

Minutes
Lutheran Camp Association Annual Meeting
Saturday, October 16, 2010
Grace Lutheran Church, River Forest, Illinois

Welcome

The meeting was called to order at 10:14 a.m. by President Martha Dourson, who welcomed all members present.

Opening Devotion and Prayer

Pastor Bill Yonker, the LCA Board's chaplain, led a devotion that focused on the Song of Solomon 8:7 and reminded us that love often throws caution to the wind.

Pastor Yonker read the names of the LCA members who have received the Crown of Glory since the last LCA Annual meeting: Frank Miller, Fred Kuhlmann, Evelyn Beiderwieden, Tella Colburn, Marcy Schorr, David Panhorst, Jeannette Klas, Luke Mussmann and Ronald Saska.

Introduction of LCA Board Members, Tellers

Martha Dourson introduced LCA board members present, including Carol Weber, Tom Johnson, George Wojtan, Chris Schumann, Bill Beck, Sandy Becker, Scott Miller, Steve Roskam, Karen Spencer and Kathy Allen.

The tellers for the day were identified and included Kathy Beck, Mike Dourson, Patty Klem, and Kit Russell.

Approval of 2009 LCA Annual Meeting Minutes

MSC: Motion to accept minutes as presented from the October 2009 meeting.

Motioned by Dorothy Boice, seconded by Glen Haas, unanimously approved.

Affirmation of Quorum

Karen Spencer confirmed that a quorum of the membership was present for today's meeting. There are 978 LCA members. One-fourth of the members are needed for a quorum (244); the exact number of members represented will be announced.

(Later confirmed that there were _____ members present in person, holding _____ proxies, representing _____ LCA memberships/total votes.)

President's Report

Martha Dourson thanked all in attendance for coming and shared that the current year was a success for Camp Arcadia, noting that our attendance numbers and survey feedback confirm that Camp's management staff does a great job in providing a wonderful experience for guests. The board's efforts to work with management staff as a policy-based board will allow management staff greater ability to act in the best interest of Camp's mission within parameters established by board policies. Camp's strategic plan is complete and initiatives to achieve its goals are underway. The ability to measure results of the initiatives is being hardwired and will be in place by the board's winter meeting. The beach project continues to make progress with some positive results. Camp served more guests than ever in 2010.

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Election of Candidates

Karen Spencer announced the slate of candidates for today's election and introduced the candidates who were present. Those under consideration for election at the meeting included, for the LCA Board of Directors, three individuals to be elected for three-year terms:

- *Martha Dourson
- Carl Fries
- *Tom Johnson
- Becky Zacharias
- Jan Williams

For the Arcadia Foundation Board, one candidate was identified to be elected for a three-year term:

- *Nathan Ruby

*incumbents

Karen Spencer reviewed the guidelines for voting with or without proxies, and asked for nominations from the floor.

MSC: Motion to add Zachary Allmand as a candidate for the LCA board of directors. *Motioned by LCA member Chris Allmand. Mike Dourson seconded the motion. Unanimously approved.*

There being no other nominations from the floor, Karen declared them closed.

Chris provided some biographical information about Zachary. He and his wife are dentists with one child, currently living in Charleston. They served in Afghanistan. Zachary has attended camp his whole life (31 years), worked at Camp, and has been counselor for teen week.

MSC: Motion to accept the slate of candidates. *Jean Kretzmann made the motion, seconded by Jim Jaeger, unanimously accepted.*

Reports and New Business

Management Team's Report, Chip May

Chip greeted the group and shared some thoughts about his experiences as a guest at Holden Village, an independent Lutheran family camp located in Washington State. Experiencing Holden without being responsible for the operations gave him a strong sense of how God's love works through Camp Arcadia to minister to the mind, body, and spirit of guests. He shared two stories of families who had particularly meaningful experiences at Camp this summer, as well as the strength of the staff and Camp community that emerged during the fire in the Wigwam this summer.

