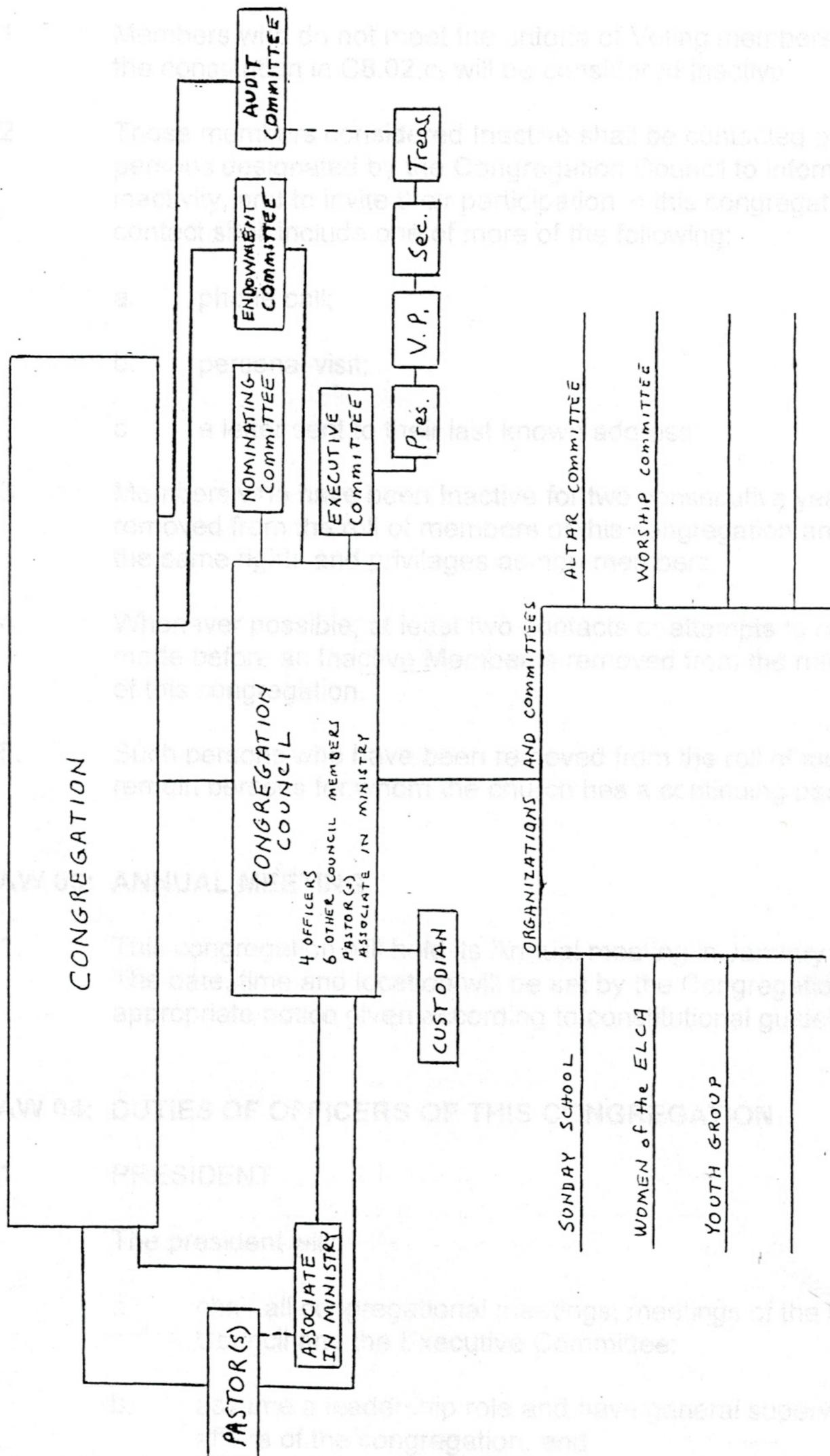


BYLAW 01: ORGANIZATIONAL STRUCTURE



BYLAW 02: INACTIVE MEMBERS

- B2.01. Members who do not meet the criteria of Voting members as defined by the constitution in C8.02.c, will be considered Inactive.
- B2.02. Those members considered Inactive shall be contacted by person or persons designated by the Congregation Council to inform them of their inactivity, and to invite their participation in this congregation. Such contact shall include one of more of the following:
- a. phone call;
 - b. personal visit;
 - c. a letter sent to their last known address.
- B2.03 Members who have been Inactive for two consecutive years will be removed from the roll of members of this congregation and will have the same rights and privileges as non-members.
- B2.04. Whenever possible, at least two contacts or attempts to contact will be made before an Inactive Member is removed from the roll of members of this congregation.
- B2.05. Such persons who have been removed from the roll of members shall remain persons for whom the church has a continuing pastoral concern.

