

# Grace Lutheran Church Council Meeting Minutes

Tuesday, April 23, 2013

6:00 pm



Elders Present: Carole Ryan, Christine McGraw, Joyce Eggleston, Ken Beaulieu, Jon Finch, Jill Nugent, Linda Woodbury, Pastor Chris Tweitmann

Elders Absent: Rachel Zippwald, Jon Timmons

Staff Present: Betty Wardle

Guests Present: Nominating team members Debbie Graves and Debbie Knox

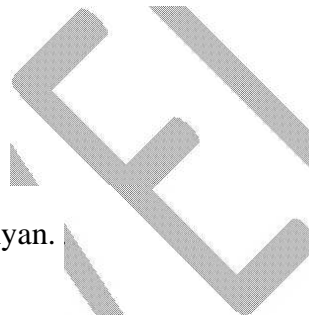
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## I. Dinner/Devotions/Prayer Requests/Affirmations

- a. Pastor Chris led the council in a Devotion
- b. Prayer Requests and Affirmations were shared.

### Call to Order

- a. The meeting was called to order at 7:15 by Carole Ryan.
- b. Linda Woodbury led the opening prayer.



## III. Nominating Team Update presented by team member Debbie Knox.

- a. A written report was presented and explained by Debbie Graves.
- b. The names of 15 church members were submitted to be considered as council members. All were contacted and asked to pray about serving. Seven ultimately concluded that it was not their time to serve and were encouraged to consider their future role in leadership.
- c. Questions were sent to the eight remaining candidates in advance of their interview. Their answers were sent to the committee to review for reference during the interviews.
- d. Each nominee was interviewed. After all of the interviews, the committee discussed nominee's strengths and spent the next 2 weeks praying about each nominee.
- e. At the final meeting the committee shared their thoughts on each nominee and then held their vote.
- f. The nominees presented to the council are Tony Hunthausen, Kjersti Glesne and Bob Vouga

### Motion Presented to accept these nominees

Motion was approved.

## IV. Council Consent Agenda

- a. Minutes of the February 26, 2013 council meeting were previously approved via email.
- b. Minutes of the Executive, Adult Spiritual Formation, Reaching Out and School and were presented.
- c. Report of baptisms, weddings, memorial services and Pastoral care for March/april were presented. (attached)
- d. **Approval of Grace credit cards in the amount of \$5,000 for Elizabeth Lind, Kristin Marinkovich and Jennifer Petry.**
  - Due to Janie Andrich's departure, other people will need the ability to charge large school related purchases.
- e. **Approval of S.H.I.P. coming to Grace from June 1 through June 15.**
  - The men's groups have volunteered as night time supervisors. All of those positions are filled.

- Sheila Klick is currently recruiting meal providers, food donations and one weekend supervisor.
- Reaching Out has requested that the Elders sign-up to serve dinner one night. They agreed and will check the calendar for available dates.

**Motion Presented to approve the Consent Agenda in its entirety**  
**Motion was approved.**

**V. Financial Report and Acceptance**

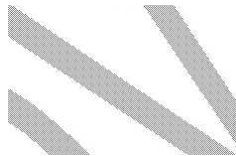
- a. A written treasurer's report for February was presented. (attached)

**Treasurer's Report was accepted.**

**VI. Superintendent's Report**

- a. A Written Superintendent's Report was presented (attached)

**Superintendent's Report was accepted.**



**VII. Pastor's Report**

- Pastor Chris is currently doing a sermon series on "Five-Fold Ministries" He anticipates that by Pentecost people will begin to see each other in these roles and discuss them with each other.
- After Trinity and Confirmation Sundays, we will begin a Vision of Discipleship — "What is God saying to me and what am I going to do about it?"
- A discussion was held about having one service in August.
- A discussion was held regarding liturgy at the 10:30 service.

**Pastor's Report was accepted.**

**VIII. Council Action**

- Budget Timeline**
  - Council will hold a special meeting in May to review and approve the budget for 2013-14
  - More information will follow from Rachel Zippwald
- Care Connections request to be open 5 days a week at Grace**
  - The Elders affirmed the excellent job that Care Connections does.
  - Written information was provided by Crystal On to the council addressing the council's concerns.
  - The council discussed Care Connections plan and expressed concern still about the Care Connections budget.
  - The Council will wait until the Care Connections treasurer returns from vacation to see a revised budget and then will re-visit the issue.
- Good News guests participation at Grace**
  - Discussion of kitchen cleaning needs and suggestion that Good News guests could help with this area.