Attendance: Chip reiterated that this year we served the most guests in Camps history, 3212. Three weddings held at Camp helped achieve this record number. Family week

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registrations were the third highest ever. We served a record number of 65 guests during the Golf and the Gospels retreat. A total of 114 youngsters participated in 8th grade retreat. Participation in Lutherhostel and other retreats was good. Revenue for the year was above budget. Attendance numbers are strong. In Chip's estimation the biggest difference that the economy has made is that our waiting lists are shorter. There were no empty inn rooms during family weeks. God has blessed Camp Arcadia and protected its ministry in this economy. Registrations for 2011 are coming in now.

Financial aid: A total of \$13,000 in scholarships was awarded this year, \$10,000 of which went to those attending family weeks. Scholarships in a similar amount were awarded in 2009.

Satisfaction: Camper satisfaction survey feedback scored an average of 9.36 on a 10-point scale. The biggest increase in satisfaction was in the craft shop, which rose from an average rating of 8.95 last year to 9.36 this year.

Guest fees: There will be a rate increase of 1-2% for 2011 to keep pace with inflation.

Staff: Chip expressed his appreciation for a great staff this past year. Two assistant caretakers really helped get the grounds in shape sooner and keep them that way. Kris Parks in craft shop added organization and ideas that pleased patrons. An intern working in the archives entered our archives into a database to make our history easier to access. The end-of-season staff was more consistent than in past, so that has been a blessing and these dedicated individuals are greatly appreciated. As Camp continues to serve guests later and later into the season, end-of-season staff are precious.

Schedule for 2011: Chip reviewed the schedule for next year. Gabe Kasper, a recent staff member, will join his father, Rob, for a week. Marva Dawn, a Lutheran theologian, will join Fred Niedner. Chips explained why some names are on the speaker list twice, an unusual circumstance. John Kleinig from Australia will join Scott Bruzek. Since Scott is good friends with John, he agreed to serve on the schedule twice. John Nunes is on twice, too, because the last week family week is so hard to fill and this gives late in season guests a highly rated speaker. New offerings for end of season retreats -- for married couples, high school seniors and college students -- have been added this year because there are no weddings scheduled at this time.

Property projects: Chip provided updates on various project completed in the past year, including noise reduction in the "L" of the Inn, the renovated entryway to Camp, dressers in Inn, and cottage renovations. He noted that this was the first year that there were no complaints about the noise on the "L" of the Inn, which is over the kitchen.

New logo and signs: Chip referenced feedback he has received about the lack of a cross and/or reference to "Lutheran" in the new sign and logo. He explained the historical ties woven into the logo and noted that staff are working on ways to reinforce the Christian and Lutheran aspects in other elements of Camp's printed and graphic communications.

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Jeannette Berger questioned why the entryway sign no longer goes over the road. Chip explained that the resources to do such a project would have required equipment that Camp would need to rent at considerable cost. Also, he shared that delivery trucks coming into Camp had trouble fitting under the former arch. Jean Kretzmann asked about posting signs to Camp on M22. Chip explained that state regulations prohibit posting such signs. We have not been able to receive permission from property owners at that location at this time. Chip acknowledged that this would be desirable. Jeannette asked about vandalism at Camp. Chip noted that these incidents are infrequent. The efforts of Camp and the Cottagers to build relationships in the community, coupled with the fact that management staff live in town, have helped foster cordiality. He reminded the group that local residents are welcome to use Camp and attend programming as appropriate. Carolyn Blum attested to the change in temperament of local residents since she was a youngster.

Chapel on the Beach: Chip reported that Camp will be working during the off-season with an architect, pro bono, to begin developing the Chapel on the Beach. The other chapel in the woods was seldom used, so the space was reallocated. Working with the family, memorial funds of about \$35,000 in the Fred Kuhlman fund have been designated for the Chapel on the Beach. Chris Allmand asked if there was a timeline for development of the new chapel. Chip said that we do not have a timeline at this time, but we anticipate being able to establish one at the winter 2011 board meeting. Paul Jaeger asked if the Chapel on the Beach would involve building a structure. Chip said this is definitely a possibility as the new chapel needs to be a space that will be used despite sun, wind, bugs, etc.

