

Summary of Board Meeting of September 26 & 27, 2016

Opening Devotions

Mr. Reg Tiegs led the Board in opening devotions.

LCC Restructuring

Rev. Bill Ney, Rev. Paul Schallhorn, and Rev. Les Stahlke were present to review the latest report of the CCMS regarding the restructuring of Lutheran Church Canada.

The Board members and staff provided various comments for the consideration of the CCMS.

The guests provided various comments in response to the views expressed by Board members.

The Board was informed that the deadline for written comments to the CCMS is December 15th.

The guests were thanked for their time in meeting with the Board.

Further discussion was held during the course of the meeting and on September 27th (2nd day of board meeting) it was agreed by consensus to hold a special meeting of the Board on Monday October 24th to further discuss restructuring and to formulate a written response to the CCMS.

The chair will write to the Departments to solicit their input on restructuring and all board members are encouraged to provide any thoughts and suggestions they have in writing to all other board members in advance of the October 24th meeting.

Adoption of Agenda

16-046 Motion: That the agenda as amended be adopted. **M/S/C**

Declarations of Conflict of Interest

There were no conflicts declared.

Approval of Board Minutes:

16-047 Motion: That the minutes of the Board meeting of June 20-21, 2016 be approved as presented. **M/S/C**

Business arising from the Minutes:

Follow-up on Action Items

The status of various action items was reviewed.

Correspondence

Invitation – LCC Planning Conference (Dec. 1-3, 2016)

16-048 Motion: That the chairman, Reg Tiegs and the CEO, Rev. Paul Zabel attend the LCC Planning Conference on behalf of the East District. **M/S/C**

Letter from Secretary of LCC re Lutherwood (September 14, 2016)

16-049 Motion: That the District President send a letter to all congregations regarding the status of Lutherwood along with a copy of the LCC letter. **M/S/C**

The Chairman advised the Board that he had already directed that Lutherwood be removed from the District web site as an LSO.

Governance Committee - Policy and Procedures Manual

The Secretary advised that the latest version of the Manual (July 2016) is available on the District web site.

Strategic Plan Review

No discussion.

Properties Committee: Mr. Kent Schappert

Mr. Kent Schappert reported on various property matters. The report was received.

New Business:

Invitation – LCC Convention Delegates (2017)

The board received the letter. By consensus it was agreed to defer the decision regarding who should attend as the board's representative until sometime in the new year in order to see which board members might be appointed as circuit delegates. In view of the nature of the convention it was felt advantageous to have as many board members as possible attend in some capacity, although the Board itself is allowed only one advisory delegate.

Department Appointments

16-050 Motion: That Pastor Abraham be reappointed to the Department for Finance as the London circuit representative for a 3-year term ending June 30th 2019. **M/S/C**

It was noted that there are still vacancies for the following:

Department for Parish Services: Toronto - term ending 2019

Hamilton -term ending 2018

District President: Rev. Paul Zabel

Rev. Paul Zabel reviewed his report with the Board. The report was received for information.

Mission Executive Report: Rev. Ron Mohr

Report

The Mission Executive, Rev. Ron Mohr, reviewed his report with the board. He noted that the Intercultural Conference was very good and that the contact with the English District representatives was most beneficial.

Partner to Partner

There has been some good response to this program, which to date has raised almost \$49,000. It was suggested that there should be a report in the EN3 (or other vehicle) regarding the response to date and encouraging further response. The pamphlets produced should be made available again.

Mission and Ministry Plan

Rev. Mohr informed the Board that a brochure is being prepared and as soon as all the information has been received, a draft will be sent to board for review.

Outreach

Department Liaison Report -- Rev. Marvin Bublitz

No report

Department Chair Report – Mr. Paul Otterman

16-051 Motion: That the request of the DFO to appoint Rev. Kuhl as a member-at-large to the DFO be approved. **M/S/C**

16-053 Motion: That the Board of Directors take under advisement the request of the DFO re calling a Missionary-at-Large to Quebec City and revisit the request at a future date. **M/S/C**

DFO – Minutes, September 19 2016

The minutes were received for information.

