

**Southeastern Minnesota Synod Council  
Executive Committee  
Minutes  
February 19, 2008**

Members present: Bishop Harold Usgaard, Vice president Shirley Gangstad, Treasurer Mark Bradley, Secretary BettyAnn Hernke, John Petersburg and Rev. Richard Spande.

Staff present: Deborah Norrie, Recorder

The meeting of the Executive Committee was called to order by Vice president Shirley Gangstad at 3:10 PM in the synod office conference room, Assisi Heights, Rochester.

Bishop Usgaard opened with prayer.

Secretary BettyAnn Hernke presented the minutes of the meeting February 1, 2008. John Petersburg made a motion to accept the minutes as written. The motion was seconded and carried.

**Voted**  
**EC08.02.19.01            to accept the minutes of the Executive Committee February 1, 2008.**

Deborah Norrie presented a preliminary financial report and noted that the audit was not yet completed. The bank balance was \$273,553.30. 2007 Mission Support was \$2,153,991. The committee reviewed the checkbook register and the January general ledger. John Petersburg made a motion that was seconded and carried to approve the treasurer's report.

**Voted**  
**EC08.02.19.02            to accept the Treasurer's Report.**

The bishop shared his thoughts and concerns about the budget. The committee needs to develop a proposal to present to the synod council for spending the anticipated \$60,000 surplus. There are several options for spending the money:

- Fund ministry partners at 100%
- Repay the Board Designated Operating Reserve for the money used for emergency flood relief
- Reserve money in the board designated operating reserve to fund sabbaticals for 2009 and 2010

The committee discussed these options and expressed concern about sabbatical funding. Should the surplus be placed in the endowment fund or put in reserves? It can probably fund more sabbaticals in the reserve fund for two years and give the synod time to increase the endowment for sabbatical funding. Treasurer Mark Bradley noted that either

way, it is an investment in leadership which is one of the mandates of the Budget Task Force report.

Rev. Richard Spande made a motion that was seconded and carried for the proposal to the synod council.

**Voted**

**EC08.02.19.03 to recommend to the Synod Council that the 2007 surplus income be used to:**

- **Fund all ministry partners at 100% ;**
- **Maintain the Board Designated Operating Reserve Thrivent account at \$100,000; and**
- **Set aside the balance in the Board Designated Operating Reserve for sabbatical funding in 2009 and 2010.**

The Executive Committee convened as the Personnel Committee to consider the 2008 staff salary proposal. The bishop outlined the possibility of using the reserves in the Personnel budget to fund a shared planned giving position for the synod. This position would be shared with the ELCA Foundation and Good Earth Village. He also noted that all staff would receive a 3% increase which is in keeping with the synod salary guidelines. Mark Bradley made a motion to accept the salary proposal. The motion was seconded and carried.

**Voted**

**EC08.02.19.04 to propose a 2008 synod staff budget of \$577,700 to the synod council.**

The Personnel Committee adjourned and the Executive Committee reconvened to consider revisions to the 2008 adopted budget.

Bishop Usgaard and John Petersburg shared their thoughts about the recent ministry partners consultation with all the Minnesota synods. All synods are experiencing flat income and it becomes harder to fund ministry partners. There was no answer developed at the consultation and the ministry partners understand the bind that the synods find themselves in.

The committee is firm in its commitment not to cut the 52.5% of Mission Support sent to the ELCA. It may become necessary to prioritize ministry partners in decisions about cutting budgets. Those partners with other financial support and their own development resources can perhaps be cut more than the smaller partners.

The committee had a brief discussion about what income amount to use for 2008. Final congregational intents are not available. The council directed the bishop to present a revised 2008 budget to the council that uses income at 2008 intents and cut Luther Seminary and LCM 10%; cut Church Colleges to \$5000; MCC at \$12,000; cut Lutheran Human Relations Association and Institute for Ecumenical & Cultural Research entirely;

and fund other ministry partners at their 2008 requested amount. They also asked that the budget presented be balanced.

They further directed a 2009 proposed budget at the 2008 income + 3% with similar cuts reflected to ministry partners.

The meeting adjourned at 5:15 PM.

BettyAnn Hernke, Secretary  
Deborah Norrie, Recorder

Next meeting: March 25, 2008; 3:00 PM/BettyAnn Hernke, devotions