- Discussion of enforcing Good News rules about times they can be on campus. Some come Sunday morning to sit on the patio and share coffee and donuts without attending worship.
- It was recommended that we add an amount in our budget for quarterly deep-cleaning of the kitchen.

**IX. Closed session**

- a. The council entered into closed session for a discussion of salary matters pertaining to the church budget for the upcoming fiscal year.

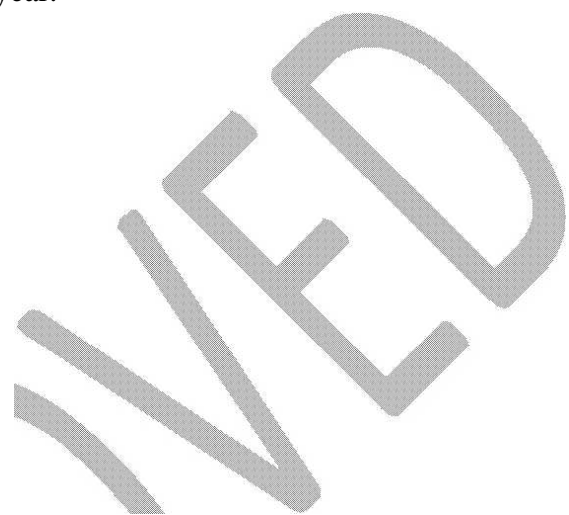
**X. Closing Prayer**

- a.

**XI. Adjournment**

- a. Meeting was adjourned at 9:25 pm

Respectfully Submitted,  
Christine McGraw  
Council Secretary



**Next Regular Meeting will be May 21, 6:00 pm**  
**Joyce Eggleston will provide dinner for the meeting**

**Upcoming Events/Reminders:**

- |          |   |
|----------|---|
| Ongoing: | -Bible Basics "Opening the Treasure", "I Am" Adult Sunday School series |
| April 27 | -Women's Spring Brunch  |
| May 14   | -Exec   |
| May 21   | -Council Meeting  |
| May 28   | -Cottage Meeting  |
| June 2   | -Cottage Meeting  |
| June 9   | -Congregational Meeting   |
| June 11  | -Exec   |
| June 25  | -Council  |

## **Council Report February, March, April 2013**

### February

#### Members:

(2/13) Foster, Derick, Terin & Cody moved to Dacula, GA (Derides employer transferred him)  
have not asked for Transfer Letter,

Baptisms: none

Weddings: none

#### Funerals:

Van Houten, Karen (2/2) Member

### March

#### Members:

New — Barbara Bivens, Robert and Kathy Hill (Joshua & Alex), Justin Martynec, Kimberly Siero

#### Baptisms:

Santillan, Luke Albert (Member, 3/10)

Vasquez, Luciano Francisco (Non member, 3/17)

Hurtado, Stacey (Member-reaffirmation, 3/30 Ocean Baptism)

Hurtado, Jessica (Member-reaffirmation, 3/30 Ocean Baptism)

Hauptmann, Dori Lynne (Member-reaffirmation, 3/30 Ocean Baptism)

Tweitmann, Ethan (Member-reaffirmation, 3/30 Ocean Baptism)

Timmons, Lauren Lee (Member-reaffirmation, 3/30 Ocean Baptism)

McCandless, Heather (Non Member, 3/30 Ocean Baptism)

Martynec, Justin (Member, 3/30 Ocean Baptism)

Mantle, Nathan (Grace Prospect, 3/30 Ocean Baptism)

#### Weddings:

Vow Renewel: Martynec, Justine & Christine (3/9)

#### Funerals:

Daley, Ronald (3/16) - Member

### April

#### Members:

(4/5) Galletti, Ron & Althea (Transferred to Flope Lutheran, Westminster)

(4/5) Livengood, Tom & Dianne (Transferred to Hope Lutheran, Westminster)

#### Baptisms:

Lozano, Nathan Thomas (Member, 4/7)

