
IOWA DISTRICT EAST BOARD OF DIRECTORS

MINUTES

Tuesday, November 4, 2008

PRESENT: *Ordained:* Gary Arp*, Dean Duncan*, Daird Korth, Matthew Rueger*, Dean Rothchild, George Volkert*, Wayne Woolery; *Lay:* Rich Balvanz*, Carl Egger*, Greg Gerjerts*, Andrea Koenig*, Amanda Whitmer* and Lowell Schroeder. *Designates a voting member of the BOD.

1. Call to Order: Chairman Egger called the meeting to order at 9:00 a.m.

2. Devotion: Rev. Dean Duncan led a devotion with Responsive Prayer 2 and a Bible study on the Epistle Reading for All Saints' Day (1John 3:1-3).

3. Acceptance of the Agenda. The Agenda was accepted with a couple of additions.

4. Review and acceptance of the Minutes of the May 20, 2008 - accepted without changes.

5. Correspondence to the Board of Directors

The Board received two letters from Secretary Hartwig announcing the vacant positions in the Board of Regents at Concordia University in Austin, TX and at Concordia University in Ann Arbor, MI.

6. Treasurer's Report (Exhibit A) 3rd Quarter 2008

Cash balance is increased, primarily due to flood receipts. These are held in the savings account and transferred as used.

Congregational support is at 64% of budget compared to an ideal of 75%. However, note that we have received 94% of declared intended support and that District typically receives the bulk of payments near the end of the year or soon thereafter.

Expenses are holding very close to budget with the exception of legal fees. It is unknown whether this difference will resolve itself but it is unlikely to do so before the end of the year.

The bulk of the net income difference is attributed to investment performance. Year-to-date rate of return is (14.7%) compared to the benchmark of (12%). The S&P500 is down (19.3%) over the same period.

Wachovia Securities, with whom the bulk of our investments are deposited, is not affected by Wells Fargo's acquisition of Wachovia Bank. The Securities and Bank are two separate companies.

MFS and American General, the two companies with which we have annuities, are not showing signs of financial failure as seen with AIG. Because annuities are an insurance product, the death benefit of the policy is only as good as the financial health of the company.

The allocation of our funds between stocks and fixed income securities is about 4% off due to the performance of the market. The Investment Committee voted to reallocate funds to restore our target diversification allocation.

Amanda highlighted certain line items of the proposed budget. The Board discussed: the amount IDE is sending to Synod, the necessity of the depreciation line item, the \$10,000 for revitalization and the amount of financial support needed for the Camp. The decision was made to set the budget aside until later in the day.

7. President Arp's Report (Exhibit B)

President Arp reported on the vacancy update. The Lithuania project is continuing to raise funds and there is a concerted effort to gather together some people who have supported it in the past. We need to get this project done.

Fan into Flame has a conference call every two weeks. We have selected Rev. Tom Wegener as Campaign Chairman. Division of funds will be as follows: 15% comes to the local congregation, 15% to District, 50% to world missions and 20% to North American Missions.

The District Office has received a request from King of Kings, Cedar Rapids to use a room in the building for a Sunday Bible Study.

8. Rev. Daird Korth, Part-Time Assistant to the President in the Area of Preschools (Exhibit E)

Rev. Korth reported there are 1,406 early childhood centers with 133,225 students. The "average" center has 45 students. Funding sources, based on the 2007-08 statistics from the Lutheran School Portal, were as follows: congregation budget 12%, tuition and fees 81% and other 7%.

He also reported some problems with preschool statistics. Our centers did not receive the form from St. Louis. We have contacted our centers and provided free access to the Portal so that they can file online.

He also noted that this is the first year of honoring a Preschool Teacher of the Year. However, we have received only three or four nominations.

Our District Early Childhood Conference is scheduled for Saturday, February 21, 2009 at Zion, Hiawatha. One of our presenters will be Teri Stuckey from the Cedar Rapids Symphony.

Rev. Korth attended the Schools Committee meeting at Immanuel, Waterloo September 18 and the LCMS Children's Ministry Advisory Team (CMAT) meeting September 29-October 1 in San Antonio, Texas. The CMAT is planning two pilot Children's Ministry Workshops - one to be held in N. Wisconsin and the other in Texas.

He is also planning to visit the preschools in Mt. Pleasant, Fairfield, Ottumwa and Burlington.

9. Rev. Wayne Woolery, Part-Time Assistant to the President in the Area of Elementary, Middle and High Schools (Exhibit D)

Rev. Woolery reported that both Districts (of Iowa) are planning to host a "Funding Academy" in 2009. The area is crucial for the future of Lutheran Schools. This workshop, planned for Spring 2009, pulls together resources to help administrators and Boards plan for adequate funding of schools.

A group of administrators and teachers in January will begin work on the Iowa Core Curriculum with the goal of putting together an Iowa Lutheran Curriculum. (Note: The legislation establishing this core curriculum also allocated funds to underwrite the work involved in writing this new curriculum. However, non-public schools, although part of the mandate, were not included in this funding.)

Two directors were named in August for ILSTO. Dewey Torkelson of Spencer, Iowa and Lois Warnsholz of Davenport will work within their respective Districts. Dewey is a retired public school principal, member of a Lutheran congregation and part-time Principal of Iowa Great Lakes Lutheran School. Lois was interim Principal of Trinity, Davenport and has worked for LCMS School Ministry. Their job is to work with schools and congregations to utilize the opportunity to support Lutheran Schools through ILSTO. As of Oct. 24 over \$100,000 has been raised for ILSTO. This is approximately 25% of the goal of \$400,000. Most of the activity for ILSTO occurs from Oct. – Dec.

