

King of Kings Lutheran Church Church Council Minutes

June 21, 2022

Attendance

Members in Person

Jen McKinnon, President
Brian Gager, Vice President
Jason Livingston, Vice President
Todd Dexheimer, Member at Large
Rebecca Kurtz Schwanke, Member at Large
Pastor Jon Larson, Lead Pastor
Angie Olson, Treasurer
Pastor Jon Larson, Lead Pastor
Dianne Johnson, Executive Director
Jim Docken, Finance
Tami Olson, Secretary

Members Excused or remote

Guest Present none

The meeting was called to order at **7:01 p.m.** by Jen McKinnon, presiding.

Opening Prayer – Pastor Jon

Approval of Agenda

Jason moved to accept the agenda.
Jim seconded the motion.

Motion passed (CC.22.06.20)

Approval of Prior months Meeting Minutes

Rebecca moved to accept the minutes of the last regular meeting.
Jim seconded the motion.

Motion passed (CC.22.06.21)

Celebrate Our Culture

1. What 80's track would best describe your life right now? or
2. Something you're looking forward to this summer?

Everyone shared their songs and summer fun.

Old Business

1. Investment portfolio/Role of council (Tabled)
2. The church will be reviewing the role of Church Council as it relates to the Role of the Exec Team.

3. Updated council list / up to date contact information.
4. Confirmed Council meeting dates/times (3rd Tuesday of month at 7:00pm) Finance meetings are at 6:00pm.
5. Jen said that we will try to maintain agenda and get done in an hour or hour ½.

New Business

1. Declare Pastor Housing Allowance
 - a. Angie said it's time to Declare Pastor Jon's housing allowance.
 - b. Pastor Jon will get information to Angie.

2022 Strategic Focus Area Updates & Goal Statements

1. Worship Production – Jason

- a. Jason said we need to define what this looks like. Sam has been doing a great job. Dianne said the band is a lot tighter. Jason said he was choosing songs with harmonies. Jen liked the throwback summer song selection. Jason still wants to talk about potentially spicing it up. Jake has always been told not to put on the colored lights because it affects what it looks like online. Dianne said she did not know that. Jason said what I would like to do is to pull together a group of the production team and do some brainstorming and vision for production, will need Dianne and Jon's help. The contact would be Jake. Pastor Jon said, Jake is in office Tuesday, Wednesday and Friday.
- b. Wanted to get ProPresenter to help with power points ahead of the next slide.
- c. Jason said one other thing that I like during the songs where there was a musical break putting up bible verses. Jen added, would like to hear scripture in biblical voice. Brian said test it and do it. Jason will connect with Sam and Jake.
- d. Jason will help solidify ideas going forward. I would like to see this team have input on worship hire.

2. Facilities Committee – Jen, Todd

- a. Jen said nothing has changed since last meeting. Good news we can get the flooring both the LVP side and carpet and get contract price extended to July 20th. Will need to get congregational vote. I did email painter to tell them we would be voting tonight. Jill Hartwig is able to work on Design board to have for congregational vote. Jen asked Jim to explain process.
- b. Jim said the cost of paint and carpet is more than 10 percent. Can we afford to do this when giving is down? Brian asked what percent difference Percentage down. (39%) Brian said it was tracking with non-profits. Jim talked about his concerns. Jen said it's \$236,000.
- c. Angie said the issue is we need a congregational vote. Jen said we are looking at partial cash and a loan. Dianne has been looking into other loan options, so we don't dig into our reserves. How do you feel about output of cash vs. a loan?

