

Sovereign Grace Churches Council of Elders Meeting Minutes
Nashville, TN, October 21, 2014

1) Mark Prater, executive Director of Sovereign Grace called to order the fourth meeting of the Council of Elders in 2014 at 9 am on Tuesday, October 21, 2014 at the Millennium Maxwell House in Nashville, TN. 66 of 68 delegates, representing 65 churches who signed the letter of intent to establish Sovereign Grace Churches.

2) **Approval of Agenda.**

Mark Prater presented the proposed agenda for the meeting (below) that was approved by voice vote:

- a. Recognize new churches who have signed the Letter of Intent since the last CoE meeting.
- b. Roll call. Confirm quorum.
- c. Motion to approve the meeting agenda.
- d. State of the Union Address for Sovereign Grace Churches by Mark Prater.
- e. Recognize the Rules Committee for a brief review of the Roberts Rules of Order.
- f. Confirm approval of the old Council of Elders Meeting Minutes.
- g. Conduct vote for the nominees for the Executive Committee.
- h. Presentation and affirmation of the new ordination guide, process, and exams (3/4 majority vote needed).
- i. Update from the Theology Committee regarding the motion to change a section of the SG Statement of Faith.
- j. Present and affirm the Sovereign Grace budget for fiscal year 2014-15.
- k. Discuss and affirm the proposed amendments to the Book of Church Order.
- l. Follow up on the motion to form a Missions Committee that was affirmed in the May 2013 CoE meeting.
- n. Other business.
- o. Motion to establish the date for the next Council of Elders meeting.
- p. Motion to adjourn.

3) **Recognize the Rules Committee.**

(Eric Holter, Aaron Law, and Marty Machowski). Eric presented a review of Robert's Rules of Order.

- a. A motion was made to limit debate to 30 minutes per main motion, with each person limited to 5 minutes. Subsidiary motions would be limited to 15 minutes. A two-thirds majority approved.
- b. A motion was made to allow the Executive Committee to approve the minutes for all CoE meetings. A simple majority approved.

4) **Confirm Approval of the old CoE Meeting Minutes.**

Mark Prater presented the official minutes from the October 29, 2013 meeting. These previously approved minutes were confirmed by a simple majority and are available on the Sovereign Grace website.

5) **Vote for Executive Committee Members.**

Mark Prater conducted the vote for 5 open executive committee positions.

a. The nominees were:

- | | |
|--------------------------------------|---------------------------------------|
| i. Mickey Connolly. Charlotte, NC. | vii. Daniel Baker. Apex, NC. |
| ii. Paul Buckley. Haverhill, MA. | viii. Grady Van Wright. Pearland, TX. |
| iii. Dave Taylor. Sydney, Australia. | ix. Greg Dirnberger. Sioux Falls, SD. |
| iv. Ken Mellinger. Harrisburg, PA. | x. Scott Crook. Chaska, MN. |
| v. Bruce Chick. Roanoke, VA. | |
| vi. Brian Chesemore. Louisville, KY. | |

b. The following were elected to serve:

i. Mickey Connolly. Charlotte, NC.

ii. Paul Buckley. Haverhill, MA.

iii. Dave Taylor. Sydney, Australia.

iv. Ken Mellinger. Harrisburg, PA.

v. Bruce Chick. Roanoke, VA.

6) **Presentation of the proposed Ordination Standards and Exams.**

Jeff Purswell presented the ordination material on behalf of the Leadership Team. According to section 15.3.8 of the BCO, a three-fourths majority vote by the CoE is required for approval. In addition, three-fourths of all Church Regions must also approve.

a. A motion was made to give Church Regions 30 days to ratify, and for the Ordination Standards to be effective six months after ratification. A simple majority approved.

7) **Update from Theology Committee regarding prior motion to change a section of the Statement of Faith.**

A motion was made to indefinitely postpone a vote on the prior motion to change a section of the Statement of Faith to allow the Theology Committee to complete a more thorough review of the entire Statement of Faith. The motion to postpone the vote was approved by a vote of 43-17.

8) **Present and affirm the Sovereign Grace budget for fiscal year 2014-15.**

Mark Prater presented the proposed annual budget for affirmation by the Council of Elders, which had been previously approved by the Executive Committee in August 2014 (attached). A simple majority approved.

