

Minutes: Board of Directors Retreat – Approved by the Board

Minnesota South (MNS) District

September 18 – 20, 2022

Cragun's Resort on Gull Lake

Brainerd, MN

Mission Statement

Cultivating leaders intentionally engaged in the mission of God.

Sunday, September 18

SESSION 1 WITH TED KOBER: *Getting to Know One Another*

First of all, Ted Kober led us in an exercise where District Board members paired up and introduced each other to the entire group. We learned several interesting details about one another. Secondly, we worked through a case study on how to best resolve a conflict. Healthy churches resolve conflicts through confession and absolution, which leads to godly reconciliation.

Monday, September 19

1. OPENING DEVOTION

Rev. Dr. Lucas Woodford led the divine service using the Order of Matins. The Scripture lessons he chose were Revelation 21:1-7 and Psalm 121. His message emphasized that our crucified and risen Savior is the Alpha and Omega, who is with us in all our beginning and endings. We sang LSB Hymn 702 "My Faith Looks Up to Thee."

2. WELCOME TO THE MINNESOTA SOUTH DISTRICT BOARD OF DIRECTORS

- a) The Triad – LCMS Handbook, MNS District Handbook, MNS BOD Policy Manual

Rev. Dr. Lucas Woodford led the District Board of Directors through these three documents to clarify our duties, functions and responsibilities. In addition, the District Staff members introduced themselves and explained their various roles.

- b) Board of Directors Nuts and Bolts: Board Culture (Code of Conduct), Schedule, Expectations

Rev. Dr. Lucas Woodford guided the Board through the MN South District Board of Directors "Code of Conduct." Then President Woodford shared that his style of leadership is being transparent and pastoral.

- c) Upcoming Board of Directors Meeting Schedule:

2022

September 18-20

December 6

2023

February 25
May 2
September 25-26
December 12

2024

February 24
May 7
September 16-17
December 10

2025

February 22
May 6

3. SESSION 2 WITH TED KOBER: *Spiritual Leadership and Governance Models*

Ted Kober led us through a presentation titled: “Spiritual Leadership and Policy Governance.” He began by sharing that congregational leaders, who are unfamiliar with the Scriptures and spiritually immature, are more likely to be in conflict. A rich worshipful, prayerful, and devotional life are crucial for spiritual leadership.

Ted transitioned our attention to the “Basics in Congregational Governance.” He explained the differences between advisory, managing, and governing boards. Then he clarified the benefits, challenges and limitations of the policy governance model.

We sang LSB Hymn 803 “Joyful, Joyful We Adore Thee”

4. GO FIRST! INITIATIVE

a) Promise Statement

Rev. Dr. Lucas Woodford led a presentation on the next triennium’s “Go First!” initiative. Throughout the Scriptures, Jesus goes first. Subsequently, we trust Jesus to inspire us to action. This empowers us to trust others and inspire them to action. The goal is to unleash our District congregations’ potential in the name of Jesus. This action is Gospel (not Law) motivated.

b) Objectives and Key Results (OKRs)

Mr. Sean Martens, Assistant to the President, Education & Commissioned Ministers, led a presentation on how the District can become more focused on what we do. OKRs are a collaborative goal-setting protocol for companies, teams and individuals. Objectives are defined as the most important things we can get done in the next four months that can truly make a difference. These objectives are measured by specific, time-bound, aggressive yet realistic, measurable, and verifiable key results.

Here are the four OKRs the MN South District Staff will implement. We will...

- 1) Raise the participation in wellness resources by professional church workers.
- 2) Produce leadership training videos for professional church workers and lay leadership.

- 3) Actively recruit servant leaders for our churches and schools.
- 4) Promote and incentivize mission and ministry partnerships in every circuit.

5. ONBOARDING

a) Navigating BOD/Committee Team App

Mr. Sean Martens, Assistant to the President, Education & Commissioned Ministers, explained how the Board of Directors will be utilizing Microsoft Teams to share reports and information in the future for the sake of transparency and efficiency. He then showed how we can proficiently utilize this site in the future.

b) Board Photo

Mrs. Nadine Meyer, Communications Director, took a photo of the Board of Directors.

We recessed for lunch.

6. SESSION 3 WITH TED KOBER: *Governance Models and Policy Recommendations*

Ted Kober explained the benefits and challenges of the administrative board model for congregational governance. In the 1970s and 1980s this model was adopted by many congregations. However, changes in society and shrinking membership in congregations have made it more difficult to recruit and fill board positions.

