

ST. PETER'S LUTHERAN CHURCH

VOTERS MEETING
MONDAY, JUNE 25, 2018

6:30 P.M. – GYM

AGENDA

- I. **WELCOME/INTRODUCTION OF CHURCH COUNCIL**
MIKE CLANCY, JR., CHURCH COUNCIL CHAIR

- II. **OPENING PRAYER**
DAVID LUKEN, OPERATIONS BOARD MEMBER

- III. **WORSHIP TIME**
THOMAS WINTERSTEIN, NEW SONG SPECIALIST

- IV. **CALL TO JILL TOPHAM, 5TH GRADE TEACHER**
SCOTT SCHUMACHER, PRINCIPAL

- V. **REVISIONS TO BY-LAWS** (See attachment A.)
MIKE CLANCY, JR., CHURCH COUNCIL CHAIR

- VI. **APPROVAL OF 2018-19 BUDGET** (See attachments B. & C.)
VALERIE LANE, OPERATIONS BOARD CHAIR

- VII. **CAMPAIGN FINANCIAL UPDATE**
TIM BENSE

- VIII. **NEXT STEPS FOR "TOGETHER WE LIVE"**
MIKE CLANCY, JR. & BOB SCHWARTZKOPF, INITIATIVE SHEPHERD

- IX. **ON THE HORIZON AND CLOSING PRAYER**
PASTOR TEIKE

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Rationale summary for the modifications to the By-Laws

1. Consistent wording for all three boards in their working relationship with the Church Council.
2. Improve role clarity of staff, specifically Executive Director with the Operations Board and the Principal with the School Ministry Board
3. Elders Board - no other changes than noted in #1.
4. Operations Board additions to support the Church Council, maintain the following:
 - a. 17.3.3 Church business affairs and "Financial Control Procedures"
 - b. 17.3.5 Annual Employee Handbook per policy guidelines
 - c. 17.3.9 Current and future maintenance safety, and proper insurance of the physical facilities and properties of the congregation.
 - d. 17.3.12 Provide input and support for the technology systems management and improvements.
5. School Ministry Board - no other changes than noted in #1.
6. 21.0 Elections and Appointments, two changes:
 - a. **Deleted a portion of section 21.4**
The congregation shall elect a Church Council consisting of nine (9) members ~~and a Foundation Board consisting of seven (7) members.~~
 - b. **Added highlighted section to 21.6**
Congregation Treasurer and Secretary. The Church Council may appoint a Congregation Treasurer and Secretary, as needed, for a term of one (1) year and may be renewed annually without limitation. The appointed treasurer and secretary does not have to be a member of the Church Council.

For more detail, please pick up a By-Laws packet that contains the edits and the final draft.

2018-19 BUDGET OVERVIEW

Attachment B.

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A. Five Guiding Principles for new budget:

1. **10.6 % of weekly offerings and 100% of 3rd Sunday special offerings will support local and global missions**
2. **Save for capital improvements**
3. **Be conservative with income projections**
4. **Decrease ministry budgets**
5. **Balance fiscal year budget**

B. Offerings (1)* We are planning on a 2% increase to our Offerings based on our projected- year-end. (Note Offerings graph on page 2). New ideas for upcoming fiscal year: “Quarterly Ministry Updates”, donor development strategy, stewardship/impact video stories, micro-enterprise approach to select ministries, partner more with the Foundation, teaching “tithing” at all ages, and next generation giving strategy

C. School (2)* Increase of \$120,000 for school income partially due to 4% increase in tuition (does not include amount allocated for “tithe option”)

D. Ministry Specific (5)* We’ve reduced most of the ministry specific budgets unless expenses are offset by income (*ie. youth mission trip*)

E. Operations (6)*

- a. Estimated 10% increase in health benefits, a portion of this increase will be passed on to the employee in the third and fourth quarters (Working with other church-schools to identify ratios, trends, and best practices) We currently have 54 staff (62%) of our staff on health plan
- b. Reduced IT budget for the school. We will use PTL income to help offset new ipads. We are also postponing the purchase of new Thin Client teaching stations (\$45,000).
- c. Reduced building improvements for this new year (*ie. office renovations*)
- d. Reduced “other expenses” by \$90,000 applied to unique events
- e. Reduced capital improvement savings from \$15k per month to \$10k per month. We plan to transfer \$10,000 monthly from checking into our money market account.

***Please reference the “2018-19 Proposed Budget”**

2018-19 BUDGET OVERVIEW

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- f. Net zero to new budget, per Capital Maintenance Matrix priorities, we are pulling funds from designated to cover critical improvements (two roofs and 3 HVAC units = \$75,000).
- g. Includes new panic button (\$8,500) for locking school entrance and 5 sets of wood doors

