**Advent Lutheran Church – Church Council Meeting – October 19, 2022 Minutes**

**Present – Voting (n=8)**: Pastor Danielle Miller, Damaris Maclean, Hans Kriefall, Dorothy Trigg, Laura O’Keefe, Dorothy Clementson, Michael Hammett, Pastor Charles Miller

**Present – Not Voting** **(n=1):** Hayley Moe

**Not Present – Excused** **(n=3):** Bree Vandenberg, Amanda Garcia-Harris, Kathy Matson

1. **Opening Reflection & Prayer**

Pastor Danielle opened us in reflection and prayer.

1. **Consent Agenda: September Minutes and Pastor’s Report**

There was a note in the Pastor’s Report about our field ed student Morgan teaching Sunday School, and it was asked why that’s the case when we discussed part of bringing Hayley Moe back for an internship year was to help keep continuity for our Sunday School children. Hayley’s main internship project is going to be planning for a sustainable Children, Youth, and Families program model for Advent, which will include teaching Sunday School but not exclusively. Morgan has an education background and is focusing on Christian Ed in seminary so is a great additional teacher for our young disciples.

Breakfast church – how is it going & what is the future when Sergio is done? The conversation that will be happening with Vicar Sergio and the leadership team for next month is what future does it have, or is it an experiment that ends. We don’t have a solid answer at this time, but do know that we don’t have the ability to call a dedicated Pastor for the ministry at this time. The worship experience has been beautiful, moving, family oriented, and community-engaging.

Food pantry has been running de-escalation training for volunteers working in outside roles that interact with guests. It was asked if this information has been sent to Community Lunch leader & volunteers. We need to confirm this with the Food Ministry leaders.

What was the overall Small group interest if only 4 groups are meeting this round? Pastor Danielle shared we didn’t offer quite as much variety or options this time around which is part of smaller number, but we do have strong sign-ups for the 4 groups running.

Damaris reminded us that Pastor Danielle’s maternity leave started when Carla left which couldn’t be anticipated and isn’t ideal. Thank you Pastor Danielle for your work knowing this is such a busy season. Please let us know how we can help, and if there’s anything Council members can jump in on please volunteer. Stewardship in particular could use some additional hands. Other non-profits often include committee service for board members, and Advent isn’t quite so formal but please consider what committee and/or ministry you can continue to serve and lead.

**Action** ***(Motioned, Seconded, Approved)*:** The Council voted to approve the consent agenda.

1. **Quarterly Financial Documents**

Thank you to Deanne Walters & Linda Kelly for the work they have done over the past 2 weeks reconciling our bank account & investment accounts for Aug & Sept.

Pastor Charles Miller walked us through the financial reports.

Statement of Financial Position – a snapshot in time on Sep 30 of the important information about our assets & liabilities.

* Cash – We began the year with $194k and the YTD balance is now about $64k. This isn’t unexpected; you anticipate beginning year balance to be strong with gifts coming in at the end of the year. The YTD balance is a healthy amount to have in that account, money that makes us able to pay bills as they come in.
* Investments – totals show that the YTD change is -$304K, with the heaviest change in the Mission fund. These changes give us pause. Recent calculation on the Parsonage fund shows that with our current draws it would end its life in 2028, and that based on a richer calculation than the current state of investments nationally. We are going to keep an eye on that number, and will continue talking about it moving forward. What is the Parsonage fund for? It’s the result of a gift from an estate that included both the parsonage that we own on 100th St and a dedicated cash gift. Currently being used to cover the housing allowance for pastors and any maintenance or related costs for both the 100th St apartment and for Pastor’s apartment. Does that include the monthly rent that we pay for Sergio’s apartment? We are unsure where that pulls from and Pastor Charles will look into it and report back at the next meeting.
* Total Net – Beginning balance $2.23m, YTD balance $1.8m. There are 2 factors here, one expected and one not. Expected is the usual decline in cash from the beginning of the year to the 3rd quarter of the year. The larger & unexpected part is the investments, which are down nationally. We expect these to change & fluctuate, and it is an important measure of the health of overall finances.
* Do we list the value of the Enquist apartment as an asset? No, we don’t. This has been discussed over the years because it is real estate and we also don’t list the value of our church building.

