

**CALIFORNIA-NEVADA-HAWAII DISTRICT
THE LUTHERAN CHURCH-MISSOURI SYNOD
BOARD OF DIRECTORS MEETING**

-PROCEEDINGS-
September 19, 2008

AT: CNH District Ministry Center
2772 Constitution Drive, Suite A
Livermore, California 94551

1. CALL TO ORDER- Board of Director's Chairman: The Rev. Dr. Thomas Zelt

2. OPENING DEVOTIONS- Chairman Zelt led a Bible study devotion based on Daniel 3 and concluded with singing LSB 795: "Voices Raised to You We Offer." Emphasis on God will save, if not immediately in history, He will not fail to be faithful. God's purposefulness seen in the sweep of history...death of good King Josiah led eventually to Wise Men in the East following prophecy to Jerusalem seeking the Savior. God's vision sees the entire picture that we experience in pieces.

3. BOARD ROLL CALL √ = present
 * = voting member

District Officers

- √ President - The Rev. Dr. Robert Newton
- √ First Vice-President - The Rev. Dr. Thomas Zelt *
- √ Secretary - The Rev. Mark Haas
- √ Treasurer - Mr. Art Kroeger

Regional Vice-Presidents

- √ The Rev. Mike Lange (Southern Region)*
- √ The Rev. Paul Hoffmann (Pacific Region)*
- √ The Rev. James Beyer (Northern Region)*

Regional Directors

- √ Mrs. Kathie Lindquist (Southern Region)*
- √ Mr. Tom Hurley (Pacific Region)*
- √ Mr. Jack Adolphson (Northern Region)*

Commissioned Minister Director

- √ Mrs. Cynthia Rothas, Teacher*

Staff

- √ Mr. John Whaley, Mission Counselor
- Rev. Ted Hartman, Mission Counselor
- Mr. Joel Koerschen, Director of Educational Services
- Mr. Brian Hyde, Wills and Estate Planning

Committee Chairpersons

- | | |
|--------------------------------|---------------------|
| Evangelism - | Vacant |
| Human Care Ministries – | Rev. Phil Zabell |
| Ministerial Health Committee - | Rev. Harold Draeger |

Parochial Schools -	Mr. Larry Tietmeyer
Stewardship -	Rev. Thomas Norris
Student Aid & Recruitment -	Rev. Robert Weller
Parish Education –	Vacant
Youth -	Jennifer de la Motte
Constitutional Matters -	Rev. David Poganski

CEF Board of Directors Chairperson

√ Rev. Robert Fickenscher

GUESTS: Rev. Mark Kliewer from Circuit 10 (Sierra Nevada), Rev. Bruce Betker from Circuit 11 (Hawaii), Rev. Jon Coyne from the District Salary Committee, and Rev. Robert Greene from the “Blue Ribbon Task Force on Synodical Structure and Governance”

4. APPROVAL OF THE AGENDA

By consensus, the Agenda, as presented by the Chairman, was accepted.

MANAGEMENT REPORTS

5. Ministerial Training Fund (Releasing Funds) - Newton

This on-going item regarding a timeline of returning funds received brief comment from President Newton and will be added to the December 13, 2008 Agenda.

6. Ethiopian Outreach: Call status of Dereje Fantaye-Newton

(See attached letter) Rev. Dereje Fantaye has resigned and asked for a peaceful release from his call as Missionary-at-Large effective December 31, 2008, and further requested that he be placed on CRM status until another call can be found for him.

7. CEF Report-Fickenscher

A “search committee” to find a new president to serve upon the retirement of Rev. Theodore Iverson is being formed. Mr. Bill Swift of the CEF Board is serving as the chairman of the process. A request was made to have a member of the CNH District Board serve on the “search committee.” It was recommended that First Vice-President Zelt be the Board’s representative.

