

Saint Luke Evangelical Lutheran Church
Congregation Annual Meeting - June 5, 2022

President David de Groot welcomed members as the meeting began at 12:41 pm. The meeting was conducted in hybrid format, with members attending in the nave and also online. All voting was conducted electronically through the church website.

Opening Prayer: Pastor Miller offered a prayer asking that the Holy Spirit guide the congregation as the body of Christ in its deliberations at the meeting. She also gave thanks for the gift of technology that enabled people to participate either in person or online.

Adoption of Agenda: President de Groot asked for a vote on adoption of the agenda, which was also used to determine the presence of a quorum. The vote was 81 for, none against, and 2 abstentions, for a total of 83 votes, indicating a quorum was present.

Approval of Minutes: President de Groot called for approval of the minutes of the congregation meetings of May 15, 2021 and March 27, 2022. The vote was 91 for, none against, and 1 abstention. (In a message received after the vote was completed, Rob Ahlberg noted a sentence fragment at the end of second full paragraph under Mission Endowment Fund grants on page 5, which was subsequently deleted by the Secretary as an editorial correction.)

Report of the Senior Pastor: The theme of Pastor Miller's report was "Come, Holy Spirit." She reminded the congregation of the morning's reading recounting the Pentecost event with the arrival of the Holy Spirit. Pastor Miller noted that the past year involved the challenges of covid, which restricted activities. But the Holy Spirit continued to work. Pastor Miller advised that a printed report would be provided to members later. The congregation had returned to in-person worship in the fall, but there were many who are still unable to attend safely in person. Pastor Miller thanked the congregation for the generosity of members. In the past year, income exceeded expenses. People have been particularly generous in giving to covid hunger relief, enabling Saint Luke to distribute \$125,000 in food cards. In the most recent month, 911 people were assisted. Pastor noted that all distributions are based on referrals of people from relief agencies in the community. In response to appeals for ELCA Disaster Response, Saint Luke donated \$38,000 to ELCA Disaster Response.

Pastor Miller noted that Hallwood Retreat Center was able to reopen and is fully booked with groups on retreat and meetings. Hallwood staff Rosie Barrie and Connor Kenly have done a great job in improving the grounds and buildings.

The Christian Day School had been suspended due to covid, but was able to reopen with limited numbers. There were quarantines of some staff and classes on some occasions, but most classes were able to continue. The school made use of tents in the upper parking lot to hold classes outdoors.

Pastor Miller thanked Rick Ahlberg for replacing the fluorescent bulbs in the nave lanterns with LED lights.

Pastor Miller also thanked Dr. Alain Truche for leadership of the music program in difficult times. The choristers program is being renewed and Pastor noted that the choristers had provided music leadership in this morning's service.

Pastor Miller thanked Melissa Groen for her leadership of the children's programs and Pastor Zawistoski for leadership of the confirmation program. She noted that confirmation will be next Sunday.

Pastor Miller also thanked Pastor Morales for continuing ministry to the Hispanic community. Pastor Miller advised that Pastor Morales was meeting with a group from La Sagrada to watch the congregation meeting and participate online. She also announced that the eucharist will be celebrated at the Spanish language service at the end of June for the first time in more than two years.

Pastor Miller thanked Andrew Vigliotta for staffing the church office, noting that he was now moving on to an internship.

Pastor Miller thanked Pastor Nuss for continuing ministry to the men's group and to supporting older members of the congregation. She noted that medical advisors recommend against resuming in-person visits to people in senior living communities. She reminded those in attendance that Dr. Yao had reported last week to the congregation that there was an uptick in the covid infection rate.

Pastor Miller thanked members of the Congregation Council whose terms are ending: Kathy Bergeron, Kari Twaite, and David de Groot.

She closed with a reminder that the Holy Spirit is continuing to work through the church and urged people to keep their eyes open for signs of the Spirit's work.

Report of the Nominating Committee: Matt Shugert, Chair of the Nominating Committee, presented the report of the Committee (Attachment 1, pp. 7-16). He thanked the members of the Committee for their work on the Committee.

Congregation Council

Two members currently serving partial terms were eligible for election:

Valerie Grussing (2-year term) Thea Woehr (Youth Member).

