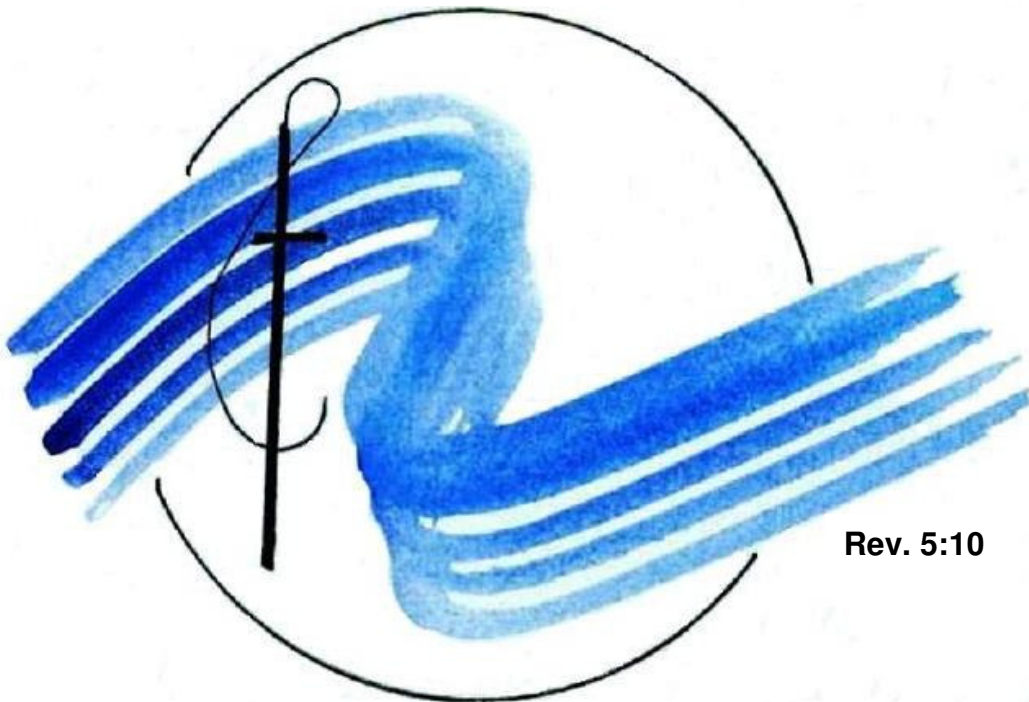


**A New Song**



Rev. 5:10

**For An Old World**

***SUPPLEMENT***

**68<sup>th</sup> Convention  
California-Nevada-Hawaii District**

**May 15 – 17, 2009      Fremont, CA**



## **CONVENTION MANUAL SUPPLEMENT-TABLE OF CONTENTS**

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## **Board of Directors Report 2009 CNH District Convention**

The Board of Director's first role is to work cooperatively with the District President in establishing higher level goals that the district can accomplish through its staff and in cooperation with district congregations. We began this triennium having set these as our desired outcomes:

1. Pastors who shape their personal and professional life and ministry, their teaching and their congregational leadership, around the mission of Christ.
2. Congregations that identify, commit to, and invest in specific mission opportunities beyond the scope of the current work.
3. Congregations and other ministries within the district that identify, resource, and plant new mission endeavors in partnership with each other.
4. Congregations that individually or collectively participate in social ministry endeavors in their communities.
5. Pastors that experience a unity of the body exemplified by confessional faithfulness and fraternal trust and cooperation.
6. Conflicted and hurting congregations and church workers that experience the transformational power of God that brings spiritual, relational, and emotional health.
7. Congregations that were assisted in calling mission-focused ordained and commissioned ministers.
8. An increase in the supply of full-time professional ministry workers.

We then established a means by which we would evaluate if each goal was being accomplished. After three years, I would suggest that although we have not met every goal, we have taken significant steps to work effectively in reaching them.

Our Board struggled with the use of policy based governance. We came to the conclusion that this form of governance is inadequate for our particular setting and season. It is interesting to note that Pastor Ted Mueller's Board of Director's report to the last convention stated that "it is still out for debate whether this form of structure helps expedite the mission as claimed". For that reason, in total agreement with President Newton's leadership, about halfway through this triennium we shifted to providing more feedback and participated regularly in the development of strategy that the district staff was using. In addition, President Newton brought together the presidium several times to engage in dialogue about our work together.

