

Shepherd of the Hills Lutheran Church Inc.
Regular Council Meeting Minutes
February 27, 2024

Erich Korsten called the meeting to order at 9:00 a.m. Those Council members present were Erich Korsten, Pastor Jeff Teeples, Dan Beck, Dwaine Abbe, Caroline Meyer and Donna Hawkinson. Members absent were Daryl Stemm and Sue Terlecki. Guests included Debbie Vinopal.

Pastor Jeff opened us with a devotion around what gives you joy. Heb 12:2, Phil 2:1-4. We each shared what gives us joy. Pop up prayers followed.

January meeting minutes and the February 17 Special meeting. Dan made motion; Dwaine seconded. All in favor. Minutes approved.

Pastor Jeff gave his report:

- Music search team has added the music minister position on the LCMC site – no responses from any of the sites yet.
- Prayer room lights have been made dimmable, wall colors have been chosen, kneelers have been purchased, looking to have new carpet installed, \$900 has been donated for the refurbishing of the room. Pastor asked if they could purchase the remaining items before money has been collected as he would like to room completed before Holy Week. Discussion did not pursue.
- Dennis Nelson will hold Christ Connect classes on Palm Sunday, April 7 and weeks following April 21. Pastor is going to be absent April 14th with Pastor Robert Lorenzo filling the pulpit and sharing about the mission ministries at Amazing Grace at Christ Connect following service.
- Pastor will be on vacation May 12 with Jeff Johnson filling the pulpit, and on August 11th with Ted Wueste, Spiritual Formation leader, filling the pulpit.

Erich presented the Finance report for January. See notes below for financial highlights.

Caroline gave an update on the Missions/Outreach. Dan said he would look into putting a permanent camera and surveillance sign in the Columbarium area. The full report can be found attached.

Sue Terlecki's report is attached.

Dan Beck reviewed the property report attached below. Erich, Pastor and Dan will meet with the Property Team to review process and procedure. Donna made a motion to remove the 3 trees East of the Education Building. Caroline seconded the motion. The roots are interfering with the sewer system. It was agreed the trees would be removed after Easter. All were in favor. Motion was carried. We will put a notice in the What's Happening Newsletter and make an announcement before the removal of the trees. It will be decided after the removal as to what will happen with that space.

We need approval for the drain repair, the glass doors replacement and the parking lot sealing. Approval was given for the drain repair however, the parking lot sealing was not approved at this time.

Debbie provided an Administration update:

- Email migration to MS365 was successful at a one-time price of \$1500 to save \$1800 every year which we were paying to GoDaddy.
- Roger Miller, Larry Kudrle, Don Wirth and Debbie attended a Watchman Security seminar around safety and security. There are many things we can do to secure the facility from attack, but the

Council asked that the first thing to do is to have Peace and usher teams to develop a procedure for our current situations.

Old Business:

Council meeting times and dates were reviewed through May. They will be March 26 at 6 pm, April 23 at 9 am (Caroline will be absent), May 28 at 6 pm. For the time being we will switch between 6 pm and 9 am allowing Daryl to join us in person at the 6 pm meetings. Executive officers will meet the Wednesday prior to the Council meeting at 10 am to set the agenda for the Council meetings.

New Business: Erich has not contacted the person he was hoping to ask to fill the open position on the Nominating Committee. He will get in contact with him as soon as possible so we can install the committee soon.

The Finance Committee is asking for Council's authorization to commence a review, performed by Daryl Stemm, in accordance with generally accepted accounting principles. All members agreed that Daryl along with Bill Gest are authorized to perform a review of our finances.

Erich adjourned the meeting at 11:25 a.m. The meeting was closed with The Lord's Prayer.

Post meeting item: Dwaine Abbe was added to the Wells Fargo account as a signer on February 23.

