

Lutheran Church of the Incarnation Council Meeting Minutes

June 11, 2024, 7:00 pm

Council Member Roster: Tim Paulson (2026), Karen Slabaugh (2027), Kathryn Schnaible (2026), Jenny Fortuna (2025), Vern Holmes (2025), Bob Kerr (2025), Kenny Doss (2026), Ralph Holderbein (2027), Mark Bandstra (2027), Pr. Dan Smith, and Rob Williamson

A. Introduction: Tim

B. Opening Prayer & Devotion: Pastor Dan

C. Pastor's Report: Pastor Dan (attached)

- 1) Vote to accept Bette Meier into membership at LCI. Motion Pastor Dan; Tim 2nd; VOTE 8-0-0.
- 2) Vote to accept Lindsey Burns to submit 15 hrs/week paid leave to Sue Westwood at Carbahal when she takes vacation. Motion Kathryn; Tim 2nd; VOTE 8-0-0.

D. Approval of May Council meeting minutes: Jenny (attached)

Motion Jenny; Karen 2nd; Vote 8-0-0. Jenny to send to Lindsey to post to the website.

E. President's Report: Tim

- 1) Property Update on Fire Suppression System damage from car accident. Fire department asked LCI to provide fire watch when people are on the property. Tim has volunteered to take on this role as much as possible. Excavation cost of \$3,500 (Approved by Exec) has been paid to assess the damage. We are waiting for an estimate for the repairs. Up front costs will come out of the Maintenance budget and then reimbursed through Insurance.
- 2) Council Retreat date has been set for Aug 17 from approx 9am-3pm. Pastor Dan, Tim, and Mark will begin planning. Tim is looking into availability of Christ the King Passionist Retreat Center in Citrus Heights.

F. Council Action Items:

- 1) Karen: Procurement of lanyard nametags and stands will cost up to \$600 from worship resources budget. Motion Kenny; Time 2nd; VOTE: 8-0-0.
- 2) Kathryn: Pastor's Health Plan & Compensation package change back to Portico. See attached. Motion Kathryn; Karen 2nd; VOTE: 8-0-0.

G. Committee Reports:

- 1) Kathryn: April Balance Sheet and Profit & Loss Statement
- 2) Kathryn: May Balance Sheet and Profit & Loss Statement

H. Other Business:

- 1) Synod Assembly highlights
- 2) Bobby Joe Valentine concert at LCI on June 21.
- 3) Good-Bye Potluck for Rob Williamson on July 21.

No meetings in July

Next Executive Council Meeting = August 6 at 7pm

Jenny to send out Agenda = August 11 (Please have all supplementary materials to me by this date)

Next Council Meeting = August 13 at 7pm

Council Retreat = August 17

Pastor's Report

May 14, 2024

Lutheran Church of the Incarnation

Pastor Dan Smith

Action Item:

There is one new member who was not listed last month, although we welcomed her on New Member Sunday. I would ask that we please accept Betty Meier into membership at this Council meeting. Thank you!

Lindsey Burns has three weeks of vacation, but is an hourly employee. The Council has agreed to offer Lindsey paid leave, but she needs an hourly amount to give Sue Westwood with Carbahal for her vacation time. She works on average 15 hours/week, so I am seeking the Council's approval for her to submit 15 hours/week when she is on vacation.

Information:

Bobby Jo Valentine concert Fri, June 21 at 7:00pm - West Lawn or sanctuary. Invite a friend!

In the wider church:

The Sierra Pacific Synod just held its annual Assembly in Fresno, June 7-9. LCI was well represented; I did a workshop on hope in the midst of climate change, with about 70 total attendees. Our Church Musician and Pastoral Intern both helped with the music, which was wonderful.

The Synod has asked us to update their "lay leadership" list; Lindsey and I plan to submit names and contact info for Council members and Pillar Chairs. You will be getting periodical updates on Synod and ELCA issues. Please let us know if you have questions or concerns.

Proposal for 2024-2025 Budget Pastor's Compensation

Net Salary: 47,627.92 (6% increase from 2021)

Housing Allowance 44,400

Health Benefits: 38,832

Retirement: 10,923.36

DI: 1092.36

LI: 873.84

Prof Reimb: 3000

Total: 146,749.48

This proposal will bring Dan's compensation in line with pre-pandemic levels.

