

Lutheran Mission Cooperation Tanzania
Minutes of the 50th LMC Board Meeting
7th – 9th March 2017
Zanzibar

1. Introduction

1.1. Morning Devotion

8th of March: Ms Mary Laiser

“The Holy Spirit led Jesus into the desert. There the devil tempted him ... Jesus answered, “It is written ...” ... Then the devil left Jesus. Angels came and took care of him.”

Math 4:1-11

The text is about the temptation of Jesus. We can read how Jesus was tempted in three areas; Hunger – Health – Wealth. We have also our temptations, but we have to stand up against them as Jesus did. He used the word of the scripture, we can read that he said to the devil “It is written”. We can be tempted in the same areas as Jesus and in other areas, but we have to depend on God and to be firm. In Romans 8:31 we can read: *“What should we say then? Since God is on our side, who can be against us?”* Let us stand on this word and surrender our life to God.

9th of March: Rev Pekka Härkönen

“Why do you fight and argue among yourselves? Isn’t it because of your sinful desires? ... Be full of sorrow. Cry and weep. Change your laughter to mourning. Change your joy to sadness. Be humble in front of the Lord. And he will lift you up.” James 4:1-10

Why are you only preaching the law? In Finland I should hear that question and that the church is condemning. They should also ask, where is the gospel? In this text from James we have both the law and the gospel, and we have to preach both. In yesterday devotion, we heard how Satan abuses us and using our weaknesses. He wants to come in between, to separate us Christians and separate us from God. Let this Board be a tool of God, to bring unity in the church. We can read in the text that; *“So obey God. Stand up to the devil. He will run away from you. Come near to God, and he will come near to you. Wash your hands, you sinners. Make your hearts pure ...”*

1.2. Opening of the 50th board meeting

The LMC chairperson opened the meeting by welcoming all board members.

1.3. Roll-Call

Bp. Dr. Israel-Peter Mwakyolile, LMC Chairperson

Mr. Claus Heim, MEW, LMC Co-Chairperson

Bp. Isaya Mengele, ELCT

Mr. Loata Laizer Mungaya, ELCT DSG Finance and Administration

Ms. Mary Laiser, ELCT

Rev. Benyam Kassahun, ELCA

Rev. Pekka Härkönen, FELM

Apology

Ms. Yvonne Mmbando, UEM

LMC Secretariat

Mr. Peter Karlsson, LMC Secretary
Mr. Sirieli Pallangyo, Administrative Officer
Sr. Flaviana Temba, Financial Officer
Ms. Kornelia Kilian, incoming LMC Secretary

1.4. Acceptance of agenda and timetable

The agenda was accepted as presented.

1.5. Greetings and updates.

Israel-Peter Mwakyolile gave greetings from Konde Diocese. There will be an election for a new bishop on the 2nd of September and consecration on the 14th of January 2018. A farewell service for Bp Mwakyolile will be held on Sunday the 18th of March 2018 in connection with the LMC Board meeting. Mwakyolile informed that Sr Flaviana had a severe operation before Christmas but have recovered and is back in office now.

A special welcome was given to Kornelia, to the position as LMC Secretary and to be present at the LMC Board.

Isaya Mengele gave greetings from the Southern Diocese.

Claus Heim gave greetings from MEW and Neuendettelsau. Special greetings from Manfred Scheckenbach who retired in January. The Luther 500 Jubilee will be held in Wittenberg this autumn and affecting the church work in Germany. Three new missionary families are employed. A medical doctor and his wife have come to Moshi and have started to build up a cancer clinic at KCMC. A Deacon and his wife are moving to Usa-River and a woman pastor is employed to work in the South Eastern Diocese in Mtwara.

Pekka Härkönen gave greetings from FELM.

Benyam Kassahun gave greetings from ELCA and the presiding bishop. Glad to be in this team and appreciate to work together with ELCT. Informed that there will be a gathering of all ELCA pastors in August, approximately 10 – 11.000 pastors and this is the first time in ELCA history.

