

ENGLISH DISTRICT BOARD OF DIRECTORS MEETING

January 30, 2024

Meeting Location:

Immanuel Lutheran Church of Orange 802 E. Chapman Ave., Orange CA, 92866.

Attendance: Voting Members - Rev. Todd Arnold, Mr. Christopher Cassel, Ms. Carol George, Mr. Thomas Habitz, Rev. Jamison Hardy (*Pres.*), Mr. Thomas Honebrink, Rev. Robert Kieselowsky, Mr. Terry Leu, Mr. Keith Vieregge, Mrs. Kristin Wellik, Rev. Luke Zimmerman. **Non-Voting Members** - Rev. Jeffrey Miskus, Rev. Michael Morehouse, Mrs. Sally Naglich, Rev. Robert Rogers, Rev. Douglas Spittel, Mr. Jim Thielen. **Staff** - Mr. Albert Amling, Rev. Daniel Lepley, Rev. Derek Mathers (*via telecommunication*). **Not Attending:** Mr. Ronald Grimm, Mr. Rod Lane.

Call to Order: Chairman Terry Leu called the meeting to order at 8:35am.

1. Opening Devotions

Rev. Douglas Spittel led morning devotions according to the Daily Prayer for Morning (*Lutheran Service Book*, p. 295), providing a Scripture reading from 2 Timothy 2.

2. Roll Call and Determination of Quorum

Secretary Luke Zimmerman called the roll of members. From that roll call, a quorum of voting members was determined to be present.

3. Approval of November 2023 Meeting Minutes

Secretary Zimmerman presented draft minutes of the November 2023 Board of Directors meeting to the Board for approval. Motion: *"To approve the minutes as presented."* Motion carried.

4. Introduction of Commissioned Minister Member

Chairman Leu introduced Mr. Keith Vieregge to the Board. Mr. Vieregge was appointed at the November 2023 meeting [*cf. NOV 2023 Minutes – Item # 7*] to fill the vacancy created by the death of Mr. Lucas Fitzgerald. Mr. Vieregge informed the Board about his service as Kantor at Our Savior - Hartland, MI and as a teacher at the parish school. He had previously served as an appointed Board member during the 2018-2022 triennium.

5. Review of Prior Meeting

Board members shared comments about their visit at St. John the Divine - Chicago, IL. They were informed that Rev. Isaac Nicholson, pastor of the congregation, will be serving as a keynote speaker at a mission conference. The congregation's partnership with a Northern Illinois District congregation (Salem - Blue Island, IL) is continuing to bear fruit.

X. Executive Session 1

The Board entered into executive session at 8:45am.

The Board exited executive session at 9:35am.

6. District President's Report

President Jamison Hardy raised the matter of the property in Buffalo, NY that had been ceded to the District. District funds have been expended for necessary maintenance at the property. Vandalism has been a concern, as well as water in the basement. Since the previous Board meeting, a sales agreement has been reached with a purchaser for the property. The process of selling property is complex within the State of New York. Motion: *"To approve the sale of the property owned by the English District–LCMS located at 265 Skillen Street, Buffalo, NY, 14207 to the Seneca Nation of Indians for the amount of \$625,000."* Motion carried with no negative votes.

President Hardy directed the Board to some of the congregational grants mentioned in his report. These have been beneficial to the congregations assisted.

President Hardy spoke briefly about the Concordia University Texas separation situation. The university has filed a petition seeking to move the legal case out of federal court.

President Hardy informed the Board that he received nominations for two other offices within the Synod: (1) President of Concordia Theological Seminary Fort Wayne and (2) President of the Concordia University System. These election processes will be completed by Spring.

A Board member inquired about mention in the President's written report concerning the meeting between WELS, ELS, and LCMS that took place in Florida earlier in January. These meetings take place on a semi-annual basis to discuss issues that exist between the church bodies that are currently impeding fellowship.

7. District Staff Reports

Rev. Daniel Lepley, LCEF Vice-President, highlighted major capital improvements being made by congregations which involved loan applications and closures. As noted in his report, many of these will be conducted during the First and Second Quarters of 2024. One project involves Real Estate Solutions partnering with a congregation about developing their property. Another project not mentioned in his written report is Mount Olive - Tucson, AZ evaluating the potential of starting an educational ministry at their site. At the conclusion of his report, both Rev. Lepley and President Hardy emphasized the profit sharing relationship between LCEF and the District. President Hardy also announced that a congregation had been awarded a \$20,000 Kaleidoscope Grant from LCEF. Rev. Lepley also informed the Board about a potential grant opportunity from the Lilly Endowment about cultivating worship and prayer within families [<https://lillyendowment.org/nurturing-children-through-worship-and-prayer-initiative/>] that the District or District congregations could apply for.

