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

June 12, 2010

CALL TO ORDER The June 12th, 2010 meeting the CNH Board of Directors was opened by Rev. Dr. Thomas Zelt at 9:10 am.

1. OPENING DEVOTION -- Rev. Mark Kliewer offered a reading from Luke Chapter 7:36-50 for the opening devotion. Pastor Kliewer's comments were focused on verse 47, "*Therefore, I tell you, her many sins have been forgiven--for she loved much. But he who has been forgiven little loves little.*" Love comes from the debt cancelled. Suffering is often an opportunity for change.

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

District Officers:

- √ *President: Rev. Dr. Robert Newton*
- √ *1st Vice President: Rev. Dr. Thomas Zelt**
- √ *Secretary: Rev. John Standley*
- √ *Treasurer: John Wagenbach*

Regional Vice Presidents:

- √ *Rev. Jim Beyer**
- √ *Rev. Paul Hoffmann**
- Rev. Rick Rice**
- √ *Rev. Mark Kliewer**
- √ *Rev. Bruce Betker**

Regional Directors:

- √ *Mrs. Kathie Lindquist* (Southern)*
- √ *Mr. Jack Adolphson* (Northern)*
- √ *Mr. Timothy Kramer* (Pacific)*
- √ *Mr. Henry Wentzlaff* (Nevada)*
- √ *Mr. Pedar Wold* (Hawaii)*

Commissioned Minister Director:

- √ *Ms. Marla Kuefner**

CEF Representative

- √ *Rev. Robert Fickenscher*

District Staff

- √ *Rev. John Whaley - Exec. Dir., Asst. to Pres.*
- √ *Rev. Ted Hartman - Mission Counselor*
- Mr. Joel Koerschen - Director Of Educational Services*
- Mr. Brian Hyde, Wills and Estate Planning*

3. OPENING COMMENTS -- Chairman Zelt introduced interim District Treasurer John Wagenbach. Board members were asked to tell a little about themselves. As the introductions continued, Rev. Zelt explained the overall makeup and function of the Board.

Vice President Zelt went over the agenda. He mentioned that much of today's session would be spent on Board Outcome Policy #4 - Executive Limitation Policies. The Chairman reminded the Board that its primary role was to establish policy. The Board also serves to provide feedback to the President. Evaluation of the president is a part of this. This can be difficult because, like the office of the pastor, the description of the duties is somewhat vague.

Chairman Zelt noted that discussion on the addition of a part-time Hispanic Coordinator, Synodical appointments and release of funds would be added to the Business section of the agenda.

MANAGEMENT REPORTS

4. CEF REPORT – CEF Chairman Rev. Robert Fickenscher announced changes in the leadership of CEF. Bob has stepped down as Chairman and has been replaced by Bill Swift. Byron Nelson will serve as treasurer. Adriene Iverson has announced that she will be leaving CEF to serve as the Director of Operations for Elder Care Alliance, a faith based non-profit organization, operating six senior living communities throughout the Bay Area. CEF President Don Busse will review the position of Vice President and will make recommendations. Bob noted that change of leadership gives opportunity for overall change.

CEF will continue to work with congregations concerning financial planning and Stewardship. District staff is working with CEF on delinquent loans. The CEF Board has recognized the need for increased investments, shown in part by the amount of the loan requested by Sierra Lutheran High School. President Busse has been working to strengthen the involvement of the District.

Rev. Fickenscher commented that CEF is expecting a five year gap before the economy and congregations recover. He noted that the price of the Euro has affected the market. He also mentioned that the older generation seems to be more sacrificial in their giving and are tending to be more willing today to leave funds to charities rather than leaving the bulk of their estate to family members.

Discussion followed concerning the impact of a trend leading away from institutional loyalty as it concerns CEF, the District and Synod in relation to congregations and individual members. V.P. Jim Beyer asked to what extent the BOD of the District should be active in participation with CEF. It was suggested that some participation was helpful. Our bylaws provide for interaction with CEF primarily through the MACs. President Newton offered information concerning the history of the MACs noting that a lack of mission funds diminished the viability of the program.

Chairman Zelt thanked Rev. Fickenscher on behalf of the board for his years of service to CEF and the District.