Additional nominees for election:

Rob Grace Annika Dodrill Jacky Martin

Audit Committee

Mike Allen Carol Jacobson

Mission Endowment Fund Board

Andy Boston

Matt moved, on behalf of the Nominating Committee, the election of the nominees as listed. President de Groot proposed that the vote be taken on the entire slate. Rick Ahlberg noted that nominations from the floor should also be accepted. For those attending online, President de Groot explained that additional nominations could be made using the green button on the voting page. No additional nominations were received. President de Groot noted that there were two additional vacancies on Congregation Council and one vacancy on the Mission Endowment Fund Board, which could be filled on an interim basis by Council. There were 117 yes votes, one abstention, and none voting against. The slate as proposed was elected.

Budget for 2022-23: Benjamin Gray, Chair of the Finance Committee, presented the report of the Committee by video recording. The budget had been posted online prior to the meeting. He summarized the budget preparation process. He thanked Treasurer Rick Ahlberg and Deacon Warfield for their efforts to control costs in church operations, as well as their assistance in preparing the proposed budget. These included improvements to the HVAC systems as well as the lighting upgrades described earlier. Benjamin Gray noted that the preceding year was the first in many years in which there was not a deficit. With regard to the internal loans from dedicated funds, he stated that it was important to repay those loans so that those funds would be available for support of ministries as intended. Although the current budget did not designate funds for debt repayment, that will become possible. He noted that there was a modest increase in staff salaries based on the cost of living. The Christian Day School budget is balanced and the Hallowood budget will be able to repay some of the borrowing needed during the covid shutdown.

Deacon Warfield shared comments that had been submitted online. Rob Ahlberg submitted a question regarding a reference to “deferred maintenance.” Deacon Warfield explained that we are not proposing to defer maintenance but to undertake projects that had been deferred in prior years due to the ongoing deficits. Deacon Warfield explained that the total of staff salaries was lower due to reorganization of some functions to reduce the staff hours needed. One example was that some of the support work for Hallowood (booking reservations and billing) were being handled by Saint Luke staff and the Hallowood budget reimburses the Saint Luke General Fund for those functions.

Deacon Warfield presented a PowerPoint that illustrated budget trends, showing that the growth of the deficit had stopped and a portion of loans had been repaid (Attachment 1, pp. 18-19). The proposed budget includes a surplus of \$13,000 and that could potentially be larger if the solar panel project is approved, which would reduce electricity expenses substantially.

Hallowood budgets had been nearly balanced until the covid pandemic, when maintenance needed to continue but there was no income from retreats. The coming year is promising with many bookings already made.

Deacon Warfield shared a question from Jeff Ericson regarding Hallowood’s contribution to the Saint Luke budget. Rick Ahlberg explained that the budget lines for the Deacon’s salary, and

staff salaries, and the telephone system (all phones having been upgraded with a system that integrates the church and Hallowed phones) each included lines for the reimbursement received from Hallowed. Rick Ahlberg noted that the proposed Hallowed budget includes income from the rental of the former Director’s cottage. The expenses of renovating the cottage to prepare it for rental were added to the line of credit (Pennington Fund Loan), which otherwise would have been less positive.

President de Groot called for a vote on the budget as recommended by Congregation Council:

	<u>Expense</u>	<u>Income</u>	<u>Income-Expense</u>
General (operations) Fund	\$833,996	\$847,775	\$13,779
Christian Day School	\$473,500	\$473,500	\$0
Hallowed Fund	\$232,947	\$270,400	\$37,453

There were 79 votes in favor, with 4 abstentions.

Mission Endowment Fund Grants: Dr. Brock Beamer, Chair of the Mission Endowment Fund Board, presented the recommendations for grants as proposed by the Board and recommended to the Congregation by the Council (Attachment 1, pp. 21-28).

A total of \$14,642 was available for distribution. The proposed grants are:

Saint Luke Project Grants

- Update IT software – \$5,000
- Replace Choir robes – \$6,000
- Vestments for La Sagrada Familia worship services – \$2,000

Local Community Grants

- Commercial refrigerator for Christ Lutheran Church Food Pantry – \$500
- Luther Place Youth Art Camp – \$1,000

Dr. Beamer also noted that requests for grants greatly exceeded the amount of funding available.

