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

*March 13, 2010*

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**CALL TO ORDER**

The March 13<sup>th</sup>, 2010 meeting the CNH Board of Directors was opened by Rev. Dr. Thomas Zelt at 9:30 am . Chairman Zelt noted a change to the agenda concerning the Management reports.

**1. OPENING DEVOTION** -- Rev. Bruce Betker began by leading the Board in prayer. He told a story from a book by Tony Campolo about a visit to Hawaii by the author. The story spoke of God's love and acceptance for all people. Rev. Betker closed with a reading from Luke Chapter 15, *"But the Pharisees and the teachers of the law muttered, "This man welcomes sinners and eats with them.""*

**2. BOARD ROLL CALL**   √ = present

\* = voting member

***District Officers:***

√ *President: Rev. Dr. Robert Newton*

√ *1<sup>st</sup> Vice President: Rev. Dr. Thomas Zelt\**

√ *Secretary: Rev. John Standley*

*Treasurer: Vacant*

***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*

## **MANAGEMENT REPORTS**

**3. CEF REPORT** – Acting President Bill Swift attended for Robert Fickenscher . Bill reported that Don Busse has been chosen to serve as the President of CEF replacing Rev. Ted Iverson. The transition will begin at the end of March with a starting date of March 22<sup>nd</sup>.

It was noted by Mr. Swift that a profit of \$20,000.00 was realized in 2009. While the amount seems small, the Board was reminded that the fund was down by \$500,000.00 at the beginning of 2009.

Delinquency on existing loans is on the increase. CEF Staff is actively working with those accounts. Lutheran High School in Carson City is doing well. Cameron Park should be breaking ground on their new building in May.

## **POLICY REVIEW & GOVERNANCE ISSUES**

**4. Review Section 1, Outcome Policies** -- Chairman Zelt directed the Board review section #1 of the Outcome Statements. Questions were raised concerning the meaning of the word “holistic” as used in Outcome #2 Metric #3. President Newton suggested that in this context the word would apply to groups of activities that would serve as a platform for outreach ministry as opposed to specific ministries such as a community VBS which would fit the intent of Outcome #2, Metric #4.

After a time of discussion, a motion was made to add to the end of Outcome #2, Metric #3 the words, “*To nurture and expand discipleship, these groups are to include the use of Word and prayer and to be outreach oriented.*” The motion was seconded and approved. Outcome #2, Metric #3 now reads, -- “*30 congregations will have added at least 1 holistic small group by 2012. To nurture and expand discipleship, these groups are to include the use of Word and prayer and to be outreach oriented.*”

## **MONITORING    *Items of interest regarding outcome policies***

**5. Administrative Report** -- Chairman Zelt asked if there were any questions concerning the March Administrative Report. Hearing none, the Chairman asked President Newton for comments. Rev. Newton referred to Ted Hartman’s December report. He stated that the Revitalization process is shining the light on apparent dysfunction in some of our congregations. The President stated the need for pastors that can lead in a time of rapid change. This understanding has necessitated a move from a focus on Church Planting to a program of revitalization of existing ministries. As a result, pastors from two congregations have been asked to step down.

The President went on to say that we are still trying to operate under “Church Culture” assumptions. Our Seminaries are not designed to offer the education needed in a “Post Church” environment. Our Seminary graduates get half of the training that they need, and there is no requirement, or available

opportunities to get the other half. President Newton has been working with the Council of Presidents to help alleviate this problem. The question that is before the church is, "How do we address this problem sooner than later." Pres. Newton offered that, "Mobilization of the laity is crucial." He went on to say that churches are structured around the assumption of a stable environment. We are not designed to maintain stability in the midst of chaos.

Chairman Zelt referred back to the outcome statements and asked the Board to consider if they address the problems that President Newton had raised in his report.

**6. Position Description for Mike Lange** -- Regional Vice President Jim Beyer had questions about the addition of the Revitalization support position that was filled by Rev. Mike Lange. Specifically, how does that position serve the Outcome Statements? Ex Director John Whaley provided the Board with a Position Description for clarification.

**7. Continuing Education** -- Chairman Zelt read a petition from Circuits 4 and 19 requesting the return of the Spring Pastoral Conference. Chairman Zelt asked President Newton for his comments. The President expressed that the broader issue of Continuing Education was within the scope of the Board's power in order to support the Outcome Statements.

