

Messiah LCMS Regular Voters Assembly

November 12, 2023

Please sign in if you are a voting member

Agenda

- **Opening prayer**
- Approval of minutes from 5/7/2023 Regular Voters Assembly
- Election of Officers
- 2024 Ministry Plan Budget
- Ministry Expansion Plan Update
- Closing Prayer

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Slate of Candidates

Position	Candidate
Vice President	Chuck Shue
Secretary	Roy Walker
Outreach	Karen Fabean / Dave Johanson
Nurture	Alison Bitting
Stewardship	Open
Worship	Open
Elders	Rick Cantville
Elders	Jeff Lindvall
School Board Chair	Pat Ames

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2023 YTD Financial Update
2024 Base Ministry Plan for Approval
Capital Campaign Update

11.12.2023

Outline

- **Recap** of Key Recent Events
- **2023:** Actuals, Projections
- **2024:** Base Ministry Plan
 - **ACTION – Approve Base Ministry Plan**
- **Ministry** Expansion Plan
 - Recap of last 24 months
 - Capital Campaign Summary
 - Discuss the 4 “buckets”
 - Next Steps
 - Construction Team Update



Recap of Key Events

Staff Retirements

Donna Peterson, Music Director,
20 years (Dec 2021)

Mary Teten, Pre-School Director,
33 years (Dec 2022)

Karen VanderHill, Church
Administrator, 15 years (Oct 2023)

External Impacts

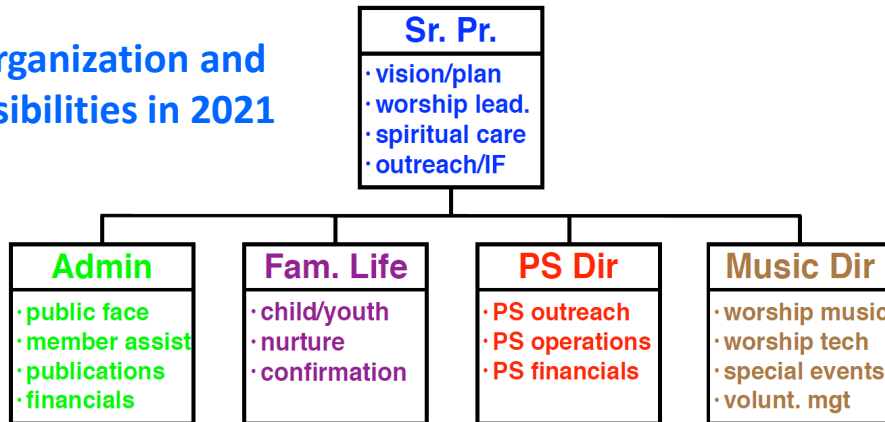
- **COVID-19**: 2020, 2021, 2022
- Work Place: Great Resignation
- Family Impacts: moving and re-locating

Managing Expectations

- Cannot replace Donna, Mary, Karen overnight
- Expect things to be a bit different, as new folks fill in
- New Staff will bring their own gifts, personality, and passion for ministry
- Implementation and adjustments will take time.
- Most staff additions in place by end of 2022
- Fully staffed by end of 2023