Reinartz, Halley (4/21) non-members, 5 months old

#### Weddings:

#### Funerals:

## Treasurer's Report for Month ending February 2013

<i>Church Balance Sheet</i>	2013	2012
Church General Fund balance	\$109,399.52	\$ 81,013.05
Church Payroll Fund balance	\$ 461.86	\$ 371.49
Petty Cash	\$ 400.00	\$ 400.00
Restricted Fund balance	\$ 64,534.57	\$ 76,378.70
<b>Total in all church accounts</b>	<b>\$ 174,795.75</b>	<b>\$ 158,163.24</b>
Real Estate loan balance	\$ 477,887.82	\$ 488,984.86
Foundation balance	\$ 69,961.64	\$ 64,032.91

<i>Church Income Statement</i>	YTD 2013	Budget 2013	YTD 2012	Budget 2012
Total Giving/Program Income	\$ 623,160.28	\$ 648,726.64	\$ 683,074.06	\$ 768,368.96
Total Expenses	\$ 584,180.82	\$ 626,596.78	\$ 680,339.55	\$ 748,991.06
Loan/Principal reduction*	\$ 7,391.62	\$ n/a	\$ 6,928.31	\$ n/a
<b>Total net gain/loss</b>	<b>\$ 31,587.74</b>	<b>\$ 22,129.86</b>	<b>**\$(12,793.80)</b>	<b>\$ 19,377.90</b>

\*the principal reduction to the loan is included in the budget figures, but in order to follow generally accepted accounting principles, it cannot be expensed in the YTD Peachtree expense figures. Therefore, it will show up as a separate reduction to the Peachtree report. Monthly P&I payment is \$3,509.11. \*\*Total gain/loss is based on net income after a salary accrual in 2012.

### Care Connections Income Statement vs. Budget

<i>Income Statement</i>	YTD 2013	Budget 2013	Client Visits Grace	Client Visits Redeemer
Total Program Income	\$ 61,025.00	\$ 65,506.64	1,016 Actual	240 Actual
Total Expenses	\$ 67,726.84	\$ 67,601.42	936 Budgeted	416 Budgeted
<b>Total net gain/loss</b>	<b>\$ (6,701.84)</b>	<b>\$ (2,094.78)</b>	<b>80 Visits Ahead</b>	<b>176 Visits Behind</b>

### Comments to Church balance sheet and income statement:

The church balance sheet continues to appear healthier due to December Christmas giving but general offerings for YTD 2013 are below budget for the year (short by \$39,372.95 for the year). For the month of February, offerings were \$2,804 over budget — the first time all year — as offerings were \$65,804.43 versus the budget of \$63,000. We continue to perform well against budget because the ministry teams have done a good job staying under budget (expenses are approximately \$42,000 less than expected). The major savings in the budget this month are payroll which is almost \$31,000 under budgeted expenses and facilities which is \$9,600 under budgeted expenses. If the giving trend stays down we will hopefully have a positive income by year end due to reductions in salary costs and facility costs. Grace has one more time of "extra giving" at Easter (a higher than average month of giving) to help the annual budget. Ministry teams need to look at their budgets to see how they think they will end the year as we start to plan for next year. Do any teams have any more "big expenses" for March through June 2013?

Care Connections budgeted a loss of (\$4,697) for the year. They will cover the loss from the balance of their restricted funds from last year (balance of \$21,311.55 as of 6/30/12). Their year to date loss is larger than expected as they have had fewer client visits to Redeemer but more to Grace. They have covered the loss from their restricted fund carry over which now has a current balance as of 2/28/13 of \$14,609.69.

<i>School Balance Sheet</i>	2013	2012
School General Fund balance	\$ 103,902.44	\$120,516.84
Restricted Fund balance	0.00	0.00
PTF Fund balance	\$ 43,681.09	\$ 17,365.59
<b>Total cash in all school accounts</b>	<b>\$ 147,583.53</b>	<b>\$ 137,882.43</b>

<i>School Income Statement</i>	YTD 2013	Budget 2013	YTD 2012	Budget 2012
Total Revenue	\$1,560,655.57	\$1,592,369.92	\$1,706,617.02	\$1,736,416.48
Total Expenses	\$1,512,763.67	\$1,495,306.28	\$1,640,402.17	\$1,761,938.84
<b>Total net gain/loss</b>	<b>\$ 47,891.90</b>	<b>\$ 97,063.64</b>	<b>\$ 42,535.39</b>	<b>\$ (25,522.36)</b>

The cash position of the school continues to drop, especially when compared against the 2012 figure (a difference of \$16,600). School has \$77,197.21 in deferred tuition through the end of the year. They also have \$22,200 in deferred registration fees for next year. Deferred totals are \$99,397.21 versus cash in the bank of \$103,902 so the school has \$4,500 in excess cash. While not negative, it is a very small amount, and the school lease payment of approximately \$56,000 is due next month. The school has got to focus on building cash reserves in next year's budget if they are going to survive any downturns. As an illustration of how much cash is enough, an adequate cash position would be \$150,000 after all deferrals and would mean cash in the bank of \$249,000 as of 2/28/13.