Secretary Standley reported that a committee had met last year and had proposed a program that consisted of 1 yearly conference and 4-6 sectional meetings that would embrace various topics. The vision stalled due to lack of leadership. Rev. Standley suggested that perhaps the Circuits might consider taking ownership of the "Mini Conferences".

President Newton asked the Board to consider the urgency of Continuing Education for the District and to direct staff to take appropriate action. Rev. Mark Kliewer suggested that the Regional Vice Presidents might take this to the Circuits for consideration. Bill Swift commented that perhaps the Board was taking on things that they aren't equipped to handle. He suggested that it might be better to find people in the congregations that have expertise in these areas.

Chairman Zelt asked if the Board felt that they had provided sufficient feedback, so that it could be turned back to District Staff for consideration. President Newton stated that he was satisfied with the dialog and that he had enough material to work with. Vice President Rice added that he believed that whatever we do, our Education offerings should have continuity.

**8. Mission Mini-Grants** --The Chairman asked to Board to look at Outcome Statement #5 concerning the startup of new missions. Rev. Zelt noted there is no provision for the funding of smaller scale mission opportunities.

President Newton spoke to the concept of "Mini Grants". He raised two questions. #1- "How can we best use our Mission dollars?" #2- "How do we develop Mission consciousness at the Circuit level?" One of the problems is that you never know when mission opportunities will come up. It is hard to budget for these. Vice President Beyer asked if the Mission funds that were used by the MACs might be

available for Mini Grants and Mission planting. He added that one such mission might be the Rohnert Park congregation working in conjunction with Circuit #14.

Chairman Zelt asked Executive Director Rev. John Whaley to review the process of Mission funding in the District up to 2009. He stated that until that time the requests were handled through the MACs. According to Rev. Whaley, the vision of the Mini Grants is a block grant that would be administered by the office of the President. Chairman Zelt added that Mission money is accessed from a fund that is derived in part from the sale of property. At the present time, that fund is at approximately \$1.9 million. By the action of a previous Board, the minimum level that this fund can be drawn to is \$1.5 million.

The Chairman asked that a motion be made so that the discussion could be more specific. A motion was made *"to designate a block grant of \$50,000.00 to be administered by the Office of the President to provide grants of no more than \$10,000.00. The District President is to develop clear and sound missiological criteria for the reception of these grants. The Criteria will include appropriate partnership with the circuits"*. After further discussion an amendment was offered to limit the grants to *"1 time"*. The amendment was seconded and approved. Discussion continued and the motion was further amended to add that, *"Priority for these grants will be given to congregations that have completed, or are in the process of completing the Revitalization program"*. The Chairman called for the question. The motion was approved as amended.

The final motion reads, ***"A block grant of \$50,000.00, to be administered by the Office of the President shall be designated to provide one time grants of no more than \$10,000.00. The District President is to develop clear and sound missiological criteria for the reception of these grants. The Criteria will include appropriate partnership with the circuits. Priority for these grants will be given to congregations that have completed, or are in the process of completing the Revitalization program."***

The Board directed the President to develop the required criteria and to report back at the June meeting.

**9. Financial Statements** -- Executive Director John Whaley asked the Board to look over the Financial Statement Summary page. He noted a loss of \$63,770.00 as of December 31, 2009. He also noted that "below the line" legal fees contributed to the shortfall. Rev. Whaley requested that the Board release funds from reserves to cover that amount. A motion was made and seconded to release the funds from reserves. The motion was approved.

Director Whaley continued with the YTD statement, pointing out that the Congregational remittance is at 72% of expected, while expenditures are at 85%. The statement shows a loss of \$39,401.00 as of 2/28/2010. Rev. Whaley commented that it is difficult to project trends with only two months of data. He announced that the Annual Audit has been completed. The report will be presented to the Board at the June meeting.

## **BUSINESS**

**10. Appointment of Interim Treasurer** – Executive Director Whaley announced the name of John Wagenbach to serve as Interim Treasurer to complete the remainder of the term left as the result of the passing of Treasurer Art Kroeger. Mr. Wagenbach is a member of Prince of Peace – Fremont. An information sheet was provided.

**11. Property Update** - A Closing Ceremony for Trinity –Richmond was held on February 14<sup>th</sup>. The Title company has requested a resolution signed by the Secretary, authorizing signers, to acknowledge receipt of the property. A motion was made to officially accept the property and to provide a resolution for the Title Co. recognizing the action by the Board. In a related matter, John Whaley has been in contact with Barbara Droher Kline from Lutheran Social Services. No firm request for use of the Richmond has property has been received from LSS. Dialog will continue at the June Meeting.

