

**Southeastern Minnesota Synod Council
Executive Committee
Minutes
June 20, 2006**

Members present: Bishop Harold Usgaard, Vice president Shirley Gangstad, Treasurer Jeff Setterlund, Secretary BettyAnn Hernke, John Petersburg and Rev. Cindy Fisher-Broin.

Staff present: Deborah Norrie, Recorder

Vice president Shirley Gangstad called the meeting to order at 4:00 PM in the conference room of the synod office, Assisi Heights, Rochester, Minnesota. Ms. Gangstad welcomed John Petersburg and Rev. Cindy Fisher-Broin to the Executive Committee and noted that this would be Jeff Setterlund's final committee meeting. The new treasurer takes office August 1, 2006. Ms. Gangstad also led devotions.

The minutes from the meeting March 14, 2006 were presented by Ms. Hernke. John Petersburg noted some typographical errors which Ms. Norrie will correct. Mr. Petersburg moved acceptance of the minutes.

Voted

EC06.06.01 to accept the minutes of the Executive Committee meeting March 14, 2006.

The Treasurer's report was postponed until after the presentation of the audit report.

Old Business

Assembly evaluations. Members of the committee received the assembly evaluation summary to prepare for this meeting. There were several items for discussion:

- Are nominations required from the floor? Mr. Petersburg suggested that Robert's Rules require open nominations. If the nominations were to be closed, it would require a change of assembly rules. After discussion, it was felt that the situation that arose at the 2006 assembly for the Cannon River Conference (nominations for alternate Churchwide assembly voters) was a rare occurrence. Changing the rules may be an over-reaction and no change will be made at this time.
- The Conference of Deans suggested looking at St. Olaf College as a possible site for assembly in the future. The Executive Committee believes that holding the assembly at the Mayo Civic Center which is in the convention business makes the assembly work better for the planning committee and the staff. Taking the assembly out of town makes the work very difficult and hard on the synod staff. At this time, the committee will not look at alternate assembly sites.

- Ms. Norrie is working on replacing the assembly manager and will keep the committee informed.

The agenda was interrupted to receive the report of the audit. Mr. William Kalmes, Smith Schafer & Associates, joined the meeting to review the financial position of the synod as of January 31, 2006.

Following the audit financial report the treasurer's report was received.

- May Mission Support was \$682,377; a variance of 111.9% of budget and a change of 109.3% from last year.
- June Mission Support through June 15th was \$78,158
- The bank balance was \$288,345.37.

Bishop Usgaard talked about the synod's support of Campus Ministry. They have been critical of the cuts made in the synod's budget for campus ministry. The synod's payments to campus ministry through June is a few hundred dollars ahead of last year's payments. Even though we cut the budget, we have been able to send them an equal amount of money because our income is up relative to the budget.

Mr. Setterlund shared a report of historical mission support adjusted for inflation. Even though we have considered mission support as flat over the last years, this report shows that the purchasing power of those dollars has fallen dramatically.

Ms. Norrie was called on for an update of the office renovation project. She reported that minor changes to the carpet order will reduce the cost of the carpet and installation a bit. The furniture has been ordered and delivery is expected August 1st. Delivery of the carpet is expected in late July. There will be a meeting July 14th with the Mayo coordinator and all the contractors to review the plans. She also reported that cash available for this project has been moved to the Thrivent Board Designated Operating Reserve fund for this project. We expect to be billed by Mayo for the project in September or October.

Ms. Norrie asked about the Good Earth Village presence in the office. There is concern about what happens if people call the synod or drop by the office and expect answers to GEV questions when David Herder or Kathy Bolin are not present. Mr. Petersburg related the experience of Trinity, Owatonna and the LSS person who works from Trinity. The Trinity staff has to be very careful to not take messages, etc for the LSS person. Those calls or inquires are always directed to LSS. The synod staff will have to be disciplined to not take ownership of such requests. Ms. Norrie will work with David Herder of GEV on a written agreement for this arrangement.

