

St Stephen Lutheran Church

Church Council Meeting Minutes, February 14, 2022

Mira Stearns called the meeting to order at 7:10 pm via ZOOM.

Present: Pastor Jim Woodruff, Patsy Olson, Betsy Clark, Marla Amborn, Ken Smith, Mira Stearns, John Rohr, Judee Bramscher, Viki Bosin (guest)

Absent: None (Chris Sheldon has resigned from Council effective 2/9/22)

Devotions: Pastor Jim Woodruff – 2 Corinthians 5:17-20. We start with new church council members and every year council starts over. Fresh start, as we look at this year, new goals, fresh start on discussions, visioning, where congregation might go. All gifts from God. We are ambassadors to Christ. As Council members, our primary responsibility is to see that in all things, the message of the Gospel is proclaimed and reconciliation between God and Man is carried out. I pray this year we work well together.

Prayer Concerns: Keep Duane Willroth family in our prayers. Alice (Aunt of Patsy Olson) admitted to Cerenity in WBL, Phil Dahl.

Approval of Minutes: No changes. Minutes for January council meeting were voted on.

A motion was made by Mira Stearns. 2nd Patsy Olson, to approve the January 2022 council minutes. Voted on and carried unanimously.

Adjustments to the Agenda – Endowment committee move to top of list under New Business.

Treasurer's Report –Patsy Olson

Balance Sheet: Total cash assets \$214,939.32.

Benevolence Fund: Balance \$857.64. Transactions: \$1000 to ELCA Mission Support, recurring journal entry of \$366.67d into Tanzania special designated account. \$100 donation Tecate. Compared to last year at this time, we had a negative balance last year. In 2022, Patsy will make recurring journal entries into the TZ scholarship and mission trip accounts from Benevolence every month.

Capital Fund: Net income \$99,717.92. Income: NHN, \$500 rent, envelope \$1,601.35, carry-over balance \$97,886.06. Expense: \$269.49.

Cash Reserve: \$29,581.57 Income in January \$1,246.22.

Current Fund: Total income \$32,189.24. Includes carryover balance from 2021 of \$9,139.16. Total expenses \$28,076.81 NET: positive \$4,112.43.

Special Designated Fund:

Total \$82,297.77

Subtotals: 800 accts \$22,708.06; Funding accts \$19,197.88; Tanzania accts \$19,648.96; Tecate acct \$2,900.00; Special designated memorial accts \$17,842.87.

A motion was made by John Rohr, 2nd by Marla Amborn, to approve the Treasurer's Report. Voted on and carried unanimously.

Pastor's Report – Pastor Jim Woodruff

January quiet month. Tami out most of month, on vacation and then sick. Focus was on putting annual report together by Pastor Jim, Betsy Clark and Karen Smith, Patsy Olson for getting all the financial reports put together. Report made available to congregation one week prior to annual meeting. Great turnout for the annual meeting. 48 people. Coming up: Quilters resuming meeting. Melissa Whitman returning as as Partnered Youth director. She will be resuming the Mary Magdalene women's bible study. Camp Night at Redeemer. National gathering has been cancelled. 8 kids signed up. Melissa set up a different mission trip during the same dates. Ozarks in Missouri.

Canopy. Insurance company balking at the remaining money. Contractor and insurance company meeting this month to get resolved.

Endowment committee policy, Viki will talk about it.

Ministry Team Reports – Mira Stearns

Worship/Music: Have most of the dates for organist covered in preparation of Cindy Bittner's sabbatical. New Lenten service at 12:00 pm based on Sundays and Seasons. Evening Lent worship Holden evening prayer.

A motion was made Betsy Clark, 2nd by John Rohr, to approve Pastor's report and Ministry Team reports. Voted on and carried unanimously.

New Business

Endowment Fund Policy – Viki Bosin

Endowment fund authorized group to meet to get going on endowment fund. There are people who want to put money in it. ELCA now has bylaws and continuing resolutions they want standardized. C13.06. Endowment fund. The continuing resolution C13.06.A22 was revised totally. The endowment committee interviewed InFaith and ELCA Foundation. ELCA foundation is simpler and more advantageous to us. Focus on ministry and mission to the wider community. ELCA Foundation acct has over a billion dollars in it. We decided to go with ELCA Foundation. Becky Palmgren from ELCA Foundation provided us info on how to revise our continuing resolutions.

