

IOWA DISTRICT EAST BOARD OF DIRECTORS

FINAL MINUTES

Tuesday, January 29, 2013

PRESENT: Ordained: Mark Brase*, Peter Hoft, Daniel Krueger*, Dean Rothchild, Matthew Rueger*, Brian Saunders*, Michael Scudder*

Lay: Dennis Duwe*, David Eastburn*, Leon Miles*, Corey Nuehring*, Lowell Schroeder, Carole White, Paul Zoske* (*voting members)

1. Call to Order: Chairman Rueger called the meeting to order at 9:02 a.m. Rev. Dr. Rothchild led the Board in Responsive Prayer 2, Psalm 16, hymn 409 and the Bible study on Luke 4:31-44.

2. Approval of Agenda: The Agenda was approved with the following addition: New Business: Corporate Resolution

3. Approval of Minutes: Moved and seconded to approve the October 30, 2012 Board Meeting minutes as published. Minutes approved.

4. Correspondence: The District received an e-mail from LCMS 1st Vice-president Herbert Mueller concerning the overture "To Reject and Condemn Errant Communion Practices" sent to the Office of the President. The Office of the President recommended that the third resolve be changed for Synod Convention action.

Moved and seconded to reword the third resolve of District Convention resolution 2.04A to read "Resolved, that the 2013 Synod in Convention urge the President of the Synod to counsel the District Presidents toward faithfulness in our official communion practice and to exercise discipline against errant practice when appropriate and necessary." Motion passed.

The Board received a letter from LCMS Secretary Hartwig concerning nominations for appointments to the Concordia Plan Services Board of Directors. Nominations are needed for one pastor and four lay positions. Rev. Daryl Rothchild, Newburg, North Dakota was nominated and seconded. The Board approved the nomination. The board made no further nominations.

5. Treasurer's Report: The Treasurer presented his report which included IDE 5-Year Comparison Receipts, IDE Income & Expense Detail, IDE Statement of Financial Position, IDE Death Benefit Review for Annuities, IDE Loans Payable, IDE 2012 Congregational Remittances, IDE 2012 Workshops, and IDE 2012 Budget Spreadsheet.

The Treasurer reported: a. District support from Congregations ended the year just slightly over budget at \$1,221,911. b. Actual expenses were lower than budget for 2012 by \$60,189. Gifts for New Mission Starts totaled \$137,891 during 2012. These gifts reduced the amount IDE needed for North Liberty and will give IDE a very positive cash flow to start 2013. c. A finalized 2013 summary budget is enclosed reflecting changes made at the October 2012 BOD meeting. d. The 2012 audit preparation has started and auditors will be on site in mid-February 2013. e. The District received the payment from the City of Marion in January 2013 for right of way and permanent easements along Blairs Ferry Road totaling \$34,200. The Treasurer recommended we reinvest these funds in property and building maintenance.

Moved and seconded that the \$34,200 received from the City of Marion be earmarked for building maintenance and improvement. Motion carried.

f. Investment Committee met on January 24, 2013. Our investments averaged a 10.51% return during 2012. g. The Sun Life Annuity 79-7900-152554 has a FMV of \$517,065 as of January 28, 2013. If this was cashed out and used to pay down debt on the Cedar Falls College Hill Student Center, we would save \$23,265 in interest in one year.

This savings would cover the shortfall from the potential death benefit (\$529,039-\$517,065) in less than 7 months.

Moved and seconded that the Sun Life Annuity 79-7900-152554 be cashed out to pay principal on the College Hill Student Center loan. Motion carried.

Moved and seconded to approve The Treasurer's Report. Report approved. (The Treasurer's Report, Exhibit A, is attached to the protocol copy of these Minutes.)