Dr. Beamer presented a recommendation from the MEF Board to update the section of the church constitution regarding the beneficiaries of the worldwide mission grants (Attachment 1, p. 27). The current language is (proposed deletion in *italics*):

C21.02. The mission of this fund is to provide a permanent financial base for the future of this congregation. To accomplish this mission, this fund is committed to enhancing the outreach of this congregation, and to providing for worthy additions or improvements to this congregation's grounds and facilities, including debt reduction. Outreach is defined as supporting needs in the community, the synod, *and the Evangelical Lutheran Church in America's national and worldwide* programs, including but not limited to seminaries, colleges, social service agencies, special programs, persons in need, new congregational developments, evangelical ministries, and ecumenism.

The proposed change would read (with new language underlined):

C21.02. The mission of this fund is to provide a permanent financial base for the future of this congregation. To accomplish this mission, this fund is committed to enhancing the outreach of this congregation, and to providing for worthy additions or improvements to this congregation's grounds and facilities, including debt reduction. Outreach is defined as supporting needs in the community, the synod, and national or worldwide outreach with a Lutheran connection or via someone connected with the Lutheran church, including but not limited to seminaries, colleges, social service agencies, special programs, persons in need, new congregational developments, evangelical ministries, and ecumenism.

He noted that this amendment to the constitution would need to be considered at a subsequent Congregation meeting as it required notice to the congregation 60 days before the meeting at which it would be voted upon.

President de Groot called for a vote on the proposed grants. Deacon Warfield shared a question that had been presented about the lack of grants to worldwide missions. Dr. Beamer responded that he was aware that there was a smaller amount available for distribution and they were also aware that the language of the constitutional provision restricted the potential beneficiaries. Pastor Miller noted that the congregation had contributed a large sum to Lutheran Disaster Response. Kim de Groot stated that she had been involved in the drafting of the original charter language, which reflected their understanding of the requirements of the ELCA. Another question was with regard to the robes for the choristers, stating that the cost seemed high. Pastor Miller responded that robes being purchased for both youth and adults. Rick Ahlberg noted that the market growth in 2020-21 had enabled the Mission Endowment Fund to give away a much larger amount, approximately \$80,000. With the softening of the market, there was much less available this year.

There were 82 votes in favor and 4 opposed with 1 abstention so the grants were approved.

Environmental Stewardship Proposal: Deacon Warfield thanked the Property Committee and Finance Committee for their work in developing a proposal that included the sale of an easement on the cell tower on the church roof, re-roofing of the church building, and the installation of solar panels. Deacon Warfield shared a PowerPoint that included a view of the church roof showing where the solar panels would be located (Attachment 2, p. 2). The panels would generate the equivalent of the amount of electricity used in the prior year. He noted that the roofs were beginning to leak and needed replacement. The cell tower on the church roof currently has a single company's antennas and the revenue from that lease goes into the Reserve for Repair and Replacement.

Deacon Warfield noted that the roof over the nave is 77 years old. The roof over the Christian Education wing was reroofed nearly 20 years ago and has required patching in recent years. The newest addition was reroofed about 20 years ago and has also required patching. The slate roof on the mansard roof around the Great Hall was replaced by shingles that were similar in appearance to the slate and are guaranteed to last for 60 years. Bids were obtained from several roofing companies and Luna Home Improvement was the best by a considerable margin. The

roofing project will include an additional inch of insulation under the roll roofing on the flat roofs.

Ron Hebensperger presented information regarding the proposed installation of solar panels on the roof by Sustainable You (Attachment 2, pp. 9-15). He shared a slide that showed the reduction of electricity use already realized through upgrading of the HVAC systems and the installation of LED lighting throughout the building. New thermostats enable better control of heating and cooling in all zones of the building. The covid shutdown of the building also greatly reduced energy demand, but as we reopen the building for more activities, electricity usage will increase.

Ron Hebensperger then presented a slide that showed the predicted generation of electricity from the solar panels compared to our usage in prior years (Attachment 2, p. 15). The Sustainable You proposal would produce nearly 100% of the prior year's demand. He stated that the visibility of the solar panels would make a statement that the congregation cares about the environment. The projected cost savings would be approximately \$459,000 over a 25 year period. Mr. Hebensperger noted that the church would also receive a payment from the utility company for making renewable energy available through the grid, called a Solar Renewable Energy Credit (SREC). Because the nave roof is oriented to the southwest, it will produce the maximum amount of energy at the time of day when our demand for cooling the building is the greatest.

