

EASTERN DISTRICT BOARD OF DIRECTORS

FRIDAY - SATURDAY, FEBRUARY 17 -18, 2017

Hope Lutheran Church, Rochester, New York

REGULAR MEETING

FRIDAY, FEBRUARY 17, 2017

Directors Present: Pastor Murray Brindle; Vice Chair Claire Carlson; Bradley Dreier; Mark Erbeling; Melissa Fultz; Jacqui Green; Maureen “Becky” Grunder; Secretary Karl W. Haeussler; Pastor John Pingel; Pastor Carl Prostka; Pastor Daniel Strussenberg; Terry Miller; Cyndi Alviani; Chair Gordon Tresch, ESQ; and, President Chris Wicher.

Directors Absent: None.

Meeting called to order. After determining that a quorum has been established - and it was noted that we have perfect attendance - the meeting was called to order by the Chair at 1:03 p.m. It was also noted that this was the rare February meeting of the Board of Directors not affected by inclement weather. Thanks was given to God from Whom all blessings flow!

Opening Devotion. Opening devotion was given by the President. His focus was upon the 500th Anniversary of the Reformation being celebrated this year throughout the world. He emphasized how God reformed the church (effecting an ecclesiastical paradigmatic shift) and the world then and how God is continually reforming the church and the world. He showed a video summarizing Luther’s life and ministry in about 2 minutes. He asked what we remember most about Luther’s life and the Reformation. While presented many Scripture passages that influenced Luther, he commented specifically upon Galatians 2:16. He closed with an exhortation that since God is still reforming the church and the world may His Gospel shine brightly through us. (See attached sheet)

Overview of Meeting. The Chair provided an overview of our meeting and highlighted the approval of the District Budget and the annual meeting as the owners of Pioneer Camp and Retreat Center (which is required by state law). He gave thanks to Hope Lutheran Church for hosting our meeting which was received by Mark Erbeling who is a member of Hope. It was announced that since the hotel at which members were staying does not offer a free breakfast, Mark would be graciously providing sustenance for us at Hope before our morning session begins.

Approval of Minutes. The minutes of the prior regular meeting of the Board of Directors held on September 30 - October 1, 2016 were reviewed. Two typographical errors, one on page 3 and one on page 4 were corrected. With the exception of the first two sentences, the final paragraph beginning on page 10 along with the following two paragraphs on page 11 were deleted and replaced with the following sentence: “The Secretary of Synod will now give a proposal to the Synodical Board of Directors for their consideration and adoption after consultation with the

Council of Presidents.” A motion was made and seconded to approve the minutes as amended. The motion was approved unanimously.

A question was raised by the President regarding the posting of the minutes. The established practice has been for the Secretary of the District Office to post the minutes on the District website as soon as they are made available by the Secretary of the Board of Directors. The President suggested that the first draft of the minutes be first made available privately to the Board. This change, henceforth known as the Haeussler Protocol, was agreed to by consensus.

A motion was made and seconded to approve the minutes of the Special Conference Call of the Board on November 1, 2016. It was approved unanimously.

A motion was made and seconded to approve the minutes of the Special Conference Call of the Board on November 17, 2016. It was approved unanimously.

Approval of the Agenda. A motion was made and seconded to approve the agenda as presented. It was approved unanimously.

Member sharing. The Chair asked the members to keep it brief as we had a full board along with a very full agenda. A special welcome was given to new Board member Cyndi Alviani.

President’s Report.

+ At the prior meeting of the Council of Presidents two excellent presentations were given about changes in administration that have been taking place both in the church and in business. One point emphasized in both was as follows: “Either you make change happen or change will happen to you.” In line with this, the President noted that he works with the District Staff in helping congregations through times of transition, both good and bad, so they can effectively carry out their Mission (instead of remaining in a maintenance mode).

+ At present, there are 13 vacancies in the District along with 18 part time Pastors and 8 dual congregational settings (the latest being Concordia Lutheran Church in Newfane, New York and St. John Lutheran Church in Youngstown, New York being served by Pastor David Duke). Concerning Spring placements of pastoral candidate from our Seminaries, 80 Pastors are available (which is a record low number). There are no present requests from the Eastern District for a candidate.

+ The District continues its program of each congregation being visited. So far, all congregational visits have been very positive. The President will make certain that the remaining congregational visits will be made in the established time frame.

