
IOWA DISTRICT EAST BOARD OF DIRECTORS

MINUTES

Tuesday, February 17, 2009

PRESENT: *Ordained:* Gary Arp*, Dean Duncan*, Daird Korth, Matthew Rueger*, Dean Rothchild, Brian Saunders*, George Volkert*; *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: President Gary Arp led the devotion with the singing of a hymn, a reading from the *Treasury of Daily Prayer* (CPH) and the praying of the Litany (LSB p. 288f.).

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

4. Review and acceptance of the Minutes of the November 4, 2008 meeting were accepted with two corrections:

a. Greg Gerjerts is to be noted as present.

b. Page 3, under the 2009 Budget (#14), the word "the" should be struck out in the motion that should read: "President Arp moved to put \$9,500 back into the reduced Synodical number."

5. Correspondence to the Board of Directors

a. Secretary Raymond Hartwig sent a notification that the LCMS Board of Directors will need to make appointments for three lay positions and one ordained minister position for the Board of Directors for Concordia Plan Services and Board of Trustees for the Concordia Plans. This letter serves as an official request for nominations.

b. Rev. Terry Small, Executive Director of Camp Io-Dis-E-Ca, thanked the BOD for the generous \$30,000 subsidy to the Camp for 2009.

c. Thank you from the family of Rich Balvanz for the flowers the BOD sent for the funeral of his father.

6. Treasurer's Report - 4th Quarter, December 2008 (Exhibit A)

a. Loss on investments hit the bottom line very hard this year. Year end percentage loss was 25.4%, which translated into a loss of \$563,592. The S&P 500 lost 37% last year in comparison.

b. There were two primary outliers in the budget variance for the year. If we take out those two items, investment loss and legal expenses, the budget variance number is as follows:

i. Change in Unrestricted Net Assets (534,634.43)

ii. Unusual Items

1. Loss on Investments \$623,592.43

2. Legal Fees \$40,732.53

iii. Normalized change in Unrestricted Net Assets \$129,690.53

c. Other items of note in the budget vs. actual performance:

iv. Support from congregations was outstanding this year.

v. Flood/Tornado Relief had several non-budgeted items but income and expense offset each other.

vi. The purchase of a new piece of office equipment budgeted but not purchased since we are determining the cost/benefit analysis of purchasing the equipment versus outsourcing the activity.

vii. We paid off a majority of the Annuity Loan with the proceeds of the annuity we cashed in last year. The budget was prepared before we could calculate the effect of the lower rate of interest accrual.

d. The audit is scheduled for the week of February 23rd.

7. President Arp's Report (Exhibit B)

- a. President Arp provided his activity report and vacancy report. He reported on the improved mood at St. John, State Center.
- b. Palanga Lithuania Project. He also noted the continual struggle with the Lithuania project. Dr. Petkunas broke down the project into smaller projects.
- c. Fan into Flame. A steering committee has been formed for the Synodical Campaign "Fan into Flame." Rev. Thomas Wegener will chair this committee. As we get into the fund raising part, individuals and congregations will have the option of ear marking their funds for the Lithuania project. The other funds raised 15% will return to congregations, 15% to District, 20% to North American Missions and 50% for World Missions. Discussion followed on how the District might implement the Fan into Flame, the possibility of an upcoming Capital Fund for Camp Io-Dis-E-Ca (based on a favorable feasibility study) and the Lithuania project. It was agreed that communication has to be clear on how the Lithuania project will coordinate with Fan into Flame.
- d. Focusing on Christ's Mission. President Arp reported that this program has been implemented with Grace Waterloo and is scheduled with St. Andrew's in Van Horne. The District Office is working on the Convention and the workbook is in progress. President Arp notified the BOD of the deadlines for the workbook.
- e. Committees. The Constitution Committee has reviewed and finalized a constitution for St. Peter (Westgate) and St. John (Homestead). He reminded the BOD that the official copy of a church's constitution resides in the District Office.

