

**ELIZABETHTOWN CHURCH OF THE BRETHREN**  
**Special Church Council Meeting Agenda**  
**August 4, 2024 at 11:30 am**  
**Sanctuary and Zoom**

- |      |  |                                    |
|------|--|------------------------------------|
| I.   | Welcome & Call to Order  | Moderator                          |
| II.  | Opening Prayer   | Pastor Naomi                       |
| III. | Introduction of ANE District Executive, Pete Kontra  | Moderator                          |
| IV.  | Introduction of the First Two Business Items   | Board Chair                        |
|      | ACTION ITEMS:  |                                    |
|      | a. Call for Liz Bidgood Enders to serve 2/3rds (part-time) Pastor for Congregational Care at Etown CoB. (Exhibit A) (needs 2/3 vote) |                                    |
|      | b. Approve the financial package for the balance for 2014 (Exhibit B) (simple majority)  |                                    |
|      | c. Discussion on the above items.  | District Executive and Board Chair |
|      | d. Distribution of ballot (single sheet, two votes)  | Board Chair                        |
|      | e. Voting Instructions   | Board Chair                        |
|      | f. Musical Interlude   |                                    |
|      | g. Report Results  | District Executive                 |
| V.   | Endowment Integrity Committee Report from Church Board to Council Action Item (Exhibit C)  | Board Chair                        |
| VI.  | Elizabethtown Memorial Fund Paper (Revisions) Action Item (Exhibit D and E)  | Board Chair                        |
| VII. | Concluding Comments and Prayer   | Moderator, Board Chair, Pastor Liz |



To the Elizabethtown Congregation:

We are thrilled to announce the Church Board has affirmed the recommendation from Executive Committee to put forth a vote at a special council meeting on August 4 to call Liz Bidgood Enders to this congregation as 2/3-time pastor, beginning September 1, 2024. The vote at that time would include two pieces: to call Liz to ministry at the Etown CoB, and to approve the compensation package.

Since joining us, Pastor Liz has brought warmth, dedication, and a fresh perspective to our community. Her compassionate approach to ministry, particularly in the area of Congregational Care, has been a source of great comfort and support to many. We are grateful for her ongoing contributions and are excited about the future as she continues to guide us spiritually.

We also want to acknowledge Pastor Liz's wonderful family—her supportive husband, Greg, and their three children, Micah, Kara, and Jonah. Their presence and involvement in our church community have been a blessing to us all.

The extension of Pastor Liz's contract to 2/3 time will allow her to dedicate more energy and focus to our church's needs, ensuring that we continue to grow in faith and fellowship. We are blessed to have a Pastoral Team that works incredibly well together, including Pastor Naomi, Pastor Jason, and Pastor Liz. Their collaborative efforts create a harmonious and effective ministry, serving our congregation with unity and love.

Please join us in expressing our heartfelt gratitude to Pastor Liz for her ongoing commitment and service. We are blessed to have her as a part of our church family and eagerly anticipate the wonderful things that lie ahead.

In Love and Peace,

Kevin Engle, Church Board Chair

**Exhibit B**

	Interim Contract Current - Exp.8/31/24	Annual	Sept 1 - Dec 31, 2024
	1/2 time	2/3 time	2/3 time
Salary	\$ 38,411.00	\$ 54,468.00	\$ 18,156.13
Housing	\$ -	\$ 8,000.00	\$ 2,666.67
Pension	\$ 4,609.32	\$ 7,496.14	\$ 2,498.74
Medical	\$ 179.26	\$ 268.88	\$ 89.63
Pastor Related expenses	\$ 4,371.00	\$ 4,482.11	\$ 1,100.71
<b>Total</b>	<b>\$ 47,570.58</b>	<b>\$ 74,715.13</b>	<b>\$ 24,511.88</b>

COB Pastoral Experience Scale (25 years) \$ 81,702.00

Executive Summary of Endowment Integrity Committee Report to the Church Board and Council in 2024

## Endowment Integrity Committee Report to Church Board, 2024

The Elizabethtown Church of the Brethren has an annual operating budget of approximately \$900,000 and endowment funds totaling approximately \$2,000,000. During multiple Council meetings over the past two years, concerns have been raised about the relationship of the endowment funds to the annual operating budget. It was suggested that (1) there was a severe imbalance with an excessive aggregate amount in the endowment funds in comparison with our annual operating budget; and (2) we, with our Anabaptist/Brethren understanding of the way of Jesus, need to examine carefully the way we handle our money as a congregation.