Then Ted introduced a modified hybrid model of the “Policy Governance Model.” He shared how the LCMS Board of Directors uses a modified form of Policy Governance. This modified form distinguishes between two major leadership positions and their functions and responsibilities – the Synod President and the Board of Directors. Ted’s recommended modified model (Two-Division Model) for the Minnesota South District reflects the model currently in use by the LCMS. This modified model divides district governance into two separate areas: spiritual/ecclesiastical and financial/legal. The Board of Directors has no authority over the District President in spiritual/ecclesiastical matters. The District President has no authority over the Board of Directors in asset management or legal issues. Then he identified some of the confusing bylaws and statements in our District Handbook and BOD Policy Manual concerning the roles and responsibilities between the District President and the Board of Directors. Finally, Ted offered several potential bylaw changes and BOD policy changes for the Board to consider should the MNS BOD decide to adopt Ted’s proposed modified governance model.

7. ONBOARDING

a) Committee Assignments: Responsibilities and Relation to Board of Directors

Rev. Dr. Lucas Woodford shared the District Committee assignments for the next triennium. This information is available on Microsoft Teams.

b) Mission Executive Vacancy: Transition Plan and Call Process

Rev. Dr. Lucas Woodford mentioned that we are looking for a new Mission Executive for the Minnesota South District. He shared information about a couple of candidates whom he is currently considering for this position.

c) Budgeting Process

Rev. Dr. Lucas Woodford and Rick Marko, District Treasurer, explained the budgeting process for the District. They shared that the Minnesota South District forwards 50% of the offerings they receive from District congregations to the Synod. In addition, Rick mentioned that he puts together the preliminary annual budget with input from the Personnel Committee, the District President, certain District staff, and the Finance Committee in July/August. The budget undergoes several revisions along the way before it is approved by the Board of Directors in December.

d) Budget Draft

Mr. Rick Marko, District Treasurer, shared the preliminary 2023 District Budget. We are anticipating \$2,050,000 from congregational support next year. On top of this, funds are also received from investment returns, LCEF interest payments, LCEF office rent, endowments, and miscellaneous other accounts. The 2023 budgeted revenue is \$2,768,820.

e) Treasurer's Report

Mr. Rick Marko, District Treasurer, shared the overall financial position in the second quarter that ended June 30, 2022. The change in assets for the quarter was (\$360,075) compared to a budget of (\$150,450) -- under budget by \$240,290. The change in net assets for the six months ended June 30 was (\$472,404) compared to a budget of (\$192,469) -- under budget by \$279,935. Congregational support was \$450,563 for the three months ended June 30, as compared to a budget of \$512,496 -- or \$61,933 under budget. Congregational support for the six months ended June 30 was \$978,385, as compared to a budget of \$1,024,992 -- or \$46,607 under budget.

Operating investments as of June 30 were \$2,725,742 and Endowment investments were \$3,657,114. Liabilities were \$161,220 consisting of accounts payables and accrued expenses of \$58,089, grants payable of \$44,439, and capital lease obligations of \$58,692. The District continues to pay its bills in a timely manner.

f) Convention Resolutions

Dr. Phil Johnson, Assistant to the President - Mission Formation, informed the Board of Directors about all the resolutions from the 2022 District Convention which require District and Synod follow-up in the upcoming months.

We recessed for dinner.

8. EVENING PRAYER

Rev. Stefan Wismar, Executive Assistant to the President, led us in worship using LSB "Evening Prayer." His message was based on selected verses from John chapters 1 & 3. We sang LSB Hymn 883 "All Praise to Thee, My God, This Night."

Tuesday, September 20

1. MORNING PRAYER

Rev. David Mumme, Pastor of Trinity Evangelical Lutheran Church in Waterville and First Vice President of the District, led the morning devotion using the Order of Matins. His message was based on Nehemiah 4:7-23. We sang LSB Hymn 666 – “O Little Flock, Fear Not the Foe.”

2. SESSION 4 WITH TED KOBER: *Board Meetings*

Ted Kober recommended that the responsibilities of the District President and the Board of Directors be separated and better clarified in the District Bylaws and the Board’s policy manual to be fulfill their different functions. The District President is responsible for all areas under ecclesiastical and spiritual functions of the District. The District President may report to the Board of Directors on his work, but he is not accountable to the Board of Directors for these functions. The District Board of Directors is responsible for managing the business and legal affairs of the District. This board is a governing board and can utilize policy governance for the functions specifically delegated to it. The Board of Director’s key employee is the Business/Finance Manager (not the District President). Ted also provided the following recommendations:

- That the District President and Board of Directors share responsibility for writing outcome policies.
- Make clarifications and amendments to the Board of Directors’ self-governing policies.
- That the Officers and Executive Staff re-write the entire policy section to reflect change from the Board supervising the District President, to supervising the Business/Finance Manager.
- Add a section which defines the limitations of the Business/Finance Manager.
- Draft bylaw changes to support the changes identified above.