+ The two main themes of the most recent video message to congregations were the visits of congregations and the ongoing effort of the District to improve its communication with the congregations and her members. Each congregation was encouraged to share communications such as this video and the weekly E-Communicator with their own members.

- + The President is looking for mission money to aid Oromo (Ethiopian) refugees that have connected with St. Mark Lutheran in Ridley Park, Pennsylvania. There is also a Korean Pastor in the Philadelphia area who is seeking a colloquy opportunity.
- + Lyle Heggemeier continues to assist congregations with the Natural Church Development process.
- + The President plans each day, yet life and ministry happen and schedule adjustments are made.
- + The President will report on Futures2 tomorrow morning.
- + The theme of the Professional Church Workers Conference this coming November 8-10 is Forever Reformation. The key speakers will be Mark Schoepp and Paul Maier.
- + Our Board of Director Policy changes have been sent to Synodical Commission on Constitutional Matters for approval.
- + 44 congregations have submitted financial support forms to the District Office. Statistical reports are also due. The deadline for submitting statistical reports is March 1.
- + The President presented three District Office Job Descriptions that need to be approved by the Board of Directors. They are as follows: Executive for Schools; Discipleship Development Executive; and, Minister of Communications and Networking. A motion was made and seconded to approve all three Job Descriptions. The Chair brought up a concern about the Executive for Schools, that it should state the candidate should have educational experience. The President agreed to take this under advisement. The question was called. The motion was approved unanimously.
- + Year end reviews were held with all of the District Staff.
- + St. John Lutheran Church in Millvale, Pennsylvania and St. John Lutheran Church in Farmington, New York have presented Constitutional revisions to the District. They were reviewed by the District Constitutional Committee and approval was recommended by them. A motion was made and seconded to approve them. The motion passed unanimously.

This ended the President's report.

Before the Board adjourned for the Annual Meeting of the Pioneer Owners, he wanted to share a meeting he recently had between representatives of the District Board of Directors and representatives of the Pioneer Board of Directors. There is an independent corporation that has been formed within the corporation that is Pioneer Camp and Retreat Center. It is a catering company that is owned by Pioneer Director Pastor Alex Knowles and Pioneer staff member Brigam Ziehm. This catering company obtained two liquor licenses. There are many concerns about this and about a for profit organization operating within a non profit organization: legal; tax; conflict of interest; liability; and more. The Vice Chair was at this meeting and shared her thoughts about what transpired. During the ensuing discussion the Chair emphasized the proper

questions that members of the District Board of Directors could ask during this Annual Meeting of the Pioneer Owners.

The Eastern District Board of Directors adjourned at 2:39 p.m.

(Minutes of the Annual Meeting of the Pioneer Owners can be obtained from the Pioneer Board of Directors.)

We resumed as the Eastern District Board of Directors at 3:33 p.m.

*** 2017 Eastern District Budget**

Our special guest via conference call is Eastern District Treasurer Barb Sigafos. She will be presenting the budget with Chris.

+ We finished 2016 with a deficit of \$10,331.50 which was essentially the result of a deficit from congregational giving.

+ 2016 Eastern District Congregational Giving Breakdown. 12% (16) congregations gave zero. 76% (99) congregations gave up to \$10,000. 8% (11) congregations gave up to \$25,000. 3% (4) congregations gave more than \$25,000.

+ Only 44 congregations have returned pledge forms. This makes it difficult to plan a budget. The President shared the process by which Barb makes estimates based upon previous congregational giving. (The recent \$10,331.50 shortfall of congregational giving is comparatively better than those of recent years.)

+ We are looking at \$5,000 less in revenue.

+ The President reminded us that while \$45,000 is budgeted for Pioneer Camp and Retreat Center, \$30,000 was advanced to them this past Fall. This was drawn from the Eastern District LCEF Line of Credit. A \$10,000 repayment will be made this month.

+ We continue to receive \$1,000 a month for the St. Matthew Lutheran property in Rochester. A balloon payment is due in 2020. The President recommended negotiating with them so they will continue to pay rent.

+ The proposed budget is a balanced budget with \$912,480 of revenue and expenses. It is essentially the same budget as last year with just a little tweaking here and there.

+ The disciple category is down a bit as there is less for Lyle and Bob has moved.

+ The administration category is up due to increases in salary, travel and insurance.

+ The District Budget is really about \$650,000 which is less than First Trinity Lutheran in Tonawanda, New York and the same as St. Paul Lutheran in North Tonawanda, New York.