Statement of Activities – what are the notes in red? Linda Kelly wanted to ensure that these are taken as the best information we have at the time but not as a full & complete picture because we’re working as well as we can until we have a professional outsourced bookkeeping service.

* Weekly Envelopes – We are currently at 60% of annual budget, but at ¾ through the year ideally it would be at 75% of annual budget. More concerning is that all of General Non-Designated is at 58.59%. We look at this monthly and everyone is concerned, working on & hoping for a better result by year-end. But also knowing what’s happening economically in our country, we expect it will have some impact on our annual income. The special gifts line is at 45% – is there another grant/gift anticipated coming in? Part of that was rent from Enquist apartment (LMHE and the Dreges) but we haven’t been able to find a replacement so aren’t receiving that income now.
* 3 sections of the operating budget we’ve seen in the past that aren’t in this report:
  + Welcome Center ($100k each from Mission fund and Synod). There are bills & deposits that need to be re-looked at before giving an accurate picture of that part of the budget. With the restatement of that information, the elevator cost was about $150k, so we have approximately $245k still that can be applied to expenses related to the welcome center.
  + Also pulled out Food Ministry & Music Monday from the general operating reporting so that there can be further details shared about each, which is also part of the financial team recommendation.
* Income totals we’re at about 59% of projected income for the year so we have a ways to go.
* Expenses – Pastor Charles reminded us to give particular attention to any areas where the YTD % is high (at this point 90-100%) and that’s a sign that need to ask more questions about why.
  + Disability/Workers Comp is at 137% – we’re looking at that to determine if it’s accurate, if something was miscounted, or if we didn’t budget properly.
  + Equipment & Maintenance – haven’t had time to make some changes here, but we know some expenses charged to Serviceman/Repairs are better in other lines which would even out those lines. but the total % isn’t concerning.
  + After all is said & done, in terms of annual budget we’re at $343k expenses to date, and good news is that we are not out of sync with YTD last year and general operating in terms of life of the congregation. And we’re at 64% of expenses which is lower than overall year
  + Original budget had a $31k deficit, so we’re about on par with what was projected initially.

Food Ministry Statement of Activities – Designated contributions are at about 62% so we have a ways to go to fund this ministry. Expenses are at 100%. The blessing in this area is that with the dedicated account balance, we have funds to cover the remaining months of the year if necessary so we don’t need to stop the ministry but do need to keep efficient in spending and increase funding. NYC Food Pantry granting has changed in a way that should help supplement our budget and give us more funds to spend– this doesn’t show up in the report because it’s direct for commodities but hopeful it will help us through the end of the year. This document has been shared with the food ministry team.

Music Mondays Statement of Activities – This ministry budget is very healthy. Contributions to date are at 103% of annual budget, and expenses are only at 61% with still several months of contributions and expenses to go. Dedicated account for Music Mondays is at about $79k. They set aside money a few years ago to hire a development person (very part-time) to help liaise with donors and work with the donor base which has paid off. This has been something discussed with the food ministry, but it’s been hard to set money aside from those programs and take that step back from spending on food directly.

Dedicated Accounts – There has been very little activity this month except for how it relates to invested funds. Otherwise ending balances are as would be expected based on the statement of financial position. The way investments affect our overall financial position is significant.

**Action** ***(Motioned, Seconded, Approved)*:** The Council voted to accept the Statement of Financial Position, Statement of Activities, and Statement of Dedicated Accounts as presented.

1. **2022 Finance Review Team Report**

Jim Kelly was not able to be present to share details on this report, but Pastor Charles shared an overview of the work of the 3 review teams. The individual team reports include significant detail about recommendations for further financial controls and processes that will be shared over time.

Teams met from the Spring through August and then developed these reports to pass the product over to the Council and future committees.

Team 1 looked at the budget development process and budget presentations. They made recommendations about how the budget development team can change how they create and present budgets so that they make the most sense to target audiences (Council, Congregation, and Ministry Leaders). The budget development team would take their recommendations and in sharing the budget report back on how they are implementing the recommendations. Pastor Charles will invite Madelyn (as head of Team 1) to the first budget development meeting to share those rich recommendations.