Parish Services

Department Liaison Report Mr. David Faerber

No report

Department Chair Report and Addendum: Mr. Karl Witzke

It was noted that the family camping weekend was very successful with over 80 in attendance. Next year's event will be held on Father's Day weekend.

16-054 Motion: That the names recommended by the DPS be added to the Youth Committee, namely: Nathan Krey (Windsor), Emma Kistch (Ottawa), Joseph May (Stratford), and Pastoral Advisors – Rev. Timothy Schneider, Rev. David Hamp, Rev. Paul Pollex. **M/S/C**

It was suggested that the DPS should require police checks for all of those serving with youth. The Secretary will notify the Department chair of the names approved for the committee.

DPS – Minutes, September 10 2016

Not available at time of meeting.

Personnel Committee: Mr. Reg Tiegs

The Personnel Committee needs to meet to do the annual performance review of the Business Manager. The Committee will meet and then arrange a Board conference call meeting to deal with the committee's recommendations.

The revised Business Manager position description was not available. The Chairman, Reg Tiegs, will forward the revised description to board members.

East District Archivist: Mrs. Carol Nagel, Archivist

No Report

Committee on Communication Services: Mr. David Zakel

No Report

Abuse Prevention Committee: Mrs. Jane Ryan

No Report

Handbook Committee: Rev. Marvin Bublitz

No Report. It was noted that the minutes of the June 2 meeting on the agenda had already been before the board at its June meeting.

Committee on Constitution/Membership: Rev. Robert Morley

No Report

Lutheran Church–Canada: Rev. Nolan Astley

Rev. Nolan Astley reported on behalf of President Bugbee various matters that Synod has been dealing with. The Board was updated on the situation in the ABC District, the progress re Synod restructuring, and Synod's difficult financial situation at this time.

Treasurer/Business Manager: Mr. Ray Taylor, Mr. Darryll Holland

Financial Statements

The business Manager noted that we are currently running a deficit.

Discussion took place regarding the Partner-to-Partner. (See also minute 12.2).

Consideration should be given to connecting this to next year's 500th anniversary.

Mission & Ministry Receipts

The Business Manager was requested to modify the report in future to provide a comparison of past years' actual givings rather than just the goals. Many congregations don't provide goals.

Mission & Ministry - Historical Review

The downward trend in givings was noted. When congregations have received bequests, the tendency has been to keep it all rather than providing the District with a portion. If givings go according to past trends, the final year deficit will be around \$70,000.

CEF Investments – FI Capital & Lutheran Foundation Canada.

The CEF investments have earned a good interest this year. Thus, when taking into account last year's deficit, the fund may break even by year end.

Finance Department:

Department Liaison Report – Mr. Robert Klages

The Department Liaison, Mr. Klages, led the board through the various recommendations coming from the department, as follows:

(i) Revisions to Moving Fund Policy

The Board had before it a document showing the proposed changes to the policy including renaming it "Moving Assistance Policy"

16-055 Motion: That the last sentence in statement 5 be amended to read "If a CW wishes to move household goods and personal effects in excess of the above limits, the MAP will not accept responsibility for payment above the limits designated." **M/S/C**

16-056 Motion: That revised policy as amended by motion 16-055, be approved. **M/S/C**

(ii) Loan to The Church of the Good Shepherd (Barrie)

The Lutheran Church of the Good Shepherd and Loving Saviour Lutheran Church wish to consolidate their parish into one location. They plan to demolish the church at 220 Steels Street and build an additional 7 life-lease units on the property. The congregation will then have one location, that being the current location of Loving Saviour Lutheran Church. Their name will be changed to revert back to "The Lutheran Church of the Good Shepherd". They have asked for financial assistance in this project. Granting them a loan for the entire project would contravene the rule the CEF established that no loan can exceed 5% of the CEF assets.