A committee was formed to do a “deep dive” study into these topics and report to the Board and congregation. Kevin Engle was appointed to lead the committee. Committee members are Christina Bucher, Herb Hockley, Jason Haldeman and Ray Leckrone, Technical Advisor. To engage the congregation and stimulate thinking on these topics, a 6-week Faith Formation series “Money Talks” was conducted in September and October, 2023.

The issues that we have dealt with are complex. To lessen the complexity, we have limited our study to the role of endowment funds in the financial support of our congregational ministries.

Basic questions discussed by the committee include:

1. Why have an endowment fund? What is the purpose?
2. How are we Mission & Ministry driven?
3. What is the most efficient use of our funds?
4. What are the theological guidelines to our giving and use of the funds?

The church budget plays a crucial role in congregational life. It reinforces and enables the advancement of our mission and should reflect key priorities. Our vision, not our perception of resources, should drive the budget process.

Our current practice of endowment management is not driven by mission and ministry, but rather, it is driven by the classic endowment strategy of placing money in the financial markets, taking out a small percentage (generally 4%) each year, enabling the endowments to grow indefinitely.

Our current approach to managing our endowment funds prioritizes the maintenance of the endowments over distributions. When there are financial market downturns, we usually reduce fund payouts. We’re challenging this approach for our service oriented faith community on the premise that it is not consistent with our mission & ministry to employ a strategy that makes us investment-rich and operating-cash-poor, limiting our use of available financial resources to meet current human needs.

Classic endowment strategy makes it impossible to simultaneously satisfy both perpetuity and intergenerational equity. Safeguarding perpetuity by cautious payouts frustrates the optimal use of resources. If we are essentially protectors of money, we focus on money and not on the good the money can do. This congregation will not live forever. What matters is not the length of congregational life, but how thoughtfully its resources are used.

## Executive Summary of Endowment Integrity Committee Report to the Church Board and Council in 2024

Classic endowment strategy also assumes that future investment performance will imitate past performance. A healthy, active, and vigilant congregation should expect donations to continue into the future. New donations are the real assurance of long-term survival.

To demonstrate the shortcomings of our current practices, and to provide the basis for an alternative practice, a critical analysis was conducted with the objective of discerning a practical, optimal alternative to our current strategy. Ultimately, this critical analysis established the optimal length of endowment funds at about 32 years using time honored expectations about long run market experience. Lastly, the assumption of tithing our financial resources is included: distributing up to 10% annually from the endowment funds. 10% was selected since it is relatable to tithing and approximates 11.5%, the optimal rate established through our analysis.

### **Recommendations**

1. Encourage future donors to provide gifts without restrictions. Undesignated gifts are the most beneficial gifts to further the mission and ministry of the Church.
2. Respectfully honor the intentions of donors and observe all specifics of the donors' instructions.
3. Determine how donors instructions permit congregational flexibility concerning the extent of annual payouts from funds.
4. Transition to consistent linkage between endowment funds and operating budget. The endowment funds should support the budget.
5. Establish a one-year protected emergency reserve fund (50% of the current operating budget amount) utilizing the endowment funds and unrestricted cash for this purpose.
6. Allow annual draw from endowment funds of up to 10% of the current value, as long as protected reserve funds remain available. Without additional donations, the endowment funds should last from 30 to 35 years at projected rates of return. With additional donor contributions, the funds should last indefinitely.
7. Produce consistent, predictable annual payouts from endowment funds by using a three-year moving average of endowment fund values as the basis for payouts.
8. The creation of a Stewardship Committee.
9. Revise Memorial Fund Paper of May, 2016 to enact these recommendations.

Elizabethtown Church of the Brethren  
Memorial Fund Paper Approved by Church Council, ~~May 2016~~

~~I. Purpose~~

~~The Memorial Fund has been established and is administered by the Resources Commission and the Board of the Church of the Brethren at Elizabethtown, PA, hereinafter referred to as "the Church," to accept bequests or contributions in memory of a loved one as a living and lasting testimony.~~

**I. Purpose**

*The Memorial Fund is established by the Elizabethtown Church of the Brethren (hereinafter referred to as "the church") to accept bequests or contributions in memory of a loved one as a living and continuing testimony. The purpose of the fund is to give direct support to the ministries of the Church. It is administered by the Church board with appropriate input from commissions, committees, and other bodies responsible for any special interest of the Memorial Fund.*

*Context is a vital consideration in evaluating the role of the Memorial Fund. Jesus gave total commitment to the way of peace, service and openness to all. He held nothing back from his ministry. He was especially critical of amassing wealth while great needs exist in the world. We heed that advice and seek to maximize the utilization of our financial resources to advance the ministries of the Church. This is a priority over the buildup of large, underutilized funds.*