- d. Pastor Jon asked what is the Finance Team consensus? Angie said \$100,000 loan and the rest in cash. Pastor Jon asked, Is that the recommendation? I want to hear the recommendation of Finance and what are the next steps.
- e. Todd asked what is the amount needed? Can these be lumped or separate.
- f. Dianne said the congregation needs to approve the total amount and taking a loan, any time you take on a debt. Jim added we are going to spend \$42,000 for the parking lot.
- g. Brian said back to Jon's questions, I am guessing all of this has been reviewed.
- h. Jim noted that not all the members of the finance were there. Todd said the positives of doing it now, creates a more positive environment. An opportunity that people enjoy being here. I would support doing either way. I understand the financial climate.
- i. Jason said my opinion is I think we should do it; we have been talking about doing it for at least 6 years. I remember the campaign to redo the MPR. The lighting upgrade was awesome.
- j. Todd said you want to have capital expenses out of the way of a recession and get in before cost of project go up.
- k. Jason said I think we should put vote to church.
- l. Jen said at least approve we could always paint to freshen up walls,
- m. Todd asked if we could paint this year and do flooring later.
- n. Jason added remember when we did campaign for lights everyone rallied around it. Doing a visual thing gives people energy.
- o. Rebecca agrees bringing to the church to vote.
- p. Brian asked what has changed is the economy, we need to communicate to congregation.
- q. Pastor Jon said next steps what I am hearing from council is we want to get in front of congregations.
- r. We need a team to develop a presentation. We have been working on this for a quite a while since then the economy has change. We need a team to create presentation ready and have Jill Hartwig up to speed by July 20th is date we need a two week notice to congregation.
- s. Jim said we talked about doing during the week.
- t. Jason if we are doing an announcement this Sunday. We need someone from facilities to announce meeting.
- u. Pastor Jon said if we are not ready, we would not be good.
- v. Pastor Jon asked, How do we engage those gone during cabin season.
- w. Jen how many people we need to vote? Dianne said 50 people, the constitution says we need to have letter that goes out to all voting members.
- x. Council talked through timing options to announce during church and another time.
- y. Pastor Jon asked Jen can you call Jill Hartwig is there any flexibility and how much will it go up? Todd added it does not hurt to ask them about holding costs.
- z. Rebecca said she will be gone on the 24th.
- aa. Pastor Jon said we need to get our ducks in a row before we do this, we are trying to push this through. We need to get approval. Angie asked is there a push to get done before fall programming? Jen asked can we get painting done to get on his schedule. Pastor Jon said to get team organized, can we push to August/September timeline.
- bb. Jim said that brings out we are going to have parking lot approved, can we also get paint approved. Pastor Jon said the questions now on the table to do a summary, we will postpone the carpet piece we feel it's OK going ahead on the painting and going to congregation for flooring.

Pastor Jon asked do we have a motion to move forward on the painting bid, to empower the facilities team to work on a presentation to bring forward for a vote, with timeline to be determined.

Jason made a motion to approve the painting project.

Todd seconded the motion.

Motion passed (CC.22.06.23)

- cc. Jen said her and Todd would get a hold of Jill Hartwig with an update.

**3. Strategic Update on Leadership fulfillment (search/call process) – Brian
Ministry Site Profile**

- a. Pastor Jon asked do we want them on oversight or pastoral care.
- b. Jen asked, what do you need. Jason said we have gotten things from Synod, and we have not found anyone.
- c. Pastor Jon said we need to find an interim, where do we go and what do we do? Brian said you bring up a point. What is the plan and the interim? Jason said we agree that yesterday is not soon enough. Brian – let's look at calendars and find time that works out. Pastor Jon said to your frustration, do we find someone in to help out? Do we find a congregational engagement minister?
- d. Angie expressed concerned for Pastor Jon and want some support
- e. Brian, can we ask a bold question, if we know we have someone can we engage in some help. Do something anything. Jason said we should do all of the above.
- f. Pastor Jon has not had a chance to listen to weekend service. Jen said people were engaged with him, Jason in interested in time and moving forward. Brian to work with Pastor Jon to bring someone in as Minister and pastor to support roles. Pastor Jon could connect with Pastor Steve.
- g. Jen said I will give my approval if Pastor Jon is OK with Pastor Steve.
- h. Pastor Jon will circle back with Pastor Steve to see interest. Jason said I would also like you to meet with Chris Monson might be a good connection.
- i. Jen said Brian you are moving ahead, Jon you will move forward. Jason added if someone comes up let's move forward.
- j. Jen asked if we had anything else?

4. Stewardship / Offering – ideas to implement now and get back on

- a. We talked about passing basket.
- b. Jason said, I think this should be a focus area a few things we can do as fund raisers, there are things we can do that our different. The point is we have either been in a pandemic or not had the help to work on this. I don't think we can do tonight but don't want to drop it
- c. Jen asked how we get the plate going around.
- d. Todd, I agree we need to do things engaging.
- e. Dianne said the sock hop is an opportunity for community and mission.
- f. Jason said I have an idea; do we engage a Christian singer to come in. Do you know Matt Hammott? I could get him he is a friend of mine.
- g. Jen said I will put in our agenda to talk about next time.