16-057 Motion: That the East District Board of Directors approve a loan of up to \$400,000 to The Lutheran Church of the Good Shepherd (Barrie) to cover the cost of demolition fees, city fees and building permit for their new project, said loan to be added to their existing mortgage, subject to the following conditions:

1) The full amount of the loan (\$400,000) to be repaid in 18 months from the revenue of the sale of the new life-lease units.

2) Full and proper documentation normally required for a mortgage is provided to the Chairman and the Secretary of the East District Board of Directors, such documentation to include but not be limited to;

- A motion from a properly called voters' meeting of the Lutheran Church of the Good Shepherd authorizing the loan application on the conditions outlined in this motion
- A properly filled out loan application form that includes the amount of the loan requested

3) Proof of adequate financing satisfactory to the East District Treasurer and the Business Manager for the remainder of the project for the additional 7 life-lease units before any portion of the loan is forwarded to the Lutheran Church of the Good Shepherd.

M/S/C

(iii) Revised Wording - Special Purpose Loans

The DfF is recommending certain wording changes to the application form for special purpose loans.

16-058 Motion: That the recommended application form be approved subject to adding on the heading of the second page the words "Special Purpose" and also adding the words "Lutheran Church–Canada" before the word "East" M/S/C

(iv) 2017 Compensation Guidelines

The DfF has recommended to the Board the following re the 2017 compensation Guidelines:

- *Reduce the travel rate to \$0.45 / km travelled based on the significantly reduced gas prices for almost 2 years.*
- *Add to our compensation guidelines the verbiage regarding car rentals from the ABC District compensation guidelines. In addition, add wording from Darryll about the other aspects to consider when deciding whether to rent a vehicle.*
- *Based on the Ontario CPI (Consumer Price Index) for the last 12 month, we recommend increasing the base salary by 1.5%.*

16-059 Motion: That the travel rate for 2017 remain at the present level of \$0.49/km

M/S/C

16-060 Motion: That the base salary be increased by 1.5% M/S/C

16-061 Motion: That the following words be added to the Guidelines regarding renting vehicles:

"If distances over 200 km need to be travelled within a short period of time, it may be advantageous to rent a car and pay for its fuel, rather than paying standard 'mileage'.

For mileage reimbursement per kilometer versus car rental, consider the following:

1. While the cash "cost" of mileage reimbursement can exceed the cost of renting a car and fuel from a congregation's cash perspective, it should be noted that when paying for a car rental, cash is being paid to an outside company rather than an "in house" LCC member. By paying the mileage to an LCC member, there is opportunity for that member to donate (and receive a tax receipt) all or a portion of that expense.
2. If mileage is reimbursed for kilometers claimed, the congregation has an opportunity to apply the HST rebate on 100 % of the mileage rate claimed.
3. Paid lump sum travel allowance or per diem is taxable income to the recipient receiving that allowance and no HST rebate is available to the congregation. Mileage paid by an expense report for kilometers driven is not taxable. "

M/S/C

Department Chair Report – Mr. Hugh Weltz

No report

DfF Minutes of September 26, 2016

The minutes were received for information.

Loan to Our Saviour Lutheran Church, Niagara Falls

The Board at its June meeting had a recommendation from the DfF to grant an interest free loan of \$15,000 to Our Saviour Lutheran Church, Niagara Falls for roof repairs to the sanctuary. At that time the Board did not make a decision and so it was before the Board again. The Board does not normally approve interest free loans as the policy does not allow this.

16-062 Motion: That a special purpose loan of \$15,000 over 7 years at 5.5% interest be approved for Our Saviour Lutheran Church, Niagara Falls. **M/S/C**

16-063 Motion: That a grant be provided to Our Saviour Lutheran Church, Niagara Falls from the CEF fund balance to cover the cost of the interest on their \$15,000 loan. **M/S/C**

Special meeting re Restructuring: Monday October 24, 2016 9:00 a.m.

Devotion Leader: President Zabel

Next Regular Meeting: Monday and Tuesday January 30 & 31, 2017

Devotion Leader: Rev. Teuscher

For further information on any of these items, contact the Board Chair, Mr. Reg Tiegs at:
tiehm@rogers.com

-from Lois Griffin, Secretary
LCC, East District