

Minutes
LCMS North Dakota District Board of Directors
August 21, 2020 – Third Quarter Meeting

CALL TO ORDER AND OPENING DEVOTION

The August 21, 2020 Third Quarter meeting of the LCMS North Dakota Board of Directors was called to order by Rev. Tom Marcis, Chairman at 2:45 p.m. Members present: Rev. Arie Bertsch, District President; Rev. Kirk Peters, 1st Vice President; Rev. Steve Schulz 2nd Vice President; Rev. Tom Marcis, Chairman; Mr. John Riley, Vice Chairman; Rev. Joshua Reimche, Secretary; Mr. Leon Bladow, Treasurer; Mrs. Tina Davidson, Mrs. Tami Ulland, Business Manager; Mr. Jason Paradis, Mr. Tom Langer, Mrs. Kay Kreklau, Rev. Dan Voth, Mr. Kirk Rosin, Mr. Paul Huber Absent: none.

President Bertsch opened with a prayer for the church and the work of the board.

Chairman Marcis reviewed the agenda. It was moved, seconded, and passed to adopt the agenda as amended.

CONSENT AGENDA

Chairman Marcis called the board's attention to the proposed consent agenda in order to expedite addressing some of the regular business of a board meeting. Opportunity was provided for board members to request the removal of specific items from the consent agenda to be discussed during the meeting. The date of the 2021 Planning Council was moved to the regular agenda for discussion. It was moved, seconded, and passed to adopt the consent agenda, as amended which includes the following items, was thus approved:

- Minutes from April 17, 2020; April 21, 2020; May 14, 2020
- Ed Bean Update
- Message in the Pew (DB)
- Wittenberg Report
- 2018 – 2020 Tentative Meeting Schedule
 - Board of Directors October 30 Beautiful Savior Fargo
 - District Convention January 25-27, 2021 – Fargo
 - Board of Directors February 5, 2021 Bismarck
 - Board of Directors April 16, 2021 Beautiful Savior Fargo
 - Planning Council August 19-20, 2021 Jamestown
 - Board of Directors August 20, 2021 Jamestown
 - Board of Directors October 29, 2021 Minot

BOARD ACTION ITEMS

President Task Force Appointments

Nothing to report.

Board Policy Manual

No action taken.

District Convention Update

Food and drink minimum may be renegotiated if numbers are expected to be lower. There is no clear idea on whether or not part of the convention could be accomplished via video conference. Council of Presidents and Committee on Constitutional Matters is discussing options for districts. Since North Dakota is the first convention in synod, there are many unknowns regarding the convention in January 2021.

District Convention Location Task Force

A committee has been appointed and held one meeting, however their report did not fulfill the board's resolution as originally assigned. It was moved, seconded and passed to decline the committee's report and direct it to fulfill the original resolution from October 25, 2019: *It was moved, seconded and passed to form a committee to explore cost saving measures including but not limited to: location, meals, and lodging for the 2021 convention and to present recommendations on future district conventions to the 2021 convention.*

Middle School Gathering Budget

Tom and Pat Sebastian worked on the Middle School Gathering budget in order to make the event operate at a financially self-sustaining level.

Salary Guidelines

A 1% increase was proposed to the 2021 Ordained and Commissioned guidelines. It was moved, seconded and passed to approve the 2021 Ordained and Commissioned salary guidelines as presented.

District Concordia Plans

It was moved, seconded and passed to adopt the HDHP option for 2021 for district employees and continue to pay half of the deductible into the employee HAS accounts.

District Audit

The audit showed a favorable judgement. The district still needs to develop a policy for management of the Endowment Fund investing and spending process. A draft policy will be presented at the October board meeting. It was moved, seconded and passed to accept the audited financial statement as presented. Full report attached as Appendix B

Wittenberg Maintenance

The parsonage is having condensation issues in the roof, necessitating tearing down ceiling sheetrock and reinsulating. President Bertsch is awaiting estimates. There will be a special meeting to discuss the project when estimates are available.

CTAP Update

Tami presented responses to President Bertch's letter that was sent to delinquent borrowers indicating that if the loan is not paid, the debt will be forgiven and reported to the IRS as taxable income. Philip and Bethany Brandvold sent a certified letter stating since they only signed a loan agreement for one year, and are therefore only responsible for that one year of loans. It was moved, seconded and passed to hold Brandvolds responsible for all 4 years of loans, and the previous resolution of the board will be carried out, ie. the loans will be forgiven and reported to the IRS.

It was moved, seconded and passed to hold Carolyn Ferguson responsible for the \$25,300 balance in loans, giving her the opportunity to arrange repayment, otherwise the previous resolution of the board will be carried out, ie. the loans will be forgiven and reported to the IRS.

District Planning Committee Dates

In order to accomplish more expedient planning for the sake of the district work plan on the part of the Planning Council, it was moved, seconded and passed to have the Planning Council meeting in in April during convention years, and February in non-convention years.