Future projects: Projects scheduled for attention during the coming off-season include fixing cracks in tennis courts, installing new ovens and completing leftover projects from Vision 2002. We will be increasing the size of the Assembly bathrooms, adding a mud room for housekeeping, adding showers in the Assembly for boys, and adding ceiling fans. In the Wigwam basement we will add more space for archives. Carol Weber asked if fans have been considered for the Trading Post and Round Up. Chips confirmed that these projects are under future consideration for coming year. The windows in the craft shop will also be replaced this year.

Other news: Chip reported that the Yard Sale held during Arcadia Daze raised \$4000-\$5000. Linda Jaeger noted that the Camp's float in the Arcadia Daze parade was well done and well received. A mother in attendance at the meeting complimented Camp's staff and guests for how well received and respect her family and special needs son were during their stay.

Chip recognized Caretaker John Jass for his 16 years of service to Camp and Chef Kurt Harvey's 15 years. This is Chip's 11th year in his role. Chip shared that the longevity of Camp's staff is a unique attribute among Camps and a significant contributor to Arcadia's strength. Chip acknowledged the passing of Frank Miller, Tella Colburn, Fred Kuhlman and others whose leadership built the foundation for the Camp.

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Bill Beck, LCA vice president, noted that we relish the fact that we have Chip as our executive director because he is such an effective leader of his team and the Camp. Bill noted that the connection between the community and the Camp is largely the result of Chip's efforts. This confidence further supports the decision to evolve into a board that is policy-based rather than operational.

Treasurer's Report, Chris Schumann and Norm Ulbrich

Chris echoed Bill's opinion of how blessed we are to have the continuity of staff and noted the value of Norm Ulbrich's historical oversight and professional expertise with regard to Camp's finances. Chris thanked Norm on behalf of the LCA. Chris reported that this was a financially successful year for Camp despite the economic turmoil around us.

Norm gave those assembled an overview of the LCA's financial standing as of September 30, 2010. There have been some financial practice changes with the transition from Stan Woell to Mike Pasche. For instance, this year we shored up the internal controls to provide even stronger segregation of duties and checks and balances.

Norm then reported what he considered a "pretty picture" of Camp's finances. A full report was distributed to those in attendance and will be included with these minutes on the Camp website. Highlights of that report include the following:

- Total net assets \$3,341,700
- Total General Fund revenue for first nine months of 2010 is \$997,000 versus a total budget of \$978,400 for 2010. Total revenue for 2009 was \$990,600
- Total General Fund expenses for the first nine months of 2010 are \$790,000, compared to a total budget for 2010 of \$903,300. Total expenses in 2009 were \$889,600
- Projected General Fund net income (before depreciation) for 2010 is \$75,000 versus a \$70,100 budget, and compared to total net income in 2009 of \$101,000
- The LCA Forward Fund total through September 30, 2010 is \$71,900, compared to a total of \$65,100 in 2009
- The LCA Financial Aid Fund total through September 30, 2010 is \$13,650, compared to a total of \$10,900 in 2009
- The LCA Arcadia Foundation assets through September 30, 2010 total \$253,500, as compared to a total of \$240,600 in 2009.
- The General Fund Long Term Investments through September 2010 total \$659,600, compared to a total for 2009 of \$625,100. These unrestricted investments have been funded by the sale of the South Beach and other sources.

Patty Klem asked if new LCA member fees are housed in the unrestricted fund. (If we want to include this I'll have to get an answer from Norm, Chris or someone.)

Chris Allmand asked who manages the Camp's assets. Norm reported that he manages the long-term assets at the direction of the board. Carol Kirkwood asked when the Camp's buildings were last assessed for value. Norm explained that the net book value is not related to market value and not a helpful indicator of value.

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Although income from operations is still coming in, Norm said he feels that income will be close to \$840,000. He explained that unrestricted donations used to be the Forward Fund, but now are part of the budget. He acknowledged that members of the Cottage Colony support the Camp in many ways, including financially. There was no increase in town fees this year since we had no new members. He noted that this is the first year ever that Camp will have exceeded \$1 million in revenue.

Norm reported that the LCA board approved at its meeting the day before a total of \$50,000 for capital improvements for 2011 in support of the projects Chip outlined earlier in the meeting.

