Epiphany Evangelical Lutheran Church

Church Congregational Council Meeting Minutes

Tuesday, June 9, 2026 – 7:00 PM

Attendees

Present: Jane Huddle (Vice-President), Jennifer Edwards (Treasurer), Markus Groener (Secretary), Joseph Bolick, Carl Erickson, Matt Greenshields, Phillip Martin (Senior Pastor), Cindy McClintock, Leigh Pickels

Present (via video conference): Missy Hill, Sarah Lang (Associate Pastor for Faith Formation Ministries), Gwen Newman

Guests: Melinda Martin (Director, Epiphany Lutheran Nursery School) and Debbie Sexton (Finance Manager), present to present the Nursery School's 2026–2027 budget

Absent: Mike Dunavant (President)

1. Call to Order

In the absence of Council President Mike Dunavant, who is attending a graduate study class this month and next, Council Vice-President Jane Huddle presided and called the meeting to order at 7:02 PM.

2. Devotions / Opening Prayer

Pastor Phillip Martin led devotions on behalf of Mike Dunavant, sharing a reflection Mike had prepared. Reading from 2 Corinthians 8:1–10 — Paul's account of the Macedonian churches, whose "overflowing joy and extreme poverty welled up in rich generosity" — the devotion tied the passage to the Epiphany Shines to 75 giving campaign and to how God has blessed the congregation: in its unanimous vote to begin the campaign, in the work of the council and committees, and in the congregation's response in giving. The devotion framed giving not as an obligation but as a joyous response to unearned grace, and posed the question: "How has God answered your prayers in a time of need, or how have you been moved to answer the prayers of others?"

Members shared personal reflections. Pastor Phillip closed with an opening prayer of thanksgiving for the congregation's love, generosity, and patience, asking for wisdom to steward its gifts faithfully.

3. Consent Agenda

A. Approval of Council Meeting Minutes of May 12, 2026

Council received the May 12, 2026, council meeting minutes for approval. No corrections were noted.

B. Receipt of Reports from Pastors, Staff, and Ministry Teams

Written reports from pastors, staff, and ministry teams were received.

Pastor Joseph Bolick reported an item not included in his written report: a recent dermatology appointment confirmed a basal cell carcinoma on his nose, and he is scheduled for surgery on July 1, 2026, with the possibility of significant reconstruction. He anticipates being out of the office for approximately one to two weeks, depending on the extent of the procedure. As the church has no written sick-leave policy, council discussed how to handle the absence and agreed it would be treated as "healing time" that does not count against vacation or other leave, consistent with how comparable situations have been handled in the past. Pastor Phillip Martin noted that pastoral coverage during his own previously scheduled vacation had already been arranged, so Pastor Joseph's recovery would not affect pastoral coverage, and that the preaching schedule was unaffected. Pastor Sarah Lang noted that the one event potentially affected is the middle school servant week (July 13–17), which she and Pastor Joseph co-lead; additional adult volunteers are being lined up to ensure the week is fully covered for the roughly 20 middle schoolers enrolled. Council affirmed its trust in the pastors' judgment in managing the recovery time and assured Pastor Joseph of its prayers. No formal action was required.

C. Receipt of Treasurer's Report and Mortgage Reserve / Shine to 75 Update

Jennifer Edwards reviewed the financial reports for the month ending May 31, 2026.

- **Monthly:** Net income was **favorable** to the budget by $28,270. Total income was **favorable** by $19,531, due to higher-than-expected contributions for the month. Total expenses were **favorable** by $8,739, due to the timing of expenses for Vacation Bible School, building equipment and maintenance, and the confirmation banquet — items that were budgeted in May but had not yet been posted.
- **Year-to-Date (YTD):** Total income was **favorable** by $29,144, with total contributions running 9% higher than in 2025. Total expenses were slightly favorable by $132: higher-than-planned utility payments (from the cold winter) and a higher water/sewer bill (from the earlier undetected toilet leak) were offset by the out-of-period VBS, building equipment and maintenance, and confirmation banquet expenses noted above, netting to a small favorable variance. Net income was **favorable** to the budget by $29,276, even though year-to-date expenses still exceeded year-to-date income by $25,934.
- **Mortgage Reserve:** Balance as of May 31, 2026, is $280,294, covering approximately 23.11 months of principal and interest payments at $12,124/month, sustaining payments nearly through April 2028. The May balance reflects the regular monthly mortgage payment and the monthly reserve buildup. The outstanding mortgage balance stood at approximately $1,728,357.
- **Shine to 75 Update:** With the June 7 pledge deadline now passed, Jennifer reported that the Shine to 75 campaign account held $168,331.91 as of May 31. Drawing on figures from Realm, council reconciled total campaign receipts to date at $276,645, comprising the $103,640 endowment distribution from the Epiphany Endowment Fund Board, $157,205 received toward pledges, $13,800 in non-pledged gifts (including gifts from non-members), and roughly $2,000 donated to the campaign in 2025. This total does not include the

council's $5,000 contribution toward campaign expenses and is reported gross of expenses paid. A 50% deposit of approximately $28,900 was paid toward the roof repair from campaign funds.

