings, which were then lifted in prayer.

Staff Stories: Charles shared a personal background of his life, what he likes to do and his work at Central. Charles has been on staff for over 22 years. He was thanked by the Council for his care and service to Central!

Adoption of the Agenda: The Council decided to continue following “Martha’s Rules”, and the Meeting Agenda was adopted.

Approval of Minutes from November Council Meeting: The Council Meeting minutes from November 27, 2018, were approved.

Financial Reports: Treasurer John Olson reviewed the monthly financial reports through November 30, 2018 – Analysis of Revenue & Expense, Balance Sheet Analysis, Building Renewal Project to Date, Revenue & Expense, Designated Fund Summary, and Wells Fargo Account Summary. These financial reports were accepted by the Council. John’s Treasurer’s Report summary is attached to these minutes.

Information Items:

1. Building Renewal Project Update – Pr. Peter shared that Lon continues to work on the “punch list”. The Augsburg University Vespers went very well and many positive comments were heard as people entered the new building. The Building Renewal Task Force plans to meet for a wrap-up gathering. Hazel will write a final report for the Council and congregation.
2. Reconciling in Christ – Pr. Melissa presented the Welcome Statement proposal that was prepared by the RIC team. Three discernment meetings are planned for the congregation in January: 1/6, 1/13 and 1/27, all at 1:00 pm. The Welcome Statement and affirmation of the RIC process will be on the Annual Meeting agenda, for the congregation to affirm the consensus decision.
3. Strategic Planning Update – Lisa shared that the first strategic goal, the spiritual life small group initiative, is ready to launch! This will take place after January 6, 2019.
4. Nominating Committee Update – Pr. Peter, for Susan Troselius, chair, shared the list of names that are being recommended for leadership roles in Council, Nominating Committee, Audit Committee and Synod Assembly. The Council will vote on the committee’s recommendation and then forward this list to congregation at the Annual Meeting.
5. 100th Anniversary Year Update – Pr. Peter shared that Pr. Kristine Stedje will be the guest preacher for the anniversary weekend of January 12-14. Another old-fashioned potluck will take place after the 10:30 am worship on Sunday; the November potluck was a tremendous success!!
6. Initial Budget for 2019 – John Olson introduced a draft budget for 2019, that reflected a total revenue of \$2,710,000 and total expenses of \$2,745,354, for a deficit of -\$35,354. Work continues!

7. Program area updates – In addition to their Rostered Leaders Shared Report, Pr. C shared the December Life Passages and mentioned all the work that is happening with Advent and Christmas. Pr. Melissa’s sabbatical begins on December 26th, and she is preparing/getting ready for that! She encouraged all to attend a tour of the Envision Communities design layout on Wednesday, December 19 at 5 pm at First Covenant Church. Pr. Stephanie was still basking in the joy that came from the Sunday School’s Christmas program, held on Sunday, January 9th. Pr. Peter remains grateful!

Deeper Conversation: Pr. Melissa and Pr. Peter, on behalf of Heading Home Central, led the Council as it continued its conversation about the Envision Community. As part of this discernment process, “pros/affirmations” and “cons/clarifications” were encouraged and discussed:

1. Pros/Affirmations
 - a. The Site is a small footprint, 130x130;
 - b. We can take out time to reflect on this, do not need to reply until April
 - c. Envision Community is providing the funding stream
 - d. The city is deeply involved and supportive
 - e. It would be a partnership with HCMC, the Envision Community folks and the city
 - f. It is tied to advocacy
 - g. It would be a 2-yr. pilot
 - h. the vision for Envision community dovetails with Central's vision and mission
 - i. small footprint needed, space likely won't be missed
 - j. it is not a permanent decision
2. Cons/Clarifications
 - a. insurance liabilities is a central question
 - b. staffing/CLC staff – our fatigue, expectations
 - c. will they have an on site manager, property manager
 - d. How will plumbing/electricity work, billing?
 - e. parking loss, need spaces
 - f. What are the implications for security/Dwayne?
 - g. Where is our fatigue?
 - h. What is our role in the relationship;
 - i. Where is the money coming from?
 - j. Where is our vulnerable place?
 - k. they are working from their timeline, we must respect and work from our own timeline and not be rushed
 - l. inevitably some of this will fall upon our staff and Central.

Action Items:

The action item of Nominating Committee Recommendations was moved to the January 2019 meeting.

After closing with Responsive Prayer for Evening, the meeting was adjourned at 7:10 pm.