Team 2 was tasked with reviewing 2019, 2020, and 2021 year end financial statements and determining if they needed to be restated. They were restated, and Pastor Charles will put together a report with more detail on these findings. They also put together a number of recommendations related to financial controls and processes, and include creating a Finance Committee who will be charged with moving these recommendations forward.

Did we find how far off we were in those years? We found a few things – 2019 was in disrepair, but things improved measurably in 2020 and 2021; ParishSoft records were accurate for those three years, so the bulk of the restatement was using those documents moving forward instead of the documents presented. There was no mischief or malfeasance that was cause for alarm.

Team 3 was tasked to evaluate the financial reporting for the Council & Congregation and made recommendations on what documents Council should receive and what training resources could be supplied to help understand the financial reports. Jim Kelly offered to host a training to help Council understand the reports in addition to sharing existing resources Council can use to train themselves on their own time.

It was noted that it is important to receive the financial documents each month with enough time to thoughtfully review ahead of the meetings, in addition to the Council doing these further trainings.

Thank you to everyone who worked on these teams for their thoughtful work and time spent on this important project.

**Action** ***(Motioned, Seconded, Approved)*:** The Council voted to receive the reports of the 2022 Advent Finance Review with great appreciation, and refer the reports to the Budget Development Team and Finance Committee for study and implementation.

1. **Budget Development Team**

**Action** ***(Motioned, Seconded, Approved)*:** The Council voted to approve the appointment of Pastor Danielle, Pastor Charles, and Norma Martin as members of the 2023 Budget Development Team, and refer the report of Team 1 of the 2022 Advent Finance Review to the budget development team for implementation.

1. **Finance Committee Formation**

**Action** ***(Motioned, Seconded, Approved)*:** The Council voted to approve the formation of a Finance Committee, the purposes of which are: provide advice and counsel to the treasurer and congregation council on financial management and trends; and receive and study all recommendations in the 2022 Advent Finance Review Teams 2 and 3 reports and recommend to council the responses for implementation, including possible additions and amendments to the Advent Financial Policies Manual and possible supplemental reports to the three financial statements. The members of this committee would be approved by the Congregation Council on an annual basis.

1. **2021 Audit**

One unfinished piece of business was the audit of the 2021 finances of Advent, which we believe was sufficiently accomplished by Team 2 of the finance review team.

**Action** ***(Motioned, Seconded, Approved)*:** The Council voted that Advent's 2021 audit and ensuing report with recommendations is understood to be contained in the Advent Finance Review's Team 2 research and report.

1. **Music Mondays Associate Position**

The Music Mondays team requests approval of a new program associate position:

Title: Music Mondays Program Associate

Part Time Salaried, $2160 per year. Estimated time commitment: six hours a month, 12 months a year.

Summary: Reporting to the Music Mondays Artistic Director, and receiving support from the Operations Manager, the Program Associate is responsible for crucial administrative aspects of the series.

Requirements: Advanced degree in classical music. Demonstrable passion for a range of music for small ensembles. Strong organizational, verbal, written, and interpersonal skills. Knowledge of social media sites.

1. Post content to Music Mondays Facebook and Instagram pages once a week.
2. Identify relevant Facebook groups and affiliate Music Mondays with them.
3. Create an event on the Music Mondays Facebook page for each concert.
4. Email announcements about concerts to the contact list three weeks before each concert. Post announcements about concerts to relevant sites three weeks before each concert. Examples include West Side Rag, Skint, NMUSA Event Calendar.
5. Maintain Programming Chart listing all works performed, date of composition, name of composer, and length of each work.
6. Take photos and videos before, during, and after concerts.
7. Assist with smooth operations during concerts.

**Action** ***(Motioned, Seconded, Approved)*:** The Council voted to approve this job description as written so Music Mondays can hire a Program Associate.

1. **Next Meeting**

The next Council meeting will be Wednesday November 9 at 7pm on Zoom.

The following meeting will be Wednesday December 14 at 7pm in person.

**Adjournment — Closing Prayer**

We closed the meeting with the Lord’s Prayer.

*Respectfully submitted by D.Trigg 10/19/22*