A motion was made and seconded to approve the 2017 Eastern District Budget. It was approved unanimously.

*** Video: President's January Message to Congregations.**

To save time, the President opted not to show this. If we have not seen it, we can find its link in the E-communicator.

*** Proposed Changes to Bylaw/Regulations.**

This was led by the Chair.

+ The only real change in the Bylaw is that if the Eastern District goes out of business, all that is left goes to St. Louis. (And all that we really have is the office building on Main Street, a car, and the Pioneer property.)

+ The designation of Pastor is no longer used. Instead, the designation of Ordained Minister is used to coordinate with that of Commissioned Minister.

+ The changes concerning Conflict of Interest (1.1.2.5) came from our attorney for reasons of state compliance.

+ The only real significant changes in the Regulations are with the Nominating Committee. The Nominating Committee will now be a group of 3 people down from 12. The Nominating Committee will also oversee the election process as all nominations will now come from the congregations. The Nominating Committee will be comprised of one Ordained Minister, one Commissioned Minister, and one lay person. Each will be from a different region.

A motion was made to approve the draft of the Bylaw/Regulations changes and for the President to send it to the Synodical Commission on Constitutional Matters for review. The motion was seconded. It was approved unanimously. (It was noted that, for now, the 12 person Nomination Committee is still in effect.)

*** Deacon to Pastor Update.**

At the Synodical Convention this past Summer it was decided that all Deacons who serve in Word and Sacrament ministry must become Pastors to continue in such service. In our Eastern District, 13 of our 14 Deacons are affected by this decision. The President is working with our First Synodical Vice President and three other District Presidents on the process of how a Deacon can transfer to being a Pastor. They are specifically defining the Colloquy process. If the Deacon has 10+ years of continuous service, they can become a general Pastor and move around in his Word and Sacrament ministry. If the Deacon has no less than 2 years of continuous service and is 50 years old, he can become a Specific Ministry Pastor serving only in one congregation. The President is beginning the process of learning who among our 13 effected Deacons can do what. Applications will be taken beginning in July for a one year period. The

President is helping both congregations and Deacons through this time of uncertainty and anxiety. He is confident that there will be satisfactory outcomes for all.

*** Conflict of Interest Changes and Signatures.**

The revised Conflict of Interest Policy was present to the Board by the Chair. A motion was made and seconded to approve this. It was passed unanimously. The Chair asked each Board member to sign a copy of the approved form.

A motion was made to adjourn at exactly 5:00 p.m. It passed unanimously.

A closing prayer was offered by the President.

SATURDAY, FEBRUARY 18, 2017

Directors Present: Pastor Murray Brindle; Vice Chair Claire Carlson; Bradley Dreier; Mark Erbelding; Melissa Fultz; Jacqui Green; Maureen “Becky” Grunder; Secretary Karl W. Haeussler; Pastor John Pingel; Pastor Daniel Strussenberg; Terry Miller; Cyndi Alviani; Chair Gordon Tresch, ESQ; and, President Chris Wicher.

Directors Absent: Pastor Carl Prostka.

Special guest: Rick Porter.

After determining that a quorum has been established, the meeting was called to order by the Chair at 8:22 a.m.

Thanksgiving was extended to Mark Erbelding for providing breakfast for us at Hope Lutheran Church.

*** Opening devotion.**

The opening devotion was given by Melissa Fultz. She began with Valentine’s Day and its emphasis on human love and then moved to God’s unconditional and perfect love for us in Jesus and how we are moved by His Spirit to share it. She provided two powerful examples before passing out the gift of an angel heart to each member. An accompanying poem was read responsively before the closing prayer.

*** Eastern District Policy Governance Work.**

Special guest Rick Porter led us in a review of section 4 - Executive Limitation Policies.

4.3. Personnel.

+ 4.3.1. Remained unchanged.

+ 4.2.1. It was noted that the President must make judgment calls and then be able to justify them. He uses the criteria of how they will positively effect the desired outcomes of the District. After some discussion this remained unchanged.

+ 4.3.2. Rick commented that resources need to be in place for the staff person to succeed. We do not want to set them up for failure. This remained unchanged.

+ 4.3.3. Remained unchanged.

+ 4.3.4. Remained unchanged.

+ 4.3.5. Rick recommended its removal as it is an archaic remnant of old regulations which applied to a staffing structure that does not exist anymore. Moreover, it doesn't reflect Carver model at all as it is more reflective of a board structure. This was removed.