8. Rev. Daird Korth, Part-time Assistant to the President (Exhibit E)

- a. District Early Childhood Conference will be held February 21 at Zion Hiawatha. Keynote speaker is Rachel Bausch, Early Childhood Director at St. John Lutheran School in Ellisville, MO. She also writes for the LCMS *Early Childhood Devotions*. Her presentation is titled "Trash Transformed into Treasures." Teri Stuckey, "Music Together" instructor from the Cedar Rapids Symphony School, will show how to integrate music into the early childhood curriculum. Mary Becker, teacher at Trinity, Cedar Rapids will discuss what experiences foster readiness for Kindergarten. There will be a number of exhibitors. We will have a Director's Forum in connection with the conference.
- b. We have selected a Preschool Educator of the year. The award will be given at the conference. Rev. Korth announced that Becky McKinney from Central Lutheran School (Newhall) won this year's award.
- c. Bethlehem, Mason City is wishing to call a rostered teacher to teach preschool and be the director of the preschool/ day care program. Rev. Korth is developing a call list.
- d. Rev. Korth informed the BOD that the preschool at Peace, Oelwein may close after this school year. The current teacher/director is retiring and they are feeling the competition from the public school program. He is exploring options with them. He is also continuing to work with the preschool at Trinity, Hampton.
- e. Rev. Korth attended the Schools Committee meeting January 20 at Williamsburg.
- f. He also participated in several conference calls with the Children's Ministry Action Team of Synod. He will be in charge of a workshop in Wausau, WI.

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

- a. Reported on his activities and committee work. He noted that Fan into Flame is taking some time. Rev. Woolery has urged him to put on a Witness Workshop - one at Latimer and LIS. He noted he has a couple more Witness Workshops scheduled.
- b. Rich Balvanz reported on the Board for Congregational Services meetings. They have been dealing with the communication goals-objectives (which the BOD developed). An emphasis will be put on the internet activity to help congregations project themselves on the web.

10. Unfinished Business

- a. Future BOD meetings.
 - i. Dr. Matthew Rueger will serve as chair at the May 9th meeting.

ii. Post-Convention BOD meeting dates - Motion made by the chair to delete the August 15th meeting and move it to Tuesday, July 21, 2009. Seconded by Andrea Koenig. Passed.

iii. There was a consensus among the BOD that the assumption of office for District President (following the resolution from the 11.28.00 BOD minutes) be put into a policy manual.

- b. Flood Relief Report. Dr. Rothchild reported that the two people the District hired have cut their hours considerably. The financial committee continues to review applications for assistance. Total donations are just shy of \$122,000. We have given out \$85,718 and have a balance of \$36,000. We are still getting contributions. Dr. Rothchild reported that the Camp was allocated \$25,000 to do improvements. They have spent \$4,700. We received significant grants from LCMS Human Care.
- c. President Arp moved that Russell J. Morey from Mount Pleasant be appointed as the District reconciler. Rev. Volkert seconded. Passed.

11. Rev. David Muench from Synod's Commission on Ministerial Growth and Support (CMGS)

- a. Rev. Muench presented the Next Steps Initiative. This initiative seeks to link retired ordained and commissioned ministers with local congregations to expand and strengthen the capacity for making known the love of Christ in Word and deed among our churches, communities and the world.
- b. To reach this goal the following strategies will be employed: (1) enable faithful ministers (ordained and commissioned) to identify and use their gifted passions; (2) enable congregations and other ministry organizations to identify mission and ministry opportunities which may be pursued with less than full-time personnel; and (3) facilitate a mutually beneficial connection between them.
- c. A District director will work to identify potential participants and inquire into their interest. The director would then interview the minister and enter that data into a database. The District director would also inquire of congregations and organizations to clarify and gather interest data (and enter that data into a database). As he discovers potential matches, he would seek the District President's input to certify the suitability of a proposed connection. After confirming the availability of a minister and the congregational or organizational readiness, he would share information and guidelines on the formalization of the connection and follow up by encouraging regular feedback.
- d. The Indiana District is now participating in the pilot program. CMGS is seeking two additional Districts to participate with a proposed length of 2 years to begin in the fall of 2009. There is some grant money from CMGS but the pilot would require the District's financial support.

President Arp led a lunch prayer.

The BOD reconvened at 1:00 p.m.

