

**RICHLAND LUTHERAN CHURCH
CONGREGATION COUNCIL MEETING MINUTES
August 14, 2012**

Members Present: Ben Barr, Rob Barr, Scott Hardman, Mot Hedges, Kathy Killand, Dave Larkin, and Sandy Steele.

Members Absent/excused: Dave Brandes

Advisory Members Present: Pastor Steve Ernst, Rich Olsen

The Regular monthly meeting of the Richland Lutheran Church Congregation Council was held on Tuesday, August 14, 2012, at 7:04 p.m., President Mot Hedges being in the chair and the secretary being present. The meeting was opened with a devotional reading by Mot Hedges followed by prayer by Pastor Ernst.

Lead Pastor's Report - Pastor Ernst presented the Lead Pastor's Report:

1. Average church attendance through July 2012 was 349 compared to 359 through the same period in 2011.
2. Kathy Barr will chair the Cookie Ministry.
3. Looking for bids to repave the parking lots.
4. There will be a Staff Retreat during August 21-23 at Whistling Jack.

Financial Officer's Report – Rich Olsen presented the financial report showing that income through July for 2012, was \$451,694 as compared to \$415,317 through the comparable period in 2011 and was above the expected budget assumption of income of \$429,780. Expenditures to-date totaled \$416,742, below the budgeted \$451,530. The net cashflow for the year to-date is a positive \$34,952. The budget for 2012 is based on an assumed income of \$780,000.

Council posed the following questions on the Financial Report to be researched by the Financial Officer: 1) Is the increased giving during 2012 coming from a few individuals or is it a general increased level of giving for all members? 2) Where is the \$16,000 in rebates on health care from the government being reported – as income or in a net reduction in expenditures?

Consent Agenda

- **Council approved the minutes of the regular Council Meeting on July 10, 2012.**

Old Business

Bylaws/Constitution/Policy reviews

- **Council approved the attached revision to the Benevolence Policy.** [As required by C11.04.01.a]
- **Council approved the attached revision to Chapter 11 of the Constitution and Bylaws.**
- **Council approved the attached revision of Chapter 9 of the Constitution and Bylaws.**

These actions complete the annual review by Council of the Constitution and Bylaws as required by Bylaw C11.06.01 and the recommended changes now need approval by the Congregation. The HeBrews Café hour on September 23rd has been reserved for giving the congregation time to ask questions on the proposed changes to the Constitution and Bylaws. Further planning needs to be done by the Council on determining who will be responsible for answering Congregational questions and for the format of the HeBrews meeting. The Executive Committee will prepare a draft agenda for the Congregational meeting and bring it to the Council for review and approval no later than the October regular Council meeting.

Long-Range Plan Update

- **Council approved the establishment of a Long Range Plan Committee with the following initial members: Dave Brandes, Steve Ernst, Dave Larkin, Jim Lachut, Jenny Page, Janet Sliter, Joel Sorensen, Sandy Steele, and Bob Thompson.** [As required by C3.04.01f of the Bylaws]

2013 Ministry Plan - Pastor Ernst has requested additional time to work on the Ministry Plan including incorporating comments received on the draft. Review and approval of the 2013 Ministry Plan must be scheduled by the Council no later than their October regular meeting.

Annual Staff Evaluations - The Executive Committee reviewed the staff evaluation for the period through June 2012 and reported their observations to the Council. No performance issues were identified that raised a moral or legal concern that could affect individual Council member or church legal liabilities.

- **Council, based on the review by the Executive Committee and their report to Council, formally approved the annual evaluations for staff of RLC (including the Lead Pastor) through the period of June 30, 2012.** [As required by C11.04.01.d]

Staff Benefits Committee

- **Council approved revising or retaining the following staff benefits effective January 1, 2013:**
 - **Eliminate the 29% of base salary cap on the total cost of benefits.**
 - **Pay 100% of the Medical/dental premiums for all full time staff and their dependents.**
 - **Eliminate the 10% retirement contribution for ordained/called staff.**
 - **Provide for all full time staff a retirement benefit of 5% of base salary plus an additional match for employee contributions of up to 5%. [Thus the maximum retirement contribution could be 15%; 10% by the church and 5% by the employee.]**

Dave Larkin will incorporate the changes into the Employee Handbook for Council approval.

New Business

Pastor Ernst Continuing Education - Pastor Ernst has agreed to postpone the start of his proposed Doctorate of Ministry program at George Fox until the fall of 2013. Council will incorporate financial support for the program in the proposed 2013 budget.

Contemporary Music Leader

- **Council approved the Contemporary Worship Leader position description and approved posting the position for applicants.**

Steven's B House – A “B” house on Stevens has become available and the owner is willing to sell it to the church without the realtor commission. It is not apparent to the Council that this property would be needed by the church in the foreseeable future, but agreed to make the Congregation aware of the opportunity during the Congregational Meeting.

Three Brothers' Cleaning – Pastor Ernst informed the Council that a family member of the owners of Three Brothers' Cleaning is undergoing a financial crisis and that Three Brothers has asked whether the church could make an advance payment for future cleaning services to help with this crisis. The Council considered the long standing relationship with this business (over ten years) and the unsolicited offer on their part to reduce their price for cleaning services over the first six months of 2012 when RLC was expecting to need to cut back on expenditures.

- **Council approved advancing Three Brothers' Cleaning four months worth of payments for future cleaning services.** [The total amount being advanced is estimated to be \$5,000.]

Elijah Barr Golf Tournament – In memory of Elijah Barr his family has initiated an annual golf tournament to raise funds for charitable purposes. The second annual tournament has been scheduled for September 16, 2012.

- **Council approved Richland Lutheran Church endorsement of the tournament through the RLC Men's Ministry.**

The meeting was closed with praying the Lord's Prayer and adjourned at 9:24 pm.