Recap of 2 Year Ministry Plan & Strategy

Staff Organization and Responsibilities in 2021



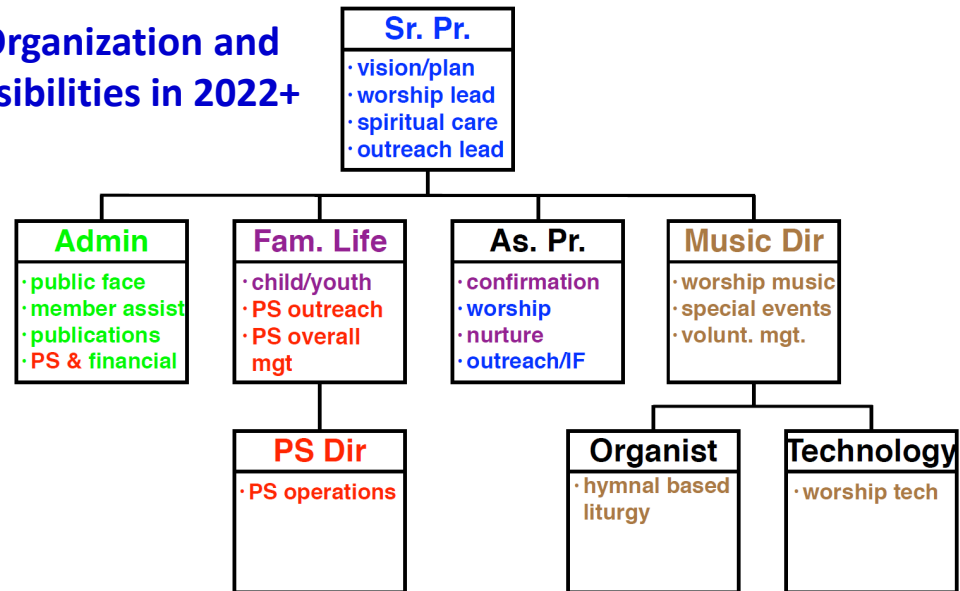
Planned Staff Additions

- Roger Penny, Associate Pastor, Nov 1, 2021 (ordain Jan 9, 2022)
- Melinda Lein, Music Director (part-time), Nov 1, 2021
- Molly Schultz, Worship Technology (part-time), Nov 1, 2021
- TBD, Organist, expected start date prior to end of 2021
- Alyssa Breuer, Preschool Director, Aug 1, 2022

Ministry Plan Goals

- Retain high quality worship services
 - Early service: Lutheran Hymnal-based worship & choir
 - REACH and late services: few anticipated changes
- Utilize full-time called staff to further pursue ministries
 - Spiritual care increased: shut-in, hospital, and congregation
 - Pastoral leadership of outreach initiatives
 - Outreach to Preschool families
 - Preschool and church ministries integrated
- Target similar budget expenditure for 2022 as 2021

Staff Organization and Responsibilities in 2022+



2023 Ministry Plan

BOARD	2022 BOARD CHAIR	2022	2023	\$ change	% change	% of Tot CP
Elders	Will Branch	\$ 366,373	\$ 376,990	10,617		45%
Administration	Greg Hahn	\$ 260,658	\$ 257,015	(3,643)		31%
Worship	Melinda Lein	\$ 88,809	\$ 88,802	(7)		11%
Outreach	Vacant	\$ 143,634	\$ 90,500	(53,134)		11%
Christian Discipleship	Staci Welburn	\$ 20,243	\$ 20,243	0		2%
Fellowship	Charlene Jenkins	\$ 4,000	\$ 4,000	0		0%
Nurture	Sandra Moravec	\$ 1,905	\$ 1,960	55		0%
Stewardship	Jim Moeller	\$ 800	\$ 500	(300)		0%
TOTAL CHURCH PLAN (CP)		\$ 886,422	\$ 840,010	(46,412)	-5%	100%
Pre-School Program	Paula Weiss / Mary Teten / Alyssa Breuer	\$ 134,867	\$ 114,553	(20,314)		14%
TOTAL MINISTRY PLAN (MP)		\$ 1,021,289	\$ 954,563	(66,726)	-7%	0%

2023 YTD Actuals thru October

	Oct'22	Oct'23	\$ ▲	% ▲
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Church Plan

Income	\$647	\$662	+\$15	+ 2%
Expenses	\$681	\$656	-\$25	- 4%
Budget	\$734	\$692		

Church Plan EOY est:

Offerings: ~\$812k

Expenses: ~\$800k

Delta: + \$12k

Pre-School

Income	\$ 92	\$113	+\$21	+23%
Expenses	\$101	\$ 91	-\$10	-10%
Budget	\$111	\$ 94		

Pre-School EOY est:

Income: ~\$135k

Expenses: ~\$115k

Delta: +\$20k

Endowment Fund

Total	\$87	\$91	+\$ 4	+4.6%
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All numbers are YTD
in thousands (\$000)