Loata Laizer Mungaya gave greeting from the ELCT Common Work, the General Secretary and the Presiding Bishop.

Mary Laiser gave greetings from North Central Diocese and Bishop Rev Solomon Massangwa. Ms Rose Makara is elected as the new General Secretary for the dioceses.

Kornelia Kilian gave greetings from her daughter and friends who were happy for her new position.

Peter Karlsson SEM missionary retreat, with missionaries from Ethiopia and Tanzania was in Zanzibar before the LMC Board. Rev Stefan Holmström, Secretary General and Rev Erik Johansson, Mission Director had sent their greetings to the LMC Board.

1.6. Confirmation of Minutes

1.6.1. Confirmation of Minutes of 48th board meeting

The minutes of the 48th LMC board meeting were confirmed as the correct records of the proceedings of the meeting.

1.6.2. Confirmation of Minutes of 49th board meeting

The minutes of the 49th LMC board meeting were confirmed as the correct records of the proceedings of the meeting.

2. Matters arising from previous meetings

2.1. Pending matters

2.1.1. Medical Loan Fund/Health Care Fund

In the Medical Loan Fund there is TZS 35 million kept in custody by LMC. The administration of the Medical Loan Fund has been under ELCT Medical Department. There are still three hospitals that have not paid back their loans amounting to TZS 49 million; Ilembula TZS 20 million, Bumbuli TZS 20 million and Bunda TZS 9,2 million. The total amount, including outstanding loans is TZS 84 million.

The LMC Board resolved:

- To assign the Secretariat to write Mr Brighton Killewa, Secretary General and copies to the Dioceses and copies to the hospitals as reminders.
- To ask the ELCT for the usage of the remaining fund.

2.1.2. Theological Educational Fund (TEF)

The ELCT Executive Council in April will decide on and present information to enable the ELCT Head Office and LMC Secretariat to work on a new policy for the Theological Educational Fund. The information required include:

- Level of Education, the meaning of “to train Theologian of lower cadre”.
- Colleges to be assigned
- Number of students from each diocese every year

The TEF-policy will be presented to the LMC Board and the Round Table, to enable that the policy will be in function from 2018.

2.2. House Rent Policy

The House Rent Policy was an issue in the Round Table 2016 and ELCT was asked to reconsider the enormous raise in house rent. The House Rent Policy will pass the ELCT Executive Council before presenting to the LMC Board.

2.3. Requirements for Work and Resident Permits

A new procedure, according to ELCT decision, is summarized in the LMC Manual 2017 and also presented in a separate document to be downloaded on the LMC web page.

2.3.1. Public Notice for Work Permits

A Public Notice from the government requires that all non-citizens must confirm their work permits with the nearest Labour Office. The duration of the exercise is from 22nd February to 22nd March 2017.

2.3.2. Registration of Legal Residents

The National Identification Authority (NIDA), established by the government with the mandate to register and issue identity cards to the Tanzania citizens, legal residents and bona fide refugees who are over the age of 18 years; has issued a public notice to all legal residents who reside in Tanzania for more than six months to participate in the registration and identification of person exercise. That means this notice is for among others, the Missionaries who are in Tanzania. The duration of the exercise is from 28th February to 24th March 2017.

2.4. Audit Fee Support

The LMC Secretary presented an internal memo, a proposal from Mr Chonyo, ELCT Audit Division, on dioceses with financial difficulties and are in a need of the Audit Fee Support. The Audit Fee Support is a provisional support to dioceses with strained finances and the

LMC Board discussed the list and agreed on to support eight dioceses, if they fulfil the requirements with draft accounts. The LMC Board agreed on to give support to following dioceses for the audit of the financial year 2016 and for dioceses who still have not been audited for the financial year 2015:

- Diocese in Mara Region
- South Central Diocese
- South Western Diocese
- South Eastern Diocese
- Ruvuma Diocese
- Mwanga Diocese
- Lake Tanganyika Diocese
- Ulanga Kilombero Diocese

3. Reports and ongoing activities

3.1. LMC Secretary Report

The LMC Secretary presented his report and it was received with appreciation.