9) **Proposed amendments to the Book of Church Order.**

Phil Sasser, Chairman of the Polity Committee, presented 19 proposed amendments to the Book of Church Order (attached). Amendments to the BCO are governed by Section 15.3.3 and require a simple majority vote to be adopted. Amendments 1-9 were approved by unanimous consent. Amendments 10-14 and 16-19 were approved by a simple majority. Amendment 18 was referred back to the polity committee to re-write with assistance from the church plant team.

10) **Motion to establish the date for the 2015 Council of Elders meeting.**

Mark Prater proposed October 27, 2015 for the next annual CoE meeting in conjunction with the Pastors Conference being held October 27-29 in Indianapolis, IN. A simple majority approved.

11) **Motion to Adjourn the Meeting.**

The meeting was adjourned in the afternoon on October 21, 2014 by a simple majority vote.

**BCO AMENDMENTS
OCTOBER 21, 2014
COUNCIL OF ELDERS MEETING**

PART ONE

AMENDMENTS APPROVED BY UNANIMOUS CONSENT

AMENDMENT 1 - BCO 1.10.1

1.10.1 – Proposed new footnote:

"These privileges include the support and protection provided by the Regional Assemblies of Elders, participation in and protection by the Council of Elders, access to specialized theological training through the Sovereign Grace Pastors College, training that occurs in our various conferences, certain websites and online discussions, financial help for church planting, and all the benefits that result from our shared life as defined by this Book of Church Order and other Sovereign Grace documents."

RATIONALE: *Current footnote in BCO is too specific on the names of conferences and other aspects of Sovereign Grace, which might change in the future.*

AMENDMENT 2 - BCO 9.4 Elders that have not been ordained by Sovereign Grace

Delete this section because it is no longer relevant for the BCO.

AMENDMENT 3 - BCO-13.2.7.1.a Ordination Committee

RATIONALE FOR AMENDMENTS 3-7: *Adds term lengths, clarity on term limits, etc. to various committees.*

Insert the following at the end

"The term of office will be 3 years. There are no limitations on the number of terms that an elder may serve. If a committee member resigns his position or is removed from his position, then, after recommendations from the Regional Nominating Committee, the Regional Assembly will elect another elder to serve the remainder of the term as needed."

AMENDMENT 4 - BCO-13.2.7.1.b Judicial Review Committee

Insert the following at the end

"The term of office will be 3 years. There are no limitations on the number of terms that an elder may serve. If a committee member resigns his position or is removed from his position, then, after recommendations from the Regional Nominating Committee, the Regional Assembly will elect another elder to serve the remainder of the term as needed."

AMENDMENT 5 - BCO-13.2.7.1.c Church Planting Committee

Insert the following at the end

"The term of office will be 3 years. There are no limitations on the number of terms that an elder may serve. If a committee member resigns his position or is removed from his position, then, after recommendations from the Regional Nominating Committee, the Regional Assembly will elect another elder to serve the remainder of the term as needed."

AMENDMENT 6 - BCO-13.2.7.1.d Regional Nominating Committee

Insert the following at the end:

"The term of office will be 3 years. There are no limitations on the number of terms that an elder may serve. If a committee member resigns his position or is removed from his position, then, after recommendations from the Regional Nominating Committee, the Regional Assembly will elect another elder to serve the remainder of the term as needed."

AMENDMENT 7 - BCO - 15.3.1.3 The Polity Committee

Change the first sentence in the first paragraph from

"The Council of Elders will thus create a Polity Committee whose mandate will be to review the Book of Church Order and propose amendments as necessary."

To:

"The Council of Elders will thus create a Polity Committee. It shall consist of 7 members whose terms will be 3 years each. There will be no limit on the number of terms that an elder may serve. If he is unable complete his term, then, upon the recommendation of the Sovereign Grace Nominating Committee, the Sovereign Grace Council of Elders will elect another to

fulfill his office and term. The Polity Committee's mandate will be to review the Book of Church Order and propose amendments as necessary and to fulfill whatever other polity needs that Sovereign Grace Churches may have, as deemed so by the Council of Elders."

AMENDMENT 8 - BCO - 15.3.1.4 The Theology Committee

Change the section from

"The Council of Elders will also create a Theology Committee whose mandate will be to review the Statement of Faith, to propose amendments to it if necessary, and to advise the Council on amendments to the Statement of Faith which may be proposed by other Council members (cf. BCO-15.3.2)."

