

**Report of the Blue Ribbon Task Force**  
**Presented to Northern Illinois Board of Directors on March 14, 2020**

**Introduction**

At the last Northern Illinois District (NID) Convention, resolution 2-07: To establish a Task Force on Stewardship of District Resources was made and adopted. The Blue Ribbon Task Force was formed as a result. The committee members are:

Leonard Payton – Chair  
Carol-Joy Motisi – Secretary  
Fred Buhlman  
Micah Greiner  
Janet Johnson  
Betsy Karkan  
Terry Pfortmiller  
Ron Rock  
David Rogner  
Rick Schauer  
Matt Troester  
Steve Zielke

The committee was tasked to examine a number of topics, including but not limited to the following four topics.

- ❖ The need for a full-time or part-time district president.
- ❖ Ways in which volunteers and circuit visitors may be utilized to carry out the functions currently done by district staff.
- ❖ The stewardship of maintaining the current district office building.
- ❖ The potential partnership in sharing resources with neighboring districts.

The committee has not taken this task lightly and has met diligently and prayerfully regarding the matters at hand. The convention resolution was driven by the fact the current operating model seems unsupportable given current contribution levels, staff salaries, and fixed building costs.

The focus is to look outward to new opportunities and not inward only. God is always leading us forward and we rejoice. We do not want to lose our priorities of mission first in bringing the Gospel of Christ.

## **Full-Time vs. Part-Time District President**

### ***Background / Rationale:***

Article XII.3 of the LCMS bylaws mandates a number of district officers including a district president. This article entrusts to the districts the compensation of these officers and makes no determination as to whether a district president should be full or part time. Given 1) the number of congregations in the NID, 2) the Synod's requirements for district presidents to make official visits of all congregations at least once every three years, 3) the number of distressed congregations and church workers, and 4) the regular and extraordinary demands of ecclesiastical supervision which a district president must perform, it appears unlikely that the NID could be properly served by a part-time district president for the foreseeable future. Nevertheless, this matter should be revisited from time to time, especially when the time comes for the election of a new district president. His vision and desire for advancing the Gospel and for how to approach the tasks entrusted to his care should be carefully considered, along with the financial condition of the district itself.

Certainly, district vice presidents and circuit visitors may perform some of the visitation work assigned to the district president with this caveat: unless those officers are retired parish pastors, their responsibilities to their own congregations preclude many official visits to other congregations.

Bylaw 1.2.1 (j) of the LCMS bylaws - "Ecclesiastical supervision." The responsibility of a district president within a district "includes visitation, evangelical encouragement and support, care, protection, counsel, advice, admonition, and, when necessary, appropriate disciplinary measures...." The committee understands "evangelical encouragement" to include active promotion of the mission of Christ. The pastor and congregation need to hear the encouragement of the gospel and they need to be encouraged to be speaking the gospel too.

Much within Bylaw 1.2.1 (j) can be accomplished by persons other than the district president and with Recognized Service Organizations (RSO). This certainly is to be encouraged. Nevertheless, 1) the Synod mandates that the district president be engaged in these activities, and 2) "appropriate disciplinary measures" cannot be delegated. There is a reason that the Synod has placed the necessary authority of the law into the hands of the local district president.

“Appropriate disciplinary measures” are costly in time and unpredictable in their occurrence. Just as firemen and military personnel spend much of their time on readiness and (hopefully) little on intervention; they are not ready for the emergency if they are not engaged in readying themselves and not available when the emergency arises. A district president who is a part-time parish pastor and part time district president will consequently be less ready and available to take the “appropriate disciplinary measures” that the Synod mandates. This issue must also be considered should a future district president or board of directors determine that having the role become part time is advantageous.

Bylaw 2.5.1 of the LCMS bylaws - “Congregations, [...] of the Synod shall seek the counsel of the district president when calling ordained or commissioned ministers.” Since the Northern Illinois District includes over two hundred congregations, some of which have parochial schools, there will be an ongoing turnover of ordained pastors and commissioned ministers of religion, and the district president’s engagement is mandated by the Synod. Sometimes, congregations are not vacant because of retirement, but because of some lingering and festering conflict. A part-time district president could consequently be less engaged in these fragile cases. In any case, the Synod – as per bylaw 2.5.1 – does not consider the involvement of the district president in the call process optional.

Several districts smaller than the NID maintain a full-time district president because of the demands of the shepherding role.

### ***Recommendation:***

We recommend that the District President remain a full-time position for as long as the current demands and expectations of the position remain in place. We also recommend the NID Board of Directors (BOD) and District President actively discuss this on an ongoing basis; especially should the need and opportunity arise to consider reducing the position to a part-time role and in times of transition from one district president to the next.

It is also recommended to propose at the next district convention for the synod to add clarification on role responsibilities and expectations of the district president. The Synod may need to clarify bylaw 1.2.1 (j) to emphasize a primary responsibility of a district president is to proclaim the Gospel of Christ. The district has no control over the Synod bylaws. The Board of directors, circuits, and congregations of the Northern Illinois District might consider offering overtures to Synod on this matter.