All numbers are rounded
YTD to nearest thousand

2023 Messiah Board YTD Actuals vs Budget

BOARD	\$'s ytd Oct 2022			\$'s ytd Oct 2023		
	Spent	Budget	▲	Spent	Budget	▲
1. ELDERS	299	299	0	302	307	-5
2. ADMIN	236	216	+20	212	213	-1
3. WORSHIP	63	74	-11	59	74	-15
4. OUTREACH	69	122	-53	69	76	-7
5. CHRISTIAN DISCIPLESHIP	13	17	-4	11	17	-6
6. FELLOWSHIP	0	3	-3	3	3	-0
7. NURTURE	1	2	-1	1	2	-1
8. STEWARDSHIP	0	1	-1	0	1	-1
	Oct 2022 ytd Offerings - \$647k			Oct 2023 ytd Offerings - \$662k		
TOTALS:	681	734	-53	656	692	-36

All numbers are rounded YTD to nearest thousand

All numbers are YTD in thousands (\$000)

2023 Messiah Balances

	Oct'22	Oct'23	\$ ▲	% ▲
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Subtotal – Cash Balances

Cash Assets	\$375	\$430*	+\$55	+15%
PreSchool	\$ 39	\$ 49	+\$10	+26%
Endowment	\$ 87	\$ 91	+\$ 4	+ 5%
TOTAL	\$501	\$570	+\$69	+14%

All numbers are rounded YTD to nearest thousands (\$000)

* 207k is earmarked for over 2 dozen designated funds

2024 Proposed Ministry Plan

BOARD	2023 BOARD CHAIR	2023	2024	\$ change	% change	% of Tot Plan
Elders	Mike Murphy	\$ 376,990	\$ 396,537	19,547	5.2%	48%
Administration	Greg Hahn	\$ 257,015	\$ 231,093	(25,921)	-10.1%	28%
Worship	Melinda Lein	\$ 88,802	\$ 79,175	(9,628)	-10.8%	10%
Outreach	Dave Johanson / Karen Fabean	\$ 90,500	\$ 90,100	(400)	-0.4%	11%
Christian Discipleship	Staci Welburn	\$ 20,243	\$ 15,300	(4,943)	-24.4%	2%
Fellowship	Karen Shue	\$ 4,000	\$ 3,600	(400)	-10.0%	0%
Nurture	Alison Bitting	\$ 1,960	\$ 1,950	(10)	-0.5%	0%
Stewardship	Jim Moeller	\$ 500	\$ 250	(250)	-50.0%	0%
TOTAL CHURCH PLAN (CP)		\$ 840,010	\$ 818,005	(22,004)	-3%	100%
Pre-School Program	Alyssa Breuer / Paula Weiss	\$ 114,553	\$ 122,021	7,467	6.5%	15%
TOTAL MINISTRY PLAN (MP)		\$ 954,563	\$ 940,026	(14,537)	-2%	

