

Our Savior Lutheran Church
Minutes of Congregational Assembly
September 22, 2019

Call to Order: The Assembly was called to order at 5:40 p.m. by Julia Heneks, Chair of the OSLC Governance Board.

Devotion and Prayer: Sue Marshall opened with a devotion and prayer. Sue said that the Apostle Paul advises us to rejoice in the Lord. Our cup is not half full or half empty, but rather, OSLC's cup is overflowing with blessings. Thanks be to God that he chose us to serve Him here. We thank God for the current and past Pastors who have led this Congregation. We are praying most fervently for Pastor Derrick's healing from cancer. OSLC supports many ministries (too many to count) that care for those in need. Prior building programs come to mind considering the current Planting for the Future funds drive. The challenge of constructing Open Arms seemed insurmountable at the time, but God provided.

Attendance Report: A quorum was present with 22% of the Congregational Assembly Members in attendance.

Reception of New Members: Ms. Salome Mburi signed the By-Laws and is now a Congregational Assembly Member. Pastor Orlando Flahn, Peter Walsh, Gabriell Walsh and Carol Ritchie Pieper were present for the assembly and were subsequently added to the Confirmed and Signed Constitution tag in Breeze.

Presentation of Minutes: The draft minutes of the February 10, 2019 Congregational Assembly were e-mailed to those in the Confirmed and Signed Constitution tag prior to the meeting and also posted to the church website. A hardcopy was also placed at each of eight tables for reference. It was moved and seconded that the minutes be approved. The motion carried unanimously.

Board Members Present: All of the current Governance Board Members were present (Julia Heneks, (Chair), John McVey (Vice Chair), Helen Harrington, Andrew Nodtvedt, Andrew Koffarnus and Bruce Thompson (Secretary).

Reports/Ministry Reviews:

Pastor Peter provided a **Pastor's Report**. He led the congregation in reading the Church's Vision Statement "Our Savior Lutheran Church will be a Spirit-empowered family of faith, focused on Jesus Christ, whose members and missions reflect the diversity of our neighborhoods and holistically address the needs of our neighbors with the love of God." Pastor Peter presented the Target Areas for Achieving the Congregation's Vision: Organization for vision attainment; Spirit-empowered/Focused on Jesus Christ: Spiritual Formation and Accountability. Worship Life, Prayer Life and Scripture Study Life; Family of Faith = Building Relationships; Celebrate cultural and generational diversity; Multi-tiered Neighborhood Outreach Efforts. Missions. Holistic Ministry. Physical, Emotional, Spiritual, and Intellectual care; Discover and Address Needs of our Neighbors.

Organization: New Staff. One year ago, we had Tina and Derrick on staff at the church. We recently offered the job of Deaconess to Colleen Teeuwe. She is an experienced Deaconess serving congregations in Denver, Houston, Kansas City area and several small towns in Kansas. Her focuses at OSLC will be Discipleship and Outreach. She is experienced in Pastoral Counseling and working with children.

Organization: Operations. Safety Initiatives at Open Arms and Wednesday Midweek Ministry. Nancy Shampo has been signing in the children on Wednesday evenings. Financial Operations Changes. Roger Harrison has completed his review of the church finances. Marcie Zell has analyzed the church's and Open Arms financial computer systems and ascertained that Open Arms Procure system is appropriate for use at OSLC as well. Governance Board Target Area Additions contributing to new vision for congregation.

Other Necessary Resources.

New telephone system. Some wires for new VOIP system were installed yesterday by volunteers at the church workday.

I.T. improvements. The IT team and Johan Stewart were recognized for their contributions.

New HVAC for Open Arms. (only 14 years old). We are increasing the budget for a new control system that will provide trouble notifications to cell phones to hopefully avoid early replacement of the systems.

New Flat roof for OSLC 1978/1992 structures.

New carpeting in the Fellowship Hall, Lobby, and office areas.

New bus for Open Arms.