To:

"The Council of Elders will also create a Theology Committee. It shall consist of 7 members whose terms will be 3 years each. There will be no limit on the number of terms that an elder may serve. If committee member is unable to complete his term, then upon the recommendation of the Sovereign Grace Nominating Committee, the Sovereign Grace Council of Elders shall elect another to fulfill his office and term. The mandate of the Theology Committee will be to review the Statement of Faith, to propose amendments to it if necessary, to advise the Council on amendments to the Statement of Faith which may be proposed by other Council members (cf. BCO-15.3.2) and to fulfill whatever theological needs that Sovereign Grace Churches may have, as deemed so by the Council of Elders."

AMENDMENT 9 - BCO-17.3 The Executive Committee

17.3 should be removed because it relates to a situation no longer relevant.

AMENDMENT 10 - BCO-24.8 Trial Results

Current 24.8.1 is changed to an introductory paragraph for this section. The following sentence is then added to the end of the existing paragraph:

"The following five are the possible results of a trial:"

Subsequent sub-sections become:

24.8.1 Cleared of Charges

24.8.2 Private Rebuke

24.8.3 *Public Rebuke*
 24.8.4 *Removal from Office*
 24.8.5 *Excommunication*

RATIONALE: *Makes the numbering scheme of this section less confusing.*

AMENDMENT 11 - BCO-18 Leadership Team

[SUBMITTED BY THE LEADERSHIP TEAM]

Change 18.4.2 Director of Church Planting and Missions from:

Coordinates church planting, international missions and church adoptions

To:

Coordinates church planting and church adoptions

Change 18.4.4 from:

Director of Church Care

To:

Director of Church Development

Add 18.4.6 Director of Global Missions

Leads our global missions efforts by casting vision, providing theological discernment, and implementing strategic plans in coordination with our global partners.

PART TWO

AMENDMENTS APPROVED BY SIMPLE MAJORITY

(except for Amendment 15)

AMENDMENT 12 - BCO 9.3.9 The Ordination Service

Remove the bullet, "Do you promise to supply him with sufficient material maintenance and to furnish him with whatever you may see needful for the promotion of the gospel and for his comfort among you?"

Add in its place:

"Do you promise to supply him with whatever material support he may need to fulfill his ministry among you?"

RATIONALE: *The use of "for his comfort" at the end of the question seemed to create ambiguity and might imply a bias against bi-vocational elders.*

AMENDMENT 13 – BCO-12.1 (BCO-12 is Local Church Bylaws)

This amendment would remove the current 12.1 and replace it with the following:

12.1 The constitution and bylaws of each local church must be fully consistent with the general principles and prescriptions of the Sovereign Grace Book of Church Order. Each church will have one year from the date of signing (or ratifying) the SGC Partnership Agreement to bring their church bylaws into conformity with the BCO. It is highly recommended that each church take the initiative to have their bylaws reviewed by their RJC in order to identify any areas that might need adjustment prior to signing the partnership agreement.

RATIONALE 13: *It is essential that a church's bylaws be consistent with our BCO. It is recommended that a church submit its bylaws to their RJC for review.*

AMENDMENT 14 - BCO-13.1 What is a Region?

13.1.1-13.1.7 will be removed and replaced with the following:

13.1.1 A Region is comprised of five to twenty Sovereign Grace churches within a designated geographical area. Temporary exceptions to these size limits may be made with the permission of the Leadership Team and the majority vote of the respective Regional Assembly of Elders.

13.1.2 The Regional Assembly of Elders consists of all the elders of the local churches in a given Region (although at most five elders from each church shall be voting members). It is the primary place of support, care, accountability, and cooperation in mission outside of the local church. The responsibility for the mutual care and support of churches within a Region is not merely given a single man but rather falls to the entire Regional Assembly of Elders as a body.

Regions will be organized primarily on the basis of geographical considerations, but may also include linguistic considerations.

13.1.3 Global Regions may be formed. This will be facilitated by the Leadership Team. In cases where a Global church desires to join a North American Region due to relationship or geographic isolation, it may do so with the approval of a majority of the pastors in that Region.

13.1.4 Any realignment of a Region or additions to Regions must be approved by a majority vote of the pastors within the current Region.

13.1.5 A quorum consists of at least half of the voting members of the Regional Assembly of Elders. A quorum must be present for all binding votes.

RATIONALE: *We realize that there will be occasions when we need some flexibility in creating regions. This is an attempt to balance the need for flexibility with a commitment to the integrity of what a region is.*

AMENDMENT 15 – BCO-13.2.5 Church Adoptions

The proposed amended language for this proposed amendment was referred back to the polity committee to re-write with the assistance of the church plant team.

