

Congregational Meeting Minutes
October 30, 2022

Call to Order

President of the Governing Board, Kurt Kromminga called the meeting to order at 1:01pm. Approximately 70 members were in attendance in person and 14 households joined online.

Opening Prayer

Senior Pastor Joe Meyer opened with a prayer.

Approval of October 2021 Annual Meeting Minutes

Terry Ebke made a motion to approve the minutes from the October 2021 congregational meeting. Wally Haase seconded. The motion passed.

Senior Pastor's Annual Report

Pastor expressed gratitude for being able to be the Senior Pastor at GDLC as he just celebrated his 8th year of being here. He is grateful for the considerate congregation that cares for him and his family.

He highlighted the mission endeavors this past year.

- The Habitat for Humanity build was fantastic with 65 total volunteers. The house is being constructed onsite now and he is thankful for the work of the volunteers to make that happen.
- Mama Kits and The Shoes That Grow – This was an amazing situation where we had a goal of raising \$17,500 and we met that goal. Over 700 pairs of shoes and kits were given out.
- Single Moms' Morning Out continues to be a ministry that we are known for. Pastor is thankful for all those that are involved, with ~300 volunteers helping with this ministry. Two other congregations also held SMMO, with one of those congregations actually being a joining of three congregations at one location. He is hopeful that we can encourage more local churches to become involved in this ministry.

Pastor is very thankful for our media library. At present, we have 27 full Bible studies in the media library, with as many as 20 sessions in each of them. Along with Biblical preaching during services each weekend, this has helped to mold and shape this congregation into an amazing place. He encourages the congregation to use this and invite others to access the media library, as the studies are being viewed around the country and globe.

Pastor Joe then mentioned our efforts to reduce our debt, citing that he has never been one to actively seek out donations. He believes that by simply preaching the Gospel, people will be prone to give and it is happening. We have less than \$100,000 on the original loan. Eight years ago, we owed more than \$1,000,000.

Pastor shared a story of his trip to the Holy Land. Two church groups went, Gloria Dei and a church from Florida. He noted how he witnessed members of Gloria Dei physically helping others on the trip and can only imagine what is going on within the community to share the love of God with others. We are having an effect on those around us.

2023 Budget: Chris Thomson

As we have progressed from the pandemic, 2022 was a more normal year, the church calendar was full and it feels good to be back to normal. Therefore, the 4.7% budget increase that was approved last October was needed and is being fully utilized.

Giving in 2021 ended up \$70,000, or 3.6% above budget. Encouraging giving trends continue in 2022, with a very strong first quarter, as well as second and third quarter results that were ahead of budget. Through September 2022, giving is \$143,000 ahead of budget, allowing us to extinguish the bridge loan balance of \$52,451 in April (rather than its maturity date of February 2024). This also allowed us to bring Mike Martens on full time in June, which was ahead of our original timeline.

The Payment Protection Program (PPP) loan was forgiven shortly after the 2021 annual meeting, ending up with proceeds of \$217,681, giving us extra liquidity and allowing our balance sheet to remain strong during the challenging environment of the pandemic.

At the end of September 2022, our unrestricted cash levels totaled just over \$464,000, which covers about 2.5 months of operating expenses. We did allocate \$250,000 of our operating cash to a business money market fund to take advantage of a higher interest rate, upon recommendation of a Governing Board member. In looking at the total cash levels, including money that is designated to be spent on current liabilities, our cash is almost where it was a year ago. This is a significant accomplishment with higher debt servicing levels, paying off the bridge loan and more spending in a busy ministry year.

In looking at our debt and where it currently stands, at the end of September, our original mortgage balance now stands at \$99,719, down from \$248,360 a year ago. The bridge loan has been paid in full. The FLC renovation loan is now at \$1,361,035, with our overall debt balance declining by \$259,498 in one year. Without any prepayments on our original mortgage, it is now set to be paid off in January 2024. Our monthly debt service, including principal and interest payments remain at \$15,280 or \$183,000 per year. Once the original mortgage is paid off, that amount will reduce to \$8,477 per month or \$101,724 per year.

Each year, he gets questions about how we cover our debt payments, as these are not included in the budget. He has \$50,000 budgeted in for interest payments. Average giving over the last six years has been over budget by ~\$45,000 (2020 was an outlier), with average giving above budget when taking out 2020 being \$69,692. In terms of expenses, we have underspent the budget by an average of ~\$50,000/year. Chris made note that the budget is not passed with the expectation of net income and that the net income is what allows us to service our debt.

Chris then discussed the 2023 budget, explaining the bottoms up approach, speaking with each Pastor and Director and asking them what God is calling them to do in their ministry over the next year in order to provide necessary resources to make that vision a reality.

- Our operations are not immune to inflationary pressures. We have seen price increases in supplies for the Connection Center and baptism chests and in technology subscriptions. We pivot where we can, but some of these costs are mission critical. One example is a change to digital advertising for the preschool and Christmas/Easter services instead of the Urbandale and Johnston Living magazines due to price increases.
- Due to the inflationary environment, we know that some families are struggling and we have created two new scholarship budget lines. One is within Pastor Joe's section that will provide funding for students attending Christian colleges and the other is in the Preschool section, allowing Jo Lynn to help preschool families in need.
- The Directed Missions budget line was previously used to help with adult chaperones for Youth Ministry mission trips. These costs are now listed in the Youth Ministry Budget under the line "Summer Trip," giving better visibility as to what TK needs to carry out his overall ministry.
- Staff raises were budgeted for 2023. We remain with Concordia Health Plans for our benefits, with premiums raising 6.8%, lifting our wages and benefits line up 5.4%, representing 67.1% of the budget.

- Synod giving remains consistent at \$6,000/month and Directed Mission Support is at \$45,000/year. These funds allow us to bless Agape Pregnancy Center, Freedom For Youth, Dorothy's House, Joppa, Shining City Foundation, Hope Ministries and our Habitat for Humanity Build with Thrivent.
- We have paid down our SMMO balance sheet account, restoring budget lines for this event within our Adult Ministry and Women's Ministry budget sections.

The proposed budget is based on the bottoms-up approach, raising the budget by 4.78%. Based upon trends through 2022, we would need a giving increase of 3.3% in 2023 to meet the proposed budget level. The proposed budget for 2023 is \$2,286,950.

Steven Smith made a motion to accept the proposed 2023 budget. Duff McFadden seconded. The motion passed.

Constitution/By-Laws

Pastor Joe provided additional explanation to the justification and need to amend the Constitution and By-Laws. Craig Dueker made a motion to accept the proposed amendments to the Constitution and By-Laws. Jim Johnson seconded. The motion passed.

Governing Board Elections

Kurt provided an explanation of the Nominating Committee, how it was formed and what process they went through to determine their recommendations. The nominating committee recommended Craig Dueker, Wendy Kropf and Ethan Muench to replace the three outgoing board members. Tom Lorenz made a motion to approve their election. Patrick Klinefelter seconded the motion. The motion passed.

Results of Voting

There were 99 signed ballots turned in prior to the meeting with an additional 33 signed ballots turned in during the meeting.

Closing Prayer

Pastor Joe offered a closing prayer.

Adjournment

The congregation meeting was adjourned at 1:44pm by Governing Board President Kurt Kromminga.

Respectfully submitted by Jacque Thole