

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

-PROCEEDINGS-
December 13, 2008

AT: CNH District Ministry Center
2772 Constitution Drive, Suite A
Livermore, California 94551-7566

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

2. OPENING DEVOTIONS- Regional Vice President Paul Hoffmann conducted the morning's devotion.

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

- Ms. Kathie Lindquest (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, Executive Director, Education
- 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. Bruce Betker from Circuit 11 (Hawaii)

Note: Mr. Art Kroeger volunteered to be acting secretary for the remainder of this meeting.

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 the funds that had been resolved at the September 19th meeting was reconsidered. It was moved, seconded and carried that this body not rescind the District's Non profit number from the Ministerial Education Fund pending further information to be resolved at the March 2009 meeting.

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

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.

It was moved, seconded and failed to pass that Rev. Dereje Fantaye's contract be extended for three months (March 31, 2009).

It was also moved, seconded and failed to pass that the district provide a severance pay.

It was moved, seconded and carried after considerable discussion the this board accept his resignation of his call and grant him a peaceful release, and further that this board also grant him a severance pay of three months with the expectation that PLI International reimburse this district.

7. CEF Report – First Vice President Zelt

A "search committee" to find a new president to serve upon the retirement of Rev. Theodore Iverson is being formed. First Vice President Zelt commented on the committee's first meeting.

POLICY REVIEW/GOVERNANCE ISSUES

8. Review of Section 2 Board Self-governance Policies--Zelt

There was some discussion regarding the annually signing a conflict of interest statement. It was affirmed that this is in fact done annually. Section 2.3.3 (feed back tools) was discussed in the March 2008 meeting. It was suggested that questions requiring feedback be presented to the delegates at convention. Further, that the Board develop these questions. The questions could also be presented at Winkles. It was further suggested and agreed to that the board prior to adjournment discuss questions for additional feedback.

Section 2.5.1.3 was discussed and it was suggested that First Vice President T. Zelt conduct an annual review of DP Newton. The responses to the evaluation will be reviewed with President Newton with a committee of three selected by VP Zelt. The results of that annual review be reported to the board of directors.

Section 2.8 (Board Responsibilities) was discussed. It was suggested and agreement reached that section 2.8.1 read as follows: This Board by necessity is generative—a driver for setting policy as to this Board’s vision and the direction of District. It was moved, seconded and carried that—the Board will give generative (creative) input for the mission and ministry of the CNH District by creating outcome policies for revising and reviewing them each triennium; annually or as necessary. The numbering be moved downward so that this section is 2.8.1 and the existing 2.8.1 becomes 2.8.2 and so on down to the end of this 2.8 section.

VP Zelt identified an annual strategy summit encompassing Section 3.1.2 and Section 2.3.4.4 as components of this summit. It was further indicated that any review or revisions of the Board’s desired outcomes is scheduled for a March meeting. The Board agreed that this summit meeting should be independent of a regular Board meeting.

MONITORING

9. Report on Outcome Policies-Newton

Administration Report, December 19, 2008 (see attached)

In his report to the Board, President Newton’s opening remarks included comments regarding the California Healthy Marriage Coalition. 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). Mr. John Whaley also presented a report (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. This was particularly critical this past quarter as The President noted that he spent more than half his time out of the office. The President is also preparing a 2 hour course for the Council of Presidents identifying what this District has done in the area of Mission and Ministry.

There was a brief discussion regarding Synodical restructuring.

The theme and logo for the upcoming District Convention was distributed and attached to these minutes. District President Newton also indicated that the newly elected Board members would be installed on Sunday at the convention.

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

(See attached “Financial Statements for the Month Ended November 30, 2008” prepared and submitted by Denise C. Lo, September 12, 2008.) These financial statements are filed with the secretary.

**CNH DISTRICT OPERATING REPORT
(For The Eleven months ended November 30, 2008)**

	<u>MTD</u> <u>Actual</u>	<u>YTD</u> <u>Actual</u>	<u>YTD</u> <u>Budget</u>
Income	\$ 165,514	\$ 1,970,238	\$ 2,080,105
Expenses	<u>\$ 173,226</u>	<u>\$ 2,032,497</u>	<u>\$ 2,075,523</u>
Net Income/(Loss)	\$ (7,712)	\$ (62,259)	\$ 4,582
Legal Fees	<u>\$ (50,597)</u>	<u>\$ 172,662</u>	<u>\$ (4,583)</u>
Net Balance	\$ (58,209)	\$ (234,922)	\$ (1)

Several notes: Anticipated receipts are almost on budget. 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 43 congregations and Missions are not participating.

Business

11. Housing Allowance—in board package

It was moved, seconded and carried that the following receive a housing allowance in the amounts provided in the board package: Hartman, Theodore; Johnson, Eric; Koerschen, Joel; and Newton, Robert. (Details on file)

12. Financial matters – in board package

It was suggested and agreed that the automobile mileage allowance be standardized to be in accordance with the most recent Internal Revenue Service guidelines.

John Whaley presented the rationale for requesting that up to \$ 300,000 be released from the Board’s restricted mission fund. They were:

1. Operating deficit through November 30	\$ 234,928
2. Estimated December deficit	10,000
3. Auto purchase in March	28,321
4. Mortgage principal for t year	<u>18,000</u>
	\$ 291,249

After a lengthy discussion is was moved, seconded and carried that the Board of Directors release from the Board's restricted mission fund an amount up to \$ 300,000 to cover the 2008 cash flow deficit.