The most significant issue – and it is related to several of the outcomes listed above – is the health, strategies, and passion of congregations and pastors to be actively engaged in the evangelistic mission of Christ. We are hopeful that the use of the resources that have been or are being developed through the district will increasingly aid conflicted congregations, provide continuing education and tools for pastors and laity to be better equipped, and mentor congregations through a revitalization process that will ultimately serve in helping Christ reach the lost through us.

The last triennium has seen a significant shift in the funds and the resources we share for the work we do together. Staff has changed, their roles have changed, the budget has been brought back to be balanced, and we look forward to an increasing amount of funds available for partnerships with congregations and ministries with well-formulated mission plans. It should also be noted that there has been an accumulation of funds from the closure and sale of the property of congregations that have ended their work. We look forward to the use of these funds in mission partnerships so that we might build on the shoulders of those who have labored ahead of us.

While our heart is in reaching the lost, we also know that a significant amount of district energies must be used to support the ongoing needs of parish ministries and deal with difficult situations. President

Newton and John Whaley are to be commended for doing the difficult balancing act of meeting those needs while not being consumed by them, causing us to take our eyes off of Christ's mission to the world.

A lot of credit and thanks go to those who have served faithfully on the Board over this last triennium: Pastors Paul Hoffmann, Mike Lange, John-Paul Meyer, Jim Beyer, and Mark Haas; Kathie Lindquist, Tom Hurley, Jack Adolphson, Cyndi Rothas, and Art Kroeger. Thanks are also due to Pastors Mark Kliewer and Bruce Betker who were added as advisors in order to gain representation from Nevada and Hawaii and to Pastor Bob Fickenscher representing CEF.

This is an exciting, but difficult time. The season is post-modern and post-church, with rapidly changing communication tools in a cross-cultural and spiritually relativistic society. Our District President and staff are to be commended for bringing us face to face with this reality and challenging us to be bold in the face of how ministry has changed, keeping a keen focus on God's heart for the lost. These three years have been good in shifting to address the issues that face all of our congregations. We are hopeful what has been implemented will be blessed by the Holy Spirit to bear much fruit.

Your servant in Christ,

Rev. Dr. Tom Zelt  
First Vice President  
Chairman of the Board of Directors

## 2009 CONVENTION LAY DELEGATES (Revised)

<b>DELEGATE</b>	<b>CONGREGATION/CITY</b>	<b>ALTERNATE DELEGATE</b>
<b><u>Circuit 1</u></b>		
Rufus Davis Jr. Jennifer Weber	Bethel Grace, San Francisco Zion, San Francisco	
<b><u>Circuit 2</u></b>		
Craig Cooper Cathy Roache Sharon Morgret Becky McFarland Dave Schultz	Prince of Peace, Fremont Good Shepherd, Hayward Grace, Hayward Zion, Piedmont Calvary, San Lorenzo	
<b><u>Circuit 3</u></b>		
Paul Smith Byron Williams John Rauch Rod Thompson Charles Jahn	St. Paul, Merced St. Matthew, Sonora St. Andrews, Stockton St. Paul, Tracy Good Shepherd, Turlock	Vern Smith
<b><u>Circuit 4</u></b>		
Pam Thompson Matt Peters Phil Hornbostel	Town & Country, Sacramento Trinity, Sacramento St. Paul, Woodland	
<b><u>Circuit 5</u></b>		
Bob Lentine Myrtle Pierce Paul Gerdes	Our Saviour, Delano Shep o/t Hills/Peace, Lake Isabella/Taft Zion, Terra Bella	Phyllis Kraft
<b><u>Circuit 6</u></b>		
Marian Durbin Mike Cornelius Don Meagher Tammy Ista Harry Akre Charles Allen	Trinity, Fairfield St. John, Napa Luth Ch of the Resurrection Trinity, San Rafael Faith, Sonoma Bethany, Vacaville	Anne Hadley