2021

2022

2023

71000 Pastors Compensation Package						
71900 Net Salary	44,932.00	64,834.00	44,502.38	83.3%	64,834.00	0.00
71900A Elective Deductions: FSA, Pension			9,525.80			
71901 Housing Allowance	44,400.00	44,400.00	37,000.00	83.3%	44,400.00	0.00
71904 Benefits: Retirement	8,933.16	10,923.36	9,102.80	83.3%	10,923.36	0.00
71905 Benefits: Health	37,200.00	0.00	0.00		0.00	0.00
71906 Benefits: Disability	1,340.04	1,420.08	1,183.40	83.3%	983.16	-436.92
71910 Benefits: Basic Group Life	625.32	983.16	819.30	83.3%	873.84	-109.32
71911 Professional Reimbursements	3,000.00	3,000.00	1,205.71	40.2%	3,000.00	0.00
Total 71000 Pastors Compensation Package	140,430.52	125,560.60	103,339.39	82.3%	125,014.36	-546.24
Total of 70000 & 71000	206,540.12	191,470.20	155,989.73	81.5%	193,380.88	1,910.68

Lutheran Church of the Incarnation

2024 Budget Final

Expenses	2022 Budget	2023 Budget	Actual Jan-Oct 2023	% of budget spent thru 10/05/2023	2024 Budget	Increase or Decrease
71000 Pastors Compensation Package						
71900 Net Salary	64,834.00	64,834.00	35,940.48	68.3%	64,834.00	0.00
71900A Elective Deductions: FSA, Pension			8,347.27			
71901 Housing Allowance	44,400.00	44,400.00	29,600.00	66.7%	44,400.00	0.00
71904 Benefits: Retirement	10,923.36	10,923.36	6,371.96	58.3%	10,923.36	0.00
71905 Benefits: Health	0.00	0.00	0.00		0.00	0.00
71906 Benefits: Disability	1,420.08	983.16	573.51	58.3%	983.16	0.00
71910 Benefits: Basic Group Life	983.16	873.84	509.74	58.3%	873.84	0.00
71911 Professional Reimbursements	3,000.00	3,000.00	883.64	29.5%	3,000.00	0.00
71912 Tax Offsets (Gross Up)			7,330.00	#DIV/0!	7,500.00	7500.00
Total 71000 Pastors Compensation Package	125,560.60	125,014.36	82,226.60	65.8%	125,014.36	0.00

Lutheran Church of the Incarnation

Balance Sheet As of April 30, 2024

	TOTAL
ASSETS	
Current Assets	
Bank Accounts	
1 First Northern Bank	0.00
4 MM - First Northern Bank	69,371.92
8 First Northern Bank - operating	133,660.75
PayPal Account	1,931.76
Total Bank Accounts	\$204,964.43
Total Current Assets	\$204,964.43
Fixed Assets	
10000 Land	418,822.93
11000 Church Building	319,896.49
12000 Fellowship Hall	1,749,202.30
15000 Personal Property	60,154.11
Total Fixed Assets	\$2,548,075.83
TOTAL ASSETS	\$2,753,040.26
LIABILITIES AND EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
20000 Accounts Payable	1,911.59
Total Accounts Payable	\$1,911.59
Other Current Liabilities	
20115 Special Benevolences	1,540.00
20602 Lutheran Magazine	0.00
20605A Fair Trade Coffee Project	0.00
24000 Payroll Liabilities	0.00
24502A Crossways	0.00
26650 Offering Envelopes	0.00
26652A Food & Faith	0.00
Total Other Current Liabilities	\$1,540.00
Total Current Liabilities	\$3,451.59
Long-Term Liabilities	
20754 Mortgage	0.00
20755 AOB Bad Debt	0.00
20769 Organ Fund	0.00
20774 Mortgage - regular	464,465.16
20775 Mortgage - Facility Renovation	162.47
27200 Other Liabilities	0.00
Total Long-Term Liabilities	\$464,627.63
Total Liabilities	\$468,079.22