POLICY REVIEW/GOVERNANCE ISSUES

8. Review of Section 3-Board and Executive Relationship Policies-Zelt

Chairman Zelt pointed out that Policy 3.1.2 (which had been revised in March 2008) relating to the *Manner of Delegating* and Policy section 3.2 and its sub-parts relating to *Board Decisions*, would be addressed in pending actions of the Board during the day’s agenda. Lay Director Hurley asked that Policy 3.5.2.8 as regards the District President providing the Board with copies of an Operations Manual and District Job Descriptions be done.

An updated page for Policy 4.5 *Budget*, amended at the June 2008 meeting, was distributed (see attached).

MONITORING

9. Report on Outcome Policies-Newton

Administration Report, September 19, 2008 (see attached)

In his report to the Board, President Newton's opening remarks included comments regarding Rev. Greene's attendance to gather feedback from the Board on the Synodical restructure process. He noted Synod's judicatory and training aspects as primary to assisting the District. He expressed his gratitude and appreciation for the Board's service to the District. (A correction was noted in his printed report, p.2, # 2d: Messiah, Ewa Beach, HI has not voted to conclude its ministry.) As regards deployed staffing, reported his goals were to reshape pastors to be catalysts where they serve, beyond Sunday morning accountability. In his goal to make a difference for the lost in each congregation's locale, he commented on the "Outcome Policies," 1.1-1.8, as to their current success or requiring more input from him or staff. He once again provided reports from his Executive staff (see attached): Joel Koerschen and Ted Hartman. Additionally, the Board received a Progress Report: "Church Planting Movement Ministry" from Rev. Ed Krueger, Missionary (see attached). The President's passion is for vision casting in this post-church era and teaching in the congregations and circuits. In order for this emphasis to continue, staff focus has been redirected to get to the "Outcome Policies" more efficiently. Revitalization will remain the main effort for Ted Hartman, as well as Mission Counselor for the Northern and Pacific Regions. John Whaley has "come back" into the District Office to be the President's "executive right hand" to make sure that the President's responsibilities are being better managed. The President noted that over the past twenty-seven months significant feedback has been solicited and received to identify metrics for each "Outcome Policy." It was suggested that to obtain more regional reporting, that the Vice-Presidents take specific questions to the Circuits they represent to acquire more timely information and feedback.

10. Financial Statements–(Policy 3.5.2.3)-Kroeger/Whaley

(See attached "Financial Statements for the Month Ended August 31, 2008" prepared and submitted by Denise C. Lo, September 12, 2008.)

CNH DISTRICT OPERATING REPORT (For Eight months ending August 31, 2008)

	MTD	YTD	YTD
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>
Income	\$ 143,031	\$1,402,208	\$1,512,794
Expenses	\$ 182,805	\$1,457,272	\$1,509,462
Net Income/(Loss)	\$ (39,774)	\$ (55,064)	\$ 3,332

Several notes: Overall, the disbursement balances for most of the items are within the budget limits; YTD congregation remittance is 91% of budget; and, a total of 49 congregations and Missions are not participating.

Additionally noted by Art Kroeger: In the “Operating Report” the “Office/Building Overhead” is out of balance due to insurance payment due dates, regarding the sale of the 2880 Constitution Drive portion of the Ministry Center. Monies will eventually be refunded. In the “Balance Statement” the lower “Account Payable” line reflects the absence of “Ministerial Training Fund” resources. John Whaley provided additional reporting forms: “Accumulative Monthly Operating Report,” “2008 Operating Budget” pie-chart, and “Congregational Mission Support in 2007” (see attached). He also made comments regarding the “Congregational Financial Report” (see attached). He noted some trends and recommended that the Vice-Presidents and Circuit Counselors review the latter report with their respective congregations and pastors.