POLICY REVIEW & GOVERNANCE ISSUES

5. Review of Section 4 - Executive Limitations Policies -- Chairman Zelt directed the board to section 4.9.9 dealing with salary guidelines for rostered staff. President Newton expressed that it was impossible to establish an across the board minimum guideline because of the multiple micro climates that exist within the District. Guidelines for 2010 are currently in place, however, the president is not satisfied with them. He stated that congregations need to be active in interpretation regarding their unique situation, using all the information that is available. Discussion followed.

Section 4.4.7 which deals with reserves was examined. Because of current economic conditions, a separate reserve has not been maintained. However, the District does hold Board designated funds that can, and have been used as reserves. Chairman Zelt requested that District staff prepare information regarding sections 4.4.5, 4.4.6 and 4.4.7 to be available for further discussion.

Vice President Zelt referred to section 3.1.2 which specifies that the Board is to focus primarily on broad levels of concern, leaving the specifics to the District President and others.

MONITORING *Outcome Fulfillment*

6. Administrative Report -- In his report President Newton began by saying that the Policy Statements generally reflect our Outcome Statements. Our outcomes are helpful in assessing the health of both the District and the congregations. He went on to say that this is where the work needs to be done. Gone are the days that the church will grow simply because it is supposed to.

The President posed the question - Why District? He then went on to offer what he referred to as Four Phenomena. #1 The District exists to manage the Roster, to deal with life and ministry. This becomes especially significant when the congregation and pastor are in conflict. #2 Mission - President Newton talked about the Mission Action Council and the understanding that local congregations have concerning, "What is mission?" Traditionally mission funds have flowed from Congregation> District> Synod. #3 District's involvement with Education. The District is active in encouraging participation in our Lutheran schools. #4 To encourage congregations, pastors, teachers and laity to "Walk Together as Synod." The president concluded by noting that the Synod and the Seminaries are not working with Post-Church assumptions.

7. Report on Transforming for Mission -- (Report is attached for the record) Rev. Ted Hartman reported that it has been a pleasure to work with the TFM teams. He referenced a book by Phyllis Tickle concerning God's work in the world throughout time. Ted talked about the history of TFM which got its start with TCN (Transforming Churches Network) and has evolved into our current program, but still works with TCN. The program has been in operation in the District for 30 months. In 2008, twelve congregations participated. There were eleven in 2009, and three so far in 2010. 25 of the 26 congregations voted to accept the prescriptions that were suggested by the teams.

Rev. Hartman presented a statistical report that was derived from the feedback process. The report indicates that pastors seem to find the process more helpful than the congregations. Congregations are

geared toward receiving people as the Spirit sends them. Of the 26 consultations, the smallest congregation had 12 members, the largest has 500. 24 of the 26 congregations indicated that they had problems with defining a vision for ministry. 15 of the 26 lacked direction in the area of Mission focus. One of the most dramatic effects of the TFM consultations has been the sense of hope that has been generated in the congregations. There is a feeling of being "unstuck" which allows the congregation to look at the future with greater optimism.

8. Feedback regarding TFM -- Ted hopes that now the program has been in operations for awhile, the news will get out to other congregations. Chairman Zelt noted that through Outcome Statement #2 [*The CNH District will promote ministry renewal within its congregations for accomplishing the mission of Christ through the revitalization process, Transforming for Mission.*] We have "tied our wagon to this program" Discussion followed in relation to Outcome Statement #2.

Rev. Hartman mentioned that while we are used to measuring success by the number of people in the pews, perhaps we should be asking how many couples see improvement in their relationships, or how many children are doing better because of being a member of this church?

Advertisement for the program has been left for the most part to word of mouth. DVDs that tell of the program are available to congregations by request. Discussion continued concerning the needs of TFM, specifically, what needs to be done to "keep the ball rolling". Ted stated that he appreciated the systemic nature of the District's involvement. Circuit Counselors and Regional Vice Presidents are in the best position to be advocates for the program.

It is important to let our people know that TFM is not just for congregations that are struggling; that is a false impression that some have. Experience has shown that the more pain a congregation is in, the more motivated they are to seek assistance. However, it is far better to address the problems before they get to the point of pain. TFM is for all congregations. Treasurer John Wagenbach added that in the business world, the top corporations bring in consultants when they are at their best.

9. Feedback regarding Continuing Education -- Board members discussed the possibility of incorporating some of the components of TFM, such as Vision Development as a Continuing Education offering.