### **Circuit 7**

Sherry Bell	Benicia, Benicia
Dick Burkhart	Resurrection, Brentwood
Arthur Kroeger	Holy Cross, Concord
Julia Lee	Our Savior, Livermore
Alan McCall	Grace, Pittsburg
Gary Riske	Trinity, Walnut Creek

### **Circuit 8**

Gloria Edwards	Bethany, Menlo Park
Daniel Mootz	St. Paul, Mountain View
Ron Root	Our Savior's, Pacifica
Bill Gurske	Trinity, Palo Alto
Sharron Miller	Redeemer, Redwood City
Dan Hahn	Grace, San Mateo

### **Circuit 9**

Don Hilliard	Peace, Arroyo Grande
David Pauling	Bethany, Lompoc
John Puscheck	Clear Promise, Lompoc
Charles Gibbs	Zion, San Luis Obispo
Larry Harlow	Grace, Santa Maria
Bill Lutjens	Luth Ch of Our Savior, Santa Maria CA

### **Circuit 10**

Henry Wentzlaff	Bethlehem, Carson City
Ron Burnside	Shepherd of the Sierra, Carson City
Kathy Hilton	Our Savior/First/St. Luke, Chester/Greenville/Portola
Luke Shady	Immanuel, Ely
Rachel Hilpert	St. John, Fallon
Beverly Caulkins	Trinity, Gardnerville
Pat Oehlert	St. Luke, Reno
Sharron Arnold	Our Savior, Sparks
Gary Pederson	Zion, Winnemucca

### **Circuit 11**

Milton Davis	Our Savior, Aiea
Pedar Wold	Christ, Hilo
Peter Tirbak	Our Redeemer, Honolulu
Wally Ullerich	Emmanuel, Kahului
Bett Sarasin	Waikoloa

**Circuit 12**

Harald Hermes	Redeemer, Chico	
Halbert Giese	Bethlehem, Colusa	Edward Bowers
Paul Houser	St. Paul/Mt. Olive, Red Bluff/Corning	
Jeff Smith	Grace, Gridley	
K. Glenn Bergendahl	Calvary, Oroville	Roy Weber

**Circuit 13**

Ted Schuette	Luth Church of Arcata, Arcata
Carol Schlensker	Grace, Crescent City
Karl Brungs	St. Mark, Ferndale
John Thomas	Hope, Fortuna

**Circuit 14**

Nace Nickel	Good Shepherd, Healdsburg	
Emanuel DeFischer	St. John, Petaluma	
David Rothas	St. Luke, Santa Rosa	
Herb Percy	St. Mark, Santa Rosa	Alan Murray
Patrick Hovland	Faith, Ukiah	
Dave Anderson	Vineyard of Faith, Windsor	

**Circuit 15**

David Massingill	Our Saviour's, Caruthers
Reni Johnson	Shepherd of the Sierra, Coarsegold
Diana Jow	First, Dinuba
Ken Kling	Trinity, Exeter
Harry White III	Peace, Fresno
Doug Hoskins	Redeemer, Fresno
Vern Hanson	Grace, Visalia

**Circuit 16**

Ken Goebel	Bethlehem, Monterey
Larry Weishaar	Our Savior, Salinas
Nancy Ganschow	Messiah, Santa Cruz
Steve Espinosa	Mt. Calvary, Soquel
Paul Meloche	Trinity, Watsonville

**Circuit 17**

Linda Wraxall	Grace, El Cerrito	
John Zieshenne	Mt. Zion, Richmond	Norman Carver

**Circuit 18**

David Carlson  
Mike Fehrenbach  
Kavin Daberkow  
Don Bonnett  
Brian Yamabe  
Dmitriy Vasilev  
Jim Hillmann

Luth Ch of Our Savior, Cupertino  
Holy Cross, Los Gatos  
Mt. Olive, Milpitas  
First Immanuel, San Jose  
Shepherd of the Valley, San Jose  
Trinity, San Jose  
St. Mark, Sunnyvale

Terrence Lung

**Circuit 19**

Gilbert McMillan  
John Popielarz  
Ronald Bischoff  
Janet Dunstan  
Floyd Judish  
Bill Swift  
Lois Standley  
Gary Yee  
Les Dahlstedt