Respectfully submitted,

Donna Hawkinson

Recording Secretary

Approved March 26, 2024

Council Reports

Financial Report – Daryl Stemm

1. We finished January approximately \$4500 ahead of budget expectations.
2. During January we received and recorded January & February payments from both TIA and for the cell tower rental. If we back out the extra month of receipts, the month of January would have been approximately \$1500 behind budget expectations.
3. Stress test is 22 weeks and the highest (best) it has been in over one year.
4. Non-treasury investments (i.e. subject to high volatility and potential loss of principal) have been reduced to 9% of Fidelity holdings as of January 31. Actions taken in February will further reduce the amount.
5. The finance committee is reviewing the SOTH Investment Policy and will present any proposed changes to the Council at the next meeting.
6. The finance committee is asking for Council's authorization to commence a review, performed by Daryl Stemm, in accordance with generally accepted accounting principles. The review would likely commence in April and be completed by the end of July. There will be no charge to SOTH for performance of the service.

Shepherd of the Hills
 Monthly Financial Review

January 31, 2024

		Actual	Budget	Difference
INCOME				
	Offerings	\$48,198	\$52,459	(\$3,261)
	Total Income	\$67,180	\$59,083	\$8,097
	Missions/Other	\$4,920	\$6,515	\$1,595
	Operating Income	\$62,260	\$52,568	\$9,692
EXPENSE				
	Total Expense	\$33,037	\$48,024	(\$5,013)
NET INCOME				
	Net Income	\$9,223	\$4,544	\$4,679
Stress Test		1/31/2023		
	Current Assets	\$761,380		
	Minus Current Liabilities	\$510,680		
	Net	\$250,900		
	Expense per week	\$11,228	Based on 2023 actuals	
	# of weeks	22.3		
	Major Maintenance	Current \$40,332		
	Reserved Surplus	\$180,000		
	Fidelity Investment	\$648,544	Approximately 91% MMA	
	Notes:			
	Giving < budget ~\$3,300			
	Facilities > budget ~\$3,100 (TIA 2x)			
	Cell Tower > budget ~\$3,200 (2x)			
	Interest > budget ~\$1,400			
	Gains > budget ~\$3,100			
	Missions < budget ~\$1,600			
	Expenses versus budget:			
	Office Expense > budget ~\$1,500 (~\$2,000 four annual subscriptions)			
	Property > budget ~\$2,500 (~\$1,100 monitoring antenna, batteries)			

Worship Report – Sue Terlecki

LIFT members are preparing for the all church spring event "Chili Fest" on 3/9/2024 .

Raffles will take place to raise funds for LIFT 's budget. Funds are used for 1. The Sunshine Gal's visits to church members, and 2. Costs for educational and fellowship LIFT events. The proceeds from the 50/50 raffle will be given to Jacob's Hope, Mesa, AZ.

Missions/Outreach- Caroline Meyer

Memorials- Judy Konop

A meeting with Roger Miller was held to ensure our policy and procedures for Memorial donations are in place. One new donation was received and designations for outdoor lighting and care of the rose garden were set. Disbursement of some of the funds was released and the lighting of the steel mural is in progress. A smaller donation given in the past was designed to the chapel or prayer room project.

Cursillo- Donna Hawkinson

March 23 is an Ultreya gathering at Shepherd of the Valley in Phoenix.

April 4 will be a general meeting of our SOTH community.

April 5-7 is a Renewal weekend for anyone wishing to experience an abbreviated version of the Cursillo weekend. SOTH has 2 participants so far. (Has been postponed to a later date TBD.)

April 20th will be an Ultreya gathering at SOTH.

Columbarium - Donna Hawkinson

Arn Hampel believes our homeless person may have returned to spending time in the Columbarium area. We will keep an eye out for more evidence.

No other updates at this time.

Missions - Eileen Doench

I have attached the 2024 Mission budget that you blessed at the last Council meeting. I would think you all have a copy of the Annual Meeting Report, that has the Mission History for 2023.

