

SIERRA PACIFIC SYNOD

EVANGELICAL LUTHERAN CHURCH IN AMERICA

Synod Council Meeting

December 8, 2012

Synod Office, Sacramento, CA

Present: Bp. Mark Holmerud, Doug Miller, Dennis Jones, Linda Lownes, Pr. Carl Wilfrid, Larry Struve, Joseph Husary, Pr. Jeff Johnson, Pr. Adisa Armand Miller, Mark Nelson, Rosie Ellis-Falik, , Pr. Susan Birkelo, , James Anderberg, Gisela Daetz, Pr. Newton Kerney, Pr. Sarah Meckler, Kay Valler.

Staff: Bishop's Associate Nancy Feniuk-Nelson; Assistant to the Bishop Pastors Jim Goldsmith, Katy Grinberg, and Jose Luis la Torre Cua dros; Karen Idler, AIM, Executive Assistant; Administrative Assistant Laurie Gaumer; Director of Evangelical Mission Terrance Jacob.

Absent: Sue Hertless, Sheela Boddu, Perry Gray-Reneberg, Elaine Whitney Steve Herzfeldt , Krista Garabedian

Guests: Irv Lownes, Paul Caloric, Lon Smith, Victor Berg-Hogland

ACTION TAKEN BETWEEN MEETINGS

The following action was taken by the Synod Council between meetings through electronic communication:

12.11.57 MSC (Holmerud/Jones) moved that we approve the following changes in the Board of the Elder Care Alliance at the request of Adriene Iverson:

Appoint Mike Telleen into the position vacated by Pastor Pond (first three year term expiring 2013)

Appoint Rahul Joglekar to a "joint appointee" position

Appoint Lynne Katzmann to a "joint appointee" position

Affirm Chuck Ruthroff's approval in 2011 to a term ending in 2014

The meeting was **called to order** at 9:20 AM by Vice President Doug Miller. Opening devotions were led by Pr. Newt Kerney .

Proposed Mission/Vision Statement

Bishop Mark and Pr. Nancy reported on the work of the Visioning Team in developing proposed mission and vision statements for the Synod. The only Synod mission statement that we have was adopted in 1987-based on the ELCA mission statement of that time.

This process began with discussion with the Synod Council and the discipling teams. Since then the ad hoc Visioning Team has met several times-including their last meeting December 7, 2012. They prepared the draft outline that was shared with the Synod Council. The discipling teams will receive it on December 19th and be asked to flesh it out by adding muscle and sinew and skin.

The following is the outline:

As the Sierra Pacific Synod:

We are:

a people called together by the insistent urging of the Holy Spirit, empowered to be followers of Jesus Christ, rooted in God's unconditional love.

We Hope:

*to Embody the love of God
to Share the good news of Jesus
to Equip one another as followers of Jesus
to Engage in God's call for peace through justice
to Challenge communities of faith to honor their past and adapt for their future
to Build inclusive communities*

We Will:

*Live in community
 worshiping
 praying
 serving
 being fed*

Honor

*Lutheran identity
Questions and doubts
A spectrum of experiences*

Proclaim in Word and Deed

*God's love
Radical hospitality
Truth to power*

Strive for Peace and Justice locally and globally

*Recognize needs
Accompany
Advocate
Serve and be served*

Budget Listening Meetings November 27

A report was made by Dennis on the results of the November 27 Listening Meetings and copies of the ideas generated at the meetings were distributed. Several members of the Executive Committee commented on the positive attitude of all who spoke and the value of the ideas and feedback provided.

Proposed 2014 Synod Budget

An outline of the proposed 2014/15 Budget was presented by Treasurer Linda Lownes. It would require approximately \$500,000 in additional revenue to be in balance.

Linda described our historic budget development process:

Finance Committee has historically developed the budget in consultation with Exec Committee. Synod assembly eventually approves the budget at the Assembly. The Treasurer and Finance Committee then develop the spending plan.

She indicated that so far the process this year has been different. The meetings on November 27th to get input from outside groups and individuals has not occurred before. There have been other suggestions that we have even more involvement from others during the budget development process.