St. Paul, Auburn  
Light of the Hills, Cameron Park  
Messiah, Citrus Heights  
Grace, Grass Valley  
Zion, North Highlands  
First, Placerville  
Cordova, Rancho Cordova  
Holy Cross, Rocklin  
St. Matthew, Rocklin

Lynn Tallman

## 2009 Floor Committee Appointments (Revised)

### Missions #1

Rev. James Beyer, Chr.  
Rev. Terrence Chan  
Rev. Alan Sommer  
Michael Mancini, CM  
Craig Cooper  
Rachel Hilpert  
John Puscheck

### Theology #2

Rev. Henry Scherer, Chr.  
Rev. Timothy Huber  
Rev. Michael Lange  
Rev. Rob Weller  
Cynthia Spiva, CM  
Halbert Giese

### Parish Services #3

Rev. Stanley Abraham, Chr.  
Rev. Dr. Harold Draeger  
Rev. Dennis Durham  
Rev. David Sauer  
Becky McFarland  
Ted Schuette

### Administration #4

Rev. Theodore Mueller, Chr.  
Rev. Bruce Betker  
Rev. Clarence Eisberg  
Rev. Paul Hoffmann  
Stephen Dinger, CM  
Rufus Davis, Jr.

### Elections #5

Rev. Mark Kliewer, Chr.  
Rev. Daniel Conrad  
Rev. Lon Haack  
Rev. Sergei Koberg  
Jennifer de la Motte, CM  
Bill Swift  
John Ziesenhenn

### Nominations #6

Rev. Dr. Walter Tietjen, Chr.  
Marla Kuefner, CM  
Charlene Garrett

### Registration #7

Rev. Jim Kabel, Chr.  
Rev. Dallas Dubke  
Rev. John Standley  
Don Bonnett  
Diana Jow  
Bob Lentine  
John Popielarz  
Lois Standley

Revised: 5/04/09

**CNH DISTRICT-CIRCUIT 1-CONVENTION REPORT (ADDENDUM)**  
**Rev. Terrance Chan, Circuit Counselor**  
**(See Convention Manual pages 58-59)**

**Lutheran Church of the Holy Spirit, San Francisco CA**

The year, 2006, was one of great joy for our congregation. After a pastoral vacancy of two years, our congregation was richly blessed when God sent Rev. Shiu Ming Lau of St Louis, MO to be our pastor. The theme “Becoming a Praying Church” brought many changes as the Church Planning Council laid new plans for the congregation.

In 2007 a new theme was chosen, “Learning Together, Growing in Christ.” Three decisions were made – First, emphasis was made on the building of a new church building on the present location, as the congregation had out grown the present building and the membership was increasing. Second – A renewal of the Call Committee for an Associate Pastor, one who could assist with the English Ministry, while working with the entire congregation. Third – the sending out of 18 Missionaries on a Short Term Mission to China. A new Cantonese Communion evening service was added on the 2<sup>nd</sup> Sunday of each Month. A special Mid Autumn Gala event raised \$52,000 for the building fund. The Summer Day Camp enrolled 170 students from the community under the direction of DCE Allan Tong. There were baptisms and confirmations at many times in the year. It was a year of steady growth for our congregation.

Under the theme, “To Worship in Spirit, to Serve with Heart”, in the year 2008, the Congregation pushed forward with many Gospel oriented activities. In August, we welcomed Vicar John Genter and his wife Teddie. Several times each year, baptisms and confirmation rites were held. May God be praised!

**CNH DISTRICT-CIRCUIT 7-CONVENTION REPORT**  
**Rev. Sergei S. Koberg, Circuit Counselor**

After a time of substantial ministerial stability and long term pastorates, the face of the Mount Diablo Circuit has changed significantly over the last three years. After Ted Hartman accepted a call to service with the District, Phil Scharnitzke has become pastor of Our Savior Lutheran Ministries in Livermore. With the retirement of Bob Meyer at Trinity, Walnut Creek, David Moore has become that congregation's pastor. Jedidiah Maschke has been called and installed as pastor of First Lutheran in Concord after the retirement of Jim Mueller. Sergei Koberg retired from St. Philip in Dublin at the end of June, 2008. Joe Schruhl is serving the interim and the congregation is preparing to call a new pastor. Tom Norris accepted a call and so Faith, Pleasant Hill is also currently vacant. Because Bob Seible continues to struggle with health issues and disability, Phil Kohlmeyer continues to provide pastoral ministry at Christ, Martinez.

