



Meeting Agenda

Church Council of First Evangelical Lutheran Church

January 7, 2018, 10:30 to 12:00 pm

"To worship God as an intergenerational community, learning God's Word, and building lasting relationships as we grow in God's love and grace."

Members Present: Joe Landgreen, Duane Olson, Pastor Mary Kaye, Don Hansen, Wendy Szczepanski, and Rose Anderson, **Members Absent:** Gayle Langer

A. Opening Prayer- PMK

B. Sharing story-Where you have seen God working in your life this month.

C. Finance Report- Joe, submitted finance report. The bills are up to date with \$6,000 balance because of a special gift at the end of the calendar year. Sunday average giving has been about \$2600 to \$2,800 per Sunday. Duane made a motion to approve the report, PMK seconded, motion carried.

D. President's Report- Don

State of our Financial Standing-

What is true:

- Our current approved budget is \$165,500
- Our budgeted giving for 27 Sundays is \$86,000
- Our actual giving for 27 Sundays and Christmas eve worship, was \$76,500
- Our average giving, July through December is \$2500.00/Sunday
- Our giving was \$9,500 (\$86,000- 76,500) less that what is needed to pay our bills.
- We must decrease the annual budget from \$165 K to \$145K.

Since our budget is about 80 percent salaries we have no choice but to reduce staff salaries and time. I estimate that we will need to reduce salaries and benefits \$6,500 between now and June 30. We may also need to use the some or all of the Carlyle Klinke's bequest to allow our staff the time to adjust to these salary reductions. Salary reductions could be effective as early as January 15.

E. Pastor Report-PMK-See attached proposal for a 5% pay reduction for PMK effective, Jan 15. Savings would result in \$1,600 for the second half of year. The proposal by PMK read as follows:

Effective on payday 1/12/18, we reduce Pr Mary Kaye's compensation package by 5%. Lowering the salary & housing by 5% will automatically reduce tax withholding, Social Security, and retirement/pension. I propose that we do not lower any other staff hours at this time, but monitor it monthly. Among other things, this will allow other staff to adjust to the possibility of needing to compensate for lost hours or wages between now and when we might have to add other cuts. I propose that we not reduce other staff compensation before the end of March.

Motion by Pastor to accept proposal for the pay reduction, Rose seconded. Joe Landgreen, Mary Kaye, Wendy Szczepanski, Rose Anderson voted aye. Duane voted no. motion carried

Based on the financial summary in the Presidents report, Pastor Mary Kaye informed the Council that she is in the process of submitting her Rostered Ministers Profile to the St. Paul Area Synod, indicating her intent for being available for another call if we as Church cannot come up with another option. PMK's and the Council's first choice is for finding the option for all staff to

continue ministry at First Lutheran. The current level of income at First Lutheran is not sufficient to continue to pay current staff salaries. This past years' income decrease is because of member transfers and deaths.

- F. Worship Committee report-PMK**, Plans for Lent with be finalized in the next month. Looking at a variety of Lenten service changes. A Daytime and evening service. Following Epiphany season the Psalms will be read at Worship
- G. Property Committee-Joe-Don contact Access lifts regarding annual maintenance visits. The State inspector requires 2 visits per year. The repair and maintenance contract was \$3,800. \$3,500 has been collected.**
- H. Lutheran Companions Fund-PMK** will follow-up with all members of Committee to determine final wishes for those funds
- I. Memorial committee meeting scheduled for January 18,2018**
- J. Motion to adjourn, PMK, seconded by Wendy, Motion carried**