Business

11. 2008 Salary Guidelines-Zelt/Coyne

Rev. Jon Coyne, Chairman of the District Salary Committee provided both verbal and printed information (see attached) as regards human resources decisions, particularly compensation decisions. He provided several recommendations including the hiring of a Human Resources Consultant, salary of the District President and staff percentage, and suggested that regional guidelines and local conditions dictate congregational salaries rather than one formula from the District. In addition to a three point resource provision to congregations from the Board, that Rev. Coyne recommended, John Whaley provided a Human Resources Consultant Proposal (see attached from “Performance Management & Compensation System). Rev. Coyne recommended that the Board provide the following three resources:

1. A step by step process for collecting and analyzing data points for each congregational community that will be used to determine compensation for all jobs.
2. A list of possible resources to collect these data points.
3. The contact information for one or more Human Resource consultants.

It was moved and seconded to encourage the District President to utilize the three point process for compensation/salary guidelines as provided by the District Salary Committee (9/19/2008). The motion carried.

12. Report from the Task Force for 2008 Audit-Zelt

It was moved and seconded to engage the firm, “Bedinger & Company,” for an external audit of the CNH District for 2008. The motion carried.

13. Feedback to Synodical Restructuring-Rev. Robert Greene, Task Force Chairman

Prior to the day’s meeting, Board members were to have downloaded two specific documents from the Task Force website: www.lcms.org/lcmsfuture: *Walking Together-The LCMS Future Proposals and Possibilities for Consideration and Discussion*, and, *Who is the Lutheran Church-Missouri Synod? Congregations Walking Together*. In addition, the Task Force has a video on its website the Board was also to preview. Rev. Greene, Chairman of the “Blue Ribbon Task Force on Synod Structure and Governance was in attendance with the Board to gather feedback.

From the former document, the following areas were reviewed: Congregations and Districts; Congregations and the National Synod; and Congregations, Membership, and Conventions

(specifically (1) the number of voting delegates and the means of electing delegates, and (2) Frequency, Function and Overtures).

A series of four questions for feedback were asked to solicit Board reactions.

1. Which of these proposals/possibilities seems most likely to positively impact the mission of congregations?
2. Which of these proposals/possibilities raises some concerns in your mind?
3. Which of these proposals/possibilities intrigues you, but you need more information to evaluate them?
4. Are there other options to which the Task Force should give serious considerations?

(Note: Board members and others should review the two papers and video to correlate these feedback questions.)

14. 2008 Budget Discussion-Whaley

John Whaley provided informational data to help prepare the 2009 budget. (See attached: two 2008 Operating Budget formats with 2009 projections; Pie-chart; Concordia Health Plans proposal for Health Savings Account (HSA) for staff). Line 199 indicates a change to HSAs for health coverage. Line 282 anticipates MAC grants at nearly \$500K. MAC grant requests are coming. As a “first” attempt at the 2009 budget, it is balanced. The final budget will be proposed and voted upon at the December 2008 Board meeting.

15. Salary Issues-Zelt

Discussion ensued revolving around the District Salary Committee’s proposal of setting the District President’s salary and then establishing the executive staff salaries at 85% of the President’s. The initial 2009 budget proposal recommended the President and executive staff receive a six percent increase.

It was moved and seconded to accept the 2009 budget recommendation of a 6% increase for the District President and Executive staff. The motion failed.

A discussion of the current “Operations Manual” method of establishing the President’s salary at 130% of the average salary of the 35 District Presidents’ salaries as published yearly by Synod’s Department of Human Resources (Policy 6.10) ensued.

It was moved and seconded to limit discussion. The motion carried.

It was moved and seconded that for 2009 the District President’s salary be set at \$121,716.00 and the Executive Staff’s salaries at \$103,459.20. The motion carried.

It was moved and seconded to direct the District President to provide job descriptions for each executive staff position by the March 14, 2009 Board of Director’s meeting. The motion carried.