There were a number of questions and concerns raised regarding not only the FY 2014 budget outline but how the budget will be implemented once passed. They included:

- How do we spend money from New and Renewing Fund?
- How do we manage the property/who manages the property?
- How do we decide whether we want to sell, gift, or keep any or all the property?
- Property expenses including legal fees and appraisals are being paid from the Synod operating account-which seems wrong.
- Synod operating account monies were used to resurface the parking lot of one of the churches, this is not right.
- We need a management team to manage the property
- We need an investment plan for the gifts that we have been given.
- We need to create space and a process to deal with this property. The Catholic church is effective in using/repurposing property
- It often takes 1-2 years to sell a church. We need a long range plan
- We need to get the Investment Committee going
- The Synod Council needs to part of the budget conversation today and beyond
- We need to have increased transparency in the budget process as has been requested.

Linda indicates she will activate the investment committee.

Linda asked for comments on specific items on the budget and the following comments were made:

- What direction should we give the Finance Committee before they bring the budget back to us?

- What about the alternative budget. What should be cut in order to create an alternative budget that is balanced?
- Budget needs to have smaller deficit than the budget last year
- Can we reduce size of the budget deficit from last year by \$150K to \$200K to show good faith?
- We need to present a budget that is in balance.
- If we go forward recommending a budget that is unbalanced-we will not meet our legal responsibilities.
- Finance Committee should look at the bigger policy issues:
 - How much is enough as reserve??
 - What size Endowment do we want to develop-based on our needs?
- If our projected revenue is \$500,000 less than the proposed budget, we could sell one of the properties over the next 6 months and the budget would be balanced.
- Suggest that we reduce the \$500,000 shortfall in the draft budget Linda presented to \$250,000, ask Finance Committee to support the \$250,000 shortfall in 2014 and 2015, and develop a permanent way of supporting \$250,000 for subsequent years.
- Increase the building corpus to \$10 million and then use the revenue to support the whole shortfall
- No one wants to reduce money for existing programs.
- We can live with a deficit budget if we have a plan to fill the deficit when liquid funds run out
- When Finance Team comes back in January, they should have a policy with regards to liquidating properties. Are there any options in Hollister and Richmond with the congregation leasing those two properties to buy them? Getting to \$10 million is not easy.
- Hasn't been any talk about faith/stewardship.
- If we did not have assets would our spending mentality be different?
- In El Salvador with Disciple's pastor because someone in 1940 gave money to support seminary
- Need to talk about the stories of what these funds buy.
- How do we get our congregations to give more to fund synod budget when we fund it with reserves when they do not give?.
- 2014 is election year for Bishop. There needs to be contingency fund set up if there is a change in Bishop at the Synod Assembly.
- How do we promote what is happening with stories to build up giving?
- If Executive/Finance comes together with recommendation need to show how we cover the shortfall in the FY 2014 budget.
- Linda needs direction on how to do cuts to achieve a balanced budget.
- Jeff asked for a \$200,000 cut starting with ELCA support and mission partners. He would like to see the budget with a scenario of how much is necessary to accomplish what it is that we have made our mission.
- Need to make sure that we have a plan to balance the unbalanced budget to fund the budget shortfall.
- Suggest that we consider cutting staff and Bishop said it is on the table.
- We increase our credibility to get budget passage if we pull back a bit.

- Suggest we tell the ELCA to send someone to our January meeting to discuss pulling back on ELCA mission support.

SC12.12.58MS (Valler /Daetz) moved to amend new and renewing congregation rules and establish that when the “Reserve Fund” reaches \$8 million, the funds from any additional property sold would be divided with 50% going into the reserve fund and the other 50% available to meet ongoing expenses.

SC12.12.58MSC (Valler/Johnson) to table the previous motion.

SC12.12.60MSC (Johnson/Lownes) moved to invite an ELCA representative to attend the January Synod Council Meeting to participate in our Budget Discussion as we are considering reducing our mission support.

Meeting adjourned at 3:15 PM. Pr. Katy led the closing prayer .

Respectfully Submitted,

Dennis Jones

Synod Secretary