+ 4.3.6. Remained unchanged. The question was raised of how do you test this?

+ 4.3.7. Remained unchanged.

+ 4.3.7(a). The question was asked as to whether we should state that policies reflect our Christian faith and supersede conflicting policies of the world. Rick pointed out that our policies address this elsewhere. Nonetheless, the Board opted to make an addition that will go before 4.3.7(a): "Personnel policies shall not deviate from ethical treatment of employees in accordance with God's Word." 4.3.7(a) remains unchanged.

+ 4.3.7(b). Rick recommended keeping this as this limitation prevents establishing limiting policies. It remained unchanged.

+ A discussion arose returning to added policy statement about our ultimate allegiance being to the Word of God. It was noted that something like this needs to be in the governance policies for Pioneer, especially concerning same sex marriages.

+ 4.3.7(c). Rick noted that this is also covered in our Conflict of Interest policy statement and that the President needs to make certain this is conveyed in District employee manuals. This remains unchanged.

+ 4.3.7(d). It was stated that this is also covered by our whistle blower policy. It remained unchanged.

+ 4.3.8. Results are to be shared with the staff that is being evaluated. This remained unchanged.

+ 4.3.9. This remained unchanged.

4.4. Planning.

+ 4.4.1. The focus is to be on a proper operational plan that addresses the desired outcomes. This remained unchanged.

+ 4.4.2. The focus is to be upon making sure the operational plan fits the budget and resources, and then conveying this information to the staff. This remained unchanged.

4.5. Program.

+ 4.5.1. This remained unchanged.

4.6. Long Range Outlook.

+ 4.6.1. Rick observed that visitation is part of this. This remained unchanged.

+ 4.6.2. This remained unchanged.

+ 4.6.3. It was noted that we are to see how the world is affecting what we do. For example, why is congregational giving declining? The President reports such matters and discusses what we can do about it. This remained unchanged.

+ The next area we will cover is 3.5 - Means of Monitoring. Rick passed out documents for the Board to review that would replace our present sections.

+ Rick then noted that the Board has spent six very long and tedious years reviewing policies and not addressing ends? He asked the Board about this.

* **Wicher 2017 Housing Allowance.** A motion was made and seconded to approve the President's 2017 Housing Allowance of \$24,000.00. It was approved unanimously. This needs to be signed by the Secretary.

* **President's Year End Review Report.** This was done by both the Chair and the Vice Chair. The Chair follows a document provided by a former District Presidents. Its focus is on whether or not the President is following his job description and how effectively he is in this. Plus, is he moving us along with our Vision and toward our End Goals. The Chair shared highlights of the Review of the President.

+ The President is still excited about serving in his position, even after nearly 8 years.

+ The President is moving us along with our Vision and toward our End Goals. Highlights and accomplishments of the past year were shared.

+ The President's goals for 2017 including the following: implementation of congregational visits; successful participation in the Synodical Convention; working on the changes to the Lay Deacon program; video presentations to the District; continue improvement between District and her congregations (with an emphasis on the relationship between our District and the Synod); and, moving congregations more toward sharing resources with one another.

+ The Vice Chair affirmed the Chair's comments. She emphasized the importance of continued improvement with the congregations of the District.

*** The State of the Church in North America.**

+ The President passed around resources he is using in this presentation: District Visitation Report from Synod (which each Board member received a copy of when Synodical President Harrison visited); *Lutheran Witness*' "State of the Synod"; and, "The Next America" by Paul Taylor (of the Pew Research Center).

+ The Church is undergoing an incredible transition caused by the phenomenal changes in our society. And while the President has seen much fear and anxiety in our congregations, morale within them is still great! There is stress, yet not a defeatist attitude. There is much hope.

+ Chapter One from Paul Taylor's "The Next America": Money Trouble.

The average American has very little money in the bank, especially those who are 35 and under. They are working very hard, yet there are so comparatively few good career jobs.

There are significantly more multi-generational households, in large measure due to an increasing number of unlaunched older children. (39% of Millennials are still living with a parent or a relative.) Nonetheless, the majority of Millennials are still happy.

+ Chapter Two: New Immigrants.

"If you don't make change happen, it will happen to you!"

By 2060, Caucasians will be a minority in our country. How will this affect our District congregations?

From 1840 to 1899, 89% of new immigrants were from Europe. Today 50% are from Latin America, 27% are from Asia, and only 12% are from Europe.

