

The Lutheran Church of the Good Shepherd

Council Minutes October 13, 2009

Present: Laura Adamson; Glenn Blackmon, Secretary; Jamie Huizinga; Marcia Kjesbu; Egils Macs; Karen Olson; Ron Tuvey, VP Business; Carolyn Wagner, President
Ex-officio: Pastor John Rosenberg, Pastor Chuck Harris, Steve Peterson
Absent: Leo Eliason; Darcy Huffman, VP Programs; Spike Millman; Missy Tade.

Carolyn called the meeting to order at 7:02 pm. Rm 114.

Gathering Time

Pr. Chuck led council members as they blessed on another in the name of Christ. Council members shared thoughts on what the congregation's mission and vision statements say about us.

Practice Accountability (Reports, etc.)

1. Approval of Minutes: Ron moved to accept the minutes of the regular meeting of September 8, 2009 (as corrected) and the minutes of the council retreat on September 26, 2009. Marcia seconded. Motion carried.
2. Administrator's report: Steve reviewed the congregation's current income and expenditure status. He noted that actual results are closely tracking the budget.
3. Lead Pastor's Report (written report attached):
 - a. Pr. John reported on a bequest from Fred Blumhardt. The bequest includes \$100,000 designated for the "building fund" and \$200,000 as an unrestricted gift. He presented an option to use a significant portion of the unrestricted gift as a lead gift in a program to reduce or eliminate the congregation's debt.
 - b. Glenn moved to charge the executive committee and staff to work with Jim Pence to develop a plan for reducing the mortgage using all or part of Fred Blumhardt's request. Ron seconded. Motion carried.
4. Associate Pastor's Report:
 - a. Pr. Chuck answered questions from council members about the confirmation program.
5. Associate in Ministry's Report - none
6. Other reports - none.

Implement our Mission and Goals:

1. Debrief council retreat. Carolyn reported that a subgroup is working on a written statement of principles developed at the retreat. Council members discussed their desire to link budget decisions to the mission and vision of the congregation.
2. Request of the Living Stones Prison Congregation for Good Shepherd to provide bookkeeping services. Steve reported that the leadership team met with representatives of the Southwestern Washington Synod and Living Stones for the purpose of achieving a mutual understanding of the responsibilities and expectations with this request. Glenn moved to approve the proposal to perform fiscal services for Living Stones Prison Congregation and to authorize the council president to enter in a contract, after a legal review of the contract terms. Ron seconded. Motion carried.
3. Cost-of-living increase for non-rostered staff. Laura moved to authorize the administrator to apply \$2,100 of general funds toward a supplemental budget item of a cost-of-living adjustment for other staff in the amount of 2.3%. Ron seconded. Motion carried.
4. Reconciling in Christ task force.
 - a. Glenn presented a report from the task force on its work to engage the congregation in a discussion of a possible welcoming statement. A survey of congregation members

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- found strong support for welcoming gay and lesbian members and visitors, as well as some concern that a welcoming statement that lists specific groups could make others feel excluded. The group has proposed a statement that is both specific and inclusive.
- b. Karen moved that the council call a special congregational meeting on November 1, 2009 to consider adopting a welcoming statement. Jamie seconded. Motion carried.
 - c. Jamie moved that the council affirm its support for adoption of the welcoming statement, in order to become a more welcoming congregation. Laura seconded. Motion carried. Carolyn noted that the vote was unanimous.
5. November meeting – Members discussed calendar conflicts with the next scheduled meeting date. The consensus was that no alternative dates were better.
 6. Review of action items.
 - a. Steve expects to bring a proposed policy on dedicated funds to the council's November meeting.
 - b. Steve has communicated with the social justice committee regarding concerns about publication of fundraising notices for unaffiliated non-profits.
 - c. Carolyn reported that a design for the stained glass project is in progress.
 7. November Sheepskin article – Marcia volunteered to write the article.

Sending:

Members shared how they felt blessed as a result of the meeting.

Next Council Meeting: Tuesday, November 10, at 7:00 pm

Closing: Lord's Prayer

Adjourn: 9:45 pm

Attachments:

Lead pastor report

Follow up tasks:

July 2009:

Consider Steve's proposal for OSD insurance funds.

August 2009:

Council members will consider Pr John's request for a policy clarification on Synod guideline salary for called staff.