Discussion of the document:

Purpose: Committee decided to not use any of the investments for the first 5 years to help grow the fund.

Governance: 5 voting members, Jill functioning as chairperson now. All members are responsible to getting message out to congregation on funding. Need \$25,000 to start the fund. Once we have the funds, we can switch the focus to bigger things, like legacy gifts and gifts through estate planning, 401Ks.

Senior pastor is ex officio member of the committee. Marla question: wanted to know why this is. Viki gave example of another church. Pastor should be out of the conflict of money decisions. Shielded from conflict of interest. ELCA suggested that council members also be ex officio. We decided to leave that alone for now. So, council member can be on the committee, for now. Committee members term is 3 years, staggered in the first year. We will have one vacancy at the end of the year. We are looking for additional committee members. Council approves any additional committee members. Committee members can serve 2 terms then need to take a break for a year, then can be back on.

We meet at least once a year and provide written report to the council each time, provide annual report. All of the Fund's records will be audited every 5 years.

Any transactions need 2 signers. Members will be held liable for any of their own misconduct.

ELCA Foundation fund growth average about 4% that you make on your principle every year. Steadier amount of money.

Gift acceptance – worked with gift committee so that we are aligned with gift designation decisions.

Patsy question: Was wanting clarification about the decision of the committee to not having pastor with voting rights or having a council member on the committee with voting rights. Viki said that the Endowment committee works separately from the council. Council has checks and balances on the annual report. Written report from endowment committee submitted to council. Kept separate, reason is, council is looking at the church budget. Endowment committee is looking at the long-range planning. Sometimes they can be in conflict. Endowment committee trying to create legacy money. Church council is a liaison and not a committee member. Patsy said that in churches she frequents, the Pastor or council had voting rights (not both). In this case, neither has voting rights. Viki stated, we are following the ELCA format. Protecting pastor from conflict of interest.

Investment administration and management

This section is ELCA Foundation language. Majority of the money is placed into ELCA mission investment fund in addition to the other areas. We don't get a choice in their investment decisions. We can ask for professional help on second opinion on what ELCA Foundation is doing. No committee member will personally manage any of the investments. ELCA Foundation will manage the money in our name.

Fund distributed from earnings as defined. Principal. Council can put money into the fund. Gift memorial funds not used within 2 years can be put into endowment if council decides. Donors can decide that gifts can only be placed in principle.

Distribution guidelines

We must request a withdrawal from growth or gain and put into principle. Distributions are limited to no more than 4% of the fund balance as of December 31 of the previous year. In our church, our group decided that once we start spending the growth, it is used for worship, music and hospitality, children/youth and seniors, in addition to mission. ELCA wants big push on mission. Our group wanted to

keep within the church or our own missions that we participate in. Example youth doing a mission trip, need money for the mission, they can make a request for this to come out of this fund.

“Emergency distributions” – like major fire, tornado, needed to take money out of the principle. Church council would make the request and the church congregation would have to vote. This is from the ELCA resolution to implement the endowment fund. Marla question: What if another opportunity arose? Maybe to expand the ministry. Outreach that is really important to St. Stephen? Marla feels the 4c section is pretty limiting. Priorities are in line with St. Stephen ministry. Need option to revisit this from time to time and look at other opportunities. Viki agrees it is valid point. The continuing resolutions can be changed. Committee and council can make changes to the continuing resolutions; does not require congregation vote.

Marla brought up examples from the two churches she was involved with as a Pastor. One congregation had a large amount of endowment funds but the congregation was shrinking. Didn't have flexibility to use the money to keep vital ministry happening. The other church, their endowment fund grew a lot faster than they expected.

Jim - This is continuing resolution. The church council alone can act to change it at any point.

Granting guidelines

Once past the first 5 years of growth, there will be a form available to submit for a grant. Any member in the congregation will be able to submit a form to request a grant. Going forward, endowment committee's job is looking at the requests. Council can put in a grant for whatever reason.

Dissolution

Money will stay with St. Stephen if the church needs to dissolve.

Discussion and council action – Marla question: Clear that there can be more flexibility than appears on paper here. Hard for us to perceive circumstances down the road. How it is written, we can be locked in. We can make changes.

A motion was made Mira Stearns, 2nd by John Rohr, to accept the Continuing Resolution for the St. Stephen Lutheran Church Endowment Fund as written. Voted down unanimously.