Norm concluded his presentation with the information that the Arcadia Foundation's ending balance as of September 30, 2010 was \$253,309. The foundation is experiencing continued improvement. Investments have appreciated at 4.6% annualized and have yielded dividends of 3.2% annualized.

ACCA Report, Scott Miller - ACCA President

Scott reminded those in attendance that by virtue of his position as president of ACCA and Carol Weber's position as vice president they are appointed as members of the LCA board, functioning as full members. He shared that there was little activity to report. A cooperative tree removal project with Camp went well. He has heard positive feedback from ACCA members regarding the extra sand on the beach.

Foundation Report, Norm Ulbrich and Karen Spencer

No report in addition to the information shared during the financial report.

Beach Erosion Project Update, Chip May/Mike Dourson

Chip reported that in mid-May the Army Corp of Engineers dredged the Arcadia Channel. Camp had lobbied to have the sand put in front of our beach/swimming area and this was done at no charge. Approximately 5,000 cubic yards of sand were deposited. This sand will eventually move north, which is desirable. As a result of the sand deposit the beach was significantly larger this year and enjoyed by guests all season. We will continue to work with Army Corp to keep up the practice of depositing sand to benefit our property. Those interested in sending letters to the Army Corp to help reinforce our thanks and desire to have the sand again should contact Chip.

Mike Dourson gave an updated on the SandGrabber project, a beach erosion correction system of which its free installation was offered in order to serve as a pilot site. This system, consisting of plastic blocks with holes in them, will be placed in a few feet of water in front of the tennis courts. This system, once installed, will be monitored for three years to see if it is successful. Unfortunately, we are still in permitting process, with Army Corps in the midst of conducting a historical review. Information regarding this process is expected by the end of October. We had hoped to install the units during the spring of 2010. We are in contact with the Army Corps, but do not understand the delay since we have cooperated fully with the requests of the Army Corp for information, sometimes supplying documentation twice. If we can still install the units this fall once

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permission is granted we will do so. The project will require Camp to pay a few thousand dollars to have an independent firm monitor the impact of the units on our property, but this will be a negligible expense compared to the cost of the system, \$250,000, if we would have had to buy it.

Jean Kretzmann asked about the Minnehaha. Chip said that we cannot touch it, move it, etc. Sand can accumulate on it, however. Carolyn Blum asked if safety is a concern about the wreck. Chip agreed that it is. Mrs. Wood asked about the jetties and their deteriorating condition. Decision about replacing these structures will be made after the SandGrabber pilot's impact is understood.

Green Energy Capital Investment Committee, Mike Dourson

Martha explained the charge of the committee to investigate green, renewable sources for energy for the Camp. Over the last year or so, the group has studied the feasibility of installing a windmill on Camp's property to take advantage of the wind energy available in this region. Martha shared that following a report on this topic to the LCA board at its meeting the day before, the board decided not to pursue the question of wind energy as a capital investment at this time.

Mike Dourson explained that Camp is blessed to have well-credentialed committee members with broad representation from Arcadia Township, ACCA, and the LCA board. The group has explored solar, wood fire burners and wind energy from environmental, social, financial and other impacts. Three reports were obtained regarding the wind option. The possible project offered no significant impacts, was environmentally and socially feasible, and had the support of the township. However, in the board's estimation, financial considerations made the project unfeasible at this time. Questions about green energy should be directed to Mike Dourson.

At Carol Weber's request Mike explained that Duke energy is putting in a wind farm east of M22 and Hwy 31. Soon there will be approximately 50 wind towers constructed nearby. In response to other questions, Mike shared that one wind tower could completely meet the Camp's energy consumption needs and that a bigger tower would allow Camp to sell energy back to the grid. The cost of one refurbished tower would be \$500,000 to \$1,000,000. Jean Kretzmann asked if a smaller tower had been investigated. Mike responded affirmatively, noting that Camp would need a tower tall enough to rise above tree level. We can continue to explore options like working cooperatively with the county. Patty Klem volunteered that she has some perspective as a farmer who has a wind farm coming onto her property. She will talk with Mike to share insights.

