

# IOWA DISTRICT EAST BOARD OF DIRECTORS

## MINUTES

Tuesday, March 15, 2011

**PRESENT: Ordained:** Mark Brase\*, Daird Korth, Daniel Krueger\*, Dean Rothchild, Matthew Rueger\*, Brian Saunders\*, Michael Scudder\*, Wayne Woolery

**Lay:** Dennis Duwe\*, Carl Egger\*, Andrea Koenig\*, Corey Nuehring\*, Lowell Schroeder, Carole White, Paul Zoske\*

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

**2. Devotion:** Rev. Krueger led the Board in an opening devotion, the singing of hymn 873 and a study on the Lenten Fast.

**3. Approval of Agenda:** The Agenda was approved with the following additions: Unfinished Business: 3. Ad Hoc Financial Committee; New Business: 4. Roof repair-St. Paul Chapel, Iowa City; 5. BOD Salary letter.

**4. Approval of Minutes:** Moved and seconded to approve the 1/25/2011 Board Meeting Minutes as published. Minutes approved.

**5. Correspondence:** Revs. Michael Holmen and Arthur Rickman accepted appointments to the BCS and Mission Board, respectively. The Board also received a letter from Concordia, Selma for lay member nominations for their Board of Regents. No nominations were offered.

**6. Treasurer's Report:** Items in the Treasurer's Report included: 5-Year Comparison of Receipts, Income and Expense Detail, Statement of Financial Position, 2010 Congregational Remittances. The Treasurer's comments were: a. Actual District support from Congregations for the first two months are the highest they have been in the last 5 years. b. Expenses are tracking slightly under budgeted amounts. c. The audit fieldwork has been completed. We are currently reviewing a draft copy of the 2010 audited financial statements. d. The Audit Committee met with the auditors on March 3<sup>rd</sup>. There were a couple of minor adjustments on both the IDE and Camp's financials. Overall the audit went very well. The Management Letter prepared by LCMS Internal Audit recommends that we consult with legal counsel to ensure our endowment policies do not violate the statutes of the State of Iowa (UPMIFA). In addition, they recommended continued improvement by Camp personnel to communicate and identify donor restricted funds and disbursements that meet those restrictions.

With the audit complete, there was an over-budget surplus of \$4,732.87. Moved and seconded to send \$4,732.87 to LCMS, St. Louis per BOD policy. Motion carried. (The Treasurer's Report, Exhibit A, is attached to the protocol copy of these Minutes.)

**7. President Saunders' Report:** The President reviewed the Vacancy Update: Holy Cross, Davenport; St. John, Fairbank; St. John, Oskaloosa; and possibly Trinity, Clinton will be calling candidates from the seminaries. One pending call is Kent Peck to St. Paul, Mt. Vernon. Accepted calls are David C. Anderson to LCEM, Davenport and Herb Mueller III to St. Peter, Westgate and Grace, Fayette.

Progress continues on the Non-Calling Vacancies: St. John, Osage and Hope, Sigourney are extending calls to their vacancy pastors, Bryon Northwick and Richard Meyer, respectively. Peace, Shell Rock and Concordia, Waterloo will be exploring options to serve those congregations with called pastors. John Block is serving Good Shepherd, West Union.

Current vacancies in IDE schools are: Principal at Dubuque Lutheran School, Dubuque (They are currently being served by a retired public school administrator); Principal and seventh grade teacher at Lutheran Interparish School, Williamsburg. Rick Holste, teacher at Immanuel Lutheran School, Waterloo has a call as Principal to Trinity Lutheran School, Boone, Iowa. Trinity Lutheran School, Cedar Rapids has extended calls to teacher candidates which have been accepted.

The President commented on the theological study and discussions ongoing at the COP. LCMS First Vice-President Mueller is heading up the Koinonia Project to bring doctrinal agreement and harmony to the Synod. President Saunders answered questions on Synod

finances and restructuring. (President Saunders' Report, Exhibit B, is attached to the protocol copy of these Minutes.)

**8. ATTP Korth's Report:** Rev. Korth reviewed his report. The District Early Childhood Conference will be Saturday, April 30<sup>th</sup> at Zion, Hiawatha. Dr. Starks from Concordia, St. Paul will be presenting. Concordia will provide state-qualifying Continuing Education credits. Several nominations for Preschool Teacher of the Year have been received. The Schools Committee will consider dropping the award in the future.

Rev. Korth assisted Our Redeemer, Iowa City; St. John, Waverly; and Bethlehem, Mason City on a variety of issues. The state funding of public 4-year-old preschools appears to be changing. This may have a positive affect on our church preschools. (ATTP Korth's Report, Exhibit D is attached to the protocol copy of these Minutes.)

**9. ATTP Woolery's Report:** Rev. Woolery reviewed his report. Newly appointed Director of the Education Department of Iowa Jason Glass met with the Accredited Nonpublic School Advisory Committee, on which ATTP Woolery serves. He spoke of his job to improve the education of the children of Iowa regardless of which school they attend. It appeared he is more supportive of private education.

House File #167 is on the floor of Iowa house today. This bill would allow non-public schools to be accredited by independent accrediting agencies, including NLSA. (ATTP Woolery's Report, Exhibit E is attached to the protocol copy of these Minutes.)

**10. ATTP Rev. Dr. Rothchild's Report:** Dr. Rothchild reviewed his report. He read a letter from Rev. Tim Eckert, Missionary to the Deaf, thanking President Saunders and the BOD for their support and letters in acquiring a Videophone phone number. He has been granted a phone number and now has a Videophone to communicate with deaf parishioners.