**II. Procedure for Giving**

- A. Members and friends of the Church desiring to contribute to *the Memorial Fund*, a fund in memory of a loved one may give a monetary gift by designating the gift for the Memorial Fund (or a particular sub-fund as described in Section VI). Donors should include their name and the name of the person they wish to honor (*if applicable*). Letters of appreciation for these contributions will be sent. ~~by the Resources Commission.~~
- B. Undesignated memorial gifts *are the most beneficial gifts to further the mission and ministry of the Church. Undesignated memorial gifts* ~~the Church receives (as a gift or bequest)~~ will be divided and placed in the Memorial Fund with one-half going into the Facility Fund and one-half to the Outreach and Ministerial Education Fund.
- C. *A donor may direct their gift to one of the existing funds listed below (Section VI).* If a donor wants to give something to the Church which is not included in the funds listed below (Section VI) the Church Board will consider such a request to determine whether or not such a gift can be accepted.

Recommendation of revisions of Memorial Paper 2016 by the Endowment Integrity Committee, approved by the Church Board to bring to Council for vote.

### III. Notification of Family

When gifts for a person are given to this fund, the ~~Resources Commission~~ *the family* will ~~be promptly notified~~ *notify the family* by mail, indicating the names of the donors.

### IV. The Book of Remembrances

A Book of Remembrances will record the names of the donors and the name of the person honored. The Book will be kept in the Church Library.

It is Church policy that no plates, plaques or inscriptions of names of either the person honored or donor shall be placed on items purchased or donated. It should be understood that items donated may need to be replaced, and the Church may do so at its discretion.

### V. Record of Gifts

All gifts will be properly recorded by the Financial Secretary and Treasurer. All gifts to and expenditures from these funds will be reported to the Church Council. The ~~Investment~~ *Finance* Committee shall recommend to the Treasurer the investment vehicles for these funds.

### VI. Memorial Fund Type and Uses

~~Some or all of a memorial gift may be designated for a specific use in the Church by the family of a person to be honored or by a donor.~~

*Undesignated gifts are the most beneficial gifts to further the mission and ministry of the Church. While we strongly encourage undesignated gifts, some or all of a memorial gift may be designated for a specific use in the Church by the family of a person to be honored or by a donor. Establish a one-year protected emergency reserve fund (50% of the current operating budget amount) utilizing the endowment funds and unrestricted cash for this purpose. Allow annual draw from the endowment funds of up to 10% of the current value, as long as protected reserve funds remain available.* The following are examples:

#### A. Facility Fund:

1. The purpose of the Facility Fund is to provide an Emergency reserve fund and a fund to support capital improvements and repairs. ~~The intent is to preserve a principal amount of the fund and only use income and/or appreciation for non-emergencies. Since outreach has a separate fund, the focus of this fund is facility and financial stability.~~
2. This fund is administered by the Resources Commission in consultation with the ~~Financial Investment~~ *Finance* Committee.
3. ~~The Facility Fund has a minimum targeted value of ten (10%) percent of the insured value of the Church's property, both real estate and other (as~~



Recommendation of revisions of Memorial Paper 2016 by the Endowment Integrity Committee, approved by the Church Board to bring to Council for vote.

~~of 2016 this amount is \$718,440). This targeted value is consistent with endowment practices of non-profit institutions of similar size. The percentage may be changed by Church Council approval of a recommendation to that effect presented by Resources Commission.~~

**B. Outreach and Ministerial Education Fund:**

This fund is to be used for ~~non-budgeted~~ outreach ministries and/or for the expenses of those members of our congregation who are considering/preparing for ministry or engaged in other denominational service. An amount ~~equal~~ *up to 10%* 4% of the Outreach and Ministerial Education Fund *(calculated from a three-year rolling average)* is available yearly. ~~for grants.~~ Annual grants can be made by the Board upon recommendation of the Witness Commission. The Treasurer shall advise the Witness Commission regarding annual withdrawals.

**C. Ezra and Esther M. Bucher Music Fund:**

In 1999 the Bucher Family set up this fund to enhance the quality of the music program of our Church beyond the resources of its regular music budget. Proceeds of the fund will be used for special presentations and purchases that will add distinction and quality to the music program of our congregation

**D. Christian Education Fund:**

The Christian Education Memorial Fund consists of funds contributed to the Church ~~(bequests or other gifts)~~ designated for Christian Education. Earnings and principal from the fund may be spent annually for non-consumable items or special projects for the Christian Education program of the Church. A maximum of 35% of the total fund value ~~(principal and interest earned)~~ may be spent annually for the above designations and must be approved by the Christian Education Commission.