President Newton provided information concerning projects that are in the development stage in conjunction with Continuing Education. A DVD dealing with mission leadership in a politically correct world is being produced with TCN, PLI and the CNH District.

Regional Vice President Jim Beyer agreed to coordinate a group to work on the "*Discipleship for Mission*" course.

10. Acceptance of the 2009 Audit Report -- (See Attachments) Executive Director John Whaley commented on the Audit report for the 2009 fiscal year. **A motion was made to accept the 2009 Audit Report.** The motion was seconded and approved.

11. Financial Statements -- (Report is attached for the record) Rev. John Whaley stated that expenses are in line for the first five months. Gifts from congregations are low. Legal expenses are considered "below the line" but they still affect the expenditure side.

There are some expenses from the discretionary fund that have gone to helping pastors and congregations in distress. Expenses for Mission Training is high due to the Steinke classes that have been offered, and the TCN annual support payment.

12. Feedback on Financial Concerns --Rev. Whaley commented on income trends and the "quality of revenue". If the current downward trend is temporary, that is one thing. If we expect that trend to continue, then the BOD will be required to make some difficult decisions. The Director reported that 5 years ago there were 17 congregations that offered no support to the District, today that number has climbed to 40. Between 2000 and 2009, congregation remittance is down 9.40%. During that same period the District operating budget has decreased by 10.90%.

Discussion continued concerning ways to cut an already lean District budget. Thoughts were exchanged on how we might encourage congregations to join in, or continue to support the mission of the District.

Regional Vice president Jim Beyer moved -- "***that a task force be established at the direction of the District President to examine ways to trim expenses and increase revenue in the current 2010 budget. The task Force will also examine the overall budget outlook.***" The motion was seconded and approved.

13. District Hispanic Coordinator -- (Letter attached for the record.) First Immanuel Lutheran Church in San Jose requested District participation for partial funding of Pastor Enrique Vallejo's work as Hispanic Coordinator for the District. Questions were raised concerning the need for a position description, or if this would be considered a continuation of an existing ministry. After considerable discussion and consultation with President Newton, *a motion was made "to purchase 20% of Pastor Vallejo's time from 1st Immanuel to be used for his activities as District Hispanic Coordinator."* The motion received a second and was approved.

BUSINESS

14. Guidelines for District Executives Salaries -- (Report attached for the record) Rev. Mark Kliewer reported that he contacted several districts concerning executive compensation. He found that there does not seem to be a standard formula for setting executive salaries; districts use various methods. Pastor Kliewer suggested that more research is needed. Chairman Zelt asked for three Board members to work on this and report their findings at the September meeting.

15. Synodical Appointments -- President Newton received a letter from The Synod's Committee on Constitutional Matters giving the board the opportunity to offer names for appointment as Synod Reconcilers. "***A motion was made to direct District Staff to provide names to the Synod CCM for recommendation as Synod Reconcilers.***" The motion was seconded and approved.

16. Release of Funds -- (Letter attached for the record) Denise Lo from District Administrative Services requested that the Board release \$306,780.00 from designated Mission funds to provide cash flow for District expenses. This request comes as a result of low congregational remittance and legal expenses. it was ***"Moved to release \$306,780.00 from designated Mission funds."*** The motion was seconded and approved.

CONSENT AGENDA

17. Consent Agenda -- Future meeting dates were removed from the consent agenda. ***"A motion was made to approve the remaining items on the Consent Agenda."*** The motion was seconded and approved.

After some discussion ***"a motion was made to accept the future meeting dates as published."*** The motion was seconded and approved.

CHANGES WITHIN THE DISTRICT

CALLS & CONTRACTS ACCEPTED:

REV. SHAWN BOYLAN, Namibia, to Christ, Hilo, HI as pastor.

REV. ALAN HILTON, Our Savior/First/St. Luke, Chester/Greenville/Portola, CA to St. John, Fallon, NV as pastor.

REV. BRUCE HINDENBURG, Shepherd of the Sierra, Coarsegold, CA to Good Shepherd, Inglewood, CA as pastor.

REV. ZABDI LOPEZ, Peace, Pico Rivera, CA to Bethlehem/Grace, Colusa/ Gridley, CA as pastor.

MEGAN FEDDER, Trinity, Wahiawa, HI to Emmaus, IN as teacher.

JAMES SCRIVEN, Grace, Modesto, CA to LS Association, Anchorage, AL as Administrator.