## **Utilization of Volunteers and Circuit Visitors Instead of District Staff**

### ***Background / Rationale:***

Article XII.2 of the LCMS bylaws - “each district is at liberty to adopt such bylaws and pass such resolutions as it deems expedient for its conditions....”

The LCMS constitution and bylaws leave programming and office staffing entirely up to the discretion of each district. At the first meeting of the Blue Ribbon Task Force on structure, we were presented with the historical trends and future funding projections for the NID. It appears that the era of district office driven programming may be at an end. Mission programs will need to be initiated and driven by congregations, perhaps with help from RSOs. The district president may function more like a consultant or facilitator. As the president visits the district congregations, he may be able to help congregations share effective ministry strategies with each other. Of course, the district president would remain the ecclesiastical supervisor.

There has been current evaluation of staffing needs by the NID office and changes have been made. For example, the full-time position recently held by Mike Mast is now being filled with a part-time position. The use of circuit visitors and district vice presidents is also currently being addressed and encouraged.

### ***Recommendation:***

We recommend the district president and staff continue to make full utilization of volunteers and circuit visitors to accomplish the purposes of the NID in consideration of staffing needs. However, we also recognize congregations increasingly look to RSOs and other agencies for assistance in carrying out the outward facing mission of the church Jesus has given. As such, the need for district programming may be decreasing. We recommend the BOD continue to evaluate current staffing and eliminate or

combine positions when possible. We recommend the BOD give concentrated attention to the various duties of the NID serving as an agency to advance the mission within the district. Until such time the LCMS changes its constitution and bylaws regarding district presidents, we recommend the BOD focus energies and resources on the highest quality ecclesiastical supervision possible. It is reasonable to expect the district president will be a vigorous advocate for the mission of the Gospel through his visits within the local congregations and among the ministerium. We do expect the district staff to champion and be engaged in our Lutheran doctrine.

## **Stewardship of Maintaining the District Office Building**

### ***Background / Rationale:***

The NID office building is a split-level design with no windows on the upper floor where the offices are. The lower level has windows, but at the very top of the walls. Parking space and access to the parking space (driveway) is not part of the NID property. Parking and access is through a rental agreement with Immanuel Lutheran Church – Hillside. The Immanuel rental expense in FY2019 was \$1,950. FY2020 was budgeted at \$2,050. Total NID building expenses for FY2019 were \$64,757.21. The budgeted FY2020 NID building expenses are \$71,928.00 and actual is not completed yet (the fiscal year ends January 31<sup>st</sup>). The increase is primarily due to anticipated building repairs needed. Included in these figures is rental income of \$13,200 per year from LCEF renting office space. There are other financial details to consider here such as depreciation expense of approximately \$25,000 per year, which will be fully depreciated in 2022. These figures are meant to provide an overall awareness of the costs of the NID building on an ongoing basis each year. This would not include anticipated building improvements, which would need to be made if the NID office building is kept. The current boiler is 42 years old and has asbestos coverings. The boiler would most likely be replaced with a forced air system. The current roof has been leaking and the district is currently getting estimates for repair and/or replacement. These would be expensive building improvements. Building improvements would be depreciated over time vs. a one-time expense; however, it would be a one-time hit to cash flow.

The Blue Ribbon Task Force also thought it would be important to have an appraisal done on the NID office building. The appraisal came back with a value of \$700,000. The value is considered to be in the land itself and not so much in the building. It was thought most buyers would probably tear down the building. Again, the access and parking for the building is a definite issue. The property is zoned residential. As with all real estate, it is hard to predict how saleable the property is even with the access and parking issues. The current market for land is flat and there are not good comparable

properties to the NID property. The appraiser and advisor doubt many buyers exist, but one never knows.

The Blue Ribbon Task Force conducted a detailed survey in the district. Results regarding the district office were as follows:

- ❖ How important to you is the NID office in Hillside?
  - For the vast majority (approximately 80%) it is unimportant.
  
- ❖ How often a year do you personally visit the NID office?
  - 43.6% Never
  - 30.2% Occasionally
  - 16.8% Sometimes
  - 9.4% Often
  
- ❖ Would you make greater use of NID resources if the NID office were located somewhere else?
  - 13.1% Yes
  - 86.9% No
  
- ❖ Do you consider the NID office in Hillside to be in a central location to the District?
  - 73.4% Yes
  - 26.6% No

The building subcommittee surveyed the current district staff in the NID office building. About half indicated they could work from home. All agreed they preferred having the opportunity to work together in a central location as a team with the ability to network with each other. The staff felt this would be lost if they had no central working office.

Alternatives to having an owned NID office were discussed. Options considered were using:

- ❖ Excess space in a NID member congregation.
- ❖ Using Concordia University Chicago (CUC)
- ❖ Renting office space in an area close to the current NID building.

Some members of the committee were concerned that using excess space in an existing congregation might run the risk of helping one congregation over another with their sunk overhead costs, thus practicing favoritism. Others on the committee did not see this as an insurmountable concern. Should the Board of Directors elect to house the district office in a congregation's space, they will need to weigh this consideration carefully.