**12. Executive & Support Staff salaries** -- Chairman Zelt referred to the District Operating Manual to provide information on setting Executive compensation. Utilizing the formula contained in section 6.10 of the manual, the Presidents compensation will remain at the 2009 rate. Discussion followed concerning the process we use in setting the District President’s compensation. A question was raised regarding the process other Districts follow in setting their President’s compensation. Rev. Kliewer will investigate and report back at a future meeting.

## **CONSENT AGENDA**

**13. The Consent Agenda** -- The Consent Agenda , consisting of the December 2009 meeting minutes, Changes within the District and Future Meeting dates was approved after the correction of the December and September 2010 meeting dates.

## **CHANGES WITHIN THE DISTRICT**

### **CALLS & CONTRACTS ACCEPTED:**

REV. STANLEY ABRAHAM,, Mt. Calvary, Soquel, CA (becomes a dual parish)as he continues to serve Mt. Calvary, called to Trinity, Watsonville, CA, as senior pastor.

REV. JOSEPH BYRD, candidate, to Bethany, Lompoc, CA as pastor.

Rev. JEFFREY JORDAN, Holy Cross, Rocklin, CA to Rivercliff, Atlanta (Sandy Springs), GA as senior pastor.

Rev. AARON PUTNAM, associate pastor, Good Shepherd, Hayward, CA to Good Shepherd, Hayward, CA as sole pastor.

Rev. JOSHUA SCHNEIDER, associate, Emmanuel, Kahului, HI to Emmanuel, Kahului, HI as pastor.

DANIEL JUNKIN, Non-Candidate, Southern Illinois District to CNH District.

### **CHANGE IN STATUS:**

REV. GARY MOHR, Good Shepherd, Hayward, CA to Emeritus.

REV. ROBERT NICHOLUS, Non-Candidate to Emeritus.

**RESIGNATIONS:**

REV. TIMOTHY J. LAI, assistant pastor, Bethel Grace, San Francisco, CA  
REV. ROBERT LUTJENS, pastor, Lutheran Church of Prayer, Bakersfield, CA.  
GYWN TOILOLO, Director, Good Shepherd, Honolulu, HI.

**DEATHS:**

REV. HERBERT H. BARTZ, pastor emeritus, Sunnyvale, CA.  
REV. EUGENE GRUELL, pastor emeritus, Spring, TX.  
REV. WALTER F. SCHEDLER, pastor emeritus, Colusa, CA  
JONATHAN CLEVELAND, DCE, Trinity, Gardnerville, NV

**CALLING CONGREGATIONS:**

Lutheran Church of Prayer, BAKERSFIELD, CA  
Bethlehem, CARSON CITY, NV  
Our Saviour's, CARUTHERS, CA  
Our Saviour, DELANO, CA  
St. John, FALLON, NV  
Trinity, GARDNERVILLE, NV  
Grace/Bethlehem, GRIDLEY/COLUSA, CA  
Christ, HILO, HI  
Mt. Olive, MILPITAS, CA (Senior pastor)  
Faith, PLEASANT HILL, CA  
Canaan, SAN FRANCISCO, CA  
Faith, SEASIDE, CA  
Our Savior, SPARKS, NV  
St. Andrew, STOCKTON, CA (Associate pastor)  
Peace, TAFT, CA  
Good Shepherd, TURLOCK, CA (Associate pastor)  
Vineyard of Faith, WINDSOR, CA

**REMOVED:**

Immanuel, ELY, NV  
Trinity, RICHMOND, CA  
Grace, ROUND MOUNTAIN, NV

**FUTURE MEETING DATES**

June 12, 2010	March 12, 2011	March 10, 2012
September 18, 2010*	June 11, 2011	
December 4, 2010*	September 10, 2011	
* <i>Date Change</i>	December 10, 2011	

**CLOSED SESSION**

**13. LITIGATION UPDATE** - The Board Members briefly entered into Closed session to hear updates on matters of a confidential nature.

**ADJOURNMENT** Board of Director’s Chairman-Rev. Dr. Thomas Zelt

**14. CLOSING DEVOTION** -- Closing devotion and prayer was offered by Board Member Marla Kuefner

Respectfully submitted,

Rev. John M. Standley, Secretary