F. Staffing (7)*

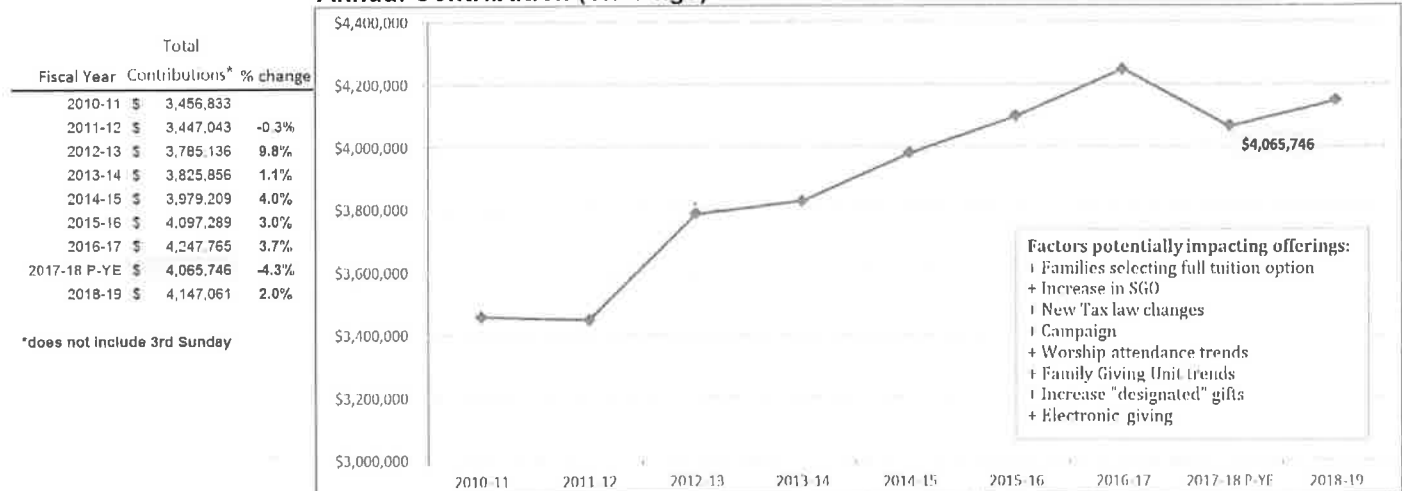
- a. 3% increase to "base" salaries per District guidelines and 3% increase for hourly. No additional "planned" overtime or extra hours unless approved by Executive Director.
- b. With the input from the School Ministry Board, Staci Schiefer, Julie Dietrich, teachers, church staff, Pastor Teike, Scott Schumacher and Mike Hinckfoot have prioritized staffing positions to meet budget guidelines.
 - i. Reduction in two aide positions and reduction in hours for teacher aides
 - ii. Reduction in 1.25 teaching positions and the curriculum specialist position
 - iii. One new 5th grade teacher making three classes (currently three 4th grade classes) and a new part-time position for junior high math
 - iv. Six new teaching staff, 5 are backfill positions
 - v. Reduction in director of generosity position
 - vi. Net -\$35,000 with the salary increase and reduction of staff

c. Reduced moving costs

G. Designated gifts "outside of the budget" must be approved by the Executive Director (ie. playground equipment) to ensure alignment with strategy

H. We have not included funds for demolition of the new property nor paving south parking lot.

Annual Contribution (offerings) Trends



***Please reference the "2018-19 Proposed Budget"**

2018 - 19 PROPOSED BUDGET

Attachment C.

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INCOME	2017-18 YEAR-END PROJECTION	2018-19 PROPOSED BUDGET	% CHANGE
Offerings (1)	\$4,110,232	\$4,192,061	1.99%
Tuition (2)	\$1,578,101	\$1,698,328	7.62%
Other (3)	\$1,060,280	\$975,979	-7.95%
TOTAL INCOME	\$6,748,613	\$6,866,368	1.74%

EXPENSE			
Missions (4)	\$475,353	\$484,588	1.94%
Ministry Specific (5)	\$705,007	\$783,967	11.20%
Operations (6)	\$1,103,517	\$987,090	-10.55%
Staffing (7)	\$4,682,406	\$4,610,723	-1.53%
TOTAL EXPENSES	\$6,966,283	\$6,866,368	-1.43%
			We have intentionally pulled down our expenses (\$100,000) based on the Budget Guiding Principles (see Attachment B.)

NET INCOME	-\$217,670	\$0	Why are we projecting such a large shortfall? We did not receive the offerings we had budgeted (shortfall of \$300,000) or the tuition we had budgeted (shortfall of \$50,000). In anticipation of a year-end shortfall, ministries did their best to reduce expenses exceeding \$160,000.
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DESCRIPTION

(1) Offerings	Weekend offerings (cash and envelopes), electronic giving, and 3rd Sunday
(2) Tuition	Tuition payments, state voucher, income from other churches, and SGO (scholarship-granting organizations). For more information related to school income or donating to the SGO, please contact Scott Schumacher, Principal at SSchumacher@stpeters-columbus.org
(3) Other Income	Alms, PTL, athletics, grants, Foundation gift, designated gifts, Federal cafeteria reimbursement, student lunch payments, field trips, and other ministry revenue (ie. Youth events, Fair, Best Practices, IOP, Life Fitness, etc.)
(4) Missions	10.6 % of weekly offerings and 100% of 3rd Sunday special offerings are used for local, domestic and global missions. For a complete list, please contact Mike Hinckfoot or review the Annual Report in early August
(5) Ministry Specific	Ministry expenses for Worship, Life Equip, Life Care, Life Works, Children's Ministry, Youth Ministry, School Ministry, and Life Community
(6) Operations	Best Practices, general supplies, postage, interview and moving, communications, building supplies, building repairs, capital improvements (ie. HVAC, Roofs), technology, utilities, and in-out expenses
(7) Staffing	Salaries, contract labor, substitute teachers, benefits, continuing education, mileage, moving expense, staff anniversaries, and staff development

For more information, please do not hesitate to contact Mike Hinckfoot, Executive Director at MHinckfoot@stpeters-columbus.org