Mr. Albert Amling spoke about the church worker shortage's effects on parish education operations. Two preschools within the District are working with preschools in local geographic districts for finding directors. Redeemer Lutheran School – Pittsburgh, PA is in process of calling a principal to succeed Gail Holzer. He has completed visitation of 36 out of 37 schools within the District; the preschool in Naples, FL is the final institution yet to be visited. Mr. Amling emphasized the roles of parish pastors in

recruiting future church workers. A Board member raised the concern about the fading presence of male teachers within parish schools. Financial matters—salary, medical benefits, and housing costs—are negative factors working against the recruiting and maintaining of parish school staff members and other commissioned workers. This is also becoming an issue with pastoral calls, particularly assistant/associate pastor calls. Discussion about this topic led to speaking about call processes and the tools/information that District congregations are provided with during those processes.

President Hardy commended the high amount of activity being conducted by Mr. Ron Grimm, the District Planned Giving Coordinator, within congregations of the District.

Chairman Leu highlighted some of the work done by Rev. Derek Mathers, District Mission Executive, about presenting Church Planting Simplified seminars concerning Mission Action Teams at District congregations. A Board member inquired about the status of the Gold Canyon, AZ mission start and its location following the Board's declination in December 2022 to purchase a similar property [*cf. DEC 2022 Minutes - Item #14*].

8. Constitution Committee Report

The Constitution Committee report was reviewed. No action items were presented for Board action at this meeting.

9. Canada Corporation Report

Mr. Jim Thielen, Chairman of the Canada Corporation, reported to the Board about the increase in assets due to good repayments of mortgage loans. No non-performing loans are present at this time. Board members initiated a discussion about the process of satisfying the obligations to investors of the Canada Corporation. A deadline stands for the Canada Corporation to meet requirements of Ontario law by October 2024, which was deemed by Board members as a reason to prompt satisfaction of investor obligations in the short term.

10. Endowment Fund Report (Part 1)

Chairman Leu directed the Board's attention to the performance of the Endowment Fund in 2023. Along with carryover from previous years, this has led to \$376,724 available for distribution in Fiscal Year Ending January 31, 2025. A protracted discussion was held regarding undistributed funds that were scheduled to revert to principal on February 1, 2024. Motion: *"To direct undistributed principal allocated for scholarships from the Endowment Fund for distribution as scholarships in Fiscal Year Ending January 31, 2025."* During discussion, a motion was made to postpone indefinitely the original motion; that motion failed. Chairman Leu declared the meeting to stand in recess until 1:00pm.

11. Recess & Lunch

During the lunch recess, Board members were provided with a tour of the Immanuel church and school facilities by the congregation's senior pastor, Rev. Dr. Robb Ring.

12. Afternoon Devotions

Rev. Douglas Spittel led afternoon devotions according to the Daily Prayer for Noon (*Lutheran Service Book*, p. 296), providing a Scripture reading from Zechariah 9.

13. Endowment Fund Report (Part 2)

Following the lunch recess, Chairman Leu called the Board to order at 1:45pm. The Board resumed discussion of the motion: *"To direct undistributed principal allocated for scholarships from the Endowment Fund for distribution as scholarships in Fiscal Year Ending January 31, 2025."* Motion carried.

14. Treasurer's Report

Treasurer Sally Naglich presented to the Board the preliminary Statements of Financial Position as of December 31, 2022 and 2023 and the Statements of Activities and Functional Expenses for the 11 months ended December 31, 2023 for U.S. and Canada, as well as the December 31, 2023 Financial Statements for Canadian Church Extension Fund. The Statement of Financial Position - U.S. includes the Buffalo, New York church property as Property Held for Sale of \$595,000 and loan receivables from the CCC of \$523,000, Canada Corporation of \$949,500, Illinois property sale of \$185,770, President's home of \$352,425, and California property sale of \$1,275,000. The district has loans payable of \$693,567 to Lutheran Church Extension Fund and \$47,500 to LCM/ELCA for the assignment of interest in the Campus Christian Center.