In 1900, 35% of children were from immigrants primarily from Europe. Today, 37% of children are from immigrants primarily from Latin America and Asia.

+ Chapter Four: Wither Marriage.

Not only are people not rushing to the altar anymore, they are getting married much later - if at all.

The support for same sex marriage has increased dramatically with a huge shift having taken place recently. In 2003, 58% of Americans opposed same sex marriage while 33% favored it. In 2015, 57% of Americans now approve of same sex marriage while 39% oppose it. Among Millennials, 73% approve of same sex marriage. Many in this generation are in opposition to our Church because in their eyes we are too judgmental. (A discussion arose over how do we remain

faithful and civil at the same time. It was noted that the Church, overall, has not done a good job of effectively teaching what we believe.)

+ Chapter Seven: Getting Old.

Average median age: Caucasian - 42; Hispanic - 28; Asian - 36; African American - 33; Mixed Race - 20.

In 1900, life expectancy was 49 while today it is 79.

In 1900, the average family had 3.6 children while today the average family has 1.9 children. This, along with other societal and cultural changes has had huge effects on our Sunday School and Confirmation programs.

10,000 Baby Boomers retire every day.

Millennials are unmoored from institutions. A majority of Millennials are politically and religiously unaffiliated (and Biblically illiterate). It was further noted that fewer and fewer grandmothers are bringing their grandchildren to Church and Sunday School, and that parents are doing the same as they are more concerned about being their child's friend than their parent.

+ Chapter Six: Living Digital.

55 percent of Millennials have shared a selfie and a whopping 98% use cell phones even in social situations. It was noted that this has led to a loss of social skills.

+ The Reckoning (What does this all mean?)

Even though Millennials are much less trusting of others, a majority of them want a bigger government providing more services.

There is a growing young/old partisan voting gap which has widened considerably from 1994 to 2014. There is less and less common ground where people can find compromise on political, economic, social, religious and ethical issues.

+ Findings from the LCMS District Visitation Booklet.

All of the above, the changes in The New America, has affected the congregations of our District. Most are declining and are in maintenance mode.

This is happening everywhere though. And despite declining membership we have 450 more congregations now in our Synod than we did in 1970.

While total giving is up in most Districts, the average median age of members, especially of those who give well, is getting higher and higher.

The Synodical budget is being significantly lowered for next year.

Synodically, there has been a decline in the ratio from baptized to confirmed.

+ Eastern District - 1995 to 2015 Comparisons.

Congregations have declined by 11.8%

Schools have declined by 44%

Baptized membership has declined by 29.8%

Communicant membership has declined by 25%

Average Sunday Worship has declined by 28.6%

Junior Confirmation has declined by 65.3%

Adult Confirmation has declined by 72.4%

Congregational receipts have decreased by 35.9% (and this is not even adjusted for inflation).

+ What does this mean? The President reiterated what he stated at the beginning of this presentation: while he has seen much fear and anxiety in our congregations, morale within them is still great! There is stress, yet not a defeatist attitude. There is much hope. Above all, we are called to refine our mission as we engage the community and the world.

*** Futures2 Report.**

+ The Futures2 Committee only had one meeting in February of 2016. A meeting was planned for that June yet never materialized for a multitude of reasons. At our meeting this past October, the Board encouraged the President to continue the work of the Futures2 Committee. The President has determined that this is not going to happen and has gathered the information from the committees formed within Futures2. In a nutshell, our congregations are doing what they are suppose to be doing, yet, as always, we are to be more creative and understanding about the changes in the world around as we make our intentional connections. We cannot wait for the world to come to us anymore. Our District Visitations are also gaining more information for the President to draw from. The President will take all of this information and bring recommendations to the next District Convention concerning the setting of goals and where to direct the resources of the District as we assist congregations in their mission.

*** Unfinished business.** There is none.

*** Meeting Evaluation and Board Calendar.**

+ A question was raised regarding how we might be able to work through policy governance more quickly. Could we create a sub committee that meets between Board meetings? Should

we devote a meeting to this once every three years? The Chair asked the members to think about this.

+ The consensus was that this was a very good meeting in which much was accomplished.

+ The next meeting is in the Pittsburgh Region, May 12-13, at Concordia Lutheran Ministries in Cabot, Pennsylvania.

+ Mark offered the members a tour of Hope Lutheran Church.

* **Closing Prayer.** A closing prayer was offered by Melissa Fultz.

The meeting adjourned at 10:54 a.m.