New video screens in the sanctuary. Need someone with some expertise to provide suggestions on new screens for the Sanctuary. The old projector is no longer serviceable.

More.

50th Anniversary Celebration. Please pray about giving. The church is seeking significant gifts to the Planting for the Future Capital fund to address the needs listed above. 50 years...Growing in Christ. A new, inclusive Pictorial Directory. 50 years of Mission and Ministry History Book. A new banner that everyone will have "a hand in making." Reconnect with former pastors and celebrate God's work through them. Reconnect with former members and have a big reunion celebration in October. Beyond Fifty Fund with a goal of \$500,000.

Resolutions for Approval:

Larry Malinowski and Rich Libengood provided a **Financial Update**. Larry said that Rich has completed the chart of accounts. The following Housing Allowance Resolution passed by a unanimous vote:

Whereas, by law, the housing allowance for rostered church workers must be formally approved annually by the employing congregation;

Be it resolved that:

The following called staff are Ministers of the Gospel at Our Savior Lutheran Church of Laurel Maryland and entitled to the following housing allowances as of January 1, 2020:

Senior Pastor - Peter DeMik - \$29,411
Associate Pastor - Orlando Flahn - \$22,236
Director of Open Arms - Rebecca Stewart - \$46,500
Retired Director of Christian Outreach – Tina McGuffey - \$36,000

Tina McGuffey explained that she is allowed under IRS rules to withdraw certain funds from her 403(b) account as a housing allowance. It was mentioned that this does not affect the church budget.

Andrew Nodtvedt (Drew) expressed his concern over the number of Lutheran Church's that have been shutting down lately, apparently due to too much focus on ministry and too little focus on facility infrastructure maintenance and repair; or too much focus on facility maintenance and repair and not enough focus on ministry. We need to find a balance for OSLC. Capitol fundraising is good, but what do we do in 20 years when the carpet/roof/HVAC need to be replaced again? He said that he has contacted several other Lutheran churches and the general consensus is that we should budget one to one and one half percent of our total capital assets every year for facility maintenance and repair. It is not currently a line item in the proposed budget. Drew questioned if we should perhaps start with ½% budgeted to a capital improvement fund and increase it to 1-1/2% annually over the next five years.

Peter Walsh said that we were \$100K short last June and he asked if the Governance Board was going to come back to us about how to manage that. It was mentioned that it is not a debt we are incurring, but rather ministries that we were not funded. Rich said that he has summer projects that didn't get done due to lack of funding.

Gabriell Walsh asked if the Governance Board could provide a quarterly update on the status of the budget versus giving. Julia gave an example of paying the electric bill or funding ministries. We have an uneven stream of revenue to work with. The budget is a guide to spending. Our needs are laid out in the budget and spending must be adjusted to the income. It was noted that the church staff spend a great deal of effort and time tracking the available funds before making expenditures. Julia said that we need to come up with a way to put a capital fund in the budget. George Mahler asked if we could see the numbers every month.

Anita Davis expressed concern over the need to sequence the roof/HVAC/carpet work. Do we fix the HVAC first? Is there a sequencing plan? Rich said that the Open Arms roof has six to eight years left in its life cycle and that the roof can be done in that area with leaving the HVAC units in place. He explained that the roof over the area of the lobby will have a total roof tear off and debris can be expected to fall onto the ceiling systems during demolition. Thus the ceiling tile work will not be done in that area until after the new roof is completed. The new phone system is now the number one priority since Open Arms recently suffered a 4 to 6 hour telephone outage. A new \$1K HVAC cell phone capable control system is the second priority. Andrew Koffarnus (Andy) asked Rich to speak to the criticality of the HVAC systems at Open

Arms. Rich said the temperature is measured at the floor and that helps a bit. If the temperature goes over a certain threshold, the center has to shut down.

Anita Davis pointed out that it is important to view the church itself as a ministry/mission. It seems that we have been neglecting it. If we take care of the church, we are taking care of our mission.