Benevolence:

1. January 1, 2024 Started with \$59,080 (end of December 2023 dollars). Roger and I met a week ago and I was off by \$149.99, and I will certainly take his dollar amount. God certainly has blessed SOTH.
2. YTD Tithings as of January 31, 2024=\$4919.82 (Tithings 1/2023=\$4723.65)
3. YTD Benevolence money January 31, 2024=\$58790.82

Mission:

- Nicaragua will be getting \$1000 per month for at least seven months as we try to give them dedicated money from 2022.
- Sue Bye is putting together a Mission Fair to be held on March 17th, 2024 after the service to be held in Fellowship Hall.
- Out next Mission meeting is on March 6th, 2024 in the Education Building 5/6 at 1pm

Mission Fair - Sue Bye

Looking forward to presenting the Mission Action Fair on Sunday, March 17.

Theme - IGNITE YOUR PASSION - WHAT IS YOUR ACTION STEP?

It will be in the Fellowship Hall after the service.

We will have 23 presenters, SOTH - 9, AZ/US - 10, and International - 4.

Each representative will be at a display table with poster and information about their group.

I will have a poster put in the information boxes on campus and will display a poster in the church.

Church staff will put information in What's Happening and on the Sunday screen.
Coffee and goodies will be served in the Fellowship Hall.
Post event - create article and pictures for FH Times and church Sunday power point presentation.

Property Report – Dan Beck

Drain leak on east side of the Sanctuary.

Plan: The plumber is quoting \$1,500 if the problem is between the roof and just after the elbow where he is able to splice in a new elbow. If the problem is beyond that we will not know until he cuts a hole in the face of the ceiling.

The Stucco repair will be about \$600 if the hole is 4' X 5', less if the hole is small and more if we have to cut a larger hole which we will not know until we cut the first hole.

The lift will be about \$1452.46 for a week's rental.

The plumber can be here Monday February 26th and the stucco repairman can be here the next day. It all depends on what the plumber finds.

Resolution: (still need to determine actual costs) The plumber found the problem to be the drainpipe is no longer connected to the roof drain flange. This is beyond his expertise. I canceled the stucco contractor, returned the lift, they will only charge us for the delivery and pick-up costs, about \$400. I contacted Moon Valley Plumbing, and they will be here this Thursday 2-29-24 to see the issue then they will give us a quote to fix the connection. As soon as we have a date, we need to contact the roofer so they can schedule the roof fix for the same or the next day.

Water Sensors

Water sensors that were provided for free by Church Mutual have been installed in the office area. One in the work room that has often flooded and one in the janitor's closet. If water is detected, we will get a text message to our cell phone notifying us that water has been detected and which sensor is reporting. The people who get the text message in order of being notified are:

Lloyd Tarr
Dan Beck
Debbie Vinopal

We are looking into additional sensors for the Narthex restrooms/janitor's closet, Fellowship Hall and Education Building restrooms.

Smoke Detector Sensors

Church Mutual also has a sensor that detects the sound of a smoke detector going and will send a notice to the person(s) on the list. Currently they're not monitoring the smoke detectors in the Education Building so if smoke was detected while the building is empty no one would know about. We are looking into the cost of installing this system in the Education Building. One unit is free but the Church Mutual web store is down for updating. The store is supposed to be back in operation before the end of February. Once it is we can put together a proposal.

Vacuum Cleaners

All the belts were replaced, the vacuums were cleaned, and new vacuum cleaner bags installed. A list was made with all the vacuum cleaner names, model numbers and location stored and given to Debbie. The extra vacuum bags are stored in the utility closet in church between the men's and women's restrooms.

Skylight and Soffit

A new skylight has been installed to replace the cracked one in the Narthex/Sanctuary. A loose soffit board on the southwest side of the Sanctuary has been repaired.

Light Bulbs

We are in the process of replacing the remaining few CFL light bulbs with LEDs.