Dave Larkin,
Secretary

Benevolence Policy

- I. Richland Lutheran Church, in carrying out our mission, offers financial support to ministries and organizations beyond the congregation.
 - A. Though financial support is the focus of this policy, this congregation also promotes service, prayer, and material donations as important means of supporting outside ministries.
 - B. Financial benevolences are classified as “budgetary” and “special giving.”
 1. “Budgetary” benevolences are funded from regular, undesignated offerings.
 2. “Special giving” benevolences are funded from designated gifts.
 - C. In addition to these two categories, the Congregation Council also may publicize “endorsed” benevolences composed of ministries or organizations which the congregation does not support through its budget or special giving, but which have been investigated and deemed worthy of support by individual members wishing to do so.
 - D. “Special givings” will be used for the purpose(s) for which they were donated/intended unless:
 - i. The designated purpose has already been achieved.
 - ii. The designated purpose is no longer a viable ministry of the congregation.
 - iii. The designated purpose no longer fits the scope of the congregation’s mission.
 - E. If contributions, designated for a specific purpose, are not used for the designated purpose, then such contributions, up to a value of 5% of the annual budget, may be used for any other purpose by approval of the Congregation Council. Designated funds above 5% in value of the annual budget may be used for other purposes only with the approval of the Congregation. Before using designated contributions for purposes other than those identified by the donor, a good faith effort will be made to obtain the original donor’s approval for the new use or to return the contribution, if requested by the donor.
 - F. At the time a “special giving” is received, notification of this policy will be given to the donor.

- II. To ensure good stewardship and faithfulness to our mission, the Council recognizes the need to monitor all recipients of financial support.
 - A. Key criteria for benevolent support include:
 1. Compatibility with the congregation’s mission and values
 2. Financial propriety and transparency
 3. Tax-exempt status as defined by the Internal Revenue Service
 - B. The Council will assess the recipients of benevolences on an annual basis.

- III. In keeping with the biblical mandate of the tithe, at least 10% of undesignated offerings will be used for “budgetary” benevolences.
 - A. Ten percent – a tithe of a tithe – will be used to support Lutheran Congregations in Mission for Christ (LCMC) on a national and district level.
 - B. Twenty-five percent will be used to support local ministries.
 - C. Twenty-five percent will be used to support regional and national ministries.
 - D. Twenty-five percent will be used to support international ministries.
 - E. Fifteen percent will be undesignated, in order to allow some flexibility in support of ministries and provide for special needs that may surface during the course of the year.
 - F. Benevolences approved by the congregation as presented in the annual budget will be distributed by the Congregational Council.
 1. Distribution may be adjusted in accordance with changing circumstances.

2. "Changing Circumstances" can refer to our financial situation, emergent needs, or issues addressed in Section II above.
- IV. "Special giving" benevolences provide members with additional opportunities to support worthy ministries.
- A. "Special giving" benevolences must be approved by the Congregation Council; or, at the Council's discretion, by the Lead Pastor.
 - B. "Special giving" benevolences may be promoted in various ways such as temple talks, bulletin inserts, etc.) at the discretion of the Lead Pastor.

CHAPTER 11 BYLAW SECTION

C11.04.02 *Richland Lutheran Church accepts contributions that are designated by the donor for a specific purpose but such designations are not mandatory. "Special givings" will be used for the purpose(s) for which they were donated/intended unless:*

- i. The designated purpose has already been achieved.*
- ii. The designated purpose is no longer a viable ministry of the congregation.*
- iii. The designated purpose no longer fits the scope of the congregation's mission.*

If contributions, designated for a specific purpose, are not used for the designated purpose ~~within five years~~, then such contributions, up to a value of 5% of the annual budget, may be used for any other purpose by approval of the Congregation Council. Designated funds above 5% in value of the annual budget may be used for other purposes only with the approval of the Congregation. Before using designated contributions for purposes other than those identified by the donor, a good faith effort will be made to obtain the original donor's approval for the new use or to return the contribution, if requested by the donor.

Chapter 9: CONGREGATION MEETING

C9.01 The annual meeting of this congregation shall be held at a time specified in the bylaws.

C9.01.01 The annual meeting of this congregation shall be held in October at a date and time selected by the Congregation Council.

C9.01.02 At the annual meeting, the congregation shall elect officers, Council members, nominating committee members, adopt the budget for the next year, receive ministry reports from the staff and Council, hear the ministry plan for the coming year, and conduct any old or new business.

C9.01.03 The quorum for a congregation meeting shall be 10% of the eligible voting members.

C9.01.04 Officers, Council members and nominating committee members **which** are elected at the annual meeting ~~and~~ shall take office on January 1 of the following year.

C9.01.05 The budget adopted at the annual meeting shall take effect on January 1 of the following year.

C9.02 A special congregation meeting may be called by the lead pastor, the Congregation Council, or the president of this congregation, and shall be called by the president of the congregation upon the written request of twenty-five of the voting members. The call for each special meeting shall specify the purpose for which it is to be held and no other business shall be transacted.

*C9.03 Notice of all meetings of this congregation shall be given at the services of worship on the preceding two consecutive Sundays and by mail to all voting members at least 10 days in advance of the date of the meeting. The posting of such notice **by email or** in the regular mail, with the regular postage affixed or paid, sent to the last known address of such members shall be sufficient.*

~~*C9.04 A quorum for congregation meetings will be specified in the bylaws.*~~

C9.04 Voting by proxy or by absentee ballot shall not be permitted.

C9.05 All actions by the congregation shall be by majority vote except as otherwise provided in this constitution.

C9.06 Robert's Rules of Order, latest edition, shall govern parliamentary procedure of all meetings of this congregation.