During her report, Treasurer Naglich identified that \$30,000 of a Board-approved \$50,000 grant to Trinity - Villa Park, IL [*cf. NOV 2019 Minutes - Item #7 & Attachment A*] had not been expended, though the program is ongoing. The Board was asked whether to extend the timeframe of the program funding. Motion: *"To extend the timeframe of funding the Projects program at Trinity - Villa Park, IL until 2029."* Motion carried.

Motion: *"To accept the Treasurer's Report as presented."* Motion carried.

15. Treasurer Task Force

Secretary Zimmerman and Mr. Thomas Honebrink re-introduced draft proposals that the Treasurer Task Force had presented to the Board in November 2023. Affirmation was made concerning changing the term "salary" in the Treasurer proposal to "stipend" or something similar, as mentioned at the previous meeting. Question was raised about what Bylaw language may need to be adopted to implement the proposed change; the Task Force indicated that appointment of the Treasurer by the Board of Directors remains the preferred way for selecting the Treasurer, while adding a Bylaw provision that no officer of the District may serve as an Executive Assistant may be prudent. Suggestion was made to limit the day-to-day functions of the Treasurer in the proposal.

Notice was also given about the contract language for the Business/Finance Manager and the potential inconsistencies with other Executive Assistant policies; the Task Force was instructed to look at those and bring back proposed suggestions of change.

16. Presidential Review & Evaluation

Chairman Leu reintroduced the matter of presidential review by the Board, which had been a topic of previous Board discussion. Dialogue on how the Board can take up this activity in the future had been held by an *ad hoc* group of Terry Leu, Jim Thielen, and Kristin Wellik. Mr. Thielen mentioned difficulties with executive assessment without metrics. He shared an article—"How Does a Policy Governance Board Evaluate Its CEO?"—with Board members concerning about CEO evaluation [<https://www.governancecoach.com/2017/01/how-does-a-policy-governance-board-evaluate-its-ceo/>]. He also provided members with a potential English District Strategic Framework that could be used by the Board to develop a way of evaluating the District President. He also shared with Board members a document "US./C. Consumer Imaging Strategic Framework" that can be used to guide understanding of how to evaluate or review the performance of the District President.

Within discussion of the topic, Board members raised the question about the point of the Board crafting End Statements and their use in evaluating the District President's performance. This topic was deemed as a point of difficulty in the past.

Another issue raised was the matter of any consequences that the Board could implement as part of a negative evaluation of the District President. These are primarily limited to the salary that can be set by the Board as part of the budget process. Other consequences are either established within the Synod Bylaws, such as removal from office.

17. Process for Distribution of Board Meeting Minutes to District

A question was raised by Board members concerning distribution of Board Meeting Minutes to members of the District. Secretary Zimmerman informed the Board that Synod Bylaw 1.5.3.5 requires agencies of Synod, which includes Districts, to establish a policy for publishing approved minutes of the District. However, no policy had been currently adopted. Motion: ***"To post approved minutes of Board of Directors meetings to the District website."*** Motion carried. Suggestion was made to also provide notification in the *Servant-to-Servant* when minutes are posted; that suggestion was well received by Board members, including the President and Secretary.

18. Review of Board Flow Chart

The items listed in the Board of Directors Flow Chart were deemed to have been met.

19. Future Meetings

Dates and locations for future meetings were reviewed and established:

APR 29-30	Advent - Zionsville, IN (<i>in conjunction with District Professional Church Worker Conf.</i>)
AUG 9-11	Windsor, ON
NOV 1-3	Calvary - Mechanicsburg, PA
FEB 2025	Arizona congregations

20. Dates and Location of 2025 District Convention

President Hardy introduced the matter of the 2025 District Convention. The past several conventions have been held during June at Concordia University–Ann Arbor, MI. The Michigan District has cooperated with the English District and Ohio District in helping to lower costs. This has been made possible through the generosity of the Michigan District, but it necessitates all three Districts to hold conventions in a two-week timeframe. This has led him to propose holding the 2025 District Convention during June 26–28, 2025. Potential backup plans include holding the convention at a District congregation. Two options were identified: (a) Hales Corners – Hales Corners, WI or (b) Our Savior – Hartland, MI.

21. Closing Prayer & Adjournment

Motion: *“To adjourn the meeting.”* Motion carried. Chairman Leu adjourned the meeting at 3:55pm. Rev. Spittel offered a closing prayer, including reading a portion of Psalm 33.

Submitted,

Rev. Luke Zimmerman
Secretary, English District–LCMS