6. President Saunders' Report: The President reviewed the Vacancy Update: Trinity, Cedar Rapids, Dean Rothchild, Sr. vacancy pastor, calling Kirk Clayton; Immanuel, Grand Mound, Steve Anderson, vacancy pastor, calling; Redeemer, Marshalltown, Fred Berry, vacancy pastor, calling; St. Paul, Dubuque, Parker Knoll retiring, considering whether to call a candidate or from the field; St. Paul, Latimer, Marv Lorenz retiring, calling a candidate.

Other Calls pending include Doug Woltemath, St. Stephens, Atkins to Trinity, Blair Nebraska. Calls declined were Philip Bloch, Seymour, Indiana to Trinity, Cedar Rapids; Jacob Peterson, Burt to Redeemer, Marshalltown; Brian Saunders, District president to Assistant, Grace, DeWitt; David Zimmer, Guttenberg/McGregor to Trinity, Hayward, Wisconsin; Peter Hoft, Eldridge to Immanuel, Grand Mound.

Church worker calls accepted were Seth Illich, intern to DCE, Our Redeemer, Iowa City; Mark Sperry, DCE, IDW to Grace DeWitt. Declined: Shane Acers, DCE, State College, Pennsylvania to Trinity, Davenport.

The Board discussed congregations moving to new locations and whether the district needs guidelines concerning such relocating. President Saunders will inquire about Districts having congregation relocating guidelines at the next COP meeting. By consensus the Board assigned President Saunders and 2nd VP Krueger to prepare a document for the board to consider at its next meeting.

The President announced that Good Shepherd, West Union, has decided to close. Current members are either moving or have transferred to other LCMS congregations. Property proceeds when sold will go to the "Proclaiming Jesus Christ" campaign.

The President has appointed a Valley Lutheran School study group to study the theology of Lutheran Schools and its aspects for a school. The goal is to assign a chaplain for the school.

Concerning the Concordia Seminary, St. Louis chapel concerns, President Saunders has talked with professors, and will visit with the Director of the Chapel next week. (President Saunders' Report, Exhibit B, is attached to the protocol copy of these Minutes.)

Office Committee Chair David Eastburn gave the Office Committee report. The committee discussed District office structure starting at the top. The Board reviewed the new organizational chart with responsibilities, salary levels and lines of authority. Proposed position descriptions and responsibilities for each suggested staff position (District President, Assistant to the President, Business & Office Manager, Communications Coordinator/Webmaster and Administrative Assistant to the District President) were discussed. The committee answered questions on the reorganization. A limit to authority will be added to the Business & Office Manager job description so that the responsibility to hire and terminate staff falls to the Office Committee.

Moved and seconded to accept the Office Committee's report of district office structure reorganization. Report accepted. Revisions and timetable will be presented at the April Board meeting. (The Office Committee's report, Exhibit G, is attached to the protocol copy of these minutes.)

7. ATTP Rev. Dr. Rothchild's Report: ATTP Rothchild reviewed his report. St. Silas Lutheran Church will gather for Divine Service on Sunday, Feb. 3 at an alternate site until the store front location is ready. "Proclaiming Jesus Christ" Capital Campaign has a total of over \$155,000 in gifts and pledges. Pastors and congregations are responding well to the

campaign. He pointed out the committee reports on his report. (ATTP Rothchild's Report, Exhibit C is attached to the protocol copy of these Minutes.)

8. ATTP Korth's Report: ATTP Korth's report was reviewed in his absence. (ATTP Korth's Report, Exhibit D is attached to the protocol copy of these Minutes.)

9. ATTP Warnsholz's Report: ATTP Warnsholz's report was reviewed in her absence. (ATTP Warnsholz's Report, Exhibit E is attached to the protocol copy of these Minutes.)

Schools committee liaison Zoske presented the Schools Committee Projects/Goals Statement (Exhibit H attached to the protocol copy of these Minutes.) The committee requested the Board send a letter encouraging schools to pay teachers at District scale and to appoint a school principal to the Schools Committee. They also requested that teachers receive the IDE Professional Packet. Office staff has already taken this action.