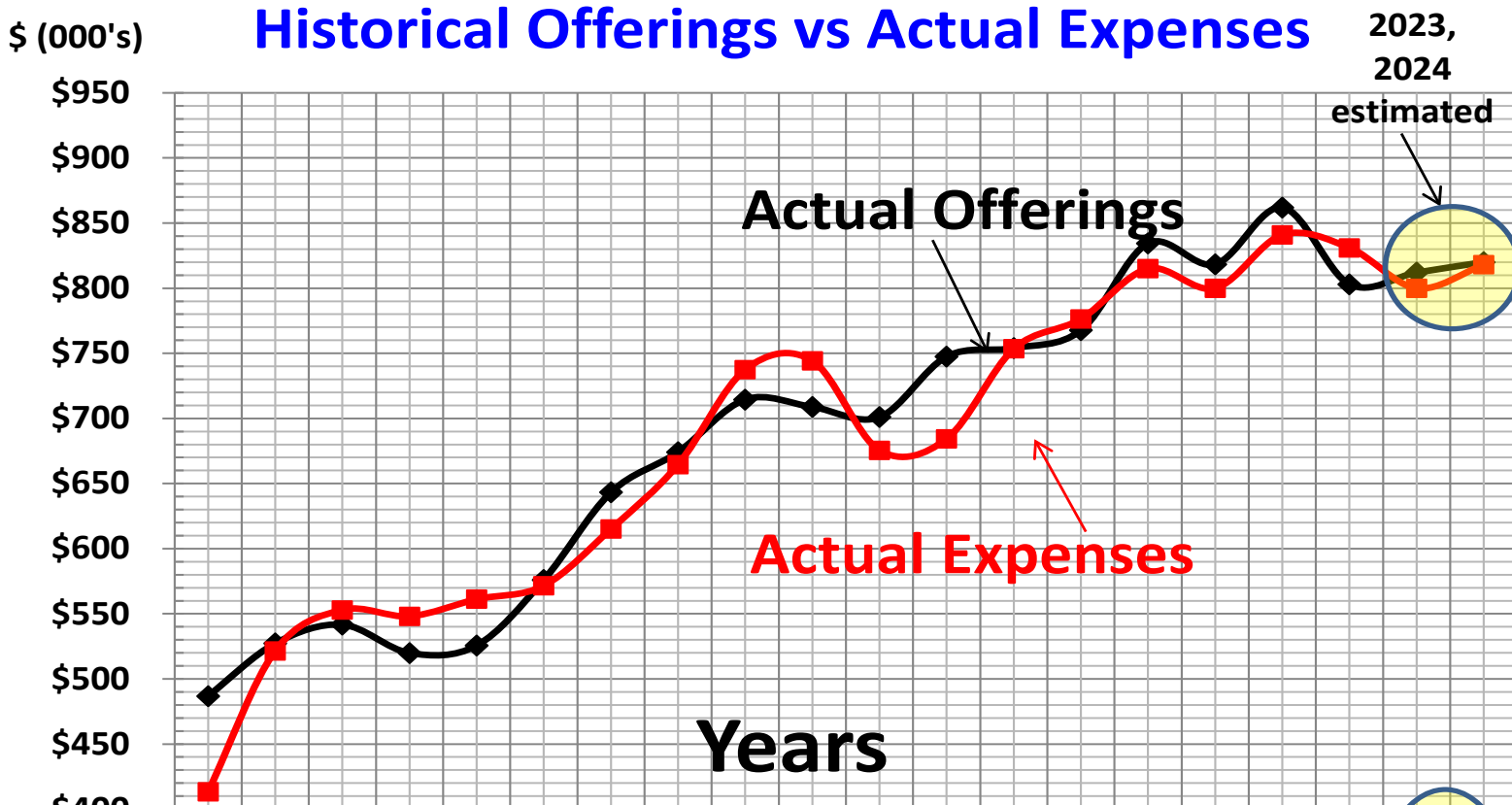
Historical Offerings vs Actual Expenses

2024
Proposed Church Plan:
\$818k

Dollars

Using data thru **October 2023**

Does not include Pre-School



	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
—◆— ACTUAL OFFERINGS	\$487	\$527	\$542	\$520	\$526	\$576	\$643	\$674	\$715	\$709	\$701	\$748	\$754	\$768	\$835	\$818	\$862	\$803	\$812	\$820
—■— ACTUAL EXPENSES	\$413	\$522	\$553	\$548	\$561	\$572	\$615	\$665	\$738	\$744	\$676	\$684	\$754	\$776	\$815	\$800	\$841	\$831	\$800	\$818
— DIFF (Receipts - Expenses)	\$74	\$6	(\$11)	(\$28)	(\$36)	\$4	\$28	\$9	(\$23)	(\$35)	\$26	\$63	\$1	(\$9)	\$20	\$18	\$21	(\$28)	\$12	\$2

2023: estimated year end Offerings: \$812k; Expenses of \$800k, against a Budget of \$840k.