Council spent some time coming up with verbiage in the section 4d) emergency distributions that would give more opportunities to use the endowment fund than just for dire emergencies. This verbiage will be sent back to the Endowment Committee for discussion and revision of the document and then reviewed again at the March Council meeting for vote.

An amended motion was made by Marla Amborn, 2nd by Ken Smith to send back to Endowment Committee the Continuing Resolutions for the St. Stephen Lutheran Church Endowment Fund with suggested language changes for them to bring back to the Council in March. Voted on and carried unanimously.

Assigning Ministry Team Liaisons – Mira Stearns

Mira Stearns – Staff Relations, Fellowship

Betsy Clark – Worship and Music

Ken Smith – Property

OPEN – Finance/Stewardship (endowment committee falls under this MT)

Judee Bramscher – Evangelism -

OPEN – Children

John Rohr – Youth

Marla Amborn – Community Outreach (social ministry)

OPEN – Adult Learning

COVID Infection update for Ramsey County – Mira Stearns

62.5/100,000 residents COVID infections. Better than last time but still bad. We should not change what we are doing at this point.

Furnace Update – Pastor Jim

Initial bid was three years ago \$27,000 approx. Recent rebid – \$35,900. Not surprising. Recommend going ahead with it. Capital fund \$99,717.92 total. It will bring down total capital to around \$65,000 then three years to bring it back up to current amount anticipated. Discussion: 60-year-old furnace. If goes out there isn't a good back up. Ken fully supports the replacement. Historically for the last several years we receive about \$30,000 per year into capital fund. Worst case scenario we would have to wait to replace the last phase of furnaces.

A motion was made by Marla Amborn, 2nd by Mira Stearns, to approve moving forward with contract to replace Furnace Room 1. Voted on and carried unanimously.

Synod Grants – Marla Amborn

Gleaning from the harvest ministry grant. Ted Field, Marla Amborn, and Pastor Jim submitted grant over weekend requesting \$5000 for equipment for live streaming from any location in the church including outdoor, fellowship hall areas. Seems like proposal that should be accepted. Hopeful that we get that money. Estimate was provided from Z System for the additional equipment. Projected cost \$6,100. Grant for \$5,000. We have other funds available to subsidize the amount.

Elect Council VP 2022 – Mira Stearns

Marla has agreed to be Council VP this year.

A motion was made by John Rohr, 2nd by Patsy Olson, to approve Marla Amborn as Vice President for 2022. Voted on and carried unanimously.

Overview of “Many Faces of White Bear Lake” – Mira Stearns

We will not be voting on anything tonight. We should get involved with this organization. Mira wants to go to some of the programs to make sure it's a good program to partner with. Focus on educating on WBL diversity in the area. Mira quoted their mission statement. They align perfectly with St. Stephen's mission statement. Expectation for partnering is an annual contribution to them of \$100, participation by a rep from the organization (Mira?) at monthly meetings and bring info back to the church, promote participation of Many Faces events, represent them at events (like Marketfest). They do adult forums. We might host some of the forums and other things.

We would not be the only church partnering – Redeemer, Universal church, St Andrews all are members.

We lost a council member (Chris Sheldon) over this issue.

It was requested by council that the 2022 Nominating Committee (consisting of Betsy Clark, Karen Smith and Cindy Scott) convene and look for additional council members to replace Chris Sheldon's open position and the remaining two open council positions (3 total positions). Betsy will contact the committee.

Will vote on becoming a member with this organization at the next council meeting.

Old Business

Upcoming Synod Training Opportunities – Mira Stearns

Tool Kit for Congregation Leaders, Saturday February 26, 8:30 to 12:15 Prince of Peace in Burnsville. Registration on SPAS website. Mira planning on being there. Flyer should be sent out to all council members. PJ will email it to council members. Registration is free. Don't know what deadline is. Better to register ahead so they know which rooms to put

Review Meeting Highlights – All

- 1) endowment policy updates
- 2) new ministry team liaisons
- 3) furnace approval
- 4) Marla Amborn VP
- 5) overview of Many Faces

A motion was made by Ken Smith, 2nd by John Rohr, to close the Council meeting. Voted on and carried unanimously.

Adjourn at 9:00 pm

Close with the Lord's Prayer

Respectfully submitted, Betsy Clark