Sanctuary Glass Doors

The glass doors between the Sanctuary and the Narthex have been a problem almost from when they were installed. The first time we had problems I contacted Fountain Hills Mirror and Glass, and they came out and after looking the hinges and doors they told me that the hinges that were used and specified the architect were not meant to be used on doors as heavy as what we have.

I asked Roger to get me a report on what we have spent maintaining the doors. He gave me the numbers which I have put in a very safe place that even I cannot find it now. Roger can verify this but since 2008 we have spent about \$4,400 trying to keep them working. The loud popping sound is caused by wear on hinges, and they need to be replaced again. The last time the hinges were replaced was only 3 or 4 years until the sound was back.

Now the south pair of doors are rubbing on the top frame because the beam over the doors has settled. The doors are tempered glass and cannot be trimmed in any way to give more clearance. We had a structural engineer come out and his report is attached. We have a quote for moving the down spout and after I get a couple of questions answered I will forward that to you for approval.

We have a quote to replace the doors and hinges for \$10,200. That is a lot of money, but I don't think we should spend any more on trying to repair the current doors. You can find this quote

at: <https://portalv2.projul.com/e46f82f1-11de-47b2-bd53-cd48e18a9845>

Please let me know how the council would like to proceed.

Sewer Line

It was reported to us last week that was a smell of sewer in the grass area. One Wednesday Debbie found a wet spot in the grass. On investigation it was found sewer water was coming out a clean out pipe. Plumber and AC Medics were called because it was thought that the leak was from their repair in August of 2023. They came out and cleared a blockage and then ran a camera down the line. The camera showed two breakages about two feet apart and past the breakage the line was full of dirt and rock that had fallen into the holes. When they dug down to the pipe, they found two large rocks had cracked the pipe. They repaired the pipe and used a "Hydro-Jetter" to force the rocks and dirt out to the main sewer line. The total cost was \$4,547.80.

Lights Along the Office Sidewalk

The lights along the sidewalk from the lower parking lot to the office are no longer working, a repair/replace plan is being put together.

Parking Lot Repair

Empire Paving & Maintenance has submitted a quote of \$3,000 to seal the cracks in the parking lot as follows:

Provide barricades/cones during our scope of work. Blow crack clean of debris. Power sweep/clean parking lot with blowers and sweeper. Crack seal ¼" and larger cracks with Polyflex sealant. Alligatored areas are excluded.

We need approval for the drain repair, the glass doors replacement and the parking lot sealing.

Columbarium

Arn is still working on beautifying the columbarium area and doing a great job. Thanks, Arn.

Lloyd Tarr, Property Team



Modern Glass

1930 E. 3rd St. Suite 16
Tempe, AZ 85288

(480) 826-6201
paul@modernglassaz.com

Proposal

Proposal Number: P-5970
Proposal Date: Feb 9, 2024
Proposal Expires: Mar 10, 2024

Customer

LLOYD (SHEPHERD OF THE HILLS CHURCH)
16150 E EL LAGO BLVD
FOUNTAIN HILLS, AZ
(480) 773-8915
Lsoto@ccsbts.com

Project

PRJ-5970 - SHEPHERD OF THE HILLS
16150 E EL LAGO BLVD
FOUNTAIN HILLS, AZ

REUSE EXISTING DOOR HEADERS & PUSH / PULL HARDWARE

DESCRIPTION	PRICE
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Product or Service	\$10,220.00
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1/2" CLEAR TEMPERED GLASS

REMOVE 2 PAIRS OF GLASS DOORS APPROX 84 X 104 EACH. REUSE EXISTING HEADERS & PUSH PULL HARDWARE.

PROVIDE & INSTALL NEW 1/2" CLEAR TEMPERED GLASS DOOR LEAFS WITH 105 DEG HOLD OPEN OVER HEAD CONCEALED CLOSERS, 4" TOP & BOTTOM RAILS DARK BRONZE ANODIZED.

Subtotal \$10,220.00

Taxable Subtotal \$0.00

Tax 8.1% \$0.00

Total \$10,220.00