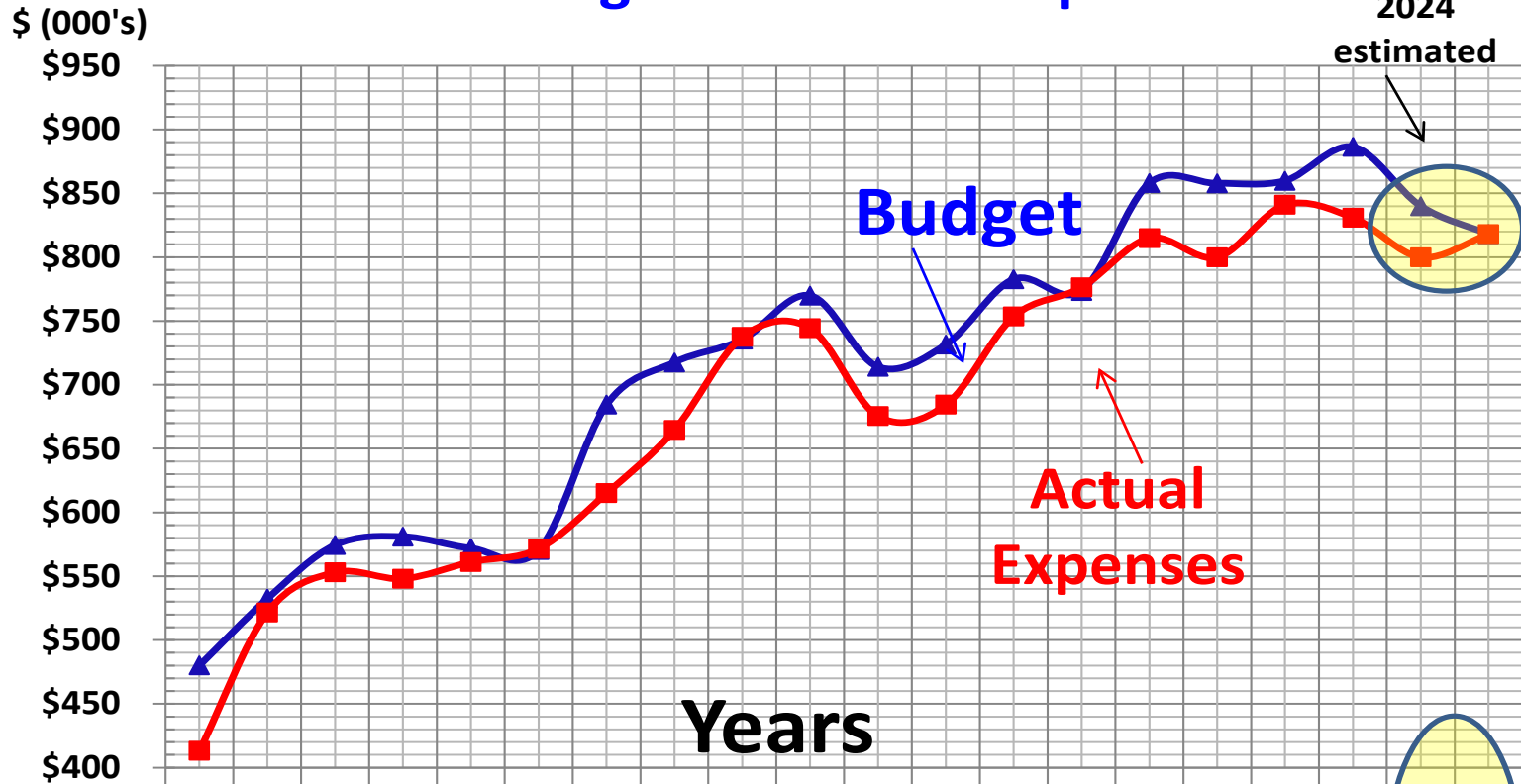
Historical Budgets vs Actual Expenses

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Historical Budgets vs Actual Expenses



