

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

-PROCEEDINGS-
June 14, 2008

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

1. CALL TO ORDER- Previously, the Board was informed that First Vice-President Tom Zelt would be unable to attend the meeting due to a scheduled trip. When the Board Chairperson is absent, the Board is to select one of the Regional Vice-Presidents to serve as Acting Chairperson for the Board's meeting. Northern Regional Vice-President James Beyer was previously appointed to briefly Chair the selection process as he would be unable to serve the entire meeting due to a scheduled Baptism in his congregation.

It was moved and seconded to appoint Pacific Regional Vice-President Paul Hoffmann as the day's Chairperson. The motion carried.

2. OPENING DEVOTIONS- Northern Regional Vice-President Beyer provided the morning's devotion based on Acts 1, asking the questions: Who are we? What are we here for? He provided an anecdote from his recent trip to Israel leading us to the answer: We are Christians...on a mission!

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

GUEST: Rev. Norman Milz, Carson City, Nevada representing the Sierra Nevada Circuit (10).

4. APPROVAL OF THE AGENDA

By consensus, the Agenda, as presented by the Acting Chairperson Hoffmann, was accepted.

MANAGEMENT REPORTS

5. Update on Ministry Center Sale of 2780 Constitution Drive-Whaley

The property was officially sold to the “Happy Fish Swim Club” and a check for \$2,725,000.00 was in the bank on May 22, 2008. The District’s outstanding debt on the 2772 Constitution Drive portion of the property: The Ministry Center is \$350,000. It is being refinanced through CNH-LCEF for 25 years. This reduces the monthly loan cost from \$18,000 to \$2,000 per month. President Newton acknowledged with many thanks the efforts of MC John Whaley and Ministry Center Task Force Chairperson Paul Hoffmann for their leadership through this process.

(At this point in the Meeting, MC Whaley announced that he had just learned that First Vice-President Zelt’s sister-in-law, Lana, had died earlier in the day in the San Diego. Tom and his wife had broken off from their trip to be with Tom’s brother, Tim, and family. Southern Regional Director, Kathie Lindquist led the Board in prayer.)

6. Ministerial Training Fund-Newton

This on-going item regarding a timeline of returning funds received brief comment from President Newton and will soon be resolved.

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

President Newton provided a report on the current status of progress and discussions. He recommended that the District conclude its Call to Dereje Fantaye as a MAL for the CNH District. Funding of the position, even by other sources, i.e. PLI, accountability and control were discussed.

It was moved and seconded to conclude the Call to Dereje Fantaye as MAL for the CNH District. The motion failed.

It was moved and seconded that the Board of Directors of the CNH District take decisive action to conclude its Call to Dereje Fantaye as a MAL for the District at the September 19, 2008 meeting of the Board. The motion carried.

8. Convention Business: Staff Youth Mission Counselor-Newton

President Newton once again announced that the 2009 CNH District convention essayist will be Chap Clark. He has authored a book, "Hurt," which is a missional and anthropological study of the most "unchurched" segment in our society: youth. As regards the 2006 Convention Resolution, the President has secured input from the District's DCE contingent, highlighting a mentoring process where a consultant, such as Chap Clark, in a three year covenant with the District, would train 10 congregations who in turn would train 10 congregations, etc. to more effectively mentor youth. This process would replace the adding of another Executive Staff role to the District Office.

9. CEF Report-Fickenscher

(See attached) CNH CEF Board Chairperson, Robert Fickenscher, reviewed activity of CEF since the March 2008 meeting of the CNH BOD. Some items included a visit from Merle Freitag of LCEF to our independent district CEF Board. The consensus was to remain independent. Mr. Bill Swift will chair the search committee for a replacement for Rev. Ted Iverson when he retires. Current loan work includes Lutheran High Schools in Sacramento and Nevada, and congregational loan activity in Exeter, Roseville, San Francisco (2), and Carson City was noted. Total CEF assets are \$63 Million. On-going cooperative ministry with the District continues. President Newton noted the cooperation was going "great." Fickenscher also noted that CEF has contributed 25% toward the purchase of the asset of the building (principal), not just in the operational expense of the building and interest.

