

**SAINT LUCAS UNITED CHURCH OF CHRIST  
CHURCH COUNCIL MEETING MINUTES  
MAY 22, 2023, 6:00 pm - Zoom Hybrid/Room 19**

*(\*This meeting was called to order at 6:03 pm by President, Marty Schmidt.)*

**MEMBERS PRESENT:** Phil Denton, Marsha Fey/Zoom, Katy Forand, Kathy Herron, Donovan Larson/Zoom, Jack Laudenslager, Marty Schmidt, Paul Simons, Barbara Smith, and Juanita Wagner/Zoom | Ten members. *(Violet Brooks was absent.)*

**STAFF PRESENT:** Rev. Dr. Carole Barner. *(Rev. Vicki Hampton is on vacation this week.)*

**ZOOM VISITORS PRESENT:** Bill Biedenstein, Bill Brinkhorst & Joy Dressel, Ellen Littleton, and Pat Stephens | Four visitors.

**OPENING PRAYER:**

The meeting was opened with a prayer by Marty Schmidt.

**GUEST COMMENTS:** There were none.

**CONSENT AGENDA:**

- A.V. Committee Meeting - May 3, 2023, Minutes
- Cemetery Board Meeting - March 15, 2023, Minutes
- Council Meeting - April 24, 2023, Minutes
- Finance Committee - April 18, 2023
- Interim Senior Minister's Report - May 2023
- Membership & Evangelism Meetings - April 4, 2023, & May 2, 2023, Minutes

Paul asked that the Financial Reports for April 2023 be pulled from the Consent Agenda as that item will be discussed within the Financial Report later in the meeting.

Paul also asked that actual meeting dates for the reports above be included in the minutes when transcribed.

With those exceptions, Jack moved and Barbara seconded the May 2023 Consent Agenda as submitted for approval. The motion was accepted unanimously by a show of hands.

**STAFF REPORTS:**

Pastor Vicki -

*\*As Pastor Vicki is on vacation this week, her Staff Report was acknowledged under the Consent Agenda above.*

Pastor Carole -

- Confirmation has been successfully completed for this year.
- Two confirmands will have their parents/families join St. Lucas UCC as new members on 6/10-11/2023. They are The Stout Family and also mom, Tricia Wisbrock.
- Pastor Carole advised that June is Pride Month. [PrideStL.org](http://PrideStL.org) has details of the PrideFest in St. Louis on June 24th & 25th for those interested in learning more about the occasion.

- June 25th is the 66th anniversary of the UCC.
- John Gross' Memorial is confirmed for June 28, 2023, at 11:00 am. Details for a funeral luncheon are currently being planned.
- John & Dorothy Gross' commemorative banner is in the final stages of being built. The artist invited St. Lucas UCC staff to come and preview his work to date.

There were no other questions or comments for Pastor Carole.

### **FINANCIAL REPORT:**

Paul Simons updated the Council on the current financial status of the church and presented them with the financial statements through the end of April 2023 prior to this meeting.

- One thing to keep in mind with this month's report is the ERC money will be the answer to many of this month's questions. For example, why is the cash balance so high? The answer is the ERC money was received.
- A total of \$389,000 was documented from the ERC. \$331,000 was received by St. Lucas UCC after the financial provider took their commission. Of that money, St. Lucas UCC church received approximately \$205K with \$126K going to the preschool. Since we file taxes as a consolidated taxpayer, Jeff allocated the funds accordingly between the church and the preschool.
- General Fund Expenses were over our planned budget by about \$7,000 primarily due to the purchase of camera equipment after the lightning strike. However, we are expecting our out-of-pocket to be only the amount of our deductible once all claims are submitted/processed/finalized with insurance.
- The General Fund Expenses unfavorable variance is partly offset by a part-time custodian still in the budget we are no longer paying for. And the projected year-to-date expenses from the Search Committee are lower than what we expected for this time when the budget was created.
- In summary, it all resulted in an April General Fund excess of \$38K and a year-to-date excess of \$233K. Plus the year-to-date deficit is lower than expected again, due to the ERC payment.

Paul asked for questions/comments. Jack asked if all the transfers of money because of the ERC are shown through April. And have all commissions been paid? Paul answered yes, with the exception of the ERC money paid to the preschool as that transaction took place in May. It will be reflected in the May statements. But as of this moment, all monies we are entitled to because of the ERC are finalized.

### **OLD BUSINESS:**

>ONA Update - Barbara Smith reported that she and Cynthia Rosfeld met with Pastor Vicki on May 15th to discuss the initial work needed for St. Lucas UCC to begin working toward achieving ONA designation.

