

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

-PROCEEDINGS-
December 8, 2007

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

1. CALL TO ORDER-First Vice President-The Rev. Dr. Thomas Zelt

2. OPENING DEVOTIONS- Pacific Regional Vice President Paul Hoffmann presented a devotion based upon scriptural lessons, particularly from Isaiah, tied to various hymn verses of the Advent Hymn, "Oh, Come, Oh, Come Emmanuel."

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
- Rev. Edwin Krueger, Mission Development and Financial Support
- Mr. Joel Koerschen, Director of Educational Services
- Mr. Brian Hyde, Wills and Estate Planning
- Mr. Frank Spiva, Mission Education and Development

Committee Chairpersons

- | | |
|--------------------------------|---------------------|
| Evangelism - | Vacant |
| Human Care Ministries – | Rev. Phil Zabel |
| 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 -	Mr. Steve Dierker
Constitutional Matters -	Rev. David Poganski

CEF Board of Directors Chairperson

Rev. Robert Fickenscher

GUESTS: Rev. Milton Fricke, representing the Hawaii Circuit

Mrs. Jan Killingsworth, representing the CNH-CEF Board

4. BOARD CHAIRPERSON’S OPENING COMMENTS

First Vice President Zelt called attention to the 2008 Budget as the main item for the day with emphasis as to how the Budget would reflect District Outcome Strategies, salaries and their guidelines, as well as a discussion of the priorities and effectiveness of the proposed budget.

5. APPROVAL OF THE AGENDA

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

MANAGEMENT REPORTS

6. Update on Ministry Center Sale Process-Whaley/Killingsworth

“Condoizing” of the Constitution Drive addresses continues with the City of Livermore. “Title” research is in process before the finalization of a sale can take place. The issue for the City is “parking ratio (more parking spaces may be required).” A Civil Engineer is involved to investigate 2-3 more parking spaces. It is still hoped that the sale can be finalized by December 31, 2007. The Buyers are ready! The process is moving!

7. Ministerial Training Fund-Kroeger

Treasurer Kroeger provided a letter from the Ministerial Training Endowment Fund Board addressed to Chairperson Zelt. The Fund Board is exercising its option to withdraw from any District financial control and will form its own non-profit corporation.

8. Ethiopian Outreach Ministry Fund-Newton

The LCMS Board for Missions cannot take on Dereje Fantaye’s call. President Newton has been unable to speak/meet with Dereje. It was moved to table this item until the March 15, 2008 meeting of the Board. The motion carried.

9. CNH BOD –CNH CEF Future Relations Task Force-Zelt

The initial meeting of the Task Force has been set for January 29, 2008.

10. Convention Business: Staff Youth Mission Counselor-Newton

Task Force chairperson, Steve Dierker, has stepped down from the Task Force. Nothing has been resolved as to the task to date.

POLICY REVIEW/GOVERNANCE ISSUES

11. Review of Section 2: Self-Governance Policies-Zelt

Policy 2.3.3-Relationship to Constituency: The Circuit Counselors have expressed a “disconnect” from the BOD. By consensus the BOD resolves to undertake more training in this area in order to become more effective in its communication.

Policies 2.4.1-Board Self-Appraisal and 2.4.2-Policy-Based Leadership Review: Results of last fall’s self-appraisal will be reviewed at the March BOD meeting as well as taking up the mid-term review of Policy-Based Governance.

12. Church Extension Fund-Killingsworth

CEF Board member, Jan Killingsworth provided information for the CNH Board regarding loan status. Currently, \$51M is in loan to congregations with approximately \$6.5M in new loans. CEF currently has \$10M in reserves. Large loans to congregations in Roseville, CA, Dayton, NV and to Sierra Lutheran High School in Nevada are anticipated. Also, several current loans are being reviewed to ascertain how CEF can better partner with the recipients to increase awareness and more active participation with CEF. President Newton commented on the rise of delinquent congregations, asking if it is a trend or just abnormal. The question of economic realities or deeper issues needs to be addressed. CEF will provide counseling to congregations in conjunction with CNH staff and report to the BOD for oversight.

It was moved and seconded that the BOD strongly encourages on-going cooperation of the District staff in working with the CEF BOD to develop ministry and mission goals and strategies concerning loan repayment. The motion carried.

