

**Southeastern Minnesota Synod Council
Executive Committee
Minutes
January 24, 2006**

Members present: Bishop Harold Usgaard, Vice president Shirley Gangstad, Treasurer Jeff Setterlund, Secretary BettyAnn Hernke, Ann Beatty, and Rev. Scott Olson.

Staff present: Deborah Norrie, Recorder

Vice president Shirley Gangstad called the meeting to order at 4:10PM in the conference room of the synod office, Assisi Heights, Rochester, Minnesota. Rev. Scott Olson led devotions.

BettyAnn Hernke presented the minutes of the meeting October 25, 2005. Ann Beatty made a motion to accept the minutes as printed.

Voted

EC06.01.01 to accept the minutes of the Executive Committee meeting October 25, 2005.

Jeff Setterlund presented the treasurer's report:

- Mission Support for January through the 20th was \$200,693; it is \$190,000 off budget. There was general discussion of mission support, stewardship, tithing, etc. The 2005 budget will be short. It is too soon for Larry Iverson to have intent figures for 2006. We should have a better picture of 2006 Mission Support by the budget meeting.
- December 2005 accounting report. Mission Support and interest income are in excess of total expenses; so we are not short of cash even with the dip in Mission Support. Deborah Norrie pointed out a couple of problem areas in the budget:
 - Expenses for Communications do not include an offset to the strategic plan programming because of accounting practices; this is also the case in the Contingency fund which appears overspent; the budget presented to the council and synod assembly will show income to offset these expenses
 - The Lay & Clergy Development Team budget line is overspent; it does not yet reflect offsetting income from theological conference fees but those fees are short of expenses by about \$11,000.
- The bank balance was \$529,053.48 which includes the \$100,000 gift to the Tanzania Restricted Fund and the \$80,000 Thrivent Leadership Grant.

Rev. Scott Olson made a motion to accept the treasurer's report.

Voted

EC06.01.02 to accept the treasurer's report.

The Executive Committee would also like to have a response from the Lay & Clergy Leadership Development Team about the deficit the Theological Conference Planning Committee ran in 2005. The committee would like to see a process put in place to have the planning committee be more attentive to their income and expense.

The synod's Multi-Peril Policy with Church Mutual has come up for review and renewal. The new policy is effective January 1, 2006 through January 1, 2009. Mr. Tom Manti of Church Mutual has made several suggestions for improving the coverage:

1. The policy includes the following coverage; Mr. Manti suggests we consider raising this coverage:
 - a. \$5000 for personal property of employees and guests at replacement cost
 - b. \$5000 for personal tools and equipment of volunteers, employees, etc if they are being used on the premises
 - c. \$10,000 for valuable papers and records, including computer records
2. \$10,000 for extra operational expenses and loss of business income after an insured loss – he recommends increasing this (it can be increased up to \$100,000 at a cost of \$1/1000)
3. He recommends increasing the following:
 - a. \$5000 for destruction, disappearance, or theft of money, notes and securities.
 - b. \$10,000 for loss by dishonest acts of employees, officers and volunteers.
4. Sexual misconduct and molestation are covered at \$300,000 each claim; \$300,000 annual aggregate. This can be increased to \$500,000/500,000 for an additional \$161 per year.

The Executive Committee will increase coverage for extra operational expenses from \$10,000 to \$30,000 at this time. They asked Ms. Norrie to get recommendations from the ELCA about the other items.

Old Business

Bishop Usgaard led the committee in discussion of the synod council's reaction to the operations assessment:

1. as we look at declining income how do we continue to meet the needs of the pastors and congregations?
2. is it time to reorganize the council?
3. is it time to adjust the council meetings? One day budget meeting in late February/early March; 1 day meetings in the spring and November (1/2 day council, 1/2 day teams) and a retreat in September.
4. what are the responsibilities of the Executive Committee and what authority does it have?
5. what about conferences?

6. It seems the most important things from the council conversation are the bishop's visits, synod assembly, theological conference and spiritual renewal for pastors.

Bishop Usgaard has been thinking about asking a task force to look at our budget process and determine if it is in line with our purpose.

The Executive Committee will have further discussion on these items and have a recommendation for the synod council at the May meeting.

Shirley Gangstad reported on the meeting she and Deborah Norrie attended with Sister Jean Keniry and Craig Smoldt, Mayo. Mayo will do some preliminary design work for how the synod space could be better utilized. We may be able to start talking about specifics by this summer. Nothing will happen before synod assembly.

Bishop Usgaard reported that the synod and Good Earth Village received \$80,000 for the Leadership grant request. It will fund a two year program to increase charitable giving for the endowment funds of the synod and GEV. The goal is to raise \$2,000,000 for the two funds. There will be a meeting February 9, 2006 of synod leaders to present the project. Bishop Usgaard hopes to form a task force at that meeting to spearhead the effort.

2006 Synod Assembly update.

- the agenda is tentatively set
- the pre-assembly report will be available on the web site and will not be printed
- early registration is \$120 – deadline of April 19; after April 19th registration will only be accepted on site and the fee will be \$140
- we will again offer a rebate on youth registration
- Synod Nominating Committee meets February 2

Several suggestions were made for designating the assembly offering: synod endowment, Good Earth Village endowment, Spanish bibles for Colombia. Deborah Norrie will e-mail the list of recent offering recipients and the committee will make a decision at the next meeting.

There was no other old business.

New business.

Terms for both the secretary and treasurer end in 2006. The Executive Committee is charged with nominating two people for each position. Both BettyAnn Hernke and Jeff Setterlund are eligible for another term. Ms. Hernke has agreed to serve another term; Mr. Setterlund has declined.

Jeff Setterlund is willing to contact potential treasurer nominees. The committee discussed possible names: David Biren, Bethel, Rochester; Mark Bradley, Zumbro, Rochester; Tom Martin, Mount Olive, Rochester; Irv Nehring, Christ, Byron; and Mary Hanson, Zumbro, Rochester.

A name suggested for the secretary nomination was Jean Ellingson, Zumbro, Rochester.

There was no other new business.

The meeting adjourned at 7:45 PM and closed with the Lord's Prayer.

BettyAnn Hernke, Secretary
Deborah Norrie, Recorder