AMENDMENT 16 - BCO-23.1 Excommunication

Change sentence in third paragraph from

"If, in due course, the member remains in sin and is resistant to the appeals of the elders, the elders must tell it to the church with a congregation-wide call to repent."

To:

"If, in due course, the member remains in sin and is resistant to the appeals of the elders, the elders must tell it to the church, so that the church may call the member to repent."

RATIONALE: *This measure is designed to give local elders some flexibility in how they implement the final step of church discipline.*

AMENDMENT 17 - BCO-24.1 The Purpose of 1 Tim. 5:19-21

The following paragraph should be added at the end of the current BCO-24.1:

"Should an elder confess to serious sin, and agree to resign from his position, the Regional Judicial Review Committee should be contacted to appoint a moderator of just cause to review the resignation agreement to confirm a trial is not necessary. Should the moderator determine the process and agreement are fair and freely agreed upon, the eldership will follow the guidelines contained in BCO-24.8.5."

RATIONALE: *The amendment fills a gap in the current BCO, which currently makes no provision for an elder who admits to his sin and then resigns because of it.*

AMENDMENT 18 - BCO-24.8.2 Cleared of Charges

Currently, the BCO states in 24.8.2 Cleared of Charges,

"The defendant is not found to be at fault or there is insufficient evidence to prove guilt beyond reasonable doubt."

This sentence would be amended to read,

"The defendant is not found to be at fault or there is insufficient evidence to establish proof of guilt by clear and convincing evidence."

(Note: If this sentence were to be amended here, it would also have to be amended in the Rules of Procedure for Adjudications 3.1.8)

RATIONALE: *The highest standard of evidence in a court of law is "beyond reasonable doubt," and this seem too high for our purposes. "Clear and convincing evidence" makes better sense.*

AMENDMENT 19 – BCO-14.1, BCO-18.1, BCO-18.4.1

SUBMITTED BY JON PAYNE, WAYNE BROOKS, AND PAUL BUCKLEY

14.1 Purpose (Regional Leader)

Add the following before the existing opening paragraph:

The Regional Leader is to use his leadership gifts to inspire and envision the elders in his region toward joyful participation in our shared mission and appreciation of our shared doctrine and values. He is to motivate, encourage and exhort the elders of his region to fulfill our shared commitments and warn them against cultural temptations or internal inconsistencies with our doctrine and values. He also represents the whole RAE in providing care, equipping, and counsel to the elders within the region.

18.1 (Leadership Team)

Add the following before the existing opening paragraph:

Leadership is a gift from the Lord and is to be honored and cultivated in our ecclesiastical union. The leadership team is appointed and empowered from our Council of Elders and Executive Committee for the expressed purpose of providing leadership that is Biblical, humble, faith-filled, discerning, and gospel-centered.

18.4.1 (Executive Director)

Add the following before the existing opening paragraph:

The Executive Director is to use his leadership gifts to inspire and envision Sovereign Grace toward joyful participation in our shared mission and appreciation of our shared doctrine and values. He is to motivate, encourage and exhort Sovereign Grace to fulfill our shared commitments and warn us against cultural temptations or internal inconsistencies with our doctrine and values.

RATIONALE: *To highlight the importance of leadership in certain places in the BCO. We don't want our committee structures to minimize the place of an individual's gift of leadership.*