3.2. Program Fund Report

A Program Fund report and an Audit status report were presented. There are still shortcomings in reporting and the unpaid balance for the 1st installment as of 24th of February 2017 is TZS 302 million. Only 6 out of 25 dioceses have received the first installment 2017 due to the fact that LMC office is awaiting for the report on the second installment 2016 and/or the Audited report for 2015.

The South Central Diocese has still not received the second installment 2016. LMC Secretariat is awaiting the draft accounts of 2015 and the program report for the first installment. The LMC Board appointed Bp Mwakyolile and Bp Mengele to visit the diocese and also enable them to offer a team to help the diocese to finalize the financial statements and reports.

3.3. BDF – Bachelor of Divinity Fund

LMC Secretary presented a list of Bachelor of Divinity students. The 2nd semester will start in the end of March and all payments to the BD students for upkeep and transport will be effected latest by the 17th of March.

3.4. FTP – Further Training Program

The FTP – Further Training Program/Group Training aiming to build the capacity of ELCT employee's performance in regard to the required standards; strengthening the unity of the Church and networking among different Church workers. A narrative report on conducted seminar with all bishops was presented. In the near future, there will be four seminars:

- Training of Bishops' wives
- Training of Diocesan Planning Officers and Finance Directors
- Training of Executives of the Northern Cluster
- Tailor made course for District and Parish cashiers in the Diocese in Mara Region.

3.5. CBF – Capacity Building Fund

The CBF – Capacity Building Fund will be closed down after this academic year 2016/2017. There are only three students remaining.

3.6. ODF – Organisation Development Fund

There is only one beneficiary of the fund, Ms Claudia Kombo, Treasurer at the Dodoma Diocese and she finishes her studies with this academic year. We have received an application from Mbulu Diocese. The diocesan treasurer will retire and the diocese wants to upgrade the accountant for the position. The diocese requested a full sponsorship for a duration of three years amounting to TZS 6 million per year. The ODF committee approved TZS 4.250.00 per year and the exceeding amount to be paid out by the diocese. The LMC Board confirmed the decision made by the committee.

3.7. Ongoing Project Report

A report on pending projects was presented.

Diocese in Mara Region “Bishop’s House”: The last balance of TZS 20 million was disbursed on 25/08/2016. The construction has gone well and they have managed to accomplish the wall structure and are finalizing the roofing stage.

North Eastern Diocese “Land ownership”: LMC still holds the balance of TZS 10 million until report is received that the Government has compensated the people concerned. The LMC Secretariat will contact the diocese to have a status of the land ownership and to have a report to be presented to the next LMC Board meeting.

3.8. Vehicle Fund 2016

The LMC Secretary informed on the process of this year order of vehicles. We are still waiting for the information from WEM Germany and the Bill of Lading. It is total eight vehicles ordered, six through the vehicle fund, one for the fistula work in the southern zone and one by MEW as a missionary vehicle. Only worry is the tax exemption with this huge value due to the big number of vehicles. In the future, CCT Wama has asked LMC to split the orders to make it easier to handle the tax exemption, but then we will not gain the discount given.

4. LMC Finances

4.1. 2016 Audited Financial Statement

LMC Secretary presented the 2016 Audited Financial Statement and a budget comparison report. The auditor, VA Business Assurance Services, gave an unqualified opinion.

- The LMC Board approved the 2016 Audited Financial Statement.

4.2. Management letter

The management letter was presented. The auditor had a comment on three items. The bank reconciliations are not approved by senior personnel; Full depreciated assets that is still in use should be reevaluated and Journal Vouchers that were not authorized. The LMC Secretary has commented on the auditor’s findings. The weaknesses are noted and actions have been taken for implementations.