MONITORING

13. Meeting Outcome Policies-Newton

In the President’s Administration Report, some data errors were noted, i.e. five not four men attended the revitalization training in Milwaukee not Chicago, etc. The President verbally noted items from the written report, with updates as necessary, e.g. the LCMS World Mission Outreach Task Force definition of a Mission Outpost is *“A congregation that intentionally and effectively engages its community and the world with the Gospel.”* There was a brief discussion on modality (mending) and sodality (sending) congregations. Revitalization of 60-80 congregations by 2012 following Synod’s Revitalization Initiative will be a major focus of the President’s Office and staff. Also, in order to additionally emphasize the “Church Planting Movement” within the District, the President, in conjunction with St. Paul’s, Tracy, and Mission Counselor Ed Krueger have embarked on setting up the church planting movement model to launch from a congregational rather than a District base. Ed has accepted a call to be a church planting pastor from St. Paul’s. He will leave the District staff and his current duties will be redistributed between Mission Counselors Hartman and Whaley, with Hartman having primary responsibilities for the revitalization process. To finance the Krueger project, monies from the LCMS, a MAC grant, and some District budget will be utilized in 2008. A 501 (c) (3) account will be established. In District staffing changes, the “Ministry of the Baptized” will be emphasized. The Sierra MAC will take on a new structure under MC Hartman’s guidance. The next Big MAC

meeting will be March 8, 2008 at Town and Country, Sacramento. MAC grants can include requests for the revitalization process.

14. Financial Statements–(Policy 3.5.2.3)-Kroeger

The Treasurer noted that the October report showed we were on target. Deficits were in areas that were anticipated. The December 2007 remittances should be good based on previous year's experience. The percentage remitted to Synod is 10% of monthly receipts. November's income was about \$10K over anticipated!

(See attached "Financial Statements for the Month Ended October 31, 2007" prepared and submitted by Denise C. Lo, November 30, 2007.)

CNH DISTRICT OPERATING REPORT (For ten months ending October 31, 2007)

	MTD Actual	YTD Actual	YTD Budget
Income	\$ 210,251	\$1,928,057	\$1,952,517
Expenses	\$ 199,012	\$2,162,426	\$2,228,831
Net Income/(Loss)	\$ 11,239	\$ (234,369)	\$ (276,314)

15. "Fan Into Flame" Campaign Funding Update-Newton

The District's steering committee (representatives from the BOD are the three Regional Vice Presidents) will next meet on January 17, 2008. Amy Laughter has been replaced by John-Paul Slonkosky. 16 of the 19 Circuits have local coordinators. "Fan into Flame" is the funding link to "Ablaze!" To date, \$768,000 has been raised for "Fan into Flame." An additional \$1M has been received from a CNH region donor who is not a CNH member.

16. BOD "Ablaze!" Commitments-Zelt

Board members were once again given materials (See Handout-Leadership Team Manual) and commitment cards and were encouraged to accept leadership roles in making dollar commitments to "Fan into Flame."

17. 2008 Budget Approval-Whaley

(See Attached) MC Whaley provided specific commentary on the 2008 Operating Budget (Draft-12/4/2007). Assumption: similar congregational remittances to 2007. The anticipated deficit lowered to \$28K anticipating the sale of 2780 Constitution Drive. The condoizing effect on the property will be the formation of a 501 (c) (3) board in association with the new tenants to manage insurance, utilities, maintenance fluctuations, etc. similar to a home owners association. The reallocation of Ed Krueger's resources was noted (see above). Frank Spiva's mission awareness position ends with 2007. The overhead for 2008 will drop from \$344,950 to \$197,525 (the interest will reduce from \$170,400 to \$43,875). The mission and missionary MAC grants were reviewed. The item for Communications will be less due to reduced staff work. Missionary training with Dwight Marables has ended. Revitalization is a new category linked to MC Hartman. Training event launch is included. A Thrivent grant will be sought to offset "planned giving" needs.

a. Salaries in Budget and Salary Guidelines-Newton

It was moved and seconded to utilize the existing salary figures (2007) for the executive staff with the addition of a 1 percent increase (COLA) and continue to further review information being presently researched regarding salaries for a recommendation at the March 15, 2008 Board meeting. The motion carried.

b. Discussion of Priorities, Effectiveness and Proposed Budget-Zelt

With the executive staff reduced from three to two MC positions; with Revitalization receiving a larger emphasis; and Mission Planting now “not” a staffing position within the District Office...will the proposed budget accomplish the desired outcomes? Significant time was expended reviewing the changes and anticipated effects as well as the budgetary impact.

c. Budget Approval-2008

It was moved and seconded to ask the President to balance the proposed 2008 Operating Budget as presented (eliminating an anticipated \$27,978 deficit). The motion carried.

18. Approval of Housing Allowance Allocations

RESOLVED, that the California-Nevada-Hawaii District of the Lutheran Church-Missouri Synod, as a standing resolution to remain in force and effect until such time as amended or revoked, hereby authorizes and establishes a housing allowance for each of the District Staff and MAL listed below as estimates of expenses for 2008. (Detailed information is on file in the District Office.)