Lutheran Church of the Incarnation

Balance Sheet

As of April 30, 2024

	TOTAL
Equity	
20117 Memorial Fund	0.00
20212 Sanctuary A/V project 2022	0.00
20213 Worship/Music Reserve	3,203.44
20214 Flower Fund	-219.89
20301 Pastor's Discretionary Fund	3,547.92
20401 Emergency Fund	0.00
20402 Caregivers Fund	0.00
20500 Youth / Day Camp / Mt. Cross	4,276.03
20508 Day Camp Reserve Fund	0.00
20509 Nursery Supplies & Equipment	0.00
20551 Mission Trip Fund	4,213.01
20552 Youth	0.00
20614 Hospitality	1,361.36
20615 50th Anniversary	0.00
20759 Major Maintenance Reserve	79,861.10
20760 Columbarium Fund	38,578.14
20761 Columbarium Niche Purch-Exp	0.00
20771 Facilities Renovation	0.00
20776 Sanctuary Renovation	91.65
20777 Property Infrastructure Reserve	0.00
24150 Operating Reserve	0.00
24151 Endowment Fund	30,229.13
30000 Opening Bal Equity	110.00
32000 Unrestricted Net Assets	2,113,812.31
Net Income	5,896.84
Total Equity	\$2,284,961.04
TOTAL LIABILITIES AND EQUITY	\$2,753,040.26

Lutheran Church of the Incarnation

Profit and Loss

April 2024

	TOTAL
Income	
41000 Income	
41100 Offerings	25,403.54
41310 Rents Applegate Nursery	1,982.00
41400 Other Misc Income	126.00
Total 41000 Income	27,511.54
Total Income	\$27,511.54
GROSS PROFIT	\$27,511.54
Expenses	
61000 Worship	
61202 Music Licenses & Worship Supplies	62.15
Total 61000 Worship	62.15
62000 Witness	
62301 Pastor Outreach	64.42
Total 62000 Witness	64.42
64000 Learning	
64500 Sunday School	4.00
Total 64000 Learning	4.00
67000 Administration	
67700 Office Supplies & Equipment	385.99
67703 Social Media & Advertising	740.70
67704 Bookkeeper	656.00
Total 67000 Administration	1,782.69
68000 Property General Maintenance	
68751 City Services	553.30
68752 Telephone	156.31
68754 Utilities - PG&E	411.45
68755 Utilities - Solar	350.00
68757 Cleaning Services	1,000.00
68772 Mortgage (est 2015) Interest	1,988.21
Total 68000 Property General Maintenance	4,465.73
70000 Support Staff	
70701 Administrative Asst Pay	1,060.00
70703 Youth Director Salary	1,635.00
70708 Pianist/Organ Pay	838.75
70712 Pastoral Intern Salary	2,000.00
70721 Payroll Taxes	421.68
70722 Payroll Service Fees	179.84
Total 70000 Support Staff	6,135.27

Lutheran Church of the Incarnation

Profit and Loss

April 2024

	TOTAL
71000 Pastors Compensation Package	
71900 Defined Compensation	
71901 Net Salary	4,492.56
71902 Elective Deductions - FSA, Pension	910.28
Total 71900 Defined Compensation	5,402.84
71903 Housing Allowance	3,700.00
71904 Benefits- Retirement	910.28
71906 Benefits- Disability	54.62
71908 Books & Periodicals	25.98
71910 Benefits- Basic Group Life	36.41
Total 71000 Pastors Compensation Package	10,130.13
Total Expenses	\$22,644.39
NET OPERATING INCOME	\$4,867.15
Other Expenses	
SUSPENSE	253.35
Total Other Expenses	\$253.35
NET OTHER INCOME	\$ -253.35
NET INCOME	\$4,613.80