CTAP Funds Management

There is \$190K held in the CTAP fund that can be redesignated from CTAP to other funds by the board. It was moved, seconded and passed to redesignate board funds of \$105K in the LCMF Foundation, and \$90K in LCEF CD's from temporarily restrict CTAP funds to unrestricted funds.

District Convention Location Overtures

It was moved seconded and passed that the board does not support any 2021 convention overture that commits the district to holding the district convention in any specific venue, ie. a hotel or church.

Note: President Bertsch will withdraw the overture he submitted to the circuits. The Northwest circuit will also withdraw their overture.

Unfinished Business

- **Task Force Guidelines.** No Action taken.
- **Small Groups Planning.** No action taken.

BOARD MONITORING ITEMS

Management Report – Business Manager

- **Activity Report.** Attached as Appendix A.

Financial Report – Finance Committee

- Leon reported that district finances are doing well. Congregational giving is \$45K above this point last year, and is the highest July in the last ten years. We have been running a \$50k deficit each year. There is \$447K cash on hand to subsidize the deficit spending, but when those funds come to an end the deficit spending will seriously affect district finances. At current deficit spending, the reserve will be exhausted in nine years.

Task Force Liaison Reports

- **Rev. Kirk Peters - Ordained and Commissioned Ministers.** Nothing to report.
- **Leon Bladow - Stewardship Report.** Nothing to report.
- **Rev. Steve Schultz - Local Mercy and Life.** Nothing to report.
- **Rev. Tom Marcis - International Mercy.** Nothing to report.
- **VACANT – Youth & Young Adults.** Nothing to report.
- **Kay Kreklau – Lutheran Education.** Nothing to report.
- **Josh Reimche – Plant and Revitalize.** Nothing to report.

ADJOURNMENT

The meeting was Adjourned at 6:07 p.m. by Chairman Marcis.

Sub Cruce,

Rev. Joshua D. Reimche
Rev. Joshua D. Reimche, Secretary

Business Manager Activity Report April - August 2020

Things aren't normal yet, but slowly getting there. Can I just say how thankful I am to be meeting face-to-face and not through our little 'Brady Bunch' boxes on the screen?! I have very few days when I don't have a virtual meeting. Although our world has changed, God never changes. God is good. His word is unchanging. In the midst of a pandemic, He is still in control of all.

Vicki has been plugging away at the vault. She gave us a report. She always has some interesting items for me to look at! She loves the history and gets pretty caught up in it. I am thankful for that as I don't have the patience to go through the files piece by piece.

As we have met monthly and look over the financials, it is evident that God is taking care of us. Financially, we are solid. I would love to see the 1-1-1 Mission Giving pick up. That seems to be a program that just hasn't taken off for us. Any ideas on how to promote it and the outcomes would be greatly appreciated!

I have spent a good part of the past months in zoom meetings and on the phone. We have a weekly LCEF Central Region meeting and have had several national meetings thrown in the mix. Our district is very self-sufficient, but we did have a couple of congregations move to interest only payments on their loans to make sure they wouldn't be strapped financially. Both have moved back to full payments and have been amazed at how close to normal giving has been. This seems to be a common conversation thread across all of our congregations.

The district business managers across Synod met weekly through the middle of June and are down to once or twice a month now when some major program clarification/changes are made. These were very helpful meetings for learning about the PPP, Cares and several other pieces of legislation and how to navigate them. We are also doing some training through these zoom meetings as we will not be meeting in November.

I made a trip out to Fortuna. Saw some country I have never been to! The district owns the church property there. It is a huge liability risk. I recommend we sell the property to Steve Feil. He has been taking care of the property and using the building for storage. He is willing to purchase it for \$100 and the cost of getting the deed changed which will be around \$150. We would maintain the mineral rights. Right now, royalties do not cover the taxes.

Other updates:

1. The audit is done and we are good!
2. We received the annuity payout from the Norma Mosloff estate – almost \$170,000 for CTAP.
3. I have been in contact with the lawyer working on the Epworth mineral rights issue. She has drafted an affidavit for me to look over and sign. I will be sending that back to her

this week. As soon as she gets it, a petition will be filed and a court date set. I will travel to wherever that case may be if needed.

4. Ed Bean worked a bit in May and June and hasn't since.
5. Concordia Plan Services has changed/merged several plans and held Town Hall meetings to discuss the changes and answer any questions. The HDHP that the District is in is still a grandfathered in plan.
6. We may be working on a livestreaming workshop that will cover topics for every size church, every level of expertise. This is coming about from a request for top tips from congregations that do livestreaming well and will be financed through LCEF.
7. I have been working with Rev. Jahnke on call lists for a principal for Grace Lutheran.
8. Notable items from the LWML District 'convention': Mission grants adopted include CTAP - \$35,000, ND District Youth Ministry - \$5000, Spiritual Care for Pastors - \$8000; Treasurer – Tami.

Blessings,
Tami