

**MINUTES OF A MEETING OF THE
COUNCIL OF
CALVARY LUTHERAN CHURCH OF GOLDEN VALLEY**

FEBRUARY 25, 2020

A meeting of the council (the “Council”) of Calvary Lutheran Church of Golden Valley (“Calvary”) was held on February 25, 2020, beginning at 6:00 p.m. Central Time. The meeting was held at 7520 Golden Valley Road, Golden Valley, Minnesota 55427.

The following Council members, being all of the Council members and therefore representing a quorum for purposes of transacting business of the Council and Calvary, were present:

Garnet Arroyo	Dave Kufahl	Lloyd Nelson
Heather Hosfield	Cory Maass	Phil Reesnes
Laura Jensen	Scott Madson	Jon Stepan
Anne Kaluza	Stuart McFarland	

The following members of the Calvary staff were also in attendance: Zach Thompson, Senior Pastor; Jason Beaver, Executive Director; and Jerry Gates, Chief Financial Officer. Also in attendance was Mr. Mark Pederson from the Endowment Board and Ms. Sarah Bouma from The Unstuck Group.

Ms. Hosfield served as chair of the meeting and Mr. McFarland served as secretary. Ms. Hosfield called the meeting to order.

Endowment Board Report

Ms. Hosfield introduced Mr. Pederson from the Endowment Board who would be requesting approval from the Council for one grant being recommended by the Endowment Board through the Outreach Fund. Mr. Pederson then discussed the Nativity Lutheran Church – Bangladesh School Project in Chaklabazar Village. This village is requesting a grant to build and equip a small playground adjoining the village school. The recommended grant amount is \$4,000 out of total estimated costs of \$12,623. Following discussion and upon a motion duly made and seconded, the Council approved this grant.

Mr. Pederson then discussed with the Council the previous pledge by Calvary to Camp Wapo. Among different outreach and executive funds, \$100,000 had been pledged to Camp Wapo over three years. To date, \$58,000 had been contributed. Given the decision to end the

relationship with Camp Wapo, the Endowment Board approved foregoing making the final installment of the original pledge. The Council discussed the decision to not make the final installment payment and asked questions, which Mr. Pederson and Mr. Gates answered. The Council further discussed the transition from Camp Wapo and the go-forward expectations with Covenant Pines. Following discussion and upon a motion duly made and seconded, the Council approved not making the final payments of the original pledge.

At this time, Mr. Pederson left the meeting and Ms. Kaluza joined the meeting.

Devotion and Ministry/Mission Update – Vision

Pastor Thompson led the Council in a devotion focused on Proverbs 29:18. Where there is no vision, people perish. If an organization does not stay focused and united, the purpose of the organization fails. Calvary and the Council need to provide clarity and be chief reminding officers on what Calvary is about. We should be continually pointing people back to our vision and focusing on what we are best at (like a hedgehog) rather than trying to be something for everyone. What are we best at? Multigenerational community. What are we most passionate about? Christ-centered relationships. What does success look like? Mission ownership. We plan to use these focus areas as Calvary evaluates its ministries and we look to simplify our organization.

Pastor Thompson then previewed with the Council the draft five-year vision for Calvary. The Council discussed the components of the five year plan including (1) no hurdles to hope, (2) no person left alone, (3) no child without five adults on his/her team, and (4) no inch unused. The Council discussed the five-year vision and how to execute this vision with God's blessing and direction.

Financial Update

Mr. Gates provided to the Council the monthly financial report as of January 2020 and discussed Calvary's financials, including:

- Calvary's operating results (revenues and expenses) for the fiscal year through January.
 - Total general offerings were ahead of budget by ~\$52,000, which is great. Total expenses continue to be below budget. Church operation results are ahead of budget by ~\$92,000.

- Childcare education and childcare are each doing well. Overall ahead of budget.
- Total net surplus ahead of budget by ~\$113,000 and ahead of last year by ~\$32,000. Will continue to monitor but overall great position for the year to date.
- Monthly attendance, with total attendance and total average weekly attendance higher than last year.

At this time, Mr. Reesnes joined the meeting. The Council and staff discussed these results.

Executive Director Report

Mr. Beaver provided an update on several matters:

- With Debbie Bromander retiring this Spring, working through transition for childcare and education.
- Fire protection panel expected to be done by Friday but there were three rooms found with no fire protection so that will increase expected costs. Also intend to add a second command panel (current panel located in childcare area).
- Chapel renovation. Testing products for screens over organ speakers. Continue to withhold a portion of the payment pending completion of this work.
- Working with Golden Valley police department and a security expert to assist Calvary in establishing a stronger security presence and protocol. Intend to implement a plan by this Fall.

At this time, Ms. Bouma joined the meeting by teleconference.

Ministry/Mission Update – The Unstuck Group

Pastor Thompson introduced Ms. Sarah Bouma, one of the consultants from The Unstuck Group. Ms. Bouma detailed her background and experience. Mr. Thompson noted that The Unstuck Group is helping Calvary evaluate all aspects of the church and that Ms. Bouma specializes in staff structuring. Ms. Bouma discussed looking at a church's vital signs for what is driving its health and growth. In particular:

- Analyzing the strengths, gifts and opportunities on the staff.

- Over-staffing negatively impacts giving, volunteerism and engagement.
- Healthiest churches have a ratio of approximately 105 worship attenders each week for each staff person (105:1). The Unstuck Group has found this higher ratio leads to higher volunteerism, affords opportunities for members to use gifts, and also trends towards having more generous members who can see their giving put to work in making a difference. The average church ratio is 51:1 (based on approximately 500 churches of data) but that has trended lower from 70:1. Calvary is at 18:1. The Council discussed the calculation of Calvary's ratio including it includes 50 full time staff and full-time equivalents for part time staff, with facilities staff accounting for 6.5 FTEs. These numbers do not include childcare or education.
- Calvary's staff is also a larger percentage of the overall budget than recommended. Calvary's staff is currently 66.21% of Calvary's church operating budget compared to a recommended target closer to 50%.
- Calvary is generally consistent with average churches at around 44% of adults and youth who are serving.
- Calvary has a high level of part-time staff that could de-motivate volunteers. Calvary has an opportunity to be more strategic in identifying roles that are currently filled by staff rather than performed by volunteers. The important goal is having the right staff in the right roles with the right leadership capacity.
- As consider staff restructuring, grace and transparency are important. Also consider the transition and education process from staff-led to volunteer-led.

The Council discussed these observations and asked questions, which Ms. Bouma answered.

At this time, Ms. Bouma, Mr. Beaver and Mr. Gates left the meeting.

Executive Session

Pastor Thompson indicated that Ms. Bouma will be assisting Calvary's executive leadership in restructuring Calvary's staff. In evaluating Calvary's staff, the focus areas for Calvary will be on worship, small groups, serving and living generously.

****Confidential personnel discussion****

Mr. Beaver rejoined the meeting.

The Council further discussed potential staffing changes and asked questions, which Pastor Thompson and Mr. Beaver answered. The Council further discussed expected timing, communications with the congregation, growth in the church and the five-year plan. The Council discussed meeting again before March 24 after Pastor Thompson has had a chance to discuss the staff structuring in greater detail with Ms. Buomo in person on March 10.

The Council noted the good news that Calvary received full funding for Feed My Starving Children. The NextGen team is still looking for Lenten mentors with Ash Wednesday services tomorrow.

Monthly Talking Points

Ms. Jensen then discussed with the Council the talking points from this meeting.

There being no further business for the Council, the Council closed the meeting at approximately 8:25 p.m. with the Lord's Prayer.

Submitted by Stuart McFarland, Secretary