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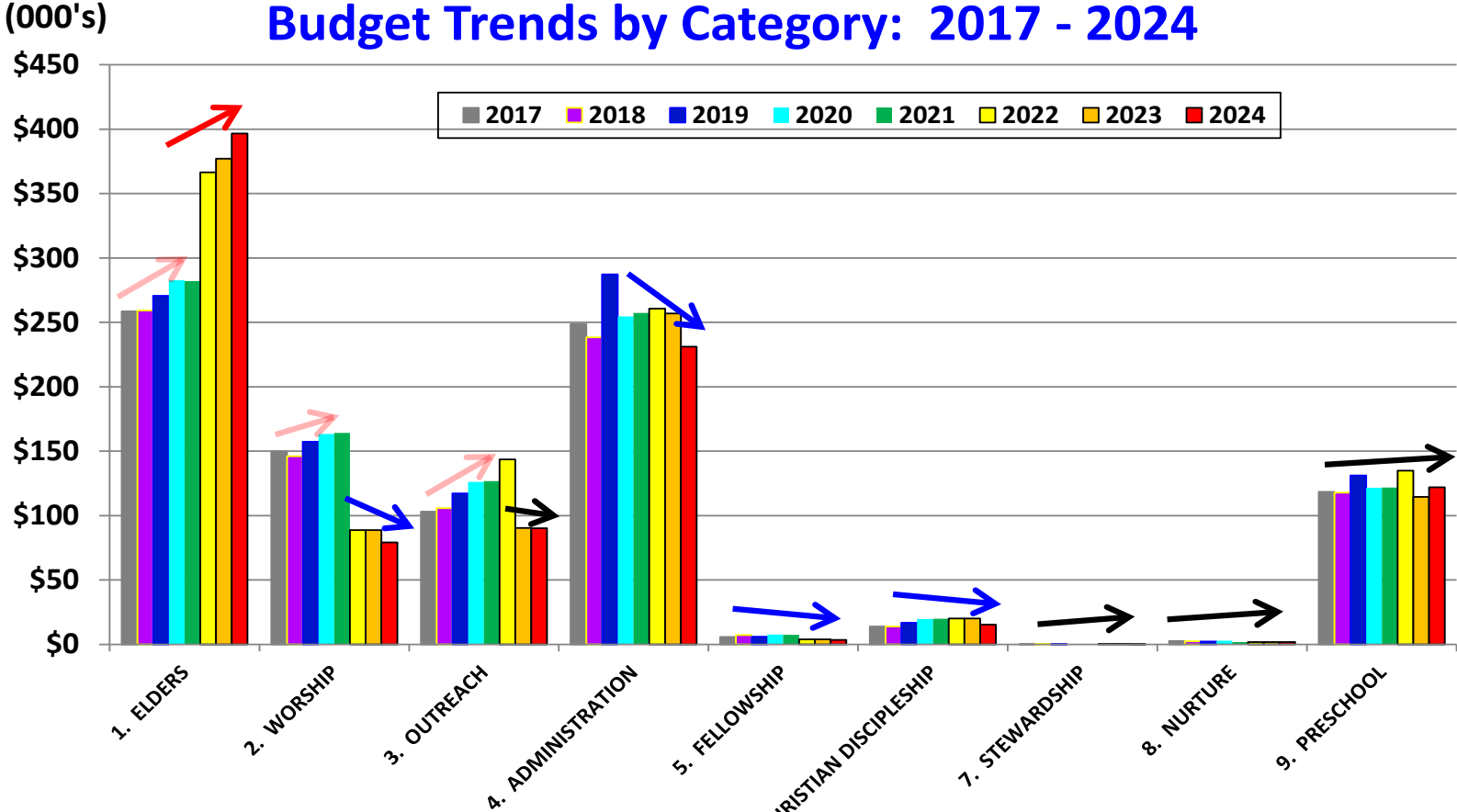
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
BUDGET	\$480	\$532	\$575	\$581	\$572	\$571	\$684	\$718	\$736	\$770	\$714	\$732	\$783	\$774	\$858	\$858	\$860	\$886	\$840	\$818
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PCT DIFF (Expenses / Budget)	86%	98%	96%	94%	98%	100%	90%	93%	100%	97%	95%	94%	96%	100%	95%	93%	98%	94%	95%	100%




2023: estimated year end Offerings: **\$812k**; Expenses of **\$800k**, against a Budget of **\$840k**.