The circuit therefore has a number of retired pastors in its midst: Bob Koch, Dick Brewer, Paul Meyer, Jim Mueller, and Sergei Koberg. There is a good deal of useful pastoral experience in that group! One of our treasured retired pastors, Richard Wolkenhauer, was remembered in a memorial service in January, 2008 after he was called suddenly to his eternal home. Dick served Holy Cross in Concord for many years. One of the long-time teachers at St. Philip, Laura Meldrum, also died very suddenly late in January 2009.

Congregations of the circuit are not immune to the difficulties many congregations face these days: declining statistics and financial struggles sometime resulting in the reduction of program and staff. But congregations of the circuit are taking positive steps to meet the challenges. A circuit convocation was held with a presentation by the District President and round table discussions on mission and ministry in these times. Circuit pastors continued to work through the refocusing program together. Trinity, Walnut Creek is engaged in the Revitalizing Congregations program. St. Philip initiated a several stepped outreach effort called Stepping Stones, meant to recycle. Resurrection Ministries in Brentwood is planning to add an associate pastor to its staff to better meet its challenges and opportunities. The pastors in the Winkel conference have spent a good deal of time discussing the future of ministry in the Diablo Valley. Together and individually the congregations of the circuit are striving to find and implement the methods to meet the mission of these times. And we believe that the Lord of the Church will bless his Church.

**CNH DISTRICT-CIRCUIT 8-CONVENTION REPORT**  
**Reverend Dr. Hal Draeger, Circuit Counselor**

**FIRST, SOUTH SAN FRANCISCO**

First Lutheran church continues to have a vibrant ministry of outreach in our community. We gave out over 450 materials to families at the annual Day in the Park in the Fall. Children received cross necklaces and puzzles. Parents received “*The Promises of God*” booklet and Bible-based coffee mugs. That was followed up by several “Good News Parties” for both children and adults. We held a special Valentine’s Good News Party where all were treated to pancakes and bacon/sausage, participants were able to view a video Bible story, followed by crafts and special gifts given at the end of the day.

All members of the congregation take part in supporting the work of the LWML. We sent 76 shoeboxes off for the Operation Christmas Child, collected items for Bethel Center, purchased stuffed bears for Kaiser Hospital and support the local food bank.

**TRINITY, BURLINGAME**

Trinity Lutheran continues to focus on supporting two seminarians, two missionaries, and the PAMS ministry. We continue to enjoy fellowship with one another with movie nights, Sunday Coffee fellowship and special events. This past year we were able to raise funds for painting the entire facility. The facility sparkles! We host a Chinese Choral group each week and for the second year in a row will welcome a special day camp for area children. With these groups on campus, the congregation provides special outreach events to include each family. Trinity is also a partner congregation with Peninsula Asian Mission Society.

**GRACE, SAN MATEO**

Grace continues to offer divine worship and studies each week. It nurtures the faith of young children with its elementary school. It has been a strong supporter of mission work, including mission trips led by Pastor Froh.

**OUR SAVIOR, PACIFICA**

Our Savior continues to touch lives in this coastal town. It has been blessed with new members and a stable worship attendance.

**REDEEMER, REDWOOD CITY**

In the last triennium, Redeemer has dedicated a 5-classroom school facility and has been blessed with a mission track vicar in the past year to plant a ministry among those

in their twenties and early thirties. The design of this vicarage is that it will be converted into a call as Associate Pastor of Outreach. The school ministry has grown over the past three years and appears stable in the current economy. The congregation has partnered with the community and another local church to provide events (egg hunts at Easter) to bless the community. The first year drew 1500 children and parents at a City park. This past Easter drew over 5000. Redeemer provides lunches once a month in a San Francisco residential hotel and it participates in two shelters providing lodging and meals in Redwood City. Redeemer is a partner congregation in Peninsula Asian Mission Society.

### **BETHANY, MENLO PARK**

Bethany continues to touch the community through its well-attended Child Care Center. This highly respected ministry gives the congregation a strong presence in the community. Its outreach has been enhanced with a part-time pastor being called in the last year. Bethany has been a huge supporter of the Peninsula Asian Mission Society.