Mr. Hebensperger reported that the Property Committee had sought recommendations from the Montgomery County Green Bank. In reviewing proposals, a concern was raised about panels manufactured in China, where forced labor is being used in solar panel factories. The Committee pressed each vendor to provide proposals that did not rely on panels manufactured in China. The Committee compared several proposals and recommended the one with the largest production and the lowest cost per kilowatt. The proposal includes a financing arrangement under which a firm will own the system for the first year in order to take advantage of the federal tax credit for the system, and thereafter the church will own it. He noted that the installation was guaranteed for 25 years.

Darrell Neily presented information on the proposed sale of an easement, including a photo of the existing cell tower, which surrounds an unused chimney (Attachment 2, pp. 16-19). That tower currently has antennas for T-Mobile. He explained that the current arrangement includes a payment of \$21,864 each year and the rate is not guaranteed from one year to another. The lease can also be cancelled by T-Mobile. Mr. Neily explained that the proposal involves the sale of an easement on that tower to a company that will market to additional cellphone companies for a lump sum payment to the church and a share of future lease income. The Finance Committee reviewed proposals from three different companies and checked references. Each of the churches, companies, and individuals who had dealt with the companies had a very positive experience. The Finance Committee proposed to Council, which recommended to the Congregation, a proposal from Symphony Wireless to sell an easement on the cellphone tower for a payment of \$300,000 and a 50% share of future lease income from any additional cellphone companies that lease space on the tower, for a period of 50 years.

Deacon Warfield then reviewed slides summarizing the proposals for roofing, solar panels, and the sale of an easement for the cell tower (Attachment 2, pp. 20-23). He noted that in addition to the sale of the easement, a bequest had been received that could be used for these related proposals.

Deacon Warfield responded to a question regarding whether the proposals would make changes in areas of the building other than the roof, saying that some equipment might be installed in the basement but that no other areas of the building would be affected. In response to a question about potential damage from hail, Ron Hebensperger advised that he had checked several onsite reviews that showed that the panels were extremely durable.

Rick Ahlberg also noted that although the proposal did not include payments into the Reserve for Repair and Replacement, it is anticipated that the reduction in future electrical bills will enable some of the budget to be directed to the Reserve. In response to a question about the sale of electricity to the grid, Deacon Warfield noted that the sale of electricity would reduce the amount paid to Pepco. The budget just approved by the Congregation included a line item for utilities that did not assume approval of the solar panel installation so if we do not need to pay for electricity, those funds would be available for other purposes.

In response to a question about the value of the future income from leasing the cellphone tower, Darrell Neily explained that the rapid change in technology made it difficult to predict future income from such a lease. Deacon Warfield noted that the company purchasing the easement would have an interest in securing additional cellphone company leases. Rick Ahlberg noted that the current lease from T-Mobile has a term of only 5 years and Deacon Warfield noted that in prior years the company had reduced the amount paid.

There being no further questions, President de Groot called for a vote on the motion:

Motion: Be it resolved that Saint Luke Lutheran Church –

- 1) sell the cell tower easement to Symphony Wireless for \$300,000, with sharing of future additional revenue of additional carriers 50%/50%; and
- 2) have the building reroofed by Luna's Home Improvement and a solar array installed by Sustainable You, at a cost not to exceed \$349,000, with detailed spending to be managed by the Congregation Council and appropriate committees.

The votes were 86 votes in favor, none opposed, and 2 abstentions. The motion was approved.

New Business: A question was submitted online as to whether we should move to one service on Sunday mornings during the summer. Rick Ahlberg noted that with covid restrictions, we could still accommodate everyone now attending in a single service. He noted that we have two Sunday services for the convenience of members, as some could attend only an earlier service and others could attend only a later service.

Andi Carlson moved to go to one worship service for the summer. The motion was seconded.

Matt Shugert moved, seconded by Rick Ahlberg, to refer the matter to the Council. Carol Bennett asked when the next Council meeting would be and Pastor Miller advised that new Council members would be polled for a preferred date, but it would likely be later in June.

The vote was 58 yes, 14 no, so the motion to refer was approved.

Closing: Pastor Miller thanked the Women of the ELCA for their work and also thanked Brock Beamer for his leadership of the Mission Endowment Fund Board.

Pastor Miller then led the congregation in prayer, closing with the Lord's Prayer.

Ralph Watkins
Secretary