

TRINITY LUTHERAN CHURCH OF STILLWATER, MINNESOTA
Minutes of Congregational Council Special Meeting
Held October 9, 2023

Voting Council members present: Jeff Anderson; Lead Pastor Chris Bellefeuille; Krista Gossai; Thomas Haugrud; Jill Longnecker; and Andrew Thelander.

Non-voting Council members present: Parish Administrator Sarah Kinsman and Pastor of Lifelong Faith Formation Peter Weston Miller.

Absent: John Hodler.

Guests: The following members of the finance team were present: Phil Hanson; Tom Olsen; and Clark Thurn.

Location: In person at the Church.

Congregational/Council Secretary John Hodler was absent from the meeting and Thomas Haugrud agreed to serve as temporary Council Secretary for the meeting and was so designated.

I. Call to Order and Purpose of the Special Meeting.

The special meeting was called to order at 6:00 p.m. by President Andrew Thelander. The purpose of the special meeting was to conduct a joint workshop for Council and the Finance Team relating to the budget for the current fiscal year running from September 1, 2023 through August 31, 2024 (“the 2024 Fiscal Year”).

II. Devotions.

Pastor Chris led devotions.

III. Budget Workshop.

Treasurer Jeff Anderson gave an overview of the budget-building process and distributed at the meeting several detailed and thorough charts and graphs relating to the Church’s finances.

Jeff reviewed the historical actual vs. budgeted contribution income for 2001 through 2023; the pledged and non-pledged contribution income for fiscal year 2016 through fiscal year 2023 and the contribution income as proposed in the draft budget for the 2024 Fiscal Year; the line of credit balances from September 1, 2022 through October 6, 2023, the pay downs on the LOC using Council Directed Funds for that time period, and the purpose and limitations of the LOC; the substantial pay down to date on the mortgage using the dedicated Capital Campaign Funds and the substantial amount still owing; and advised that the Church’s application for the Employee Retention Tax Credit (“ERC”) was approved to the extent of \$154,000 which will be designated as Council Directed Funds, with \$71,000 received to date.

Parish Administrator Sarah Kinsman reviewed the draft budget for the 2024 Fiscal Year which was distributed at the meeting. The draft budget provided for total income of \$1,736,375 and total expenses of \$1,735,500, a surplus of \$875. The draft budget increased income contributions by 7% over the 2023 Fiscal Year actual, with a proposed 14% increase in pledged contributions over 2023 Fiscal Year actual. The draft budget decreased expenses by 3% over 2023 Fiscal Year actual.

The budget expenses did not include any line item for the \$7,076 operating deficit carried over into the 2024 Fiscal Year.

After discussion and deliberation:

Staff was requested to adjust the draft budget by reducing the expenses by a minimum of \$75,000 and reducing the anticipated pledged contributions by the same amount.

Sarah and Tom Olsen will further review and verify the budget expenses relating to the principal and interest payments on the mortgage for the 2024 Fiscal Year.

Sarah and Pastor Chris will verify when the pre-payment penalty on the mortgage expires.

For informational purposes, the approximate fair market value of the various real estate parcels owned by the Church will be determined. The value is to be determined using reliable means but without incurring the expense of appraisals. The values shall be separately stated for the Drive-In property, the main structure parcel, the green space parcel, the parking lot, and the Croix Center parcel.

Sarah and staff will itemize the LOC expenditures made over the past 12 months.

IV. Closing prayer.

The special meeting concluding with the Lord's Prayer.

V. Adjournment.

The special meeting was adjourned at approximately 7:45 p.m.

Respectfully submitted,

s/ Thomas Haugrud

Thomas Haugrud

Temporary Council Secretary

Electronically signed