The treasurer's report continued with conversation about reporting Mission Support in River Crossings. Mr. Setterlund distributed examples of how the report could look. After discussion, it was decided to use the simplest format to report that income: Current YTD (year-to-date); Last Year YTD; and Budget YTD. No change or variance amount

and percentage will be reported. Bishop Usgaard will ask Larry Iverson to periodically add a word of thanks, information or a Bible verse to go with the income report. Ms. Gangstad reminded the bishop that it had been suggested by the Conference of Deans that he keep pastors informed about Mission Support. Pastors can be thanked when income is good or ask for help when income is down. Mr. Petersburg suggested this be done no more than quarterly. Bishop Usgaard will work with Katie Butler to determine how this can best be done.

There was no other business as a part of the treasurer's report and there was no other old business.

New Business

Ms. Carolyn Goulet, synod staff and assembly registrar, submitted a proposal to the Executive Committee regarding registration for the 2007 assembly. Her proposal asks the committee to enforce the constitutional provision S7.34.06 that requires lay voters be registered 30 days prior to assembly. Bishop Usgaard noted that other synods do not have this constitutional provision. The committee didn't feel that 41 people registering onsite out of 600 in attendance was a high number (6.8%) and is probably a low number from years ago. The committee requests the following:

- Assembly registration will continue to be done online where possible
- Registration deadlines will be set to accommodate the needs of staff within reason
- Prepare registration materials to emphasize an early bird registration fee discount of \$30 per person on the \$150 registration fee; if the congregations are registered and paid by the deadline the fee is \$120/person but would be \$150 per person if they register after that date.

Ms. Norrie will communicate this information to Ms. Goulet.

The Synod constitution needs to be reviewed. Ms. Norrie will ask Rev. Richard Lund to do a comparison of the synod's constitution to the model for synods. Ms. Gangstad will ask Jim Engh to assist her in this review and prepare a report of suggested changes to the document. This report needs to be done in time to report suggested changes to the 2007 assembly.

The Personnel Policy Manual needs to be reviewed and updated. John Petersburg and Shirley Gangstad will review the document and report to the Executive Committee recommended changes.

Ms. Gangstad asked how support staff people were coming on their operations manuals. Ms. Norrie reported that she had reminded people to be working on their manuals.

Bishop Usgaard's report on staff Ministry Planning and Review was tabled until the August meeting.

The change in treasurer August 1, 2006 requires changes to the signers of the financial instruments.

Rev. Fisher-Broin moved authorization of the necessary changes.

Voted

EC06.06.02 to notify financial institutions of the change in treasurer effective August 1, 2006 and to authorize Deborah Norrie and Mark Bradley, Treasurer, as signers on all financial instruments.¹

Ms. Gangstad read a thank you note from Mr. Mark Peterson, President of Lutheran Social Service of Minnesota, for the assembly offering designated for Camp Noah.

The committee had discussion of Bishop Usgaard's idea of convening a budget task force. He noted that many synods are doing this as they struggle with flat giving.

- Is this the right time to do this exercise?
- Should we do the synod ministry audit first so that the budget is driven by the ministry goals and priorities rather than the ministry goals fitting in to the budget process?
- What is the purpose of the synod? Is it to be the conduit for the ELCA to the congregations? Is it for support to congregations? Is it for the support of ministry partners? Is it all of these?
- Where does the strategic plan fit in to this?

The committee decided that the synod council needs to participate in this discussion. Some time will be taken at the September 8-9th council meeting Friday evening/Saturday morning for this discussion. The committee feels an outside facilitator might be useful to get at the following: What are the synod's priorities and how should the budget reflect those priorities?

The next Executive Committee meeting is scheduled for August 29; from 3:00 to 7:00. It will be a full agenda to include: MP&R tabled from June 20; council orientation September 8; council discussion of budget priorities. BettyAnn Hernke is assigned devotions.

The meeting adjourned at 7:20 and closed with the Lord's Prayer.

BettyAnn Hernke, Secretary
Deborah Norrie, Recorder

¹ Financial instruments include: Eastwood Bank checking account and safe deposit box; 5 Mission Investment Fund accounts; and the synod's endowment funds managed by the ELCA.