- **Discussion highlights:** Markus Groener and Jane Huddle observed that the narrative wording describing expenses as "favorable" in the Treasurer's summary can be difficult to follow, since several of the underlying items reflect higher-than-planned or out-of-period costs. Jennifer agreed to add clarifying detail in future summaries to make plain when expenses posted and why the variances net out. Markus also noted the value of a single line item showing total campaign contributions received (apart from the endowment distribution) and net of nothing, kept distinct from expenses paid; Jane and Jennifer agreed to follow up with Debbie Sexton to reconcile the Shine to 75 reporting. Separately, the completed Wells-Coleman agreed-upon procedures report for the fiscal year ended December 31, 2025, has been finalized (dated June 1, 2026) and provided to the Finance Committee.

D. Approval of Consent Agenda

- **Motion:** Cindy McClintock moved to approve the Consent Agenda for May.
- **Second:** Carl Erickson seconded.
- **Vote:** ✅ Approved unanimously

4. Receipt of Communications

A. Open Requests for Communications Received

No new thank-you communications or other open requests were received this past month.

B. Sympathy and Support Cards

No cards were distributed this month. Hanne Hamlin, who normally curates the cards, was on vacation, so there were no cards to circulate for signature.

5. Old Business

A. Epiphany Shines to 75 – Update

Missy Hill provided the campaign update. With the pledging portion of the campaign now concluded, 111 family-unit pledges had been received, with total pledges reaching approximately $701,000 and total receipts to date of $276,645 (including the endowment distribution, as detailed in the Treasurer's report). The campaign has now shifted from the pledging phase into the giving phase. Missy is updating the building "thermometer" in the commons to show progress toward the total pledge amount, with a milestone marker at the original $750,000 target, and noted that members have appreciated the transparency of the regular pledge updates — thanking Jane Huddle for keeping council informed.

Council discussed how to continue encouraging broad participation now that pledging has formally closed. Cindy McClintock advocated for a second, participation-based indicator (for example, showing the share of the congregation — estimated at roughly 300 active members — that has pledged, with about 111 having done so), emphasizing that every gift, however small, matters. Gwen Newman cautioned against any approach that might make those who have not pledged feel singled out. Missy affirmed both concerns, committing to keep the messaging positive and encouraging while safeguarding the confidentiality of individual giving, and noted she would add a simple participation indicator to the thermometer and continue sharing updates through the bulletin and weekly email. Pastor Phillip described a "challenge gift" concept (distinct from a matching gift) that the steering team had considered as a way to invite wider participation, which the campaign committee may revisit.

Council reaffirmed its commitment to honoring the allocation presented to and approved by the congregation: the first $200,000 received is designated for capital improvements, and all amounts received beyond $200,000 are directed to mortgage debt reduction. Members agreed it was important not to revise what the congregation had voted on. Jennifer Edwards raised whether a portion of the funds exceeding the goal might prudently be directed to a capital or organ reserve for future needs rather than entirely to the mortgage; Missy stressed the importance of honoring the campaign's stated commitments, and Pastor Phillip noted that future budget cycles can address such reserves and that the Finance Committee is weighing the best overall approach. It was noted that reducing the mortgage will lower future monthly payments and free up cash flow over time. The Finance Committee is developing a five-year plan that will incorporate the congregation's property needs, drawing on a needs assessment from the Property Committee.

Jennifer also raised whether it might be advantageous to invest the $103,640 endowment distribution for the next two years (until the anticipated 2029 refinance) rather than applying it now, comparing potential investment returns against the mortgage interest rate. Pastor Phillip explained that the first $200,000 received is being spent now on immediate capital needs (including the approximately $50,000 roof project), so those funds would not be parked long enough to earn a meaningful return, and that the Finance Committee is actively evaluating the mortgage paydown strategy. No decision was required at this meeting.

B. Job Openings Update

Pastor Phillip Martin reported on two open positions.