Peter Walsh (Pete) asked if the budget has been positive or negative over the last several years. Rich said we have not been able to do some ministries due to lack of funding. The giving has been running about 13 to 15% less than the budget this past year (\$90K deficit). Pete asked how we make it up. Pastor Peter said that we are not spending money we don't have. We're not spending over the amount in the designated funds (\$175,910.03 designated fund giving/\$859,251.80 General Fund giving, per the 9/22/19 Grapevine) but that limits our ability to do ministries. Pete asked if we are going to show the list of items that the capital fund drive will cover (another Open Arms bus or two, for example).

Rich said the Planting for the Future fund has \$23K so far. The estimates have been coming in higher than expected and the bills will be coming. The HVAC units we replaced previously are already half way through their life cycle and will need to be replaced again at some point in the future. Derrick was told in one of his courses of study that churches need to plan ahead to replace equipment/furnishing/systems/etc. per their life cycles. We lose about 2 to 4 LCMS churches every month.

George said that the budget is what we would like to do. What we can actually do is based on what income comes in. Rich said that every year, the budget is based on what we have been spending. Pastor Peter and Rich sat down and went through the numbers and adjusted them based on our needs.

Mark Middlebush asked if Rebecca Stewart (Becci) could speak to Open Arms increases (+39K). Becci said that Maryland is increasing the minimum wage to \$15 per hour. We want to make that adjustment/increase gradually. Rich said that Open Arms contributes \$4,000 a month towards the \$18K mortgage. Pete wanted to know where the \$17K per month that we get from the red out campaign saved is going towards. Tina said that we've been using designated funds for missions. They have been unable to use the general fund for missions due to the giving shortfall.

During the partial review of the budget spreadsheet that Rich provided and displayed to the congregation, a few errors in the subtotals versus category totals were noted. Rob Wilmot asked if we were here to approve the budget, or improve it.

Rich said we are trying to reduce expenses for bottled water by installing new water fountains. Becci said that Jim Steinbeck has been purchasing water bottles at a discount store saving about \$2 per bottle as compared to the Nestle price.

George said an alternative to full approval of the budget could be a 33.3%/4 month continuing resolution until the January Congregational Assembly. Natasha asked if we are voting on the total number at the bottom of the spreadsheet (\$948,410 church/\$2,197,716 OSLC & OA, a

\$19,239 decrease from 2018/2019) or the breakdown. Rich said that she can adjust the numbers within the Youth category, as long as she doesn't exceed the total Youth category budget. George said that the category owners can move the funds within their category. Gabriell said that it is important to move the church forward into an approved budget. Are we looking at a motion to approve it with an update within 30 days? Rob said that he was concerned that Natasha has not had a chance to have her issues worked out beforehand and he is also concerned about the errors on the spreadsheet. George repeated his recommendation that the Congregational Assembly approve another 4 months to give the church staff /Governance Board time to correct/adjust the budget.

Andy said that this is the first time that everyone has seen this level of detail. The questions are coming up. Details are staff issues. Todd Wegman said that he doesn't think we're going to fix a lot in the next 3 or 4 months. Drew suggested we could get this done in 30 days. Julia said that the January Congregational Assembly will give us time to look over any inconsistencies. Larry said that we normally do a mid-course review at the January Assembly anyway.

The bottom three lines of Rich's Excel spreadsheet that was displayed for the Congregational Assembly review showed the following figures for the 2019/2020 OSLC fiscal year: Grand Total \$2,197,716; less OA \$1,213,306; Net \$984,410. Julia and George called the question to approve the proposed budget for a four month (33.3%) period with the intent for a Governance Board update in January to amend or correct any areas. There was a motion to approve the question above and it was seconded. The motion passed.

Pastor Peter closed the Assembly with prayer and those present sang the doxology.

Respectfully Submitted,

Bruce Thompson
Governance Board Secretary