### **TRINITY, PALO ALTO**

Trinity continues to offer excellent music programs. It participates in serving the under-resourced in the Palo Alto Community. It connects to the Stanford University Campus through its vicarage program. For years, Trinity has been a training ground for future pastors.

### **ST. PAUL, MOUNTAIN VIEW**

St. Paul offers a strong child development program that connects the church to the large Asian population in the community. It also has a Spanish language vicar that is being converted into a part-time pastoral position as its vicar completes his training through the Center for Hispanic Studies. Shortly after the last Convention, Aaron Smith was installed as pastor at St. Paul. They offer two styles of worship – one of those is a bilingual Spanish-English service.

## CNH DISTRICT-CIRCUIT 18-CONVENTION REPORT

Rev. Robert Weller, Circuit Counselor

The last three years have seen some big changes in our circuit. We have had long time pastors retire and some new pastors come into the circuit. The Santa Clara circuit continues to be challenged by the diversity of the people God has called us to serve, but God is gracious and continues to provide guidance, blessings, and resources to us in our calling.

**Shepherd of the Valley, San Jose** has added a contemporary service to its Sunday morning schedule. God has raised up a dedicated and talented group of musicians to fill this need. Additionally Shepherd's preschool continues to be a mainstay in the Almaden Valley community. Reaching out with the love of Christ, the preschool provides a fine academic start grounded in a gospel focus.

**Holy Cross, Los Gatos** has had some major changes since the last convention. Of particular importance was the retirement of long time Senior Pastor Paul Hoffman who continues his service to the church as a vice president of the district. Holy Cross also celebrated 50 years of ministry to the Los Gatos community. Holy Cross has issued a call for their Senior Pastor.

**Trinity, San Jose** has been blessed with a relationship with Valley Christian Elementary School. The school rents facilities from Trinity. This stewardship allows the buildings to be fully utilized during the week and helps support Trinity's own ministry. Additionally, Trinity is thankful for the Vacation bible schools which have been an important part of their outreach to their community.

**Resurrection, Santa Clara** continues to work in their community. They celebrated an Easter service at the Veterans Memorial in Santa Clara. They also hold a 4<sup>th</sup> of July service entitled "Dawn's Early Light" at the Veterans Memorial.

**Christ Our King, Morgan Hill** was blessed with the opportunity to move their worship services into a regular church building which they share with another congregation. This move allowed for more freedom in setting worship times and dates. Additionally, their staff continues to equip itself by attending church planting conferences and reaching out to the community.

**Lutheran Church of Our Savior, Cupertino** has celebrated a great many things over the last three years. Like Holy Cross, Lutheran Church of Our Savior also celebrated 50 years of ministry, as well as celebrating the 25<sup>th</sup> anniversary of togetherness as pastor and people. The Lord blessed Cupertino with the opportunities to magnify its ministry through other things as well, including: a \$40,000 pipe enhancement to its organ, building and fully funding a parsonage, calling an assistant / associate pastor.

**St. Mark, Sunnyvale** was recognized as a Major Program Contributor by Sunnyvale community services. The congregation continues its outreach network

through St. Mark “Church in the Park” in conjunction with the Sunnyvale Art and Wine Festival. At the festival information about VBS is passed out and for the third year VBS will be free of charge. A major volunteer effort group called Pick a Project Pick Your Passion continues to minister to others in need in Sunnyvale and the surrounding community.

**First Immanuel, San Jose** has been involved in the Revitalization program and continues to minister to the people of San Jose through its involvement in Community Outreach Ministry Endeavor (C.O.M.E.) and its ministry to San Jose State University. Additionally, First Immanuel serves as the home church for Hispanic ministry in the area under the guidance of Pastor Enrique Vallejo. The work of Pastor Tesfai Tesema and the **Mosaic Ministry** has also found a worship home at First Immanuel.

**Overture #11: TO TRANSFER MESSIAH LUTHERAN CHURCH, CITRUS HEIGHTS, CA FROM CIRCUIT 19 TO CIRCUIT 4.**

(Committee 4)

Whereas, Messiah Lutheran Church has an historical relationship with Circuit 4, and

Whereas, it would be desirable to balance the sizes of Circuit 4 and 19, and

Whereas, the pastors and Circuit Counselors of Circuit 4 & 19 are in agreement on such restructuring; therefore be it

Resolved, that Messiah Lutheran Church, Citrus Heights, CA be transferred from Circuit 19 to Circuit 4.