- **Finance Manager:** The church is actively interviewing candidates, with one in-person interview completed the prior week and another scheduled the following evening. Pastor Phillip hopes to conclude the process by the end of June. Because the employment offer formally comes from council, he plans to convene a brief council Zoom meeting within the next two weeks to present the proposed candidate for council's concurrence, after which the offer would be extended. The hire will be recorded in a future set of minutes.
- **Office Administrator (Hanne Hamlin's position):** Replacing Hanne Hamlin's role is a larger undertaking and is somewhat behind schedule; Pastor Phillip hopes to have the job description finalized and the position posted by July 1. He is working with the personnel team, and staff have completed questionnaires describing the role's needs and the core competencies sought in a candidate. Council agreed that the detailed job description is best

handled by the pastors and personnel team rather than by full council. Jennifer Edwards suggested using an AI tool to help compile the staff questionnaire responses efficiently.

C. Follow-up from Meeting with Finance Committee and Endowment Board (May 26, 2026)

Council briefly reflected that the May 26 joint meeting had conveyed its central message — the importance of clear, regular communication between the endowment, the Finance Committee, and the congregation. The related question of whether to apply the endowment distribution toward the mortgage now or invest it in the interim (noted above) is under active consideration by the Finance Committee, which appears inclined to apply incoming funds to principal as they arrive. No action was required.

6. New Business

A. Epiphany Lutheran Nursery School (ELNS) 2026–2027 Budget Approval

Taken up first to respect the guests' time, the Nursery School budget was presented by Director Melinda Martin and Debbie Sexton, who prepares the school's books. As the school's fiscal year runs July 1 through June 30, the budget is brought to council each June for approval before spending begins.

Melinda reported a strong year, with 90 students and the school's largest net income in recent memory — approximately $23,000 (which already includes a roughly $12,000 furniture purchase for the classrooms). The school is positioned for an even stronger year ahead, with 97 students currently enrolled, and is opening an eighth class in the fall to reach two classes at each age level (ones through fours); staff hiring for the new class is nearly complete.

Debbie reviewed the proposed 2026–2027 budget, built on an enrollment assumption of 95 students. Total income is projected at $461,000, up approximately $58,000 from this year's $403,000, driven by additional students, more attendance days, and a board-approved 5% tuition increase. On the expense side: tuition assistance is budgeted at $20,000 (the school granted four assistance requests this year, ranging from 50% to full tuition, and anticipates continued need); classroom supplies are budgeted at $8,000; and the budget reflects teacher recruiting and advertising costs and the purchase of a dedicated nursery school computer, while playground maintenance is lower following a one-time equipment replacement this year. On the salary side, the board authorized base hourly increases (15 cents for assistants, 25 cents for teachers) plus a 3.5% merit increase, and a 7% increase for the two directors. The budget projects a slight net income of a little over $4,000.

In discussion, council learned the school maintains a reserve fund of approximately $220,000, used for large expenditures (such as playground equipment) and to sustain payroll during periods such as the COVID closures. The school's religious exemption permits a maximum of 90 students per day; it currently averages about 87 per day and could apply to the state to increase capacity if needed, having already discussed the possibility with its inspector. Melinda and Debbie noted that the board has discussed donating a portion of this year's surplus back to the church, in light of the church's decision roughly five years ago to forgive the school's rent.

Council expressed appreciation for the gesture but encouraged the school not to act hastily: several members suggested the school retain and build its reserve, given that this is its first such surplus and the broader economic uncertainty, and noted that any future gift would be the school's decision to bring forward. No action was required on that point.

- **Motion:** Markus Groener moved to approve the Epiphany Lutheran Nursery School 2026–2027 budget.
- **Second:** Seconded by Leigh Pickels, Matt Greenshields, and Jennifer Edwards.
- **Vote:** ✅ Approved unanimously

Executive Session

Council entered executive session at approximately 8:30 PM and exited at approximately 8:45 PM.

7. Anything for Hanne?

- The approved May 12, 2026, council meeting minutes will be forwarded to Hanne Hamlin (and Turner) for posting on Epiphany's website. Markus Groener will provide the approved minutes.

8. Next Meetings

- The next council meeting is tentatively scheduled for Tuesday, July 14, 2026, at 7:00 PM. If no pressing business requires council's attention, the July meeting may be deferred until August.
- Markus Groener will lead devotions and the opening prayer.

9. Closing Prayer

Pastor Phillip Martin offered the closing prayer on behalf of Mike Dunavant, giving thanks for God's guidance in the council's work of stewardship and asking God's continued blessing on the congregation as it enters a new era, giving of itself to further the church's ministry not as an obligation but as a joyous response to grace and love.

10. Adjournment

Council Vice-President Jane Huddle adjourned the meeting at approximately 8:48 PM.

Respectfully submitted,

Markus K. Groener
Church Council Secretary