3. ONBOARDING & DISCUSSION

a) Reactions to Ted Kober’s Presentations

The Board members thoroughly discussed the potential governance changes in our District.

b) How does the Board wish to proceed with its governance?

After praying, the Board lengthily discussed the opportunities and adjustments that would come with adopting the Two Division Model introduced and advocated by Ted Kober.

4. BOARD BUSINESS

a) The meeting was called to order by the President, Rev. Dr. Lucas Woodford, at 10:56am.

b) Roll Call

Present: Rev. Dr. Lucas Woodford; Rev. David Mumme; Rev. Thomas Evans; Rev. David Kind; Rev. Mark Loder; Rev. Keith Grimm Mr. Rick Marko; Rev. Kurt Klaus; Mr. Daniel Thao; Ms. Alfrieda Baldwin; Mr. Bill Summers; Ms. Sara Sorenson; Mr. Dave Kenow; Rev. Eric Nelson; Mr. David Koosman; Mr. Daniel Uttech; Mr. Andy Frerich; Mr. Joel Landskroener

Staff: Rev. Stefan Wismar; Mr. Sean Martens; Mr. Kai Larson; Dr. Phillip Johnson;

Excused: Rev. Matthew Johnson; Mr. Travis Barclay; Rev. Jonathan Vollrath; Rev. Fred Hinz

c) Approval of Minutes of Past Meeting (*prepared by Keith Grimm, Secretary*)

A motion was made and seconded to approve BOD minutes from May 2022. The motion carried.

d) Correspondence

Rev. Keith Grimm, District Secretary, highlighted correspondence from Synod Secretary John Sias encouraging us to nominate people for several Synodical positions. These nominations must be received by October 29, 2022, and will be elected at the 2023 Synod Convention in Milwaukee.

e) Scheduling committee meetings before the December BOD Meeting

Rev. Dr. Lucas Woodford reminded us to schedule our District Committee meetings before the December Board of Directors meeting.

f) Review Board of Directors meeting schedule (Meeting chaplains were also assigned)

President Woodford established the following dates for future Board of Directors meetings:

- December 6, 2022 (Rev. Tom Evan will be the chaplain)
- February 25, 2023 (Rev. David Kind will be the chaplain)
- May 2, 2023 (Rev. Mark Loder will be the chaplain)
- September 25-26, 2023 (Rev. Keith Grimm will be the chaplain)
- December 12, 2023 (Rev. Kurt Klaus will be the chaplain)
- February 24, 2024 (Rev. Matthew Johnson will be the chaplain)
- May 7, 2024 (Rev. Jonathan Vollrath will be the chaplain)
- September 16-17, 2024 (Rev. Eric Nelson will be the chaplain)
- December 10, 2024 (Rev. David Mumme will be the chaplain)
- February 22, 2025 (Rev. Tom Evans will be the chaplain)
- May 6, 2025 (Rev. David Kind will be the chaplain)

g) District President Report

Rev. Dr. Lucas Woodford presented his report of activities from May through September 2022. In addition, President Woodford introduced his report based on the book *Winsome Conviction: Disagreeing without Dividing the Church*. He highlighted when disputes occur, instead of vilifying people we want to care for souls. We listen, reflect, diagnose, and then prescribe a remedy based on the Word of God. It's vitally important that we decipher if something is an absolute, a personal conviction, or an opinion. We have to establish what constitutes confessional subscription and disputable matters.

h) Action items

A motion was made and seconded to fervently study, reflect, and pray about the potential changes to our District governance, with a decision to be made at the December 2022 BOD meeting. The motion carried.

5. CLOSING DEVOTION

Rev. Tom Evans, Senior Pastor of Emanuel Lutheran Church in Inver Grove Heights and the Second Vice President of the District, led the closing devotion using LSB Responsive Prayer 2. The Scripture Lessons he chose were Psalm 91, Psalm 121, and Philippians 4:4-13. We sang LSB Hymn 727 “On Eagles’ Wings.”

6. ADJOURNMENT

The meeting was adjourned by President Woodford at 12:04pm.

UPCOMING BOARD MEETINGS

- December 6, 2022, at 9:00am (Rev. Tom Evans is the chaplain)
- February 25, 2023, at 9:00am (Rev. David Kind is the chaplain)
- May 2, 2023, at 9:00am (Rev. Mark Loder is the chaplain)