Moved and seconded that President Saunders and Chair Rueger on behalf of the Board send a letter to all District schools encouraging them to pay teachers at district scale. Motion carried.

Moved and seconded to appoint Brian L'Heureux, principal of Valley Lutheran School, Cedar Falls to the School Committee. Appointment approved.

10. LCEF VP Carole White's Report: VP White pointed out her report. (LCEF VP White's Report, Exhibit F is attached to the protocol copy of these Minutes.)

11. New Business:

A. Camp Loan Refinance: Camp Board liaison Leon Miles read a letter concerning action from the last Camp board meeting. Items presented were: 1. The Camp board encouraged support and participation by BOD members in the Camp's 50th anniversary celebration; 2. The Camp board moved to operate with a \$20,000 deficit for 2013. This results from planned campground improvements which will have a two year payback. 3. The Camp board is refinancing the Camp's mortgage with LCEF. By consensus, the BOD agreed that the refinance is under the purview of the Camp board.

12. Lunch Break: The Board recessed at 12:04 p.m. for a dine-in meal. Rev. Dr. Rothchild offered the meal prayer. The meeting resumed at 12:53 p.m.

13. Unfinished Business:

A. Approval of Theological Journal as an official publication of the IDE: By consensus, the Board tabled action on the Theological Journal until the April meeting. President Saunders will e-mail the journal's Purpose Statement to the Board members.

14. New Business (cont.):

B. Review of District mileage rate: Moved and seconded that Iowa District East pay mileage at 90% of the IRS rate rounded to the nearest penny effective July 1st. Motion carried.

C. Conflict of Interest Policy: The Secretary presented the Conflict of Interest Policy (Exhibit J) which all Board members and staff are required to sign annually.

Moved and seconded that the Conflict of Interest be amended to read: "They are not over a value of \$50 unless approval is obtained from a supervisor." Motion carried. (Exhibit J is attached to the protocol copy of these Minutes.)

D. Policy & Procedures: The Secretary presented the following policy revisions for consideration: Schools Committee Policy, recommended changes from the Schools Committee (Exhibit I), and deleting CEF Policy.

Moved and seconded to adopt the revised Schools Committee policy. Policy adopted.

Moved and seconded to remove CEF policies from the Policy Manual. Motion carried.

The Secretary presented a status report (Exhibit K) on the Policy Manual. Policies not recently revised will be sent to the appropriate committee for review. (Exhibits I & K are attached to the protocol copy of these Minutes.)

E. Memorial regarding Missionary Funding: Chair Rueger presented a resolution titled "To Fund Missionaries Fully" (Exhibit L). The Board discussed the process and challenge of missionaries raising their own funds.

Moved and seconded to pass the resolution "To Fund Missionaries Fully" and submit it for consideration by the synod convention. Motion carried. (Exhibit L is attached to the protocol copy of these Minutes.)

F. Corporate Resolution: The Treasurer presented a corporate resolution (Exhibit M) to update signers for IDE accounts.

Moved and seconded that the Board approve the updating of signers for IDE corporate bank accounts (Brian S. Saunders, President; Corey R. Nuehring, Treasurer; Lowell Schroeder, Assistant Treasurer), IDE corporate investment accounts (Matt Rueger, Chairman; Corey R. Nuehring, Treasurer; Lowell Schroeder, Assistant Treasurer; Brian S. Saunders, President) and to grant Sherry Brendes, Business Manager, access to inquiry of account balances and transactions. Motion Carried. (Exhibit M is attached to the protocol copy of these Minutes.)

15. NEXT MEETING: Tuesday, April 23, 2013, 9:00 a.m. at the District Office. Rev. Dr. Rueger will lead devotions.

16. Adjournment: Moved and seconded to adjourn. Motion carried. Meeting was declared adjourned at 1:35 p.m.

17. Closing Devotions: Rev. Dr. Rothchild closed with prayer.