The LMC Board resolved:

- To accept the action suggested and taken by the secretariat

4.3. Equity/Working Capital and Building up Funds

The LMC Secretary presented the LMC budget 2017 with adjustments. Adjustments are made for the LMC Secretary position. MEW will employ the new secretary and COS will not make any adjustments of promised grant towards the LMC Secretary position. An additional cost for half a year was budgeted but will not be implemented due to MEW taking the missionary position. Adjustments have also been made for Currency Fluctuation and on the Audit Fee Support. A careful estimation of the surplus for 2017 is TZS 87 million.

In the Round Table the question was raised concerning budgeting with a surplus, working capital and building up funds. The LMC Board discussed the matter and concluded:

- Build up the working capital to enable the LMC to have a working capital to manage the running budget for a period of nine months.
- Start a new fund to support Diaconical Work
- Start a new fund to support material production as translation of Theological Literature, Sunday school material etc.

The LMC Board resolved.

- In next board meeting, to specify and work out the structure and the usage of the funds, i.e. directives for policies

4.4. Request of Financial Support – Diocese in Mara Region (DMR)

The Diocese in Mara Region has under a long time been in a financial strain. Due to the volunteer work of the Acting General Secretary, Ms Amelian S. Kweka and the Acting Treasurer, Ms Mary Sanger, the administration and the financial reporting is up-to-date. The project to complete the Bishops House up to the roofing stage and the efficient way to handle the funds are thanks to those two ladies. The financial situation is still troublesome and the diocese has no funds to complete the Bishops House, nor to pay for the clearing of the vehicle within the Vehicle Fund. Therefore, the Diocese in Mara Region is asking for financial support:

- To complete the building of the Bishops house with TZS 45 million
- Clearing costs for the vehicle through the Vehicle Fund with TZS 6 million

The LMC Board assigned the LMC Secretary to write to the DMR and ask them to pass ELCT with the request before it goes to LMC Board.

5. The LMC Secretariat

5.1. Staff Matters

According to the contract, a three party agreement, the ELCT Common Work is the employing unit and the personnel are seconded to LMC. Renewal of contracts and salary increment has to be agreed upon with the employing part before reporting to the board. LMC Secretary informed that salaries for 2017 and renewal of contract with Sr Flaviana Temba and Tumsifu David had been discussed and agreed upon by Mr Killewa, Secretary General and Mr Mungaya, DSG Finance and Administration. The LMC Board expressed their satisfaction with the employees.

- The LMC Board approved to prolong the contracts for three years for Sr Flaviana Temba and Tumsifu David.

5.2. LMC Secretary Position - Interviews

Through Mission Eine Welt (MEW), LMC had received two candidates for the LMC Secretary position, Ms Kornelia Kilian and Mr Tim Hammerbacher. Both candidates were called for an interview. They were both equal and capable and competent for the position as LMC Secretary. After the interviews, the Board had both long and good discussions, but the final decision fell mainly on the availability, when to start and the possibility to have time for a handover.

The LMC Board decided:

- To appoint Ms Kornelia Kilian for the position as LMC Secretary
- To give appreciation to MEW that will take the financial responsibility for Ms Kornelia Kilian as a MEW missionary.

6. ELCT matters

Loata Laizer Mungaya informed the board matters from the Dioceses, Common Work and ELCT Investments.

6.1. From Dioceses and Common work

6.1.1. Mwanga becomes diocese

Mwanga diocese was inaugurated on 6th November, 2016 and Bishop Chediel Elinaza Sendoro was consecrated and installed to become a first Bishop of this new diocese and Pastor Timothy Msangi was installed to become the first Assistant to the Bishop.

6.1.2. Meru Diocese

Bishop Elias Kitoi was consecrated and installed on 15th January 2017 at the Cathedral, Usa River, Arusha. Bishop Dr. Paul Akyoo officially retired from office on 12th February 2017 at a special farewell service held at Mbaaseny Parish. Bishop Akyoo served the Diocese for twenty-four years.