**E. Pastoral Housing Fund:**

This fund was started in 1997 when the Church sold its parsonage to the Atlantic Northeast District of the Church of the Brethren and earnings are used toward the housing allowance.

**F. Annuity Fund:**

This is a Charitable Gift Annuity Fund. Donors can establish a living income gift contract by investing a sum of \$10,000 at a special rate of interest while living with proceeds going to the Church at their passing.

Recommendation of revisions of Memorial Paper 2016 by the Endowment Integrity Committee, approved by the Church Board to bring to Council for vote.

**G. *Miriam O'Donnell Fund* ~~Music Ministries Fund~~:**

This fund is to be used for the support of all aspects of the Music Ministries of the Elizabethtown Church of the Brethren. An amount ~~equal up to 4%~~ **10%** of the balance in the *Miriam O'Donnell Music Ministries Fund* (*calculated on a 3 year average*) ~~at the beginning of each year~~ is available ~~annually~~ **yearly** to fund purchase of specific equipment, instruments, supplies or other items related to the Music Ministries or to cover a portion of the salaries of personnel involved in the Music Ministries of the church. Annual grants can be made by the Board upon the recommendation of the Expressions Commission.

**Other Memorial Funds**

1. Any Special Funds the Church may currently be operating, such as Benevolence, Pipe Organ or Building Fund - The Church staff, Board Chair or Moderator can (or Board should) be consulted as to current funds and needs.
2. Memorial Garden or Landscaping — The Resources Commission has a master landscaping plan for the Church grounds and can give suggestions should a donor desire to honor a person in this method. ~~Prices of shrubbery or trees can be obtained through the Resources Commission.~~
3. Outreach Ministries — Persons may wish to designate gifts to special outreach projects that the Church supports, which would be over and above the budgeted amounts. The Church's budget can be consulted for a list of projects the Church is currently supporting. Use of undesignated gifts for immediate outreach shall be determined by the Witness Commission.
4. Other Monies or Gifts — The Resource Commission will update at least annually a Board-approved listing of additional items (the Wish List) which may be donated or purchased to honor a loved one.

**VII. Approval and Modifications of this Paper**

This Paper originally adopted by Council on May 19, 2002 was updated on May 20, 2007, November 2008, ~~and~~ May 15, 2016, *and August, 2024*. In accordance with the Church's Constitution, this Paper can be amended by Council.

**Elizabethtown Church of the Brethren  
Memorial Fund Paper  
Submitted to Church Council, August 2024**

## **I. Purpose**

The Memorial Fund is established by the Elizabethtown Church of the Brethren (hereinafter referred to as “the Church”) to accept bequests or contributions in memory of a loved one as a living and continuing testimony. The purpose of the fund is to give direct support to the ministries of the Church. It is administered by the Church board with appropriate input from commissions, committees, and other bodies responsible for any special interests of the Memorial Fund.

Context is a vital consideration in evaluating the role of the Memorial Fund. Jesus gave total commitment to the way of peace, service, and openness to all. He held nothing back from his ministry. He was especially critical of amassing wealth while great needs exist in the world. We heed that advice and seek to maximize the utilization of our financial resources to advance the ministries of the Church. This is a priority over the buildup of large, underutilized funds.

## **II. Procedure for Giving**

- A.** Members and friends of the Church may contribute to the Memorial Fund. Donors should include their name and the name of the person they wish to honor (if applicable). Letters of appreciation for these contributions will be sent.
- B.** Undesignated gifts are the most beneficial gifts to further the mission and ministry of the Church. Undesignated memorial gifts will be divided and placed in the Memorial Fund with one-half going into the Facility Fund and one-half to the Outreach and Ministerial Education Fund.
- C.** A donor may direct their gift to one of the existing funds listed below (Section VI). If a donor wants to give something to the Church which is not included in the funds listed below (Section VI) the Church Board will consider such a request to determine whether or not such a gift can be accepted.

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- F. Annuity Fund:** This is a Charitable Gift Annuity Fund. Donors can establish a living income gift contract by investing a sum of \$10,000 at a special rate of interest while living, with proceeds going to the Church at their passing.
- G. Miriam O'Donnell Fund:** This fund is to be used for the support of all aspects of the music ministries of the Elizabethtown Church of the Brethren. An amount up to 10% of the balance in the Miriam O'Donnell Fund (calculated from a three-year rolling average) is available yearly to fund purchase of specific equipment, instruments, supplies or other items related to the music ministries or to cover a portion of the salaries of personnel involved in the music ministries of the church. Annual grants can be made by the Board upon the recommendation of the Expressions Commission.

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