The Mission Committee will invite Rev. Mons, St. Paul Chapel, Iowa City to the next meeting to discuss the next steps in the mission start at North Liberty. Funding support and St. Paul Chapel's role as the mother church will be explored.

The Youth Committee met by teleconference. They set the 2011-12 Youth Events Schedule.

The Board of Congregational Services will be hosting a Website Development Workshop for congregations looking at setting up or improving websites on Monday, May 23<sup>rd</sup> at Zion, Hiawatha. (ATTP Rothchild's Report, Exhibit C is attached to the protocol copy of these Minutes.)

**11. Chairman's Minute:** Chairman Egger noted that the BOD meetings should be on the Professional Packet calendar and a concern about the Synod Constitution changes.

**12. New Business:**

**A. Roof repair--St. Paul Chapel, Iowa City:** The steeple area has developed a roof leak. An estimate of \$1,680.00 was presented. Moved and seconded to fund \$1,680.00 to repair the St. Paul Chapel steeple roof from the Repair/Maintenance fund. Motion carried.

**13. Discussion with LCMS CAO, Ron Schultz:** CAO Schultz introduced himself by giving his background and current position. The CAO of Synod is appointed for a three year term by the Synod BOD with concurrence of the Synodical President. The goal for this visit as defined by the Synod BOD is to meet with District BODs with an open agenda directed at finding out how the Synod BOD can support the work of Districts.

The IDE BOD had submitted several concerns prior to the meeting. 1. Our concern regarding alternative (non-seminary) paths to ordination. These concerns are not under the purview of the Synod BOD. CAO Shultz encouraged us to share our concerns with the COP, Seminaries and Synodical President's Office.

2. Our concern regarding Concordia Seminary in St. Louis regarding student-led contemporary chapel services, First Article emphasis and "Two Kinds of Righteousness." These concerns are not under the purview of the Synod BOD. CAO Shultz encouraged us to share our concerns with the Seminary's Board of Regents and Seminary President Meyer.

3. How much of each dollar congregational members contribute to "Missions" actually goes to mission work, not administrative expenses? Broadly defined, the term "Mission" covers

everything that the Synodical congregations have by convention agreed to undertake. Exhibit F (attached to the protocol minutes) outlined the 10 objectives of the LCMS which offerings support. It is very difficult to come up with a firm number.

LCMS receives on average \$.15 of every undesignated dollar given in the congregational offering plates. Undesignated funds to Synod continue to decline. The Synod's budget of \$86 million includes \$66 million designated gifts and \$20 million undesignated gifts. Of the \$20 million undesignated, \$17 million is offerings. 55% of the undesignated funds is used for program activity. World Mission's portion is \$3.5 million.

4. What is Synod doing to cut down on administration costs to channel money towards true mission? Synod reviews process management, internal operations, service, technologies and annual audits of each department to streamline operations and lower costs. Restructuring of Synod and staff reductions or changes will have an impact. Synod is always looking at ways to be more efficient by coordinating with other organizations.

**14. Lunch Break:** The Board recessed at 12:00 p.m. for a dine-in meal. Rev. Krueger offered the meal prayer. The meeting resumed at 12:40 p.m.

**15. Discussion with LCMS CAO, Ron Schultz (cont.):**

5. What is the salary structure of Synod? CAO Schultz provided the document "LCMS International Center Salary Administration" (Exhibit G attached to the protocol minutes.) The document outlines the process for setting and adjusting salaries of Synod employees. All salaries are reviewed each budget period. Models for executive ordained employees and the Constitutional Amendment votes concluded the discussion.

**16. Unfinished Business:**

**1. Financial Accounting for Palanga, Lithuania Project:** Dr. Rothchild presented a report of the financial receipts of the Palanga, Lithuania project to date (Exhibit H attached to the protocol minutes). The report included the original goal, IDE's original commitment, total monies sent and the latest need which is estimated at \$103,000. Discussion ensued on accounting of funds, expenses and meeting the needs.

Moved and seconded to contact LCMS WRHC to discuss the possibility of an agent to inspect the Palanga Project's past expenditures and provide a realistic report of finishing the project including cost and time analysis. Motion carried.

**2. CTCR nomination of layman:** No recommendations were made.

**3. Ad Hoc Financial Committee:** The Chairman will be appointing this committee in the near future.

**17. New Business (cont.):**

**B. Camp Board Appointment:** No recommendations were received.

**C. Mission Committee Appointment:** No recommendations were received.

**D. Youth Committee Appointment:** The Youth Committee made four recommendations (Exhibit I attached to the protocol minutes). Moved and seconded to appoint Audrey Skoog, youth; Jeni Miller, lay; Randi Petrik, DCE; and Kaja Mueller, DCE. Appointments approved.

**E. Letter to congregations concerning care of pastors and church workers:** Moved and seconded to authorize President Saunders and 1<sup>st</sup> VP Rueger to draft and send letters to the Board of Elders, Congregational President and Pastor of each IDE congregation concerning church worker's support and salary. Motion carried.

**18. NEXT MEETING:** Moved and seconded to meet in June instead of May and July. Motion carried. **Tuesday, June 21, 2011** 9:00 a.m. at the District Office.

Devotional leader: Dr. Dean Rothchild

**19. Adjournment:** Moved and seconded to adjourn. Motion carried. Meeting was declared adjourned at 2:23 p.m.

**20: Closing prayer** was offered by Rev. Krueger.