16. Resolution of The Sierra-Nevada Circuit # 10 Forum-Kliewer/Zelt

(To Request The Lutheran Church-Missouri Synod Divide the Sierra-Nevada Circuit # 10 of the California-Nevada-Hawaii District into Two Visitation Circuits – See attached full document)

- RESOLVED, That the Sierra-Nevada Circuit Forum at its September 2008 regularly scheduled meeting request the LCMS through the California-Nevada-Hawaii District establish a new “visitation” circuit made up of seven rural congregations from the current members of the Sierra-Nevada Circuit: Bethany-Hawthorne, Christ-Battle Mountain, Grace-Round Mountain, Immanuel-Ely, St. Johns, Fallon, St. Mark-Elko, and Zion-Winnemucca; and be it further
- RESOLVED, That the new circuit be called the Great Basin Circuit # 20 of the California-Nevada-Hawaii District of the Lutheran Church-Missouri Synod; and be it further
- RESOLVED, That the newly formed Great Basin Circuit # 20 and the Sierra-Nevada Circuit # 10 continue to be one electoral circuit, electing one lay delegate and one pastoral delegate as well as alternates for each LCMS triennial convention; and be it finally
- RESOLVED, That both circuit’s congregations and pastors continue to work together when possible to encourage fellowship and promote outreach among her pastors and members, the pastors occasionally holding joint meetings and retreats and the congregations occasionally holding joint convocations.

It was moved and seconded to accept the Resolution from the Sierra-Nevada Circuit # 10 Forum, and as the Board of Directors to recommend it to the 2009 Convention of the CNH District-TLCMS, and to recognize the intent of the Resolution to be implemented immediately. The motion carried.

CONSENT AGENDA

It was moved and seconded to accept and approve the Consent Agenda consisting of (1) The Minutes of the June 14, 2008 CNH Board meeting, (2) Changes in the District, and (3) Future meeting dates. The motion carried.

16. CHANGES WITHIN THE DISTRICT

CALLS & CONTRACTS ACCEPTED

REV. DAVID CHAN, Bethany, Menlo Park CA, associate pastor to Bethel Grace, San Francisco CA as associate pastor.

REV. THOMAS NORRIS, JR., Faith, Pleasant Hill CA, senior pastor, to Bethany, Menlo Park CA as associate pastor.

SETH GEHRKE, Trinity, Lone Oak MN to Grace, Modesto as teacher

ROBYN GRAY, Candidate to Good Shepherd, S WI as teacher.

KAREN LOUIE-FUJII, Our Redeemer, Honolulu HI to Our Savior, Honolulu as teacher

KAREN MEAD, Immanuel, Loveland Rocky Moutain to Trinity, Paso Robles as teacher.

HEATHER MOCKLER, Emmanuel, Kahului, HI to Atonement, Glendale AZ PSW as teacher

CALLS & CONTRACTS EXTENDED

REV. CHRIS DELCOL by Grace, Grass Valley CA as pastor.

REV. CHRIS DELCOL by Our Saviour’s, Caruthers CA as pastor.

REV. PAUL JOHNSON, Trinity, Georgetown CA by Bethel, Fort Smith AR as pastor.

CALLS & CONTRACTS DECLINED

REV. MATTHEW HILPERT, St. John, Fallon NV to Grace, Grass Valley CA as pastor.
REV. JOHN STANDLEY, Cordova, Rancho Cordova CA to Cross View, Edina MN as associate pastor.

PLACEMENTS

KARL ASHCRAFT, Concordia, Austin to LHS of Hawaii as DCE
ANNA BECK, Concordia, Mequon to Zion, Piedmont as teacher
CALLIE BECKER, Concordia, Irvine to Trinity, Walnut Creek as a DCE
BETHANY BLAIR, Concordia, Irvine to Calvary, San Lorenzo as teacher
MARI BUSS, Concordia, Seward to St John, Napa as teacher
THOMAS CRAIG, Concordia, Seward to Sierra LHS as teacher
DANIEL DAVIES, Concordia, Seward to St John, Bakersfield as DCE
ASHLEY ECKHARDT, Concordia, Irvine to Zion, Piedmont as teacher
REBECCA ETTNER, Concordia, Seward to Trinity, Paso Robles as teacher
ROXANNE MIKELSON, Concordia, Irvine to Prince of Peace, Fremont as teacher
DAVID RINDT, Concordia, Irvine to Prince of Peace, Fremont as teacher
EMBER SCHLENSKER, Concordia, Irvine to St Matthew, Sonora as DCE
KRISTINA SILVA, Concordia, St Paul to Bethel Grace, San Francisco as DCE
REBEKAH STEIN, Concordia, River Forrest to Emmanuel of Maui as teacher
MICHELLE WALKER, Concordia, Irvine to Prince of Peace, Fremont as teacher

CHANGE IN STATUS

REV. BRUCE BETKER, St. Mark, Kaneohe HI to pastor emeritus.
REV. PON CHANTHAPHON, Trinity, Stockton CA to Candidate status.
REV. SERGEI KOBERG, St. Philip, Dublin CA to pastor emeritus.
REV. DR. JOHN KRUEGER, pastor emeritus, Pacific Southwest District to pastor emeritus, California-Nevada-Hawaii District.
REV. LLOYD H. WILLWEBER, pastor emeritus, Northwest District to pastor emeritus, California-Nevada-Hawaii District.
ERIN CHAPIN, Lutheran High School, Elk Grove CA to Candidate.
ROBYN GRAY, Messiah Ewa Beach HI to Candidate.
WALTER KNOEDLER, emeritus, Pacific Southwest District to California-Nevada-Hawaii District.
DANIEL KREIENKAMP, Candidate to Missouri District.
WILLIAM MARTCHENKE, Calvary, San Lorenzo CA to Candidate
LAWREN MILLER, Emeritus to Nebraska
SHARON WILLWEBER, Emeritus from Northwest District.

RESIGNATIONS

KIMBERLY SCHNELLE, Bella Vista, Tracy CA from the roster.
ELLEN SMITH, Prince of Peace, Fremont CA from the roster.

CALLING CONGREGATIONS:

Our Saviour's, CARUTHERS CA
Our Saviour, DELANO CA
St. Philip, DUBLIN CA

Grace, GRASS VALLEY CA
St. Mark, KANEOHE HI
Holy Cross, LOS GATOS CA (Senior pastor)
Faith, PLEASANT HILL CA (Senior pastor)
Redeemer, REDWOOD CITY CA (Associate pastor)
Peace, SACRAMENTO CA
Canaan, SAN FRANCISCO CA
Lutheran Church of the Holy Spirit, SAN FRANCISCO CA (Associate pastor)
Zion, SAN FRANCISCO CA
Trinity, STOCKTON CA
Good Shepherd, TURLOCK CA (Associate pastor)
Bethany, VACAVILLE CA
Waikoloa, WAIKOLOA HI
Vineyard of Faith, WINDSOR CA

Future Meeting Dates

December 13, 2008
March 14, 2009
June 13, 2009
September 12, 2009
December 12, 2009
March 13, 2010
June 12, 2010
September 11, 2010
December 11, 2010

17. Convention Update-Newton

It was noted that Chap Clark will not be available to be the keynote speaker at the May 2009 CNH District Convention. A possible essayist, Dr. Jeff Myers, is being sought to speak on the outreach of the Church to the youth culture, similar to the original intent of Mr. Clarks' goals.

18. ADJOURNMENT- Board of Director's Chairman-Rev. Dr. Thomas Zelt

20. CLOSING DEVOTION–CEF Representative-Rev. Robert Fickenscher

The devotion included portions of a document written by Dr. Frederick Niedner of Valparaiso University about siblings raised in the same parsonage developing opposing values and perspectives, politically and spiritually, lived in the public square, and still united in the faith by Christ!

Next Meeting: December 13, 2008

Respectfully submitted,

Mark W. Haas, Secretary