Maintaining an owned district office, using CUC or using congregation space, keeps the advantage of using a tax-exempt facility. Renting office space would lose this tax-exempt benefit as property taxes are usually built into office rents. Due to staff reductions and position restructurings, it was determined 3,500 square feet of office space would be needed for future NID staffing needs instead of the current 8,300 square feet. This would include a small conference room space for the staff. Using an average cost of \$18/SF (current rates range from \$12 to \$20 per square foot) in the same general area as the current office, this would equate to \$63,000 per year. CUC would charge \$5,000 per month (\$60,000 per year) to lease 2,500 to 2,800 square feet of space. The available CUC space is smaller than the recommended square feet needed.

The official square footage space would vary with respect to small meeting space depending on whether space was rented at CUC, in a commercial space, or was shared with a local congregation.

### ***Recommendation:***

We recommend the NID BOD carefully review the facts provided in this document in considering a decision to sell the NID property. The Blue Ribbon Task Force sub-committee on the building is available for additional information and support.

Some members of the committee believe CUC would be a better choice for having the district office over using excess space in an existing NID congregation should it be decided to sell the NID office. CUC would be a more viable, unbiased location. Deciding between renting office space or CUC space would favor the non CUC office space since the annual costs would be close and the CUC space is not enough square feet. Rental costs of CUC or an office space would be close to, if not more, than the current cost of keeping the NID building (without building improvements). It still might be better to rent office space in the long run since the current owned NID building will need expensive improvements in the near future. NID BOD meetings could be rotated around the district churches are willing to host the BOD and have conference space to fit the BOD. Rotating the BOD meetings would also enhance knowledge of the NID and the mission of spreading the Gospel of Christ. These churches would develop a connection with district. Even the mundane matters such as food for those events could help connect lay people to their district. The potential sale of the Hillside property could provide an opportunity for the district to be more agile and more engaged with more people within the district, giving a sense the work and mission of the district is initiated and conducted in and by the parishes of the district, and not primarily in some sort of "headquarters."

As one reviews the facts and options, it is a very complex decision. We realize the BOD has a difficult road ahead and are grateful to the BOD for the amount of work this decision will involve.

The literal NID brick and mortar building on Wolf Road should not represent the district. We must remember and insist it's the congregations, NID president, BOD and staff that make the district. Some sort of physical place is needed, but it's not really about the place. It's about the MISSION of bringing the Gospel of Christ to the world.

Our survey of the members of the district was not sufficiently sophisticated to determine what the building means to the people of the NID. All buildings say something about the organizations they house. The BOD will have to draw its own conclusions.

The excellent work of the building subcommittee showed that the sale of the building might almost be a wash, and the people of the district should not look to the sale of the building as a useful windfall.

## **Partnership with Neighboring Districts for Sharing Resources**

### ***Background / Rationale:***

The task force pursued the possibility of sharing resources with other districts. Our efforts did not yield satisfying fruit. We would request congregations and circuits of the district to send requests to the Synod in convention asking for direction and relief to explore other opportunities in district partnerships and shared resources. Other districts might not be at the same point to discuss shared resources. Synod is the body with authority that is able to lead and provide guidance on shared district resources. We consider it an urgent matter.

It may be possible for the district to share resources with other agencies as well, i.e., congregations, CUC and RSOs. We did not explore that at length, though the board of directors is encouraged to consider this possibility as well. The NID district president has engaged other districts at the Council of Presidents and the conversation has begun. We have no direct control, but the conversation has started.

### ***Recommendation:***

We recommend the NID BOD and District President continue to pursue collaborative relationships with neighboring districts; however, we do not expect good progress and gained efficiencies in the near



future. We encourage the BOD to engage Synod to address district networking at convention or even district re-alignment. This would come in the form of overtures sent up to Synod in convention. Furthermore, congregations and circuits would do well to make such overtures too.

## **Concluding Thoughts**

Our cultural climate is fluid, and our response in mission must be agile. The district organizational structures we have typically known were top down and worked well within a past culture that lived with that expectation. If we reduce current district infrastructure, we may well discover a more agile response that is ground up from within our congregations. The NID is the congregations! That is the message which must be repeatedly given. The district office is a resource to further the mission of spreading the Gospel of Christ.

If the NID becomes more agile in mission, congregations and circuits contemplating resolutions to the district convention should consider 1) refraining from offering those resolutions if they will result in staffing and expense requirements burdening the district office; or 2) funding the cost the resolutions would mandate. The district president and district office are currently mandated to carry out the resolutions of the district convention. Such resolutions, however, partly necessitate the kind of structure the NID has had for so many years.

We do not want to lose or diminish the NID. We need the identity and focus of the NID. We need good leadership! We are better together as a district than alone!

The task force was composed of volunteers who gave of their time. The issues were at times complex, and on some of them, we have not arrived at firm consensus though the committee worked well together. This document is only advice. May God bless the Board of Directors as they execute the matters of the Northern Illinois District.