Respectfully submitted,
Pat Hansen
Recording for Sara Gunsch, Council Secretary

Central Lutheran Church
Treasurer's Report
December 31, 2018 Financials (7 months)

| | <u>Annual Budget</u> | <u>December 31, 2018</u> | <u>% of Annual Budget (58%)</u> |
|---------|----------------------|-------------------------------|---------------------------------|
| Income | \$2,619,682 | Income \$1,441,189 *1 | 55% |
| Expense | <u>\$2,622,136</u> | Expense <u>\$1,561,731</u> *2 | 60% |
| Deficit | (\$2,454) | Deficit (\$120,542) | |

| Operating Fund | December Actual | December Budget | 2018 Year-to-Date Actual | 2018 Year-to-Date Budget *3 | 2017 Year-to-Date Actual | Year Over Year Change - Actual |
|------------------|-----------------|-----------------|--------------------------|-----------------------------|--------------------------|--------------------------------|
| Regular Offering | \$251,304 | \$104,308 | \$772,946 | \$655,664 | \$745,045 | \$27,901 |
| Parking | \$5,811 | \$52,504 | \$161,438 | \$234,949 | \$211,717 | (\$50,279) |
| Foundation | \$56,776 | \$56,776 | \$426,050 | \$426,050 | \$396,655 | \$29,395 |

| Building Renewal (Since inception) | 12/31/18 | 11/30/18 | 1 Mo. Change |
|--|----------------------------|----------------------------|--------------------|
| Total Pledge | \$3,500,000 | \$3,500,000 | \$0 |
| BR Revenues: Capital Fund Drive | \$3,140,574 | \$3,034,466 | \$106,108 |
| MIF Loan – Long Term | \$6,293,000 | \$6,293,000 | \$0 |
| MIF Loan – Short Term | \$2,500,000 | \$2,500,000 | \$0 |
| Foundation | \$333,277 | \$319,277 | \$14,000 |
| Prior Designated Funds | \$16,668 | \$16,668 | \$0 |
| Memorials – Special Projects | \$7,860 | \$7,860 | \$0 |
| Donor Debt Reduction | \$22,003 | \$22,003 | \$0 |
| Total BR Revenues | <u>\$12,313,382</u> | <u>\$12,193,274</u> | \$120,108 |
| Total BR Expenses | <u>\$11,739,222</u> | <u>\$11,705,451</u> | \$33,771 *4 |
| Net BR Revenue | <u>\$574,160</u> | <u>\$487,823</u> | \$86,337 |

| Assets / Liabilities | 12/31/18 | 5/31/18 | 7 Mo. Change |
|---|-------------|-------------|--------------|
| Operating Cash | \$67,874 *5 | \$88,409 | (\$20,535) |
| Operating Reserve Cash | \$100,335 | \$200,212 | (\$99,877) |
| Designated Funds, Capital Replacement / Building Fund | \$343,821 | \$285,745 | \$58,076 |
| Mission Investment Fund Mortgage | \$8,793,000 | \$4,044,419 | \$4,748,581 |

* Notes:

1. Revenues:
 - December Regular Offering was very strong: 141% of budget for the month.
 - Parking Revenue: Down due to construction. Parking automation upgrade will be completed by 1/25.
 - Building Usage: Virtually no usage in past seven months but will pick up in January.
 - Foundation revenue is on budget.
2. Expenses:
 - Expenses out of line with the budget in November:
 - Electricity-XCEL budget is \$35K for year. Actual for year will be approximately \$60K. 2019 budget is \$45K.
 - Anniversary Event Expense was not budgeted for current FY and is at \$8,554 YTD.
 - Snow Removal is at \$0 through December 31st. Budget is \$30K.
3. Year-to-Date Budgets are not shown in the December financial reports. Figures shown are extrapolations, except for Foundation.
4. Building Renewal December expenses:

| | |
|------------------------|---|
| \$24,000 | MIF BR Interest during construction |
| \$9,962 | Office Furniture |
| (\$15,500) | Kitchen Equipment (double billing refund 1 st installment) |
| \$15,309 | Phone/Data/Security |
| <u>\$33,771</u> | Total |

 - Total BR Expenses includes Prior Loan Payoff: \$647,239
 - Jorgenson invoices total to date: \$8,269,638
 - \$228,267 retained until May 2019
5. Operating Reserve Cash and Operating Cash down \$120K from beginning of fiscal year to offset \$120K Revenues/Expenses YTD deficit.

Respectfully,

John Olson