BYLAW 03: ANNUAL MEETING

- B3.01. This congregation will hold its Annual meeting in January or February. The date, time and location will be set by the Congregation Council and appropriate notice given according to constitutional guidelines in C10.03.

BYLAW 04: DUTIES OF OFFICERS OF THIS CONGREGATION

B4.01. PRESIDENT

The president will:

- a. chair all congregational meetings, meetings of the Congregation Council and the Executive Committee;
- b. assume a leadership role and have general supervision over the affairs of the congregation; and

- c. be an ex-officio member of all boards and committees and attend any of their meetings at his or her own discretion.

B4.02. VICE-PRESIDENT

The vice-president will:

- a. assume the duties of the president whenever the president is unable to fulfill them;
- b. chair the Nominating Committee and be an ex-officio member of it; and
- c. perform other duties as may be assigned by the president or the Congregational Council.

B4.03. SECRETARY

The secretary will:

- a. compile and keep accurate minutes of and records of all congregational meetings, meetings of the Congregation Council, and meetings of the Executive Committee in document form to be preserved permanently in the congregation archives; and
- b. attend to all correspondence that the congregation, Congregation Council, or Executive Committee at various times requires.

B4.04. TREASURER

The treasurer will:

- a. keep the books of account of the congregation, receive and disburse all funds on proper order, and make monthly remittance of benevolence receipts to the treasurer of the synod; (or supervise any such person, salaried or unsalaried, authorized by the Congregation Council to carry out such functions)
- b. make written report of all transactions monthly to the Congregation Council and annually to the congregation; and
- c. assist the Audit Committee as requested and provide the information needed by them to accurately complete their duties.

B4.05. FINANCIAL SECRETARY

The Congregation Council may recommend to the congregation that a financial secretary be elected. If such office is activated, the financial secretary will:

- a. receive and keep record of all income from contributing members and other sources and report this regularly to the treasurer.

B4.06. Additional duties and responsibilities for congregational officers may be specified in the Continuing Resolutions.

BYLAW 05: MEETINGS OF THE CONGREGATION COUNCIL

B5.01. The Congregation Council shall meet at least quarterly, and at other times as the Congregation Council shall determine. Other meetings of the Congregation Council may be called in accordance with the guidelines set forth in section C12.11 of the constitution.

BYLAW 06: ADDITIONAL DUTIES AND RESPONSIBILITIES OF THE CONGREGATION COUNCIL

B6.01. The Congregation Council may secure necessary staff other than pastor(s) such as associate in ministry, Christian day school teacher, business administrator, church musician, parish education director, parish secretary, parish worker, intern, custodian, etc., and fix and review annually their salaries.

B6.02. The Congregation Council shall have authority between meetings of the congregation to choose delegates to any group or meeting in which the congregation is entitled to representation.

BYLAW 07: THE NOMINATING COMMITTEE

B7.01. The Nominating Committee shall nominate one or more candidates for each office to be filled and secure the consent of each candidate.

B7.02. The list of nominees shall be announced to the congregation in conjunction with the announcements of the meeting of the congregation at which the elections are to take place.

B7.03. In addition to the candidates submitted by the Nominating Committee, additional nominations may be made from the floor.

BYLAW 08: PARISH RECORDS

- B8.01. The records of this congregation shall be and remain the property of this congregation.
- B8.02. The pastor(s) shall be responsible for maintaining accurate records of Baptized, Confirmed, Voting, and Associate Members, and of other ministerial acts performed by the pastor(s). Upon termination of service to the congregation, the pastor(s) shall have brought those records up to date prior to departure.
- B8.03. Should this congregation be dissolved, the official records of this congregation shall be deposited in the archives of the Evangelical Lutheran Church in America.

