



First Lutheran Church
Church Council Meeting Minutes - Approved
January 17, 2023

Care - Grow - Serve - Proclaim

PRESENT: Stephanie Almeida, Holly Batstone, Pastor Tor Berg, Ho Brown, Gary Curtis, Christy Freriks, Karen Johnson, Craig Lichtenstein, Jean Peterson, Kristi Pyne, Johannes Skjonsby and Randall Wampler.

ABSENT: Jess Faubion.

GUESTS: Ann Bormann, Dan Bormann and Marilyn Iverson.

CALL TO ORDER: Holly called the meeting to order at 7:04 p.m.

DEVOTIONS: Pastor Berg read text from Isaiah 12. Even when God is angry with us, He does not turn away from us. He walks with us and comforts us.

APPROVAL OF MINUTES: Craig made a motion to approve the 12/20/22 meeting minutes and Randall seconded the motion. The meeting minutes were unanimously approved as written. Craig made a motion to approve the 1/12/23 special budget meeting minutes. Johannes seconded the motion, which passed with one abstention from a member who was not present at the meeting.

2023 BUDGET REVIEW: Dan and Ann Bormann led a discussion on the 2023 proposed budget that came to the council as a motion from the Finance Committee. Dan reviewed the pledge drives, comparing the results of 2022' General Fund's 84 pledges for \$405K vs the 78 pledges for 2023 for \$380K. The Capital Improvement Fund pledges were 37 pledges for \$53K and 38 pledges for \$50K, respectively.

The EOY balance for 2022 is -\$10,089 and is the second time in the last 10 years that FLC has ended the year with a negative balance. Key factors about the proposed 2023 budget are: it is not sustainable; it does not include salary increases for the staff; benevolence giving was decreased from 7.3% to 4.5%; and Social Ministries was decreased by almost half. A significant portion of our expenses are fixed expenses that cannot be modified. Dan stated that the church would need approximately \$75,000 in additional giving in order for the budget to be sustainable.

The following is the list of questions and action items that the council identified during their budget review meeting on 1/12/23 along with Dan and Ann's responses, which were discussed on 1/17/23. Some edits to the responses were made based on the discussions for accounts 4.1900, 5.5000 – 5.5030, and 5.9601. Three new Q&A were added during the meeting.

Account #	Item	Question/Action	Response
4.1900	Banner Bank	On-line banking offers a much higher yield interest (around 4%) than what we are getting now on our savings. How can we take advantage of that? Also see 5.8030 for additional banking question.	\$58,300 in savings, \$196,000 in checking. Bank Fees \$1,414 or /\$118 per month. \$36 interest per year. We need to discuss compensating balances with the bank.

			<p>If it makes fiscal sense, buy CDs at Banner Bank or Money Market. This could pay about the same rate as an on-line bank.</p> <p>FLC needs large checking account for deposits and bill payment. (FLC counters need to take money to a bank for deposit, so the goal is to bank locally.)</p>
New ? on 1/17/23	Banking	Has banking with a credit union been explored?	<p>BECU is the only credit union that is close to the church. Finance will check into it as an option.</p>
New ? on 1/17/23	Banking	Are I bonds possible?	<p>I Bonds are for individuals and have a limit of \$10,000 per year, per person, and must be held for a year. There are also penalties (lost interest) if they are held for less than 5 years.</p>
5.8030	Bank Fees	Why are the fees so high?	<p>ACH (Automatic Clearing House is an electronic fund transfer) fees pay salaries twice per month for all staff including preschool staff.</p> <p>Bob Berg feels the fees are consistent with business accounts. These fees are tied into compensating balances.</p>
4.1050	Miscellaneous	Kris will determine the source of this income.	<p>The majority of this income was for printing fees for memorial services and weddings.</p>
5.5000 – 5.5030	Youth	Council requests that the \$1000 budget be re-established for Youth in the proposed budget. While Council recognizes there is money left from previous auctions and an upcoming Youth Auction is planned, FLC's budget should reflect support for Youth.	<p>We added it to the proposed budget.</p>
5.5515 & 5.8035	Adult Ed & Council Contingency	<ul style="list-style-type: none"> • The \$1000 charged to 5.8035, Council Contingency needs to be moved to account 5.5515, Adult Ed. This charge was the registration fee for the Synod's LiVE project, not a council-approved contingency. • Please identify where the registration fee for 2023 – 2024 is itemized in the 2023 budget. • How much is allocated? We should plan to pay registration for 1 – 100 participants, which was \$400 in 2022, rather than the \$1000 for maximum congregation participation of 301+. 	<p>Changes were made to the proposed budget sheet.</p> <p>Registration will be under Adult Ed 5.5515 for \$400. Total for that line is \$1,000.</p>