#### *Comments to School balance sheet and income statement*

While the school is profitable, it is under budget for profit by \$49,000. In January 2013 there was a one-time write down of \$2,700 in Scrip expense to get the remaining \$2,700 of Scrip moved off the balance sheet (there is no more Scrip box with gift cards in it so the asset had to be removed). This was a paper event - no actual check was written. If this had not been written off, the school's net income would be \$50,591.90 as of 2/2013.

- The greatest expense this year that was not budgeted for was approximately \$30,000 in employee costs to merge the two preschools into one.
- Donations are short by \$5,000 year to date and is centered in school support (former Faithbuilders account). Church members are giving less to the school.
- Operational income is down by \$4,000 and is centered in \$4,000 in field trips for the preschool, \$1,000 in library, and \$4,700 in school events. Field trips for the school is above budget by \$6,100 which helps even out the other categories.
- Registration fees are down by \$11,000 and the shortfall is centered primarily in a \$6,500 shortage in preschool registration, \$1,300 in athletics, and \$3,500 in school registration. School registration did have \$967.11 posted in it for February -this needs to be reviewed to see if it's a 2012-2013 school registration or a new registration for 2013-2014 that was not deferred until next year.
- Tuition is down \$23,000 and consists of the following: \$7,300 short in Rec Club, \$11,500 short in Summer Club, Scholarships are \$20,000 more than budgeted and Summer Preschool tuition was \$12,600 short. Preschool tuition income is more than budgeted for the month of February (kids have been added). For the year, Preschool and School tuition are \$8,200 and \$22,900 more than budgeted. If this trend stays through June, it could help the school immensely.
- Gross Profit (net income less discounts) is almost \$32,000 less than budgeted.
- Administration expenses are under budget by almost \$11,000, Facilities expenses are under budget by \$1,000 and Utilities expenses are under budget by \$700.
- Operational expenses are over budget by \$9,400 and are centered in a \$3,800 overage in curriculum, \$5,200 in PE, \$1,100 in Rec Club expenses, \$5,400 in Summer Club expenses, \$3,300 in school field trips, \$1,600 in field trips summer preschool, and \$2,400 in school uniforms. Other lines have less than budgeted expenses so that's how the overall operational expenses are over budget by \$9,400.
- Employer paid benefits is under budget by approximately \$4,800. Salaries are over budget by \$22,000. The salary overage is centered in \$6,000 in Rec Club aides, \$500 in Substitutes, \$20,000 in Summer Club Aides and \$37,000 in summer preschool teachers and aides. It is partially offset by reductions of \$10,800 in preschool admin, \$3,400 in preschool teachers and aides, \$2,500 in athletic salaries, \$9,800 in school admin, and \$15,000 in school teachers and aides. Other salary expenses are over budget by \$3,400 which is centered in \$2,300 in worker's comp - school, \$3,200 in long term disability costs - school and preschool and nearly \$11,100 in FICA taxes for preschool (summer and school year) and Rec Club and Summer Club. The savings of worker's comp - preschool and school FICA taxes are what offset the overages.

With net income being \$46,471 less than expected, the school is working on what will be the remaining anticipated revenue versus what expenses will be made through year end. The school admin has already converted to 11 months per year rather than 12 months per year. The School Superintendent has cut her days of work from 5 to 3 days per week, and the Rec Club director has cut back her days of work from 5 to 4. A revised budget has been prepared by Janie in mid December and the following are the revised and original figures:

*Revised School Income Stmt*

Total Revenue

Total Expenses

Total net gain/loss

**Revised Budget 2013 for the YEAR**

\$2,209,541

**\$2,209,683**

\$ -142

**Original Budget 2013**

\$2,280,455

**\$2,240,588**

\$ 39,867



GLS Superintendent's *Report to Council*  
**April 2013**

**GLS School Calendar**

- ✓ April 28                    8<sup>th</sup> Grade WDC Trip
- ✓ April 29                    7<sup>th</sup> Grade Catalina Trip- 6<sup>th</sup> Grade Alpine Meadows Trip
- ✓ May 1                        4th Grade El Camino Pines Trip
- ✓ Mat 2                        National Day of Prayer
- ✓ May 6-10                    Teacher Appreciation Week
- ✓ May 10                      School Talent Show
- ✓ May 11                      Preschool Mommy and Me Tea
- ✓ May 22                      2013-2014 Student Council Elections
- ✓ May 23                      Open House
- ✓ May 24                      Year End Sports Beach Party
- ✓ June 7                        Volunteer Appreciation Morning
- ✓ June 7                        5th - 8<sup>th</sup> Grade Dance
- ✓ June 10                      Kindergarten Promotion
- ✓ June 11                      8<sup>th</sup> Grade Graduation
- ✓ June 13                      Last Day of School- Picnic
- ✓ June 14                      Preschool - 8<sup>th</sup> Grade End of Year Meeting

**Preschool**

Classroom totals attendance is a total of 136 individual students

4/22/2013

	Monday	Tuesday	Wednesday	Thursday	Friday	Totals
Part Time	35	39	50	40	38	202
Full Time	49	54	59	52	52	266
Total Day	84	93	109	92	90	468

Licensed for 114 - Maximum capacity per day is 114 (White 18, Ruby 18, Navy 18, Violet 30, Lime 30)

Classroom totals registration is a total of 137 individual students

03/19/2013

	Monday	Tuesday	Wednesday	Thursday	Friday	Totals
Part Time	34	38	49	39	37	197
Full Time	48	53	58	51	51	261
Total Day	82	91	107	94	88	458

Licensed for 114 - Maximum capacity per day is 114 (White 18, Ruby 18, Navy 18, Violet 30, Lime 30)



JK 8th Grade Enrollment

4/22/2013

Classroom totals jk-8th

## Grade Students

Jr. K	34
K	94
1st	25
2nd	94
3rd	21
4th	16
5th	25
6th	14
7th	25
8th	18
Totals	996

03/15/2013

Classroom totals jk-8th

## Grade Students

Jr. K	34
K	24
1st	25
2nd	24
3rd	21
4th	16
5th	25
6th	14
7th	25
8th	18
Totals	996

## This and That

- Enrollment over the last month has an overall increase of 3 students for a total of 140 students.
- Our WASC accreditation 6-year complete self-study process continues. Cathy Stoll and Jean Nosco are serving as self-study chairs; the leadership team also consists of Janie Andrich, Lynn Angeles, and me. Chapters 1 & 2 are in the final stages of completion and editing by the leadership team. Next we is the analysis of chapters 1 & 2 by the staff. The staff has been split into three teams, each focusing on one of the sub sections of Chapter 2 Section B Curriculum, Instruction, and Assessment.
- The beginning steps of budgeting for the 2013-2014 school year are in process. Jennifer, Roxanne and I met with Christine and went over the preliminary budget numbers for staffing and income. She is currently creating the preliminary budget using the spreadsheets I gave her. Once she completes the initial rough budget we will refine accordingly.
- We received a generous donation of \$5,000.00, see attached letter.
- Enrollment or fall continues to look strong, there are currently 63 students registered for preschool and 195 for JK-8. Preschool numbers are strong and we anticipate a strong enrollment for fall. The JK enrollment is low, as is typical for this time of year but we project a full class. Letter of intent went out to JK-7 parents and Leslie is receiving a positive response of folks no yet registered who intent to re-enroll.

April 16, 2013

**Dr. Janie Andrich  
Grace Lutheran School  
5172 McFadden Ave  
Huntington Beach, CA 92649**

**Dear Dr. Andrich-**

**Enclosed please find a \$5000.00 donation to Grace Lutheran School. My sons William and Stephen Porter have attended your school since 5<sup>th</sup> grade. They look forward to going to school each day in large part due to the love and care that permeates throughout your campus and staff. I would like this donation to go towards the science department and music department which my boys are passionate about if possible.**

**For tax purposes, please send back your acknowledgement of receipt and a copy of your exempt status determination letter in the enclosed stamped envelope.**

**If needed, my contact information is**

**Rana Farmer  
1300 Catalina Ave  
Seal Beach, CA 90740  
562-305-8760**

Thank you for all that you do for children and their families-

Best regards,

*Orict*

**Rana Farmer**