Policy Based Governance, Martha Dourson

Martha explained the concept of policy based governance. The approach gives the operation responsibility to staff management under the guidance of the board. Research shows that better results are achieved when the board focuses on strategic planning, stakeholder engagement and accountability, rather than making operational decisions. The board sets operational and financial parameters/policies for success and holds

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management staff accountable for achieving strategic actions within these parameters. We had an expert to guide us through this transition and the development of policies.

Advantages of a policy-based governance approach include:

- Codifies many of the policies already in place.
- Produces better harmony between management and board.
- Removes operational handicaps and delays.
- Adds consistency to board and staff as personnel and board representation changes
- Provides clear accountability for staff. Appoints financial and other advisory committees to help guide management staff.
- Provides clear expectations for the board members.
- Helps staff grow more through policy-based autonomy
- Clarity for membership – they know what to expect from board members and their relationship with the staff

Because we are adopting this approach, we will need to review our bylaws and make changes accordingly – creating provisions for electronic voting, for example. The board appointed a committee at its meeting the day before to conduct the policy review. This will be an ongoing process. By the next annual meeting, LCA members will receive a list of proposed bylaw changes to review and vote about.

Chris Allmand asked if copies of the policy manual could be distributed. Copies are available from Carol Weber. It will also be posted on the website. This is an evolving document.

Scott Miller volunteered his thoughts on the process, and noted that the membership, through the board, is not losing control. The board still has complete control over how the Camp is run. The board just does not have to deal with minutia but can focus on larger strategic issues.

LCA members getting would like to be able to register early for teen weeks.

Results of Elections, Martha Dourson

Karen Spencer announced that the following individuals had been elected/re-elected to the LCA Board of Directors. LCA board members re-elected include Martha Dourson and Tom Johnson. Becky Zacharias was elected to the third open position. Nathan Ruby was reelected to the Foundation Board. Other Foundation Board members include Beth Blum, Walter Kretzmann, Phil Ebeling and Molly Taylor.

Membership Questions and Feedback

Jim Jaeger asked if the Camp's name had been changed, as depicted in the new logo. Chip said no.

Carol Weber asked if the annual meeting notice be mailed first class next year. Chip replied that this would be the case.

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Chris Allmand asked if proxies are distributed by rule or practice. Martha responded that rules for this process are spelled out in the LCA bylaws. Board members by practice do vote for those designated by the LCA member they represent.

Chris asked how that rule might be changed. Martha suggested that Chris get his suggestions to Martha for discussion by the Bylaw Committee. She invited Chris to be part of that committee. Article 1, section 9 of bylaws deals with this subject. Electronic voting will impact this policy. Bylaw changes need to be presented to the membership within 45 days of a vote. Jean Kretzmann asked if the quorum could be changed. Martha noted the question and said the bylaws group will look into that.

Mrs. Jaeger asked if LCA members can obtain a copy of the membership list. Chip explained that the Camp office will provide address and phone information about specific members upon request. For privacy reasons, a list of member names can be provided, but not a full list of names and contact information. Patty Klem asked if we could publish a list if we had permission from the members to publish contact information. Other ideas were also suggested.

Final Remarks, Martha Dourson

Martha announced that the renovated tennis courts will be named after Frank Miller in recognition of his leadership and safeguarding of Camp's history. This announcement was met with a round of applause. Kyle Dewees was hired as the new program director. He will start in November.

Martha urged members to contact LCA board member with questions in order to improve communication and gather feedback on key topics.

On behalf of the LCA board, Martha thanked Karen Spencer for her many contributions of time and talent to the LCA membership during her nine years of service as a board member and nominations chair. Karen thanked the membership and wished her best to future board members.

Martha invited those assembled to join the board members for lunch.

Adjournment and Closing Prayer

MSC: Motion to adjourn was entertained at 1:26 p.m. *Made by Mike Boice and seconded by Kit Russell. Unanimously approved.*

The meeting closed with the Lord's Prayer.

Following the meeting, the LCA board met and re-elected Martha Dourson as president, Bill Beck as Vice President, Chris Schuman as treasurer and Kathy Allen as secretary of the board. The next LCA board meeting was tentatively scheduled for Friday, March 11 and Saturday, March 12 in the Indianapolis area.

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