5.5523	Christ in our Home Subscriptions	Pastor Berg indicated that Kris is going to look at lower our subscription cost. Only about half of them are being taken.	We will reduce to \$500 per year. (Change made to new amount in proposed budget)
5.9601	Nursery Caregivers Salary ^{Note 1}	What coverage does the \$1500 budgeted amount provide, e.g., 2 services per Sunday, 1 person each? What are the exceptions – summer, holidays, etc.?	The current plan is to staff the nursery with 1 person for 1.5 hours for each of the 2 Sunday services during the school year (not during the summer). The minimum wage rate is \$15.74 per hour. (Change made to reflect an increased amount on proposed budget.)
Varied	Varied	Going forward, beginning with 2024's budget, is it possible to add a note to each account that is supported by funds that are on the YTD Consolidated Report?	There are only a few, but we do that with a comment, e.g., piano and organ fund tuning.
All	All	When working on 2024's budget, can a column with the actuals from 2022 be listed on the Excel spreadsheet? Because 2023 includes significant cuts and will, hopefully, be an atypical year, including 2022's data would help balance the overall view for the last 2 years and assist in decision-making for 2024.	We can include that.
New ? on 1/17/23	Overall Budget	What happens if, as the year progresses, it looks like income will exceed expenses?	Finance monitors the budget every month. If it looks like we will end the year in the black, then Finance will discuss possible ways to allocate those monies with the council. Options could include: Benevolence, Social Ministries, and salary increases for the staff. Optionally, if EOY actuals are better than anticipated, Finance could recommend bonuses for staff.

Note 1: Holly shared that Personnel discussed the Sexual Acts Liability Coverage questionnaire that is required for insurance purposes. Any time that children are involved, at least 2 adults should be present. In addition to the paid staff nursery caregiver, the congregation will be asked to volunteer as the 2nd adult in the nursery during each service. This will meet the compliance requirements for our insurance in addition to being a good practice for all concerned. Background checks will need to be performed, will remain on file for anyone who will staff the nursery and will need to be updated in accordance with state law.

- Pastor Berg will review the insurance requirements with the staff on 2/23/23 and have Kris add nursery support to the list of available stewardship opportunities, e.g., ushers, communion assistants, during worship service services.

After the discussion, Pastor Berg noted that a second to the motion from the Finance Committee is not required. The council then voted to adopt the proposed budget with a planned EOY deficit of

\$27,117, with 10 votes for and 1 vote against the proposed budget. The budget will be presented to the congregation for approval at the annual meeting. Council action items include:

- The council secretary will document Finance’s report on weekly attendance and giving on council meeting agendas rather than the committee liaison just providing a verbal report.
- Ho will send out a copy of the reports that Finance generates for their meetings and council can determine which reports would be of interest to receive on a monthly basis.

OLD BUSINESS - ACTION REGISTER:

1. **Annual Meeting:** Holly reviewed the below plan for the annual meeting. During the discussion, Christy made a motion to approve the proposed agenda for the annual meeting. Randall seconded the motion which then passed.

- Personnel Requirements:
 - Staff registration desk – Ho and Kristi will work to staff the registration desk. Christy will be the backup.
 - All other council members are to be on the floor, guided by Randall. Tasks could include: usher; gather paper ballots; and provide wireless mics for those who are not able to come up to the 2 stationary mics.
- Sound Tech and Camera Tech: required to broadcast the meeting on YouTube.
 - Pastor Berg will coordinate the staffing of these 2 positions.
- Use of Screens:
 - Agenda (agendas won’t be printed and handed out)
 - QR codes for voting. Lucy Kay will provide music during the voting process.
- Meeting Notices:
 - Pastor Berg will have Kris add information and a link to the 2022 annual meeting minutes so that members can review them prior to the meeting.
 - Kris asked for assistance to stuff envelopes for the 30 to 40 written notifications that are sent vial USPS. Karen volunteered to help on 1/18, so that notices could be mailed by 1/19.
 - Holly and Randall will make announcements during the 1/22 services.
- Annual Report:
 - Karen and Stephanie will proofread the report.
- Council Nominees:

Nominee	Status
1. David Berg	Nominee
2. Christy Frericks	2 nd term nominee
3. Kathy Konieczka	Nominee
4. Jacky Schnarre	Nominee

- Nominating Committee Nominees:

Nominee	Status
1. Holly Batstone	Nominee
2. Lloyd Condra	2 nd term nominee
3. Karen Johnson	Nominee
4. Tom Payne	2 nd term nominee
5. Carsten Thode	2 nd term nominee
6. Randall Wampler	Nominee

2. **Expansion of Personnel Committee:** Holly led a discussion regarding staffing the Personnel Committee. Congregation members to the committee are appointed by the Council, which also include the past president, the current president and Pastor Berg. Kaaren Hatlen and David Freriks will be leaving the committee, effective this month. Holly also shared that, given the budget constraints and other matters, the Personnel Committee has rescinded the content of their November, 2022 presentation. Recognizing the amount of work to be done by this committee, including writing job descriptions, the council discussed appointing three congregation members to the committee. Because the current policies do

not define a term of service or term limits for this committee, the council also developed a plan to support continuity by staggering initial term limits as was done with the Audit Committee.

Ho made a motion to appoint Dan Bormann, Gordy Phelps and Marilyn Iverson as members of the Personnel Committee and to adopt the same policies as that used for the Audit Committee, with additional language as specified below. The motion also included a council special appointment of Johannes Skjonsby to serve as an ad hoc member of the committee for a term of 1 year, for the specific purpose to consult and assist in writing staff job descriptions. Gary seconded the motion, which then passed.

- **Initial Terms:** In order to provide continuity, the initial terms of service will be staggered as 1-year, 2-year and 3-year terms. The initial term assignments are as follows:

Member	Initial Term
Dan Bormann	1 year
Gordy Phelps	2 years
Marilyn Iverson	3 years

All three of the above-listed members are eligible for a second 3-year term at the end of their initial term.

- **Subsequent Term & Term Limits:** All future incoming congregation committee members after 2023 will be appointed for a 3-year term. Like the Council and the Audit Committee, members may not serve more than 2 consecutive terms.
 - **Past President:**
 - Term limits do not apply to the past president, who will serve as the committee chair.
 - Should the past president subsequently wish to continue to serve on the committee after a new past president is scheduled to assume the seat on the committee, the outgoing past president shall be eligible to submit their name to the council as a member of the congregation for consideration to be appointed to fill a seat vacated by an outgoing congregation member.
3. **Committee Fair and Council Liaison Positions:** Stephanie will send an email to all committee chairs and their council liaisons, requesting a response by February 5th. The email also requests that the Fellowship Committee provide refreshments during the fair, which will be held in the narthex on February 26th, between services.

Committee selection for council liaisons resulted in the following choices, with Christian Education Pre-School open opportunities.

Committee	Council Liaison
Building & Property	Jess Faubion
Christian Education	Open
Fellowship	Christy Freriks
Finance	Ho Brown
IT/Communications	Craig Lichtenstein
Membership	Stephanie Almeida
Pre-School	Open
Social Ministries	Gary Curtis
Stewardship	Johannes Skjonsby
Worship & Music	Jean Peterson
Youth	Kristi Pyne

4. **Agenda Items Held Until Next Meeting:** Due to time constraints, the following items were postponed until the February meeting:
 - Changes in Published Information
 - Coversheet for Expense/Contract Approvals

NEXT MEETINGS:

1. Immediately after the annual meeting is adjourned, the incoming council will meet in the library to elect the officers of the congregation and to determine a date and time for the council orientation meeting and whether it will be in person or on Zoom.
2. The next regular meeting is on Tuesday, February 21st, from 7:00 p.m. to 8:30 p.m.

MEETING ADJOURNED: The meeting was adjourned at 8:52 p.m.

Respectfully submitted,

Ho Brown, Council Secretary