12. Rev. Terry Small, Executive Director of Camp Io-Dis-E-Ca

- a. Rev. Small began the Report for Camp Io-Dis-E-Ca by reading a letter from Pastor Knox, Camp BOD Chairman, where Rev. Knox apologized for his absence due to a funeral. On behalf the Camp, Pastor Knox thanked the BOD for their concern and ongoing support. The line of credit the District made available to the Camp helped them get through the fall and winter when they experience inconsistent cash flow. Rev. Knox reported that the Camp has repaid the District and now has money in the bank. He expressed his appreciation for the Camp staff-both full and part time. Finally he reassured the BOD that the Camp board, having restored the Camp's theological foundation, is committed to restoring the financial foundation of the Camp.
- b. Rev. Small began his State of the Camp PowerPoint report by thanking the board for the \$30,000 mission subsidy, the cash flow line of credit and the \$25,000 grant to house flood volunteers. Rev. Small continued by reviewing the 2006 Strategic Plan. The first two goals (viz., [1] Create a clear understanding of the responsibilities, authority structure and decision making processes among the Camp staff and board; and [2] Create an identity as a unique and distinctively Lutheran Camp) are completed. The

- other two goals (viz., [3] Raise the appearance and functionality of Camp assets to the highest standard; and [4] Enhance non-operating income streams) are still on going.
- c. Rev. Small focused on the Camp's summer programs highlighting the fact that they are highly Christ centered and sacramental. Last summer the Camp employed a summer vicar who was outstanding. He reported that some Campers hear about Christ for the first time during Camp and some Campers have requested baptism.
 - d. Rev. Small showed the 2008 Strategic Plan. The four goals are:
 - i. Create an identity as a unique and distinctively Lutheran Camp.
 - ii. Raise the appearance and functionality of Camp assets to the standards established by the Facilities Usage and Improvement Plan.
 - iii. Enhance non-operating income streams.
 - iv. Position Camp to effectively and efficiently meet changing needs and opportunities with IDE.
 - e. He then reviewed the findings of the 2008 audit. The auditors requested a segregation of duties over cash receipting, better security of cash on hand, computer security and physical inventory of assets. Rev. Small also informed the BOD of the on-going ACA accreditation process that is available to monitor with the online worksheet.
 - f. Rev. Small showed slides which showed trends from 2006. In 2009 he reported there will be a 50% higher summer Camp deposit which will provide an additional \$15,000 from February to May. There are new groups, like the Emmaus group, using the Camp several times during the year. There will also be several appeals - e.g. through newsletter appeals, "Buck to Camp" beginning in March and an endowment before this year's IDE Convention. With the present economic unrest people are in a wait and see mode. We can urge more congregations and individuals to support us by sending Campers, funding scholarships, including the Camp in church budget and scheduling retreats.
 - g. Rev. Small highlighted the future challenges facing the Camp. For instance the climbing tower is near the end of its service life and would cost \$45,000 to replace. The staff house needs improvements of \$125,000. The Alpha Lodge air conditioner has not worked for two years and would require \$15,000 to repair it. All totaled, the various improvements Rev. Small listed exceed a million dollars. In light of this the Camp board asked three organizations to help in fund raising. After hearing all three, the Camp board would like to use Cornerstone Stewardship Ministry in a partner model to do a feasibility study on a three-year funding Capital Campaign for IDE churches along with Camp Io-Dis-E-Ca. Pastor Small concluded his presentation by asking the BOD to consider funding the feasibility study that would cost approximately \$13-15,000.

13. New Business

- a. Greg Gerjerts moved that the District fund the Camp Io-Dis-E-Ca Capital Campaign Feasibility Study not to exceed \$15,000 with the provision that if the capital Campaign goes forward the Camp will pay back this sum to the District. Rev. Duncan seconded. Passed.
- b. Rich Balanz moved to include this question on the biographical information for the candidates for District President. Andrea seconded. The question reads as follows: *This Convention may consider changes in the structure of the office of the President, are you willing to serve as a District President who serves solely at the District Office or also as a District President who remains as pastor of his parish?* Passed.

Meeting adjourned by mutual consent.

President Arp led a closing prayer.

Respectfully submitted,



Rev. Dean Duncan, IDE Secretary

(Approved as corrected by the Board of Directors May 9, 2009)