13. 2009 Budget Discussion-Whaley

John Whaley provided the Board with the proposed 2009 operating budget. (See attached), He noted that it was both a transitional budget and this budget contained an ending surplus. Then followed a lengthy practical question and answer period dealing with "operational budgets", capital budgeting, cash budgeting. The research failed to identify which type of budget was subject to Board's approval. The question raised was related to what was a balanced budget? Was it the operational budget only? Or, was it both the operational budget and the capital budget? It was ultimately moved, seconded and carried to approve the operating budget as presented.

14. Missionary at Large calls—Regional Vice President Rev Mike Lange

The status of Pastor Kou Seying was discussed. It was stated by District President Newton that he is responsible for missionary supervision and ecclesiastical supervision as well. It was moved, seconded and carried to decline issuing a call to Pastor Kou as a MAL and encourage St. Paul, Merced to consider calling him as a missionary to the Hmong people with the support of the CNH district and District President's office.

15. District Bylaws

Synod has indicated they have discovered some items requiring changes in our existing bylaws. These items deal mainly with nominating district officials including the District President. The closing of the nominations 6 months before District Convention provides no provision to make a District President nomination after that date should the situation arise. The process of the reduction of ballots was also a concern. This will be referred to the CCM and the floor committee in preparation for the next convention.

CONSENT AGENDA

It was moved and seconded to accept and approve the Consent Agenda consisting of (1) The Minutes of the September 19, 2008 CNH Board meeting, (2) Changes in the District, with one correction—in the 'Placements' portion David Rindt is from Concordia, Mequon and not Irvine as indicated, and (3) Future meeting dates. The motion carried.

16. CHANGES WITHIN THE DISTRICT

CALLS & CONTRACTS ACCEPTED

REV. CHRIS DELCOL to Grace, Grass Valley, CA as pastor.
REV. PAUL JOHNSON, Trinity, Georgetown CA to Bethel, Fort Smith, AR as pastor.
KENNETH KRUEGER, Trinity MT to Zion, San Francisco as teacher.
ERIN LANGSTON, Trinity, Paso Robles CA to St. John, Bakersfield CA as teacher.
SACHA MANN, Messiah, Ewa Beach HI to Seattle High School as teacher.
STACY SATO, Calvary, Silver Springs MO to Zion, San Francisco as teacher.

CALLS & CONTRACTS EXTENDED

REV. VERNON OESTMANN, Trinity, Mission KS by Bethany, Vacaville CA as pastor.
REV. RANDALL WEINKAUF, Christ, Hilo HI by Board for Mission Services for International Lutheran Church, Seoul Korea as pastor.

CALLS & CONTRACTS DECLINED

REV. CHRIS DELCOL to Our Saviour's, Caruthers CA as pastor.
REV. MITCH GOWEN, Our Savior, Aiea HI to Bethany, Vacaville CA as pastor.
REV. MITCH GOWEN, Our Savior, Aiea HI to Grace, Woodbridge VA as pastor.
REV. JEFFREY JORDAN, Holy Cross, Rocklin CA to Bethel, Fort Smith AR as pastor.
REV. ALAN SOMMER, Light of the Hills, Cameron Park CA to Zion, San Francisco CA as pastor.

PLACEMENTS

HEATHER ANDERSON, Concordia Portland to Bethany, Vacaville CA as teacher.
SARAH EHLERS, Concordia Seward to Grace, San Mateo as teacher.
JONATHAN KOPEKCY, Concordia Seward to St Peter, Lodi CA as Director of Christian Education.
BEN MERAZ, Concordia Irvine to Grace, Visalia CA as Director of Christian Education.
ERIN VERNON, Concordia Irvine to Zion, San Francisco CA as teacher.

CHANGE IN STATUS

REV. EDWARD BIERMAN, Non-candidate to non-candidate status.
REV. Paul DETERDING, Bethlehem, Carson City NV to Candidate status
REV. PHILIP KOHLMAYER, Non-candidate to non-candidate status.
REV. ROBERT NICHOLUS, Non-candidate to non-candidate status.
REV. ROBERT ROTNEM, Active to Candidate status.
REV. ROBERT ROTNEM, Candidate Status to Pacific Southwest District.
DAVID KRETZMANN, Lutheran High School, Elk Grove A to Candidate.
TROY DE LA MOTTE, Non-candidate to non-candidate status.
WILLIAM LEAL, Non-candidate to non-candidate status.

RESIGNATIONS

REV. CHRISTOPHER BENSON, Non –candidate status from the minister of religion-ordained roster.

CALLING CONGREGATIONS:

Our Saviour's, CARUTHERS CA
Our Saviour, DELANO CA
St. Philip, DUBLIN CA
St. Mark, KANEOHE HI
Holy Cross, LOS GATOS CA (Senior pastor)
Faith, PLEASANT HILL CA (Senior pastor)

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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

DISBANDED CONGREGATION

First Redeemer, Vallejo 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. ADJOURNMENT- Board of Director's Chairman-Rev. Dr. Thomas Zelt

18. CLOSING DEVOTION–Regional director Tom Hurley

Next Meeting: March 14, 2009

Respectfully submitted,

Arthur M. Kroeger, Acting Secretary