BYLAW 09: CHURCH BUILDING USE

- B9.01. This congregation's church building will be open to community organizations with Congregation Council approval and providing requests do not conflict with regularly scheduled congregational activities.

BYLAW 10: KNIFE RIVER LUTHERAN CHURCH ENDOWMENT FUND

- B10.01. A Mission Endowment Fund, whose purpose, governance, and operational procedures shall be defined by special resolution adopted by this congregation, shall be established.
- B10.02. WHEREAS, Christian stewardship involves the faithful management of all the gifts God has given to humankind - the created world, the gospel, life, time, abilities, money, including accumulated, inherited, and appreciated resources; and
- WHEREAS, the Scriptural principle of proportionate giving, to return to the Lord a portion of the gifts God has first given us, is both a privilege and an appropriate response in all times and circumstances; and
- WHEREAS, Christians can give to the work of the church through bequests in wills, assignments of life insurance, charitable gift annuities, charitable remainder and other trusts, assignment of certificates of deposit, and transfers of property (cash, stocks, bonds, real estate); and
- WHEREAS, it is the desire of Knife River Lutheran Church to encourage, receive and administer these gifts in a manner consistent with the loyalty and devotion to our Lord expressed by the donors and in accord with the policies of this congregation:

- B10.03. THEREFORE BE IT RESOLVED, that this congregation in annual meeting assembled on February 5, 1995, approve and establish on the records of the church a new and separate fund to be know as THE KNIFE RIVER LUTHERAN CHURCH MISSION ENDOWMENT FUND (hereafter called the "FUND") of the Knife River Lutheran Church, Knife River, Minnesota, 55609.
- B10.04. BE IT FURTHER RESOLVED, that the purpose of this FUND is to enhance the mission outreach of Knife River Lutheran Church apart from the general operation of this congregation; that no portion of the income generated by the FUND shall be used for the annual operating budget of this congregation.
- B10.05. BE IT FURTHER RESOLVED, that the Mission Endowment Fund Committee (hereinafter called the "COMMITTEE") shall be the custodian of the FUND.
- B10.06. BE IT FURTHER RESOLVED, that the following Plan of Operation set forth the administration and management of the FUND:
- a. THE COMMITTEE
1. The COMMITTEE shall consist of five (5) members, all of whom shall be voting members of Knife River Lutheran Church. Except as herein limited, the term of each member shall be three (3) years. Upon adoption of this resolution by this congregation, this congregation shall elect five (5) members to the COMMITTEE: two (2) for a term of three (3) years; two (2) for a term of two (2) years; and one (1) for a term of one (1) year. Thereafter, at each annual meeting this congregation shall elect the necessary number for a term of three (3) years. No member shall serve more than two (2) consecutive three (3) year terms. After a lapse of one (1) year, former COMMITTEE members may be re-elected.
 2. The pastor(s) and the president of this congregation shall be advisory members of the COMMITTEE.
 3. The Congregation Council shall nominate for the COMMITTEE and report at the annual meeting of this congregation.
 4. In the event of a vacancy on the COMMITTEE, the Congregation Council shall appoint a member to fill the vacancy until the next annual meeting of this congregation, at which time this congregation shall elect a member to fulfill the remaining term of the vacancy.

5. The COMMITTEE shall meet at least quarterly, or more frequently as deemed by it in the best interest of the FUND.
6. A quorum shall consist of three (3) members. When only three (3) members are present, a unanimous vote shall be required to carry a motion or resolution.
7. The COMMITTEE shall elect from its membership a chairperson, recording secretary, and financial secretary. The chairperson, or member designated by the chairperson, shall preside at all COMMITTEE meetings.
8. The recording secretary of the COMMITTEE shall maintain complete and accurate minutes of all meetings and supply a copy thereof to each member of the COMMITTEE. Each member shall keep a complete copy of minutes to be delivered to his or her successor. The recording secretary shall also supply a copy of the minutes to the Congregation Council.
9. The financial secretary of the COMMITTEE shall work with this congregation's treasurer in maintaining and coordinating complete and accurate accounts for the FUND and shall sign checks and all other necessary documents on behalf of this congregation in furtherance of the purposes of the FUND. The books shall be audited annually by a certified public accountant or other appropriate person who is not a member of the COMMITTEE.
10. The COMMITTEE shall report on a quarterly basis to the Congregation Council and, at each annual meeting or duly called special meeting of this congregation, shall render a full and complete audited account of the administration of the FUND during the preceding year.
11. The COMMITTEE may request other members of this congregation to serve as advisory members and, at the expense of FUND income, may provide for such professional counseling on investments or legal matters as it deems to be in the best interest of the FUND.
12. Members of the COMMITTEE shall not be liable for any losses which may be incurred upon the investments of the of the assets of the FUND except to the extent such losses shall have been caused by bad faith or gross negligence. No member shall be personally liable as long as he/she acts in good faith and with ordinary prudence. Each member shall be liable only for his/her own willful misconduct or