6.1.3. Iringa Diocese

Bishop Dr Owdenburg Mdegella officially retired from office in a special farewell service held on 22nd February 2017 in Iringa. Bishop Mdegella served the Diocese for a period of thirty years. Bishop elect Blaston Gaville will be consecrated and installed on 25th June 2017.

6.2. ELCT Investments - Retirement Scheme

6.2.1. Banks investment:

6.2.1.1. Maendeleo Bank

Maendeleo Bank Plc performance had shown a positive direction after managing to clear all establishment loss of TZS 957 million recorded a profit of TZS 185 million for only four years of the bank establishment.

6.2.1.2. Uchumi Commercial Bank

Uchumi Commercial Bank's performance is still progressing well as in the year 2015 Retirement Scheme received a dividend of TZS 4.5 million. In 2016 the bank recorded a profit of TZS 583 million. In order to increase its capital, the bank issued a right issue. To maintain its position, Retirement Scheme was allotted right issues shares worth TZS 27 million.

6.2.2. KITOLE FARM

Kitole farm has been purchased already of which the cost below is incurred so far. The cost includes land price, survey, and accessibility to the farm (in TZS).

Purchase price (60,000*430)	25,800,000
5% Village fees	1,290,000
Survey and mapping	28,800,000
Accessibility (Road)	6,424,000
Farm Preparation	22,489,200
Facilitation cost	12,861,500
Firebreak around the farm	1,000,000
Total	117,025,700

The cost of preparation of the title deed was not yet paid waiting for the approval of the mapping by the Ministry of Lands, Housing and Human Settlements. The title deed is expected to cost TZS 5 million; this includes preparation, fees and follow up.

Plantation:

Up to 09th February 2017 the following development was achieved;

A farm of one hundred and three acres (103) was planted with:

Eucalyptus (Mlingoti) Tree 20 acres

Pine trees 83 acres

The weather condition is good and it is raining all over Southern Zone. The trees are growing well.

6.2.3. ELCT Hymn Book – Tumwabudu Mungu Wetu (TMW)

During the year, up to December 2016 TZS 194 million was paid to Retirement Scheme to cover TMW hymn Book loan. The balance as at 31st December 2016 is TZS 279 million (31st December 2015 TZS 474 million).

7. Coming meetings

7.1. Board meetings 2017

23rd – 24th of May, arrival 22nd departure 25th – in Arusha

13th – 14th and 18th of October, arrival 12th departure 19th – in Iringa

7.2. Board meetings 2018

19th – 20th of March, arrival 17th, Sunday the 18th a Farwell Service for Bp Mwakyolile, departure 21st – in Mbeya

22nd – 23rd of May, arrival 21st departure 24th

7.3. Round Table 2017

Date: 16th – 17th of October

Venue: Iringa *Diocese*

Theme: *Reformation in the African Context*

Bible verse: *not ready*

Bible Studies Leader: *not ready*

Keynote speaker: *Archbishop Dr Musa Filibus, LCCN*

Budget: *ready and accepted*

7.4. Round Table 2018

Date: *not ready*

Venue: *not ready*

Theme: *not ready*

Bible verse: *not ready*

Bible Studies Leader: *not ready*

Keynote speaker: *not ready*

Budget: *not ready*

8. Study Visit to Zanzibar Interfaith Centre

The LMC Board made a study tour at the Zanzibar Interfaith Centre. It was interesting learning about their work at the Interfaith Centre and especially to learn about the new diploma course in Intercultural Relations. The LMC Board discussed the work they are doing and what impact an Interfaith Centre and a diploma course in Intercultural Relations can have on the society. The LMC Board assigned the Secretariat to write to the Interfaith

Centre, thank them for the study visit and ask them to go through the East and Coastal Diocese and ELCT for requests of LMC funds or LMC scholarships.

9. AOB and Closing

Closing

The LMC chairperson expressed thanks to all board members for their contributions, then he closed the meeting with a word of prayer.

Bishop Dr. Israel-Peter Mwakyolile
LMC Chairperson

Peter Karlsson
LMC Secretary