Lutheran Church of the Incarnation

Balance Sheet As of May 31, 2024

	TOTAL
ASSETS	
Current Assets	
Bank Accounts	
1 First Northern Bank	0.00
4 MM - First Northern Bank	69,393.97
8 First Northern Bank - operating	124,728.65
PayPal Account	0.00
Total Bank Accounts	\$194,122.62
Total Current Assets	\$194,122.62
Fixed Assets	
10000 Land	418,822.93
11000 Church Building	319,896.49
12000 Fellowship Hall	1,749,202.30
15000 Personal Property	60,154.11
Total Fixed Assets	\$2,548,075.83
TOTAL ASSETS	\$2,742,198.45
LIABILITIES AND EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
20000 Accounts Payable	1,911.59
Total Accounts Payable	\$1,911.59
Other Current Liabilities	
20115 Special Benevolences	1,340.00
20602 Lutheran Magazine	0.00
20605A Fair Trade Coffee Project	0.00
24000 Payroll Liabilities	0.00
24502A Crossways	0.00
26650 Offering Envelopes	0.00
26652A Food & Faith	0.00
Total Other Current Liabilities	\$1,340.00
Total Current Liabilities	\$3,251.59
Long-Term Liabilities	
20754 Mortgage	0.00
20755 AOB Bad Debt	0.00
20769 Organ Fund	0.00
20774 Mortgage - regular	463,393.81
20775 Mortgage - Facility Renovation	162.47
27200 Other Liabilities	0.00
Total Long-Term Liabilities	\$463,556.28
Total Liabilities	\$466,807.87

Lutheran Church of the Incarnation

Balance Sheet

As of May 31, 2024

	TOTAL
Equity	
20117 Memorial Fund	0.00
20212 Sanctuary A/V project 2022	0.00
20213 Worship/Music Reserve	3,203.44
20214 Flower Fund	-219.89
20301 Pastor's Discretionary Fund	3,486.48
20401 Emergency Fund	0.00
20402 Caregivers Fund	0.00
20500 Youth / Day Camp / Mt. Cross	4,276.03
20508 Day Camp Reserve Fund	0.00
20509 Nursery Supplies & Equipment	0.00
20551 Mission Trip Fund	4,213.01
20552 Youth	0.00
20614 Hospitality	1,361.36
20615 50th Anniversary	0.00
20759 Major Maintenance Reserve	80,361.10
20760 Columbarium Fund	38,589.17
20761 Columbarium Niche Purch-Exp	0.00
20771 Facilities Renovation	0.00
20776 Sanctuary Renovation	91.65
20777 Property Infrastructure Reserve	0.00
24150 Operating Reserve	0.00
24151 Endowment Fund	30,240.15
30000 Opening Bal Equity	110.00
32000 Unrestricted Net Assets	2,113,812.31
Net Income	-4,134.23
Total Equity	\$2,275,390.58
TOTAL LIABILITIES AND EQUITY	\$2,742,198.45

Lutheran Church of the Incarnation

Profit and Loss

May 2024

	TOTAL
Income	
41000 Income	
41100 Offerings	10,976.84
41310 Rents Applegate Nursery	1,982.00
41320 Rents Other	270.00
Total 41000 Income	13,228.84
Total Income	\$13,228.84
GROSS PROFIT	\$13,228.84
Expenses	
61000 Worship	
61200 Altar Supplies	24.68
61209 Special Music	400.00
Total 61000 Worship	424.68
65000 Congregational Events	
65612 Professional Leadership Conference	275.00
Total 65000 Congregational Events	275.00
67000 Administration	
67700 Office Supplies & Equipment	535.98
Total 67000 Administration	535.98
68000 Property General Maintenance	226.76
68750 General Maintenance & Supplies	104.00
68751 City Services	730.44
68752 Telephone	156.31
68754 Utilities - PG&E	306.23
68755 Utilities - Solar	350.00
68757 Cleaning Services	1,000.00
68772 Mortgage (est 2015) Interest	1,983.65
Total 68000 Property General Maintenance	4,857.39
70000 Support Staff	
70701 Administrative Asst Pay	1,070.00
70703 Youth Director Salary	1,635.00
70708 Pianist/Organ Pay	793.00
70712 Pastoral Intern Salary	2,000.00
70720 Workers Compensation Insurance	1,012.00
70721 Payroll Taxes	433.29
70722 Payroll Service Fees	119.42
Total 70000 Support Staff	7,062.71

Lutheran Church of the Incarnation

Profit and Loss

May 2024

	TOTAL
71000 Pastors Compensation Package	
71900 Defined Compensation	
71901 Net Salary	4,492.56
71902 Elective Deductions - FSA, Pension	910.28
Total 71900 Defined Compensation	5,402.84
71903 Housing Allowance	3,700.00
71904 Benefits- Retirement	910.28
71906 Benefits- Disability	54.62
71910 Benefits- Basic Group Life	36.41
Total 71000 Pastors Compensation Package	10,104.15
Total Expenses	\$23,259.91
NET OPERATING INCOME	\$ -10,031.07
NET INCOME	\$ -10,031.07