He also reported that Clemons Lutheran School had a run in with the State. However, Rev. Woolery has called the Attorney General's office and they have begun to look into it. As a result the school has received no more ultimatums.

10. Dr. Dean Rothchild, Assistant to the President (Exhibit C)

Dr. Rothchild reported that our District flood relief has hired two flood coordinators. This has been beneficial. Someone is now in place to screen people to give out money to help out with homes that have been flooded.

Plans are progressing for the Convention. Mission committee is working on the two goals developed by the BOD.

Dr. Rothchild met with Rev. Bill Riley who is serving as a visiting pastor to the University of Iowa Hospitals. Pastor Riley has agreed to continue to do this until next June. He has been regular and faithful in visiting the LCMS members Tuesday and Thursday afternoons. Dr. Arp informed the Board that Rev. Michael Musick, Luzerne is currently taking CPE at the University Hospital in Iowa City and is willing to visit people while he is there.

11. Unfinished Business

1. Rev. Volkert informed the Board of the Schools Committee's nominations for the vacancies on their Board. They nominated Diane Daman (Waterloo) and Deb Pegump (Atkins) as lay people and Becky McKinney who serves as the preschool director at Central Lutheran (Newhall) to serve on the committee.
 - a. President Arp moved to elect Becky McKinney to serve on the Schools Committee. Rev. George Volkert seconded. Passed.
 - b. The Board elected Deb Pegump from Atkins to serve as the layperson on the Schools Committee.
2. The replacement for John McCorkle as District reconciler. Dr. Matthew Rueger moved to nominate Carl Egger to serve in this capacity. Rich Balvanz seconded. Passed.
3. A Bylaw change based on a motion made by the BOD in November 2000. Amanda moved and George Volkert seconded that President Arp will help Secretary Duncan to word a Memorial for Convention that the newly elected District President will be installed at the Convention and assume office on Aug.1 following the District Convention. Passed.

Adjourned for lunch at 12:06 p.m.

12. Blue Ribbon Task Force on Synod Structure and Governance (BRTSSG)

Rev. Jon Braunersreuther, representing Synod's BRTSSG, provided the Board with a preliminary report on the Task Force's work. He showed a video that laid out some of the working concepts. The Task Force is looking for input. Rev. Braunersreuther emphasized that the Task Force does not have its mind made up about what the proposals are going to be. Synod has a site on the website where one can provide input to the Task Force. Their website is: <http://www.lcms.org/pages/default.asp?NavID=13795> or e-mail Lcmsfuture@lcms.org

Next year, at the District Convention, there will be more specificity to their proposals. Once delegates to the 2010 Synodical Convention are elected, the President of Synod will host regional delegate caucuses to present the proposals, concepts and options for consideration and discussion at that point. The final report of the Task Force, which will be the result of its lengthy work-in-progress, will be presented to the 2010 Synodical Convention for consideration.

After viewing the video, Rev. Braunersreuther asked the Board four questions: Which of these proposals seem to positively impact the mission for congregations? Which of the proposals did you have concerns about? Which proposal intrigues you? What options should the Task Force have for consideration? Rev. Braunersreuther documented the input the Board provided.

13. Camp IoDisECa

Greg Gerjerts passed around the Camp's November newsletter. He reported that next summer's theme ("Forgiven") is already written. The Camp has struggled to hire a kitchen manager and is in need of kitchen help. Using the Flood volunteer grant, the Camp plans to immediately enhance facilities at the Alpha and Omega cabins which will help extend their use by 3-4 months. Anyone interested in monitoring the ACA accreditation progress can send Pastor Small an email requesting access to a Google Document where the entire "To-Do" list is available to view online. The Camp would ask the congregations of IDE to consider the Camp in their annual missions budget. Greg reported that 45% of Campers are LCMS members which means that 55% who attend Camp do not belong to the LCMS. The Camp Board thanks Chairman Egger for providing positive interaction with the Camp Board at their recent meeting in Independence. Greg then read a letter from Rev. Michael Knox, chairman of the Camp Board.

President Arp moved to grant the Camp an interest free \$30,000 line of credit to meet its operating expenses between now and next summer which will be re-evaluated in 6 months. Rev. George Volkert seconded. Passed.

14. The 2009 Budget

Dr. Matthew Rueger moved that we zero the bottom line of the 2009 budget and reduce from the deficit the amount we would send to Synod with the provision that at the end of the year we examine to see if we have funds to make up that difference to Synod. Greg Gerjerts seconded. Passed.

Rich Balvanz moved to reduce the mileage of the Archivist by \$1,000. Seconded by Andrea. Passed.

Amanda moved to decrease legal fees expense to \$1500. Greg seconded. Passed.

Greg moved to add \$5,000 to the Board of Congregational Services Committee budget to begin the promotional strategic initiative. George Volkert seconded. Passed.

President Arp moved to put \$9,500 back into the reduced Synodical number. Greg Gerjerts seconded. Passed.

President Arp moved to accept the budget as amended. Rich seconded. Passed.

15. Future meetings

President Arp moved to suggest having BOD meetings on two Tuesdays and two Saturdays. Rev. George Volkert seconded. Passed.

Dr. Rueger moved - Arp Seconded. The Board agreed by consensus to meet in 2009 on Tuesday, February 17th, Saturday, May 9th and Saturday, August 15th - passed.

Dr. Rueger moved to adjourn - passed.

Rev. Duncan led a closing prayer.

Respectfully submitted,



Rev. Dean Duncan, IDE Secretary

(Approved 2.17.09 by the IDE Board of Directors)