- h. Jason added I would like someone to take ownership of that.
- i. Brian asked what it is called. Jason said stewardship/engagement
- j. Jen said in the meantime, we will implement pass the plate.

5. Long Term Strategic Plan (5-10 year plan) - Rebecca

- a. Rebecca said as we sit here and talk about everything we want to do. My question was, is this a list of things we want to do. It seems to be that we have a plan, revenues budget, plan, what we need and want our wish list and how that gets funded over the next 5-7 years. I feel now that we get organized – taking it one step further, what we want to do, timeline, does that engage people
- b. Jen said I envision you as the perfect person for this role, I wonder if engagement with finance committee, I know there is a plan.
- c. Pastor Jon said based on what you said I would marry strategic planning and working with Dianne, Pastor Jon and team based on giving and projections. Rebecca, I have a document on Stewardship and clearly defined goals, coming out of COVID. If Dianne and you are willing to help out. I see that as next step.
- d. Brian added what I might ask the group, we are in rebuilding. Maybe more of a 1,2,3-year plan.
- e. Rebecca said, here we are today. As you think 1,3,5-year plan allows for movement or have something that gets added we did not expect. A working plan. Jim, would we put hires in there? Jim said yes. Brian said this should be a living document. Jen said, the facility document with work off of that It's like a hub for people to work off of.

6. 500 people at each worship service by the end of 2022. □ What do we need to do in each department to get it there?

7. Re-engage the “churched” to reach the unchurched (Marketing Goal)

- a. Pastor Jon said I want to consolidate 6 & 7 with Dan we can do with internal structure.
- b. Jim said before we do reports need to approve \$42,926.00 for parking lot expenses.

Jen made a motion to approve the parking lot expenses

Brian seconded the motion.

Motion passed (CC.22.06.24)

Reports

1. Lead Pastor's Report (Jon Larson)
 - a. Submitted my report
 - b. Appreciated time away and support blessed by time away.
 - c. See appendix A for detailed report.
2. Finance and Treasurer's Report
 - a. May was not a great month.
 - b. Giving YTD behind \$124,000.
 - c. We are ahead on expenses.

- d. Our projections for yearend are behind budget.
- e. Cash balance slightly down from last month.
- f. Council had discussion on overall budgets.
- g. Brian asked what cash balance should be? (\$750,000)

	<u>May 2022</u>	<u>Year-to-date</u>
Contributions	120,350	733,310
Expenses	122,030	571,631
Net	(1,680)	161,679

- 3. Executive Director of Operations Report (Dianne Johnson)
 - a. See appendix B for detailed report.
- 4. Staff Report Review
 - a. See appendix C for detailed report.

Future Topics

July	Dan Green – Director of Marketing (maybe)
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Summary of Meeting Action Items

- 1. Jen to follow-up with Jill Hartwig on painting and timing/cost of flooring.
- 2. Brian and Pastor Jon will meet on next steps on getting pastoral help.

Meeting Adjourned

Jen moved to adjourn the meeting.
Tami seconded the motion.

Motion passed (CC.22.06.25)

The meeting adjourned at **8:45p.m.**

Closing Prayer – Pastor Jon

Appendix A: The Report of Pastor Jon Larson**Church Council Staff Reports**

Pastor Jon Larson

Leadership:

- We received one name from the Synod office regarding a possible Interim Candidate and would like to investigate additional resources.
- A reflection and summary of the meeting with Patricia Lull (Bishop) and Rolf Lowenberg-DeBoer (Assistant to the Bishop for Lay Leadership and Equity Initiatives) to discuss King of King's Call/Search Process and additional ministry support was submitted to the Executive Team of Church Council.

Stewardship:

- "In my spare time" I will be working on a letter to the congregation that will be going out to the congregation as a part of our next quarterly statements in July. My hope is that we will be able to provide information regarding Pastoral/Interim Support, Search/Call Process Updates, Potential Town Hall Meetings, Ministry Site Profile Update/Work etc.
- We are needing to develop an overall strategy for increased giving and celebration including the passing of the baskets. We will need to think creatively as the usher/volunteer base is lacking.
- We typically begin to develop an overall stewardship strategy and campaign during the month of June. We are slightly behind schedule. One of the first steps will be to reestablish a team.