SOVEREIGN GRACE CHURCHES
Comparative Budget for FY2012-2015

	2015 Budget	2014 Est Actual	2014 Budget	2013 Actual	2012 Actual
Revenue					
ADMIN	\$ 26,700	\$ 80,270	\$ 29,500	\$ 158,787	\$ 94,811
CHURCH GIVING	\$ 1,278,900	\$ 1,181,898	\$ 1,218,000	\$ 1,246,658	\$ 2,164,142
INDIVIDUAL GIVING	\$ 405,700	\$ 284,785	\$ 480,000	\$ 434,277	\$ 765,152
DESIGNATED GIVING		\$ 126,102	\$ 5,000	\$ 111,122	\$ 229,035
PASTORS COLLEGE	\$ 9,300	\$ 78,974	\$ 72,700	\$ 28,234	\$ 353,505
EVENTS	\$ 256,900	\$ 324,818	\$ 395,700	\$ 375,099	\$ 448,588
MEDIA/RESOURCES	\$ 470,000	\$ 470,573	\$ 526,000	\$ 566,449	\$ 647,325
TOTAL REVENUE	\$ 2,447,500	\$ 2,547,420	\$ 2,726,900	\$ 2,920,626	\$ 4,702,558
Expenses					
ADMIN*	\$ 451,800	\$ 416,931	\$ 493,087	\$ 860,563	\$ 1,162,530
DEVELOPMENT	\$ 77,400	\$ 38,921	\$ 80,400	\$ 81,183	\$ 67,210
PASTORS COLLEGE	\$ 300,000	\$ 347,752	\$ 380,601	\$ 613,889	\$ 755,841
EVENTS	\$ 333,800	\$ 343,292	\$ 348,042	\$ 499,498	\$ 444,210
MEDIA/RESOURCES	\$ 605,200	\$ 525,612	\$ 616,137	\$ 600,294	\$ 903,934
MISSION CENTRAL	\$ 389,100	\$ 372,648	\$ 365,633	\$ 494,489	\$ 528,053
CHURCH PLANTING**	\$ 141,500	\$ 325,502	\$ 300,600	\$ 696,469	\$ 632,738
US MISSION	\$ 205,000	\$ 245,497	\$ 288,700	\$ 506,406	\$ 734,667
GLOBAL MISSION**	\$ 133,700	\$ 191,265	\$ 183,100	\$ 205,602	\$ 704,746
TOTAL EXPENSES	\$ 2,637,500	\$ 2,807,420	\$ 3,056,300	\$ 4,558,393	\$ 5,933,929
NET INCOME(LOSS)	\$ (190,000)	\$ (260,000)	\$ (329,400)	\$ (1,637,767)	\$ (1,231,371)

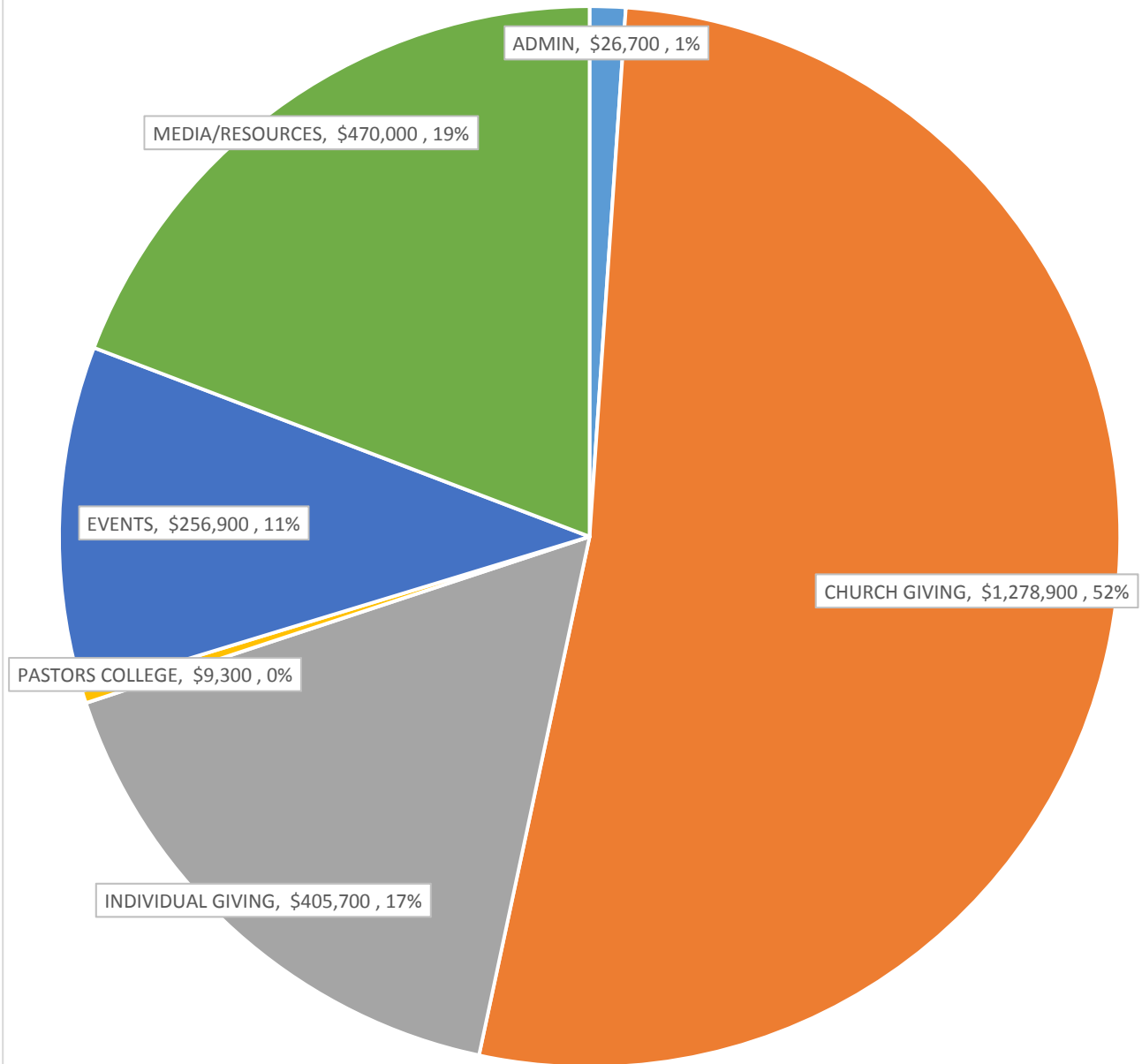
*After allocation of admin to programs, the total admin/dev expenses continue to remain under 15% of total expenses.