- In summary, items discussed were:
  - Due to the changes within the congregation at St. Lucas UCC since the last Diversity Team meeting in February 2020, it was decided that the new process to work toward ONA status will start from scratch. Past work will be used as a guideline for future work.
  - Once she returns from vacation, Pastor Vicki will announce the formation of this Open & Affirming Task Force.
  - She also feels the Council needs to have a direct impact on this team and feels nominations for the team should be submitted to the Council.

- A group of core people who are sensitive yet supportive of this topic will be required as the emotional and scriptural understanding of this process is important.
- Once those members are identified and approved, the team will be commissioned for their task at a future church service.
- In closing, Pastor Vicki supplied them with a copy of the workbook recommended by the ONA Coalition, Building an Inclusive Church - A Welcoming Toolkit 3.0.

No questions or comments were offered to Barbara.

>Physical Facilities Ministry - The reports from this group are being shared by Ministry Chair, Donovan Larson:

- Lightning Strike - Marty interjected that Dan Herron has been communicating with him. Evidently, Kaemmerlen Communications is coming in with a bid that appears to potentially be one-half of the other bids received to perform the necessary camera work from the lightning strike. However, additional discussion will occur about this topic in the upcoming weeks. They have been asked to give more detail about their information to be sure they are on point with the other vendors. Therefore, FYI - there could be a special meeting called up before the June meeting to discuss their updated information and potentially to approve one of those vendors.
- Door Security - A new security system has been installed in the past few days. For now, the prior security codes will still be in place. Paul asked if there is something that can be put into the eBlast to notify the congregation regarding the new keypad on the main door. (There is no longer an ENT key, but now a # sign is to be used with the codes.)
  - Phil asked if there is a reason that door codes have not yet been changed. Pastor Carole offered new codes need to be chosen by the person, but at this moment she is really swamped. Phil feels this should be a higher priority. And Phil also feels we need to “explore the possibility of security cameras on this facility”. Marty added he too is concerned as after speaking with Charlie he has been told that after-hour parties are being held on the pavilion where litter and beer cans are being left behind, and trash cans are being moved, 4-5 times a summer. Phil asked if it’s possible to explore the idea of hiring a security expert for the campus. With the continued discussion, it was relayed that there is some element of security in the building... movement sensors, sensors on the windows, and a large monitor at Debbie’s desk showing different visual angles on campus.
  - Donovan reminded the Council there have been previous discussions -six months ago?- about re-starting safety discussions with the ushers. He has volunteered to contact the Sunset Hills PD to start the initial discussion on what we can do.
  - Kathy Herron offered the UCC is starting a new program -Nurture the Soul Thursdays- and she has signed up for one coming up on May 25. It’s a three-part series about churches who previously thought their church was safe but are now realizing it may not be the case. Kathy & Barbara will watch the third episode and provide the Council with the information which is detailed.
- The Pre-School Parking Lot - Bids for work to be completed on the West parking lot were accepted a month ago. Donovan expects to have the start date for this project advised before next week. He is hoping the project will be completed within the next 30 days before the preschool re-starts its next session.

- Leaks - Marty pointed out another leak to Donovan. Donovan will be pursuing it as well as the others with Old World Roofing and one other contractor. (Now that he and his wife are back from vacation he will be able to pick up where he left off earlier this month with this task.)
- Neighbors Fence on Church Property - Since the last meeting, Jeff reminded Marty that St. Lucas UCC had previously offered a land-use agreement to the homeowners which they verbally accepted but after more thought, then declined it and offered a counter offer which involved the purchase of that portion of the property. However, as of today, the homeowners have spoken with their realtor and they have now agreed to sign a land use agreement. Phil is concerned that now that they have agreed to an agreement, he wants to make sure we don't rush to complete this task. He wants to be sure all precautions and provisions are written into the agreement for the fullest protection of the church. Marty shared that the original agreement was sent to the Council via email on Friday, April 28th. Barbara suggested perhaps as Council members we all review those docs. If there are any questions/concerns by any member, we contact Jeff to voice them. Marty and Phil will work with Jeff to draft this new document.
- Memorial Committee Request - Marty had a brief question for clarification regarding the memorial music banner that has been commissioned. Pastor Carole was able to answer it.

\*(Change of order on the agenda. - New Business.)