Worship:

- Thank you to Jack Pickett for filming and editing the Children's Messages each week and for working on communication with our praise teams and sound booth. It's great to have his energy and input.
- In conjunction with the Worship Coordinators an overall worship strategy has been developed as we are now having people come forward for communion. We have to take into consideration and adjust based on the number of volunteers available.
- A big thank you to the team for the opportunity to get away from June 13 – 20. Pastor Steve Moberg covered preaching and worship responsibilities on June 19 and Reverend Jim Shiell provided Pastoral Care coverage for the week. Laurel Bornholtz provided the Children's Message and Eric Sherburne provided the announcements. Dianne Johnson was identified as the pointperson and Tami Olson was the contact for any additional care that was needed through visitation ministry. Information regarding worship needs was communicated to those providing coverage and to keep staff in the loop.
- While we have been using language to celebrate opportunities to serve and approaching it from a place of engagement, we continue to have difficulty building a broader volunteer base. While we have been trying to stay away from using "needs based" language we have not seen the necessary engagement and will have to evaluate next steps.
- Worship planning pages have been revamped to foster better communication among team members and I continue to provide Kathy Becker bulletin worship formats each week.
- I have been sending out an overview of worship each week to our Worship Coordinators.

- We will be having our VBS students singing in worship on June 26.

General:

- Officiated a wedding/rehearsal on May 21 in New Prague and on June 4 in Hastings MN.
- Provided prayer for two of our Ready Set Grow Graduations/Celebrations on May 25
- Baptism services were held on Friday, June 10 and Sunday, June 12
- I will be leading worship at Stonecrest on June 26.

Care

- I am trying to make in-person home visits and meet with congregation members as I am able.
- The Congregational Care Team did not meet in June.

Nominating Committee

- Did not meet – September Timeline

Evangelism

- Did not meet – Anticipating arrival of Marketing Position.

Appendix B: Report of Executive Director of Operations, Dianne Johnson

Church Council Report June 2022

Finance:

Ouch!

Working on our Workman's Comp audit through AM Trust Financial.

Looking again at the potential of the ERC credit that is a refundable payroll tax credit that rewards businesses and nonprofits to keep employee on payroll. When I first looked at this, we did not qualify based on the Gross Receipts Test, yet we may qualify under the Government Orders Test.

Facility:

Replacement of water heater is complete.

Dan Behrens from Haag Engineering inspected our roof on Thursday, June 16th, awaiting report in order to see if the roof is damaged from hail and we can move forward with a claim.

Need to vote on approval for funds to repair parking lot; I have **attached our best quote from Nugent**. The parking lot condition is now at a state in which directional markings are difficult to read and has the potential for accidents.

Reaching out for potential loan information for carpet/paint update project; rather than using our cash- can we fund ½ through a loan with Thrivent or Mission Fund of the ELCA- see comments below. I have completed the preliminary application form with Thrivent in order to lock down the lower interest rate. We do not have to move forward with the loan yet good to have this completed. This line of action still requires a congregational vote.

Thrivent:

Always good to hear from you. We are all doing well, still working mainly from home. Sorry to say that Jim Buelow has retired – and definitely very missed around here! I hope you and your family are doing ok. It sure has been a crazy couple of years!

We'd be happy to consider a 5 year loan for \$100K for your project. Rates would be around 4.5-4.75% right now. It's been very volatile and rates are expected to continue to rise in the coming months so I think it would be good to get the loan booked as soon as possible. I'm attaching the loan application if you would like to move forward. I believe we have your financial statements through 2021 year end so would just need the updated YTD information, not the 3 years we ask for on the application. If there's anything else on there that's not relevant, just skip over it and we can ask you about it if needed.

Thanks so much!

*Meg Spangler
Director & Associate Portfolio Manager
Church Financing*

Mission Fund of the ELCA:

It's so good to hear from you! We are doing well and I hope you and your family are enjoying the summer-like weather – finally!

We are grateful for the investment you have with the Mission Investment Fund. Thank you!

