

ENGLISH DISTRICT BOARD OF DIRECTORS MEETING

June 6, 2024

Meeting Location:

Meeting was held via telecommunication originating from the District Office [33100 Freedom Road, Farmington, MI 48336].

Attendance: Voting Members - Rev. Todd Arnold, Mr. Thomas Habitz, Rev. Jamison Hardy (*Pres.*), Mr. Thomas Honebrink, Rev. Robert Kieselowsky, Mr. Terry Leu, Mrs. Kristin Wellik, Rev. Luke Zimmerman.

Non-Voting Members - Rev. Jeffrey Miskus, Rev. Michael Morehouse, Mrs. Sally Naglich, Rev. Douglas Spittel, Mr. Jim Thielen. **Not Attending:** Mr. Christopher Cassel, Ms. Carol George, Mr. Rod Lane, Rev. Robert Rogers, Mr. Keith Vieregge.

Call to Order: Chairman Terry Leu called the meeting to order at 2:00pm.

1. Opening Prayer

Rev. Jeffrey Miskus offered an opening prayer asking for blessing upon the District during the transition in Bishop and President.

2. Determination of Quorum

Secretary Luke Zimmerman reported that a majority of voting members were participating in the teleconference, thereby constituting a quorum.

3. Comments from District President and First Vice-President Concerning Presidential Transition

Chairman Leu began with a statement about striving to do what is good and right for the District during the transition in President and encouraging honest, open communication in meetings and not outside of meeting sessions.

District President Jamison Hardy offered comments about the honor that it has been for him to serve the District and that the decision to accept the call to the Concordia University System (CUS) was difficult to make. He stated to the Board that the Synod's announcement of his beginning the CUS role at July 15 is accurate; however, he will resign as District President on July 31, which the CUS Board has consented to. This transition period length is similar to previous timeframes when new presidents have been elected. Remaining in office through July 31 will allow him to conduct ordinations and installations in District congregations that were scheduled prior to the call to CUS being extended.

Vice-President Miskus stated that he is in agreement with having President Hardy conclude his service on July 31, so that the congregations of the District are best served. That date will permit him to begin full-time service as District President, while the assistant pastors at his current congregation (St. Mark - Mississauga, ON) will take up the majority of duties at his congregation. Installation as District President is scheduled for August 11 at Peace - Windsor, ON, coinciding with the Board's meeting in Canada.

Vice-President Miskus informed the Board that he has already begun meeting with District Staff, who intend to continue their service following the transition. He plans to use his cottage located about one hour distance from the District Office as his residence. He will publish an acceptance letter via *Servant-*

to-Servant on June 7. He plans to hold teleconference meetings with District pastors in the near future after he assumes office. He intends to work out of the District Office once immigration matters are completed, though he has already joined weekly staff meetings. He closed his comments asking for the Board's grace and prayers as he takes up this new role as District President.

President Hardy requested that the Board allow the mortgage held on his house to continue, allowing him to reside there for the next two years prior to his envisioned relocation to St. Louis, MO. This request was endorsed by Vice-President Miskus.

Following these comments, both President Hardy and Vice-President Miskus departed from the teleconference meeting.

4. Mortgage Held by District on House Owned by President Hardy

The Board considered action concerning the mortgage held by the District on President Hardy's house.

Extensive discussion followed about the pros and cons of holding the mortgage, including the financial ramifications for the District. Discussion focused on several questions:

- Whether the District had held mortgages on houses owned by the District Presidents who departed office; Treasurer Sally Naglich reported that the District had not held mortgages for the houses of the past two District Presidents (*Ritt, Stechholz*) when they left office.
- Whether it would be prudent to place a time limit on the District holding the mortgage.
- Whether the District would have the legal ability to call in the mortgage.
- Whether the Board is setting precedent in authorizing such mortgages.
- Whether auditors of the District had questioned the loan and its rates; Treasurer Sally Naglich replied that as long as the Board has approved the loan, that should satisfy auditors' requirements.

During discussion, Board members were reminded of its actions in June 2023:

"To approve execution of a second home loan to President Jamison Hardy in the amount of \$400,000 for the purchase of real property in the Detroit metropolitan area. This loan would be set on an amortization schedule of 30 years with a fixed interest rate of 4%. The debt will be secured by a mortgage on the purchased property." [cf. JUN 2023 Meeting Minutes - Item 4].

Motion: *"To continue to hold the mortgage on the house owned by President Hardy."* Motion carried.

5. Conclusion of Compensation for President Hardy's Service

The Board considered when compensation for President Hardy's service would conclude.

Board members reviewed the *Corporation Operations Manual* section on Elected Officers regarding when a District President retires from office:

II. District President

...

B. Retirement Compensation

...

2. Voluntary. If the President leaves office during a term, he shall receive three (3) months' salary and health and retirement benefits, payable bi-weekly or however it is typically paid, from the date of his resignation.

When discussing this, several Board members suggested that the matter of concluding compensation appears to be settled by this policy. Comment was made that this section of the manual may need to be revised, including clarifying that it means conclusion of service rather than “retirement” exclusively.

Treasurer Naglich provided financial calculations estimating what fulfilling this policy would cost the District. Question was raised whether retirement and health benefits would be paid by the District after July 31, since President Hardy’s employment by CUS would include retirement and health benefits; the Board determined that those should not be paid by the District after President Hardy begins employment with CUS. Further question was raised whether unpaid vacation should be pro-rated for compensation; Treasurer Naglich informed the Board that earned unused vacation time would need to be paid out according to terms in the *Employee Handbook for Officers/Executive Staff*.

Motion: *“That the District Board of Directors acknowledges that Corporate Operations Manual Section II.B is applicable to the termination of office for President Hardy: ‘If the President leaves office during a term, he shall receive three (3) months’ salary and health and retirement benefits, payable bi-weekly or however it is typically paid, from the date of his resignation.’ The District will fulfill this policy, with a date of resignation for President Hardy established as July 31, 2024.”* Motion carried.

6. Compensation for the New District President

The Board considered how to determine compensation for Rev. Jeffrey Miskus when he assumes the office of District President.

Board members observed that the District has no current policy for setting compensation when a Vice-President is elevated to President in the middle of a term, though provisions of Board Policy III.D (*“District President-Elect Salary”*) seem to be somewhat analogous to the situation. Board Policy III.D includes consulting the most recent *“Salary Survey of U.S. Districts”* published by The Lutheran Church–Missouri Synod to set a benchmark salary for a District President-Elect.

Several members suggested that a Task Force be established to recommend a compensation package for the Board to approve; that suggestion gained full support. Chairman Leu subsequently appointed a Task Force of Rev. Todd Arnold, Mr. Thomas Habitz, and Mrs. Kristin Wellik to provide a recommendation concerning compensation to Board members by June 24 for consideration at another special meeting.

7. Meeting Date & Time

Chairman Leu announced that the Board would meet on Thursday, June 27 at 2:00pm. An item of business will be to determine the compensation for the incoming District President.

8. Closing Prayer & Adjournment

Motion: *“To adjourn the meeting.”* Motion carried. Chairman Leu adjourned the meeting at 3:35pm. Vice-President Douglas Spittel provided a closing prayer.

Submitted,

Rev. Luke Zimmerman
Secretary, English District–LCMS