CALLS & CONTRACTS EXTENDED:

REV. MITCH GOWEN, Our Savior, Aiea, HI by Our Redeemer, Ocala, FL as pastor.

CALLS & CONTRACTS DECLINED:

REV. ALAN FLYNN, Messiah, Citrus Heights, CA to Redeemer, Hyattsville, MD as pastor.

REV. MICHAEL LANGE, Resurrection, Brentwood, CA to Christ Victorious, Chaska MN as pastor.

REV. KENT SCHAAF, All Saints, Charlotte, NC to Trinity, Gardnerville, NV as pastor.

REV. MICHAEL SCHMID, senior pastor, St. John, Napa, CA, to Our Savior, Lansing, MI as senior pastor.

REV. JOHN STANDLEY, Cordova, Rancho Cordova, CA to Bethlehem, Carson City, NV as pastor.

CHANGE IN STATUS:

REV. ROGER BENNER, pastor emeritus, to Southern District.

REV. DR. PAUL DETERDING, candidate status, to Florida-Georgia District.

REV. JAMES GLASPIE, Non-candidate to Non-candidate.

REV. JAMES GLOWINSKI, candidate status, to Indiana District.

REV. BRADLEY ROBERTS, pastor emeritus to candidate status.
 PAULA ABRAHAM, to Southern District as candidate.
 RICHARD ALLMAN, Bella Vista, Tracy, CA teacher active to emeritus.
 SUSAN BETHKE, Grace, San Mateo, CA teacher active to emeritus.
 CAROLYN DALFARRO, Zion, Piedmont, CA teacher active to emeritus.
 STEPHEN DIERKER, St. John, Napa, CA, DCE active to Non-Candidate.
 BETSY ECKERT, Holy Cross, Los Gatos, CA, DCE active to Non-Candidate.
 TANNA FELCHER, from Missouri District as candidate.
 DORIS KLEIN, St. John, Napa, CA, teacher active to emeritus.
 RUTH O'KEEFE, St. Peter, Lodi, CA, teacher active to emeritus.
 LARRY TIETMEYER, St. Paul, Tracy, CA, principal active to emeritus.

PLACEMENTS:

LONNIE FELCHER, St. Louis, to Vineyard of Faith, Windsor, CA as pastor.
 JONATHAN OETTING, St Louis, to Our Savior, Sparks, NV as pastor.
 RYAN TINETTI, St. Louis, to Faith, Seaside, CA as pastor.

VICARS:

DAVID BEHM, Ft. Wayne, to Peace, Fresno, CA.
 RYAN HOCHGREBE, St. Louis, to Light of the Hills, Cameron Park, CA.
 DONALD RAY, St. Louis, to Good Shepherd, Turlock, CA.

DEATHS:

REV. EUGENE BUSH, pastor emeritus, Bakersfield, CA.
 ROBERT HAUCH, commissioned minister, St. John, Napa, CA.
 RICHARD HILGENDORF, commissioned minister, All Nations, Bakersfield, CA.

CALLING CONGREGATIONS

Peace, ARROYO GRANDE, CA
 Lutheran Church of Prayer, BAKERSFIELD, CA
 Bethlehem Ethiopian, BERKELEY CA
 Bethlehem, CARSON CITY, NV
 Our Saviour's, CARUTHERS, CA
 Our Saviour, DELANO, CA
 Trinity, GARDNERVILLE, NV
 Mt. Olive, MILPITAS, CA (Senior pastor)
 Faith, PLEASANT HILL, CA
 Holy Cross, ROCKLIN, CA
 Canaan, SAN FRANCISCO, CA
 St. Andrew, STOCKTON, CA (Associate pastor)
 Peace, TAFT, CA

Good Shepherd, TURLOCK, CA (Associate pastor)

FUTURE MEETING DATES

September 18, 2010	March 12, 2011	March 10, 2012
December 4, 2010	June 11, 2011	June 9, 2012
	September 10, 2011	
	December 10, 2011	

CLOSED SESSION

18. Closed Session -- Litigation update

ADJOURNMENT

19. Closing Devotion -- Chairman Zelt offered a closing devotion based on the text of the Wicked Servant. The Hymn "Voices Raised to You We Offer" was sung. Rev. Zelt recounted the accomplishments of the day and then closed with prayer.

Respectfully Submitted,

Rev. John M. Standley
CNH Dist. Secretary