With a potential loan of around \$100,000, there are some options. Loans up to \$100,000 can be unsecured, meaning the congregation will avoid MN title and tax expense as well as the document

preparation fee of \$1,000. They do carry a higher interest rate, around 5.25%, and can be amortized for 5-10 years. You can prepay the loan with congregational funds at any time without penalty.

Loans over \$100,000 are secured and are subject to MN title and tax as well as the document preparation fee of \$1,000. You can amortize these loans up to 25 years, and we do have rates below 4% for these loans. The 5-year rate is 3.875%. After five years, the rate adjusts to the current rate. There is no balloon payment. You can prepay the loan with congregational funds at any time without penalty.

I am available to meet with you by phone or in person – whatever is more convenient for you. I am attaching the current investment rate sheet. Notice the interest rates for the Term Investment Adjustable Rates – they are quite attractive!

I look forward to hearing from you. If you would like me to send you a loan application, let me know.

Enjoy this beautiful day!

LuAnn Ferguson
Regional Manager, Minnesota, South Dakota, Eastern North Dakota
Mission Investment Fund
651-900-3575
www.mif.elca.org

In 2018, I created a form for the beginning of some **long-term projects/equipment replacement guide**. I have attached them as a starting point yet some of the costs will seem off compared to today; yet, nice to see we have actually accomplished a few of these.

Personnel:

We interviewed and made an official job offer to Dan Green. Dan's first day will be Wednesday, June 22 (tomorrow). Preparation of all employment paperwork, orientation, training schedule, etc and hoping for a wonderful future with Dan leading our marketing and outreach ministry arenas.

Work is continuing for help for Pastor Jon in the form of an interim or PT assistance from a source outside the St. Paul Area Synod as the response from SPAS has been minimal.

As we look to the fall- do we change our office hours back to 8-5? Or can we continue with 9-3; or 9-5?

Hiring priority should be established for our top openings:

- Contemporary Worship Lead
- Pastoral position (position A) within organizational chart
- Laurel's request for Early Childhood Coordinator (tentative job description attached).
- Director of Worship or can this be included in the pastoral position?

Appendix C: Church Council Staff Reports**Staff Church Council Meeting Updates:****Laurel Bornholtz**

- Writing an updated small group leader training guide for our 2022-23 adult ed leaders
- Still working with God's Gals, the Precept group and Lynda Paulson's Tuesday study to make a final decision on a Revelation study for fall/winter. Gathering suggested topics to discuss with the Adult Forum leaders. Also addressing final details for a recommended quarterly contemporary book series to offer beginning this fall.
- Hoping to have the budget dollars needed to proceed with hiring an Early Childhood Coordinator for Fall 2022. Pastor Jon and Dianne have reviewed the draft position description and discussions are underway.
- Supporting VBS as needed. Paula and our intern, Megan Rands, have done an excellent job with planning and preparations.

Michael Carmack

1. Wrapping up ServeCamp preparations - We have 34 students participating this year. We will partner with 8 different organizations throughout the cities.
2. Preparing for the summer at King of Kings - A trip to the Boundary Waters with our high Schoolers, Spending a week at WAPO with our MS and HS students and then a week of ServeCamp
3. Wrapping up distribution of funds to our families from fundraising efforts this spring. We were able to raise close to \$9,000 to help support families sending students to various camps this summer.

Paula Arland**Elizabeth Hendrickson**

- I am working on plans for the Summer Sock Hop and the School Supplies Collection. I am recruiting new volunteers, which requires more advanced planning. We'll start meeting to plan these events on June 20.
- I am preparing to travel to Tanzania to visit our mission partners in Dodoma and Iringa. I will be in Tanzania from July 18 to August 7.

Andrea Villanueva

- Wrapping up last year's paperwork from teachers and kids
- Inventory/Ordering supplies for fall
- Working on all newly enrolled kids' registrations, paperwork, information in our system
- Reviewing and understanding newly changed licensing/legislative requirements for Rule 3 Childcare.
- Adjusting current policies to be in alignment with all new requirements

- Working on everchanging covid policy
- Making summer inservice opportunities for teachers

- Conducting tours and phone conversations about the preschool
- Orientation of new hire: Teacher for the 3's class
- Searching for an Assistant Teacher for 4's class (not much luck yet)