**Does not include labor, only direct expenses. Labor in Mission Central.

Depreciation of \$104K not included in the FY14 budget or estimated actual. This is a non-cash adjustment that will be reflected in the audited financial statements."

SGC FY2015 BUDGET

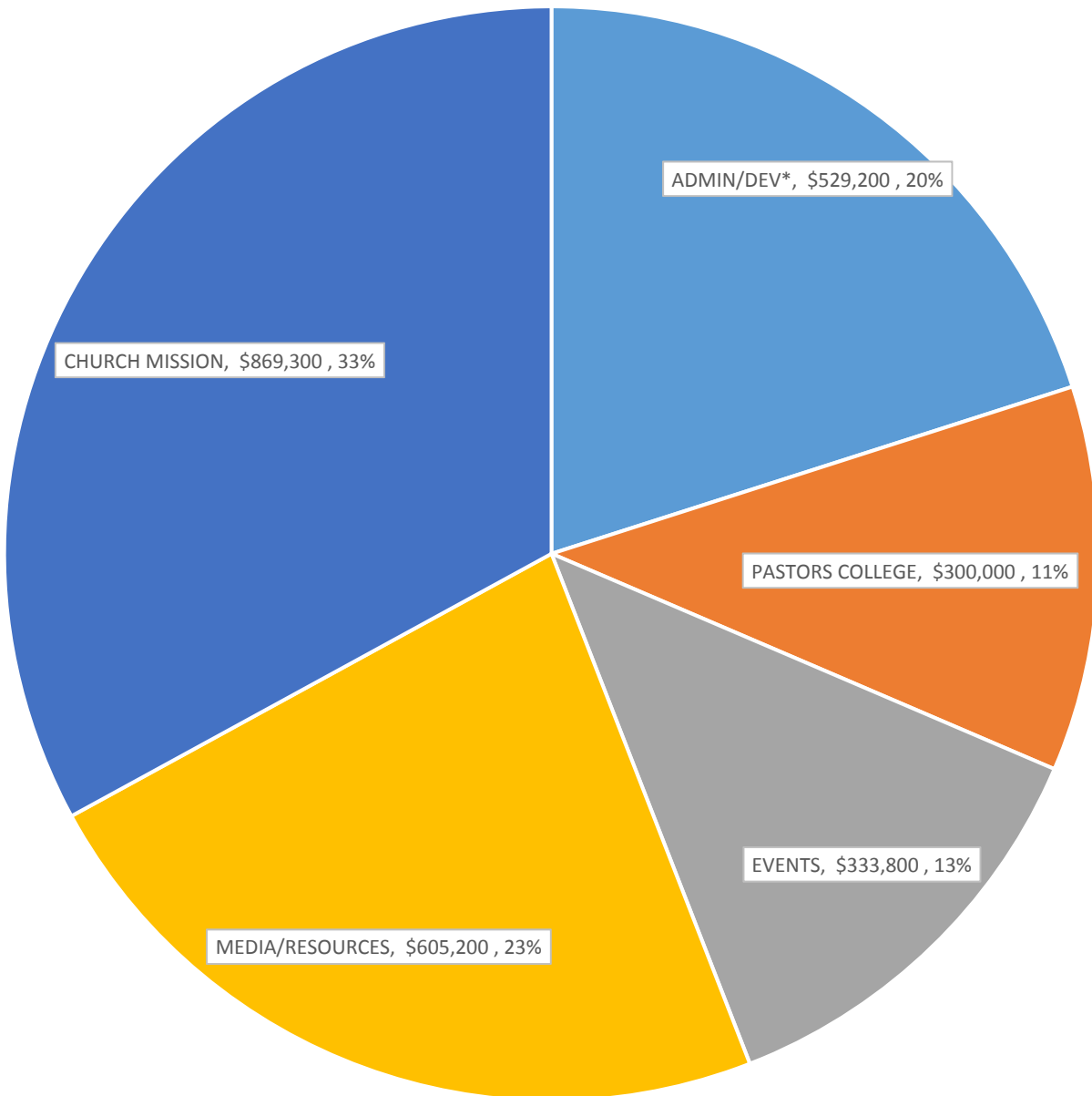
\$2,447,500 Source of Funding



■ ADMIN ■ CHURCH GIVING ■ INDIVIDUAL GIVING ■ PASTORS COLLEGE ■ EVENTS ■ MEDIA/RESOURCES

SGC FY2015 BUDGET

\$2,637,500 Funding Outlays



*Admin/Dev <15% after allocation to programs.

■ ADMIN/DEV* ■ PASTORS COLLEGE ■ EVENTS ■ MEDIA/RESOURCES ■ CHURCH MISSION

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SOVEREIGN GRACE MINISTRIES
FY 2015 BUDGET
SCHEDULE OF REVENUES AND EXPENSES

	Program Services					Supporting Services			Combined Total	
	Church Missions DOM	Church Missions INTL	Pastors College	Conferences	Resources	Total	Development	General and Administrative		Total
Revenues										
CONTRIBUTIONS - CHURCHES						\$0	\$1,278,900		\$1,278,900	\$1,278,900
CONTRIBUTIONS - INDIVIDUALS						0	405,700		405,700	405,700
SALES					297,000	297,000			0	297,000
TUITION & FEES			7,500			7,500			0	7,500
CONFERENCE RECEIPTS				244,900		244,900			0	244,900
INVESTMENT INCOME						0		1,400	1,400	1,400
OTHER INCOME			1,800	12,000	173,000	186,800		25,300	25,300	212,100