>Accounting Software Update - In speaking with Pastor Vicki, Marty advised the Council our current ACS software used by the church is unlikely to be supported long-term. Therefore office staff is beginning to research replacement software packages. Marty's understanding is that Pastor Vicki was quoted a \$4,600 figure for a new system. Paul added that Pastor Vicki has targeted August for a final purchase decision. Knowing her time with us is short-lived at St. Lucas UCC, Pastor Vicki is hopeful to be available for a final purchase decision as she has vast accounting experience. Our current provider, ACS is encouraging their new software package as a replacement option which will be specifically intended for churches. More discussion will follow in the future weeks/months.

**NEW BUSINESS continued:**

>Employee Retention Credit - This discussion is to determine how St. Lucas UCC should be spending the \$206K+ ERC money. Pastor Vicki has suggested using 10% of it to pay into the Missions budget which was cut in 2023. Marty would like us to have a spending plan agreed on prior to the semi-annual meeting as he feels the question will come up at that event.

- Donovan wants to remind the group we are still deficit spending. *"It is not a Christmas gift, it's just going to help us get by."* Money that we previously paid to Missions was cut in half for 2023. He suggests reinstating the Missions budget and keeping the remainder in the General Fund.
- Katy feels we need to tread lightly. She'd like a good balance for using the money. Lately, St. Lucas UCC has incurred some big expenses. The decision to cut Missions has been made and is already being reflected in the 2023 budget. She feels nervous when revenues are less than expenses. If our offerings continue at a good pace we can always reinstate the full cut back to Missions before the end of the year.
- Kathy Herron feels very strongly that we pay back the entire Mission cuts now and not just 10%. And Kathy is not alone with this belief as some members of the congregation have approached the Council asking how to restore the full Missions distribution amount.
- Marty reminded the group that \$36K+ less is being paid to Missions in 2023 vs. 2022.

- Paul shared that the Lorene Nolan money was available last year before the Missions were cut for 2023 yet no one suggested pulling funds from that account to avoid a 2023 cut to Missions.
- Jack feels a 10% payback now to Missions is a good balance/compromise. He reminded the Council that Missions are very important to many within the congregation. He feels that the 10% figure is a good thing to do. It's a reasonable amount to show the congregation that the Council is listening to the general opinion of the congregation.
- However, Kathy reiterated she does not want to compromise. She feels the right thing to do is to reinstate the full amount back to Missions, which is very important to the church.
- Pastor Carole shared that as we present this to the members at our upcoming Sunday meeting that we name it as the work of the church, i.e. the call of the church. Advise the congregation the Council has wrestled with this decision and we are therefore inviting our members to step up and join us in a discussion of how we can support Ministry and Mission. It's a delicate balance.
- Paul offered we challenged the congregation last year to increase giving in order to support two ministers in 2023, yet as of this time, we are \$12K behind in our annual offerings, i.e. thereby giving the indication that the same could occur with the Missions.
- Marty asked for a recommendation on how he should present this to the congregation at the semi-annual meeting. Donovan suggested we restore 10%, i.e. \$20K+ to the Missions. All Council members agreed with that proposal with the exception of Kathy.
- Marty, Paul, and Pastor Carole encouraged Kathy to state her viewpoint to the congregation at the Sunday meeting. The congregation needs to know there are differing opinions within the Council on this matter. Phil added it would be the perfect opportunity for Marty to reiterate the giving challenge made to the congregation last year.

>PET/Endowments - As president of the Council Marty has been granted more exposure to how the general endowment funds operate. And the more he understands these workings, he's concerned that we're not being appropriate stewards of these funds. The group assigned to oversee/manage these funds is Butler Associates Financial Planners. The PET is a self-standing board/legal trust with five members, elected by the congregation and is answerable to the Council and the congregation. Each trustee serves a five-year term which meets on a quarterly basis. One member is elected each year thus allowing for some rotation within the group. Additionally, a trustee can be re-elected by the congregation which allows someone the potential of serving on the board for 10 consecutive years. With that background, keep in mind PET, the General Endowment, and the Beyersdorfer fund are all managed by Butler Associates Financial Planners.

- Points of concern to Marty are:
  - We're currently paying Butler Associates Financial Planners 0.0082% per year to manage our accounts. With roughly \$4M in endowments, this translates to approximately \$32K/year in fees being paid by St. Lucas UCC to this group.
  - The PET Trust and General Endowment Committees are entrusted with making investment strategies. We need to ask ourselves what do we want out of our endowments. Do we want yield? Do we want to get cash out? Do we want it to grow long-term, etc?
  - How do we want this to continue to grow? Currently, PET has a 90/10 mix, meaning 90% in stocks and 10% in fixed income. *"That's an incredibly risky percentage"* in Marty's opinion. The General Endowment and the Beyersdorfer funds are an 80/20 mix. Marty feels we are taking more risks than we probably should and because of it, we're paying \$32K in fees annually.