Submitted by Messiah Lutheran Church, Citrus Heights, CA

## Convention Manual Corrections/Updates

### Pages 13-15...

Rev. Mark Heine should be V ASSC

Rev. Nathan Hartke should be V

Rev. Michael Schmid should be A

### Page 37...

Called to “glory” not “gory”

### Page 86...

April 23, 2009

It truly is an honor to have been nominated as a candidate for District President. I consider it a privilege to have been thought of in this way. After considerable thought and prayer, however, I am requesting that my name be removed from the ballot. It seems to me that I am better suited to serve in a different role in the Kingdom.

Sincerely in Christ,  
Rev. Dr. Thomas Zelt

### Page 86...

**FOR CIRCUIT COUNSELOR** (To be ratified as a slate at the Convention):

Circuit # 8 Harold Draeger

Circuit #9 Herb Burch

Circuit # 10 Norm Milz

Circuit #20 TBD

### Pages 87 and 89...

**Add to...Regional Lay Director—Pacific (B)**

#### **David Mueller (2)**

Calvary, San Lorenzo CA

Occupation: Administrative Assistant

Congregational Offices: President, Vice President, Board of Elders

District Office: None

CALIFORNIA-NEVADA-HAWAII DISTRICT of  
THE LUTHERAN CHURCH-MISSOURI SYNOD  
STATEMENTS OF FINANCIAL POSITION (Balance sheet at December 31)

	2006	2007	2008*
<b><u>Assets</u></b>			
Cash and Cash Equivalents	535,716	513,232	504,772
Accounts Receivable	19,688	12,986	42,384
Prepaid Expense & Advance	44,186	60,112	46,733
Contributions Receivable - Net	1,244,379	1,362,014	1,547,772
Loans/Note Receivable - Net	71,339	59,004	45,512
Due From CEF	989,689	985,813	994,473
Land, Buildings and Equipment			
Land	1,020,767	511,884	511,884
Office Building	4,023,964	2,055,918	2,055,918
Furniture and Fixture	375,633	375,633	361,048
Equipment	50,026	47,926	55,163
Auto	91,754	86,491	114,812
Less: Accumulative Depreciation	(1,023,642)	(790,395)	(936,352)
Loan-Term Invesments	3,142,228	2,911,392	2,697,272
Cash Value of Life Insurance Policy	25,240	27,786	28,963
Prop Held for Sale		2,197,413	830,000
Fund Held by others	158,805	157,951	249,450
<b>Total of Assets</b>	<b>10,769,773</b>	<b>10,575,160</b>	<b>9,149,805</b>
 <b><u>Liabilities and Net Assets</u></b>			
Account Payable	213,570	388,429	262,227
Synodical Pledge	31,666	28,631	29,636
Deferred Income	71,282	0	47,141
Due to Investor-CEF	989,689	985,813	994,473
Ministry Center-Loan	2,823,561	2,789,505	346,766
Total Liabilities	4,129,768	4,192,378	1,680,243
Undesignated	1,854,217	2,419,381	1,158,888
Inv in Land, Buildings and Equipment	1,714,941	892,704	1,815,710
Board Designated	1,051,884	1,079,384	2,301,803
Total Unrestricted	4,621,042	4,391,469	5,276,401
Temporarily Restricted	1,566,077	1,609,374	1,735,308
Permanently Restricted	452,887	381,939	457,853
Total Net Assets	6,640,005	6,382,782	7,469,562
<b>Total of Liabilities and Net Assets</b>	<b>10,769,773</b>	<b>10,575,160</b>	<b>9,149,805</b>

\*Unaudited financial Position

California-Nevada-Hawaii District of the Lutheran Church-Missouri Synod  
Statement of Revenue and Expenses December 31, (2006-2008)

	<u>Note#</u>	<u>2006</u>	<u>2007</u>	<u>2008*</u>
<b>REVENUE</b>				
District Congregational Support	(1)	1,983,297	2,209,546	2,284,751