omissions, and shall not be liable for the acts or omissions of any other member. No member shall engage in any self dealing or transactions with the FUND in which the member has direct or indirect financial interest and shall at all times refrain from any conduct in which his/her personal interests would conflict with the interest of the FUND.

13. All assets are to be held in the name of the Knife River Lutheran Church Mission Endowment Fund.
14. Recommendations to hold, sell, exchange, rent, lease, transfer, convert, invest, reinvest, and in all other respects to manage and control the assets of the FUND, including stocks, bonds, debentures, mortgages, notes, or other securities, as in their judgment and discretion they deem wise and prudent, are to be made by the COMMITTEE for approval by the Congregation Council, with subsequent execution by the delegated member of the COMMITTEE.

b. DISTRIBUTION OF INCOME

1. The COMMITTEE shall determine what is principal and income according to accepted accounting procedures.
2. Gifts and bequests to the FUND shall accumulate until principal amount of \$15,000 is achieved, after which the income generated from the investment of the principal shall be expended. If the principal value drops below \$15,000, income earned on the investment, gifts, and bequests shall accumulate until that minimum figure is again attained, after which the income generated from the investment of the principal shall be expended.
3. Income from the FUND shall be distributed annually and at other such times as deemed necessary and/or feasible to accomplish the following purposes:
 - for support of this congregation's ministry to, for, and with the youth of this congregation and the community;
 - for capital improvements, debt reduction, or a building program of Knife River Lutheran Church.
 - for outreach into the community and synod, including but not limited to, grants to Evangelical Lutheran Church in America seminaries, colleges, or students attending such schools, social service agencies, institutions and agencies to which this congregation relates, and to special programs

designed for those persons in our parish area who are in spiritual or economic need;

- for missions of the Evangelical Lutheran Church in America in this continent and worldwide, including but not limited to, grants to the ELCA for new congregational development in North America, professional leadership, educational ministries, global mission, ecumenism, evangelism, social ministries, and capital financing;

- for any one or all of the above designated areas in any proportion as determined by the COMMITTEE, or for causes and programs, which at the discretion of the COMMITTEE are consistent with the FUND purpose of enhancing the mission outreach of Knife River Lutheran Church.

4. Programs for support shall be recommended by the COMMITTEE and approved by the Congregation Council for funding according to the guidelines established by this congregation.
5. Disbursement of income from the FUND need not occur annually in the event causes and programs have not been approved by the COMMITTEE sufficient to utilize total income available, or if in the judgment of the COMMITTEE total annual disbursement of income is not recommended.
6. The COMMITTEE may recommend, for approval by the Congregation Council, that a percentage of the annual income be invested in principal to ensure continued FUND growth.

c. DISTRIBUTION OF PRINCIPAL

1. When, in the opinion of the COMMITTEE circumstances are so dire and of such an emergency nature that the future of this congregation is at stake, and that the only recourse seems to be the use of the FUND principal, the COMMITTEE my, upon a two-thirds majority vote, recommend such authorizing action to the congregation

B10.07. BE IT FURTHER RESOLVED, that any amendment to this resolution, will change, alter or amend the purpose for which the FUND is established shall be adopted by a two-thirds vote of the members present at an annual meeting of this congregation or at a special meeting called specifically for the purpose of amending this resolution.

B10.08. BE IT FINALLY RESOLVED, that in the event Knife River Lutheran Church ceases to exist either through merger or dissolution, disposition or transfer of the FUND shall be at the discretion of the Congregation Council in conformity with the approved constitution of this congregation and in consultation with the bishop of the synod to which this congregation belongs at such time. Consultation with the Evangelical Lutheran Church in America may be desired for continuation of Mission Endowment Fund obligations.