TOTAL REVENUES	0	0	9,300	256,900	470,000	736,200	1,684,600	26,700	1,711,300	2,447,500
Expenses										
COMPENSATION & BENEFITS	422,400		219,120	143,350	322,800	1,107,670		207,294	207,294	1,314,964
EDUCATION & TRAINING	26,000		8,300	1,100	1,300	36,700		2,200	2,200	38,900
COST OF GOODS SOLD					117,900	117,900			0	117,900
GIFTS & GRANTS	121,700	53,100		9,200	900	184,900		850	850	185,750
TRAVEL & HOSPITALITY	124,600	73,800	23,400	116,100	9,500	347,400	13,800	15,200	29,000	376,400
OFFICE EXPENSE	15,200	600	4,480	15,350	25,800	61,430	24,800	15,316	40,116	101,546
INSURANCE		6,200	1,800		2,750	10,750		33,400	33,400	44,150
PROMOTION	600			7,000	18,000	25,600	25,000		25,000	50,600
INFORMATION TECHNOLOGY	2,800			9,200	53,350	65,350	9,000	34,630	43,630	108,980
SOUND, VIDEO & LIGHTING	1,800			7,200	2,000	11,000			0	11,000
BUILDING MAINTENANCE & UTILITIES			42,900	16,800	12,600	72,300		99,100	99,100	171,400
BUILDING OCCUPANCY	1,500				1,500	1,500			0	1,500
OTHER EXPENSE	19,000			8,500	38,300	65,800	4,800	43,810	48,610	114,410
ALLOCATION - GENERAL & ADMIN										
TOTAL EXPENSES	735,600	133,700	300,000	333,800	605,200	2,108,300	77,400	451,800	529,200	2,637,500
NET INCOME	(\$735,600)	(\$133,700)	(\$290,700)	(\$76,900)	(\$135,200)	(\$1,372,100)	\$1,607,200	(\$425,100)	\$1,182,100	(\$190,000)