Eugene Davidenas
Everett Garwood
Eric Johnson
Edward Krueger

Dereje Fantaye
Theodore Hartman
Joel Koerschen
Robert Newton

BUSINESS

19. Board Training for Effective Communication

At the March 15, 2008 BOD meeting, Southern Regional Vice President Michael Lange will present a proposed “agenda” for utilization by Board members when visiting Circuit Forums and Circuit Pastoral Conferences.

Additionally, the March 15, 2008 Board agenda will include a line for discussion: How do will solicit feedback?

And finally, the March 15, 2008 agenda will also include a discussion regarding “Continuing Education for Mission Strategy.”

CONSENT AGENDA

It was moved and seconded to accept and approve the Consent Agenda consisting of the Minutes from September 8, 2007 Board Meeting, Minutes of the August 30, 2007 Conference Call, Minutes of the October 2, 2007 E-mail Ballot, Changes Within the District (September 8, 2007), and Future Meeting Dates. The motion carried.

20. CHANGES WITHIN THE DISTRICT

CALLS & CONTRACTS ACCEPTED

REV. JASON BREDESON, Redeemer, Pensacola FL to Trinity, Sacramento CA as pastor.
REV. THOMAS WINDSOR, Trinity, Gardnerville, NV to Faith, Sonoma, CA as pastor
REV. EDWIN KRUEGER, CNH District Mission Counselor by St. Paul, Tracy CA as Outreach/Church Planting Pastor.

CALLS & CONTRACTS DECLINED

REV. MITCHELL GOWEN, Our Savior, Aiea HI to Our Redeemer. Augusta. GA as senior pastor.
REV. BRIAN LARSON, Faith, Cottonwood AZ to First, Yuba City CA as pastor.
REV. MAYNARD SCHULZ, Faith, Ukiah CA to St. Luke/St. John, Oakdale/Valley Home CA as pastor.
REV. JOHN STENNFELD, Christ, Austin TX to Peace, Sacramento CA as pastor.

CALLS & CONTRACTS EXTENDED

REV. JIM BEILSTEIN, Shepherd of the Hills/Peace, Lake Isabella/Taft CA by St. John, Bakersfield CA as administrative pastor.
REV. MICHAEL FRANCKOWIAK, Trinity, Exeter CA by First, Yuba City CA as pastor.
REV. JONATHAN LANGE, St. Paul, Merced CA by St. Paul, Rochelle IL as pastor.

PLACEMENTS

PATRICIA LEMMER, Concordia Mequon to Our Savior, Aiea HI as teacher
JANE FAIRBANK, Concordia Irvine to Trinity, Paso Robles CA as principal

CHANGE IN STATUS

REV. JOSEPH BYRD, Active to Candidate status.
REV. CONRAD COYNER, St. John, Willits CA to pastor emeritus.
REV. DOUGLAS WILLIAMS to Non-Candidate status.
REV. GARY ZAKIAN, reinstated to the clergy roster as Candidate.
MICHAELLE ANGERMAN, reinstated to the commissioned minister roster, to Our Savior, Livermore CA as teacher.
CHRISTINA CAMBERG, reinstated to the commissioned minister roster, to the PSW District as Candidate.
MELISSA BRANDENBURG, transferred from the Missouri District as Non-Candidate
KURT GOLCHERT, reinstated to the commissioned minister roster.

RESIGNATION

REV. JOSEPH BYRD, Grace, Santa Maria CA as pastor.

DEATH:

JOAN ROSS, called to glory.

CALLING CONGREGATIONS:

Redeemer, ATASCADERO CA
St. John, BAKERSFIELD CA (associate)
First, CONCORD CA
Grace, GRASS VALLEY CA
Holy Cross, LOS GATOS CA (Senior pastor)
St. Luke/St. John, OAKDALE/VALLEY HOME CA
Peace, SACRAMENTO CA
Canaan, SAN FRANCISCO CA
Zion, SAN FRANCISCO CA
Faith, SONOMA CA
St. Paul, SUSANVILLE CA
Bethany, VACAVILLE CA
Concordia, VISALIA CA
St. John, WILLITS CA
Vineyard of Faith, WINDSOR CA
Good Shepherd, TURLOCK CA (Associate)
First, YUBA CITY CA
Waikoloa, WAIKOLOA HI

Future Meeting Dates

March 15, 2008
June 14, 2008
September 13, 2008
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

21. Additional 2007 Budgetary Need-Whaley

It was moved and seconded to release \$156K from the Board's designated funds in order to offset the 2007 budgetary need (beyond \$220K already designated to the 2007 Budget). The motion carried.

22. ADJOURNMENT- First Vice President Rev. Dr. Thomas Zelt

23. CLOSING DEVOTION– CNH District Secretary Mark Haas provided the closing devotion based on the Parable of the Prodigal Son relating it to an adult son returning home after a sustained absence.

Next Meeting: March 15, 2008

Respectfully submitted,

Mark W. Haas