- Regarding yield, we need money now. There are restrictions and we cannot take out any of the principle. Marty's understanding is that we can only take 80% of the cash that's earned annually and the rest has to go to the principle. So using an example of making \$100K within a year we only have access to \$80K and the remainder goes to the principle which remains untouched forever due to the terms of the trust. Also, the principle cannot go lower than \$50K. In 2023 it is projected that we'll earn cash amounts of \$121K from all of our funds. After subtracting the \$32K payment to Butler Associates Financial Planners, and limiting the PET proceeds to the church at 80%, St. Lucas UCC is only receiving about \$75K - a yield of less than 2%.
- As a personal investor, Marty has researched other agencies. In one example he found a Charles Schwab index fund with a yield of 3.5% and a fee of 0.0022%. In that scenario, it would pay St. Lucas UCC \$141K after their managing fees are paid. His bottom line is we are potentially leaving \$50K on the table annually under our current investment structure.
- Marsha has some experience with this topic and shared the following information: When the investment accounts were established in the early 1980's her father, Ken Witbrodt was on PET. When those accounts were awarded to Butler Associates Financial Planners in the early 2000s, Mr. Witbrodt felt this was a conflict of interest and was not in favor of that move. Therefore he resigned from his position on PET. Because in addition to being senior, managing members of the new financial group both Lee (Bud) Butler and Jim Butler (father and son) were also members of St. Lucas UCC. Mr. Witbrodt felt it was wrong for them to be tied directly to the church accounts while also having the potential for personal financial gains. Marty summarized it this way: As members of the church, The Butlers became individuals who were able to make a personal profit off of our church investments while participating as active members of the congregation.
- Marty also added the Council is allowed to make decisions about the Beyersdorfer fund and the General Endowment. However, PET is a trust and is controlled solely by the five trustees, and has to abide by the terms of the trust.
- Barbara asked if this trust can be updated/changed. Paul answered PET can be changed with a two-thirds vote by the congregation.
- Marty wants to send a letter to PET to challenge them to look into alternative methods to invest the church's money. If an acceptable process is not presented to the Council by the annual meeting, then PET will need to be prepared to give a report to the congregation about why it's being allowed to be managed in this manner.
- Marty's also going to ask for assistance from the financial advisor in the UCC who specializes in investments and trust. He will ask if are these problems, does it need to be updated, etc? Donovan asked if we have the right to go to PET with this request. As representatives of the congregation, Marty interprets it that we do have the right to ask this.
- Phil agreed as the church is the *grantor* of the trust and also the *beneficiary* of the trust. Therefore, as the beneficiary, we have the right to ensure that this trust is being properly managed.
- At a recent church meeting, Juanita and Kathy witnessed a discussion about PET. Their understanding of that discussion was that at the time these investment accounts were

created in the early '80s, they were created from nothing with the intent of building up monies that would not be drawn upon in order to create reserves/savings for the church to use further down the road in the event of dire circumstances.

- Per Paul under the church's constitution "*all boards, organizations, committees, and other groups are subordinate to the Council and shall report upon request to the church Council and/or the congregation*".
- After the conclusion of this discussion, Marty feels comfortable drafting a letter to PET asking for an update.

>New Topic Inserted - Graduation Sunday - Marsha raised the question of Andrew Richardson's high school graduation. Is there anything we'd like to purchase for him to recognize this event? In addition, Amy Bush has completed her master's degree this semester so the same question is raised for her. In speaking with Andrew's mom Marsha knows he would appreciate gas cards for driving back and forth to college. Regarding Amy, Marsha will check with her daughter Lynn Fey to determine what Amy may appreciate. Marsha will begin a collection for both. Anyone wanting to contribute to these two gifts is welcome to contact Marsha directly. She'd like to have it finalized by Graduation Sunday on June 11th.

>Also - Barbara asked for the status of the open slot within the Council. Marty advised the person who was considering the position has now declined to take it. A new search will begin in order to fill Jenny Bell's open Council position.

>And finally - Kathy Herron gave an FYI to the Council that the Social Justice Committee is planning a presentation this fall with someone from the group Mom's Demand Action.

At this time, Marty requested a motion to adjourn. Phil made the motion and Barbara seconded it. The motion was accepted unanimously by a show of hands and the meeting was adjourned.

In closing, *The Lord's Prayer* was recited.

*(\*The length of this meeting was 1 hour | 31 mins)*

Respectfully submitted,  
Barbara Smith,  
Recording Secretary