Council members will submit, and Pr. Chuck will compile, their "three well-crafted sentences."

September 2009:

Council will gather more information on fundraising communications on behalf of outside non-profits.

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COUNCIL MOTIONS

TOPIC	MOTION/ACTION	APPROVED	FAILED
Minutes	Ron moved and Marcia 2 nd to accept the minutes of the regular meeting of September 8, 2009 (as corrected) and the minutes of the council retreat on September 26, 2009.	X	
Develop plan to use bequest	Glenn moved and Ron 2 nd to charge the executive committee and staff to work with Jim Pence to develop a plan for reducing the mortgage using all or part of Fred Blumhardt's bequest.	X	
Fiscal services for Living Stones Prison Congregation	Glenn moved and Ron 2 nd to approve the proposal to perform fiscal services for the Living Stones Prison Congregation and to authorize the council president to enter in a contract, after a legal review of the contract terms.	X	
Cost-of-living increase for non-rostered staff	Laura moved and Ron 2 nd to authorize the administrator to apply \$2,100 of general funds toward a supplemental budget item of a cost-of-living adjustment for other staff in the amount of 2.3%.	X	
Special congregational meeting	Karen moved and Jamie 2 nd that the council call a special congregational meeting on November 1, 2009 to consider adopting a welcoming statement.	X	
Affirmation of welcome	Jamie moved and Laura 2 nd that the council affirm its support for adoption of the welcoming statement, in order to become a more welcoming congregation.	X	

Respectfully Submitted: Glenn Blackmon

Lead Pastor's Report

John Rosenberg
October 11, 2009

LCGS recently received some very good news. A faithful and generous member, Fred Blumhardt, died and left a significant legacy to our congregation:

- \$100,000 annuity designated for the "Building Fund"
- \$200,000 unrestricted gift from his estate

In addition to expressing our gratitude, we've been thinking about **how best to use Fred's legacy to advance the mission of LCGS**. We know that the \$100,000 annuity can be used to reduce the principal of our mortgage which is currently \$1,218,360.58. But we've also thought about using a significant portion of the remaining \$200,000 as a lead gift in an effort to reduce or even eliminate our debt. In doing research, we've discovered that **we can re-finance our mortgage at the current rate at no cost to the congregation through Thrivent**. The following table demonstrates what refinancing could mean for us:

"As Is" (Taking into account only those principal prepayments made to this point in time)

Projected Principal Balance on 12/1/2009: \$1,208,624.35
Reamortized Payment Beginning 1/1/2010: \$7,930.00

\$100,000 Principal Paydown

Projected Principal Balance on 12/1/2009: \$1,108,624.35
Reamortized Payment Beginning 1/1/2010: \$7,274.00

\$200,000 Principal Paydown

Projected Principal Balance on 12/1/2009: \$1,008,624.35
Reamortized Payment Beginning 1/1/2010: \$6,618.00

\$300,000 Principal Paydown

Projected Principal Balance on 12/1/2009: \$908,624.35
Reamortized Payment Beginning 1/1/2010: \$5,962.00

\$400,000 Principal Paydown

Projected Principal Balance on 12/1/2009: \$808,624.35
Reamortized Payment Beginning 1/1/2010: \$5,306.00

\$500,000 Principal Paydown

Projected Principal Balance on 12/1/2009: \$708,624.35
Reamortized Payment Beginning 1/1/2010: \$4,649.00

If, for example, we were to use \$250,000 to pay down the mortgage principal and raise another \$250,000, we could lower our monthly payment from the current \$8435/month (\$5200+ in interest) to \$4649/month. This would free up nearly \$3800/month or almost \$45,500/year allowing us to consider hiring a full-time Worship and Music Coordinator.

I encourage the Council to charge the Executive Committee and staff to work with Jim Pence to develop a plan for reducing the mortgage using all or part of Fred Blumhardt's bequest. A plan could include an initial effort to encourage those wishing to make a significant end-of-year contribution for tax purposes in 2009 along with a major debt reduction/elimination campaign in the spring of 2010 when we complete the Kairos "Holy Conversations" project. The Executive Committee can report its progress at the November Council meeting. What I'm essentially asking for is some time in order to determine how best to use this wonderful gift. The Council will make the final determination regarding any plan that goes forward.