Historical Budget Trends by Category

2024
Proposed
Church
Plan:
\$818k

Total 2024
Ministry
Plan
(includes
Pre-School):
\$940k



-  = Upward movement
-  = Downward movement
-  = Essentially unchanged

2024 Proposed Ministry Plan

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Action Item

- **Approve** 2024 Base Ministry Plan / Budget for Messiah
 - **Church Plan of \$818k**
 - 3% less than 2023 budget of \$840k
 - Decrease of \$22k

 - **Pre-School Plan of \$122k**
 - Increase of \$7.5k

 - **Total Ministry Plan of \$940k**
 - 2% less than 2023 budget of \$955k
 - Decrease of \$14.5k



Q & A

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- **Ministry Expansion Plan Update**
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Ministry Expansion Update

- **Ministry Expansion Plan**
 - Recap of last 24 months
 - Capital Campaign Summary
 - Discuss the 4 “buckets”
 - Next Steps
 - Capital Campaign Recap
 - Construction Team Update



Recap of last 24 Months - \$ Scope

- **May 2022:** Achievable \$4M project scope; \$2M capital campaign and \$2M mortgage; interviewed two contractors
- **Modified Hondros'** proposal; estimated \$5.8M project
-
-
-
-
-
-
-



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Funds Available for Debt

Existing Mortgage: ~55k

Church Budget: ~25k

~80k

Existing plus

New Members: ~30k-~50k

up to ~130k

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- **Jul '23-Oct'23-** Refining & Assessing debt load – based on best available information
- **Oct '23 resulting assessment --** \$80k-130k most likely available to support new debt service



Funds Available for Debt

Existing Mortgage: ~55k

Church Budget: ~25k

~80k

Existing plus

New Members: ~30k~50k

up to ~130k

Capital Campaign Summary – Key Points

- Commitment Pledges = **\$1.35 M**
- \$80-\$130K/yr mortgage, for 30 yrs, at 4.5% will support borrowing **\$1.3M - \$2.1 M**
- Currently: we can support **~\$2.7M to \$3.5M project**
- This is potentially **11k-14k sq-ft** at \$250/sq ft
- All pledges not in yet



4 Buckets / Options

Bucket 1

Bucket 2

Bucket 3

Bucket 4

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- Do minimal needed to add some space
- No New Mortgage
- Consider all options for smaller dollars, including portable building
- Keep things relatively the same
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- Just “Do It”
- Never mind torpedoes, full speed ahead 😊
- “Plan A” or “bust” 😊

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Bucket 2

- Adjust Time
- Go for Longer Time-frame
- Lengthen the campaign
- Try to keep Plan A in play
- Challenge – need \$4M in capital, with a \$2M mortgage

Bucket 3

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- Go for Longer Time-frame
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- Try to keep Plan A in play
- Challenge – need \$4M in capital, with a \$2M mortgage

Bucket 3

- Adjust \$'s
- Keep the existing schedule
- Adjust the \$'s down, less capital
- Modify the scope
- Allow for future connecting phases
- \$2M Mortgage

Bucket 4

- Just “Do It”
- Never mind torpedoes, full speed ahead 😊
- “Plan A” or “bust” 😊

Next Steps: Capital Campaign - Restating Key Points

- Commitment Pledges = **\$1.35 M**
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Next Step: Construction Team Update

Informal discussions with Hondros to evaluate options that meet highest priorities:

Potential Adjusted Project Criteria:

1. Minimize demolition
2. Detached building OK but only if well “connected” to existing structure
3. Additional classrooms (x2) for Sunday school
4. Youth activity space
5. Nursery (located near the sanctuary)
6. Visitor-friendly and centrally located (and covered) entrance
7. Ministry activity room (multi-purpose for Braille, Quilting, Music)
8. Meets new funding criteria (need final campaign commitments, December)





Q & A

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CLOSING PRAYER