POLICY REVIEW/GOVERNANCE ISSUES

10. Review of Section 4-Executive Limitation Policies-Hoffmann

After the present Board members reviewed the section, one Policy (4.5.1.4.1) was expanded:

It was moved and seconded that Policy 4.5.1.4.1 should now read: "Personnel, as reflected in job descriptions, and quarterly reporting through the President's Office." The motion carried.

MONITORING

11. Report on Outcome Policies-Newton

President's Newton's formal report was submitted to the Board in pre-meeting email (See attached). Additionally, Activity Reports were received from Mission Counselors John Whaley and Ted Hartman summarizing their service for the first five months of 2008 (See attached). Missionary Ed Krueger also submitted a report of his activity with "Church Planting Movement Ministry." Each of the reports were submitted to specifically focus on Revitalization, Church Planting and Cross-cultural missions, as well as other staff related activities pertaining to the Board's Outcome statements and strategic targets. President Newton's personal comments

reemphasized Revitalization as a demonstration that the District cares for its congregations; that covenanting is evident among congregations who go through the revitalization process as their commitment to the process and each other; and that there is a need to develop an “infrastructure” of curriculum, coaching and peer ministry. In regards to the work of Ed Krueger, President Newton stated that the Church Planting Movement is a new kind of missionary process: not starting missions but raising up missionaries through training, accountability and equipping for mentoring.

12. Financial Statements–(Policy 3.5.2.3)-Kroeger

(See attached “Financial Statements for the Month Ended May 31, 2008” prepared and submitted by Denise C. Lo, June 5, 2008.)

CNH DISTRICT OPERATING REPORT (For Five months ending May 31, 2008)

	MTD <u>Actual</u>	YTD <u>Actual</u>	YTD <u>Budget</u>
Income	\$ 198,336	\$ 897,889	\$ 945,502
Expenses	\$ 234,660	\$ 953,129	\$ 945,502
Net Income/(Loss)	\$ (36,324)	\$ (55,240)	\$ 0

Major causes of the deficits include: (1) congregation remittance is less than expected, and (2) The three month delay in the closing of escrow significantly affected both income from CEF space sharing and interest expense of the original mortgage.

Treasurer Kroeger also stated that the contributions were consistent with past years and included good overall prospects, especially with the sale of the property which is a major financial benefit.

13. Report form Task Force for 2009 Audit-Zelt

Due to the absence of the Board’s Chair, First Vice-President Zelt, this report was Tabled until the September 2008 meeting of the Board.

14. CNH Insurance Summary-April 1, 2008

(See attached) This summary was provided by Kerry Dantzig, Vice-President for Heffernan Insurance Brokers. It was previously provided by email to Board members for review.

BUSINESS

15. Regionalization Task Force Report-Hoffmann/Milz

15a. (See attached) The Preliminary Report, dated April 10, 2008 was presented. The Task Force was established to respond to CNH District convention Resolution 4-03, “To Appoint a Task Force to Study Regionalization in the CNH District (Adopted April 2006). The immediate work of the Task Force focused attention needed to enhance communication between the Board and Circuits 10 (Nevada) and 11 (Hawaii).

From the report: “The Task Force recommends that, beginning with the September, 2008, CNH Board of Directors meeting, the Circuit Counselors of those regions be present at Board meetings to represent and give voice to the unique ministry concerns of the CNH congregations in Hawaii and Nevada. (In the near future the Nevada congregations plan to form two Visitation Circuits with two Circuit Counselors to endeavor to more adequately serving the needs of their 19 congregations. The two circuits will determine which Circuit Counselor attends the CNH Board meetings).

The Task Force also recommends that following the 2009 CNH Convention, and possibly also the 2010 Synodical Convention which may approve national and district structure changes, that study of district regionalization continue by

1. Considering granting voting status on the Board to an elected pastor and lay person from both Hawaii and from Nevada.
2. Reexamining the effectiveness of the three current regions that have pastor and layperson voting rights, and recommending changes regarding the number and the configuration of regions to more adequately represent the unique needs of our various congregations and enhance communication between all our congregations and the CNH Board of Directors.”

It was moved and seconded to accept the Preliminary Report of the Task Force. The motion carried.

15b. A Circuit Division Report from the Sierra Nevada Pastoral Meeting, May 5, 2008 was also presented (See attached). The report will be presented to the Sierra Nevada Circuit Forum on September 13. Recommended action from the pastors would divide Circuit 10 into two Circuits, the current Circuit 10 would drop from 18 to 11 congregations, still known as the Sierra Nevada Circuit, and the remaining seven (7) congregations would form a new circuit: Circuit 20, known as the Great Basin Circuit. The two circuits would remain one (1) circuit for participation as an electoral circuit for Synodical Conventions, but would function separately otherwise, each with its own Counselor and Lay Representative.

16. Set Dollar Figure for MAC Grants for 2009-Hoffmann

At the March 15, 2008 Board meeting, as part of its “Points of Contact” flow chart (See CNH BOD Minutes, March 15, 2008, p.6), the Board determined that it would set the next year’s MAC Grant percentages at the June 14, 2008 meeting.

It was moved and seconded to set a goal that 25% of the 2009 Congregational Remittances in the CNH District Budget will be designated for Mission Support, with an additional goal that this amount will not fall below present funding. The motion carried.

17. September Meeting Date

Due to several conflicts for the date of the September 2008 meeting, President Newton will contact Synod’s Task Force on Structure to see if it could meet on Friday, September 19, 2008. If not, the meeting will be September 20, 2008 as the Council of President’s is scheduled to meet on September 13, 2008 the Board’s previously scheduled meeting date.

(NOTE: Board members were notified following the June 14, 2008 meeting that the next meeting will be Friday, September 19, 2008. Not only will the Task Force on Structure be in attendance, but also the District’s Salary Committee is to attend by previous motion.)

CONSENT AGENDA

It was moved and seconded to accept and approve the Consent Agenda consisting of the (1) The Minutes of the March 15, 2008 CNH Board meeting, (2) Changes in the District, and (3) Future meeting dates. The motion carried.

18. CHANGES WITHIN THE DISTRICT

CALLS & CONTRACTS ACCEPTED

REV. KARL BLIESE, Our Saviour, Delano CA to St. John, Willits CA as pastor.
REV. JEDIDIAH MASCHKE, Candidate PSW District, by First, Concord CA as pastor.
MICHAELLE ANGERMAN, Reinstatement to Our Savior, Livermore CA as teacher.
DIANE GEORGE, Bella Vista Christian Academy, Tracy CA to West Portal, San Francisco CA as teacher.
DEBORAH GOING, Japan Lutheran to Jakarta, Indonesia IN District as missionary.
THOMAS GOING, Japan Lutheran to Jakarta, Indonesia IN District as missionary.
MICHAEL GREIN, Calvary, San Lorenzo CA to Christ, Overland MO as teacher.
LAURENE HOFMAN, Candidate to Trinity Paola, KS as teacher.
KARA JOHNSON, Trinity, Wahiawa HI to Northland, Kansas City MO as teacher.
RACHEL MEYER, Grace, Modesto to St Papul, Kankakee IL as teacher.

CALLS & CONTRACTS DECLINED

REV. JOSEPH BYRD, Candidate, CNH District, to St. John/St. Luke, Valley Home/Oakdale CA as pastor.
REV. LARRY MILLER, First, Helena MT, to Bethany, Vacaville CA as pastor.
REV. STEPHEN SOHNS, Resurrection, Spring TX, to Bethany, Vacaville CA as pastor.

CHANGE IN STATUS

REV. JAMES MUELLER, First, Concord CA to pastor emeritus.
REV. JOHN-PAUL MEYER, Holy Cross, Rocklin CA, associate pastor to pastor emeritus.
REV. BRUCE NEFF, pastor emeritus, to candidate.
REV. GARY ZAKIAN, candidate, to Indiana District.
FORREST ADAMS, Our Savior, Livermore CA, active to teacher emeritus.
WILLIAM BETHKE, Grace, San Mateo, active to teacher emeritus.
GRACE KNUTH, St. Peter, Lodi CA, Active to Non-Candidate
DOLLEEN MARTCHENKE, Calvary, San Lorenzo CA, Active to Non-Candidate
PATRICK MAYNARD, Active to Candidate to Texas District as teacher.
CAROL MUELLER, Non-Candidate to Texas District as Non-Candidate.
KARI PENROSE, Active to Candidate to Texas District as teacher
LYDIA SCHROEDER, St. John, Napa CA, active to teacher emeritus.
KAREN WARSINSKI, Active to Candidate to Michigan District as teacher
LISA WRIGHT, Active to Candidate to Rocky Mountain District as teacher.

PLACEMENT

KEVIN DEHOPE, Ft. Wayne, to St. John/St. Luke, Valley Home/Oakdale CA as pastor
JAMES GLOWINSKI, St. Louis, to St. Paul, Susanville CA as pastor.

MICHAEL HALL, St. Louis, to Trinity, Exeter CA as pastor.
BRUCE HINDENBURG, St. Louis (colloquy), to Shepherd of the Sierra, Coarsegold CA as pastor.
TIMOTHY LAI, Ft. Wayne, to Bethel Grace, San Francisco CA as assistant pastor/missionary.
AARON PUTNAM, St. Louis, to Good Shepherd, Hayward CA as associate pastor.
SHERRI LAHRMAN, Concordia, Ann Arbor, to Our Savior, Salinas CA as teacher.
VANESSA ECKHARDT, Concordia, Irvine to Calvary, San Lorenzo CA as teacher.
NATHANIEL SCHOBER, Concordia, Portland to Grace, Crescent City CA as DCE

VICARS

RYAN ALVEY, St. Louis, to Peace, Sacramento CA.
MATTHEW BAYE, St. Louis, to Mt. Olive, Milpitas CA.
JOSEPH BEHNKE, St. Louis, to Light of the Hills, Cameron Park CA.
JOSE CERVANTES, St. Louis, to St. Paul, Mountain View CA.
JOHN GENTER, St. Louis, to Lutheran Church of the Holy Spirit, San Francisco CA.
ERIC ROBINSON, St. Louis, to Redeemer, Redwood City CA.
MATTHEW ROSEBROCK, St. Louis, to Good Shepherd, Hayward CA.
ADAM SALINAS, Ft. Wayne, to Peace, Fresno CA.
DAVID SOLUM, Ft. Wayne, to Trinity, Palo Alto CA.

RESIGNATION

CYNTHIA NEWKIRK, Non-Candidate

CALLING CONGREGATIONS:

Grace, GRASS VALLEY CA
Holy Cross, LOS GATOS CA (Senior pastor)
Bethany, MENLO PARK CA (Associate 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
Good Shepherd, TURLOCK CA (Associate pastor)
Bethany, VACAVILLE CA
Concordia, VISALIA CA
Waikoloa, WAIKOLOA HI
Vineyard of Faith, WINDSOR CA

Future Meeting Dates

September 19, 2008 (Friday)
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

19. ADJOURNMENT-Pacific Regional Vice-President Paul Hoffmann closed the meeting with thanks to all in attendance.

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

The closing devotion noted the day, June 14, as “Flag Day.” References to Romans 13 and Luther’s Two Kingdom theology in the context of a Presidential election year were also noted. The hymn, “God Bless Our Native Land” was sung and the closing prayer for spoken for our nation and travelers.

Next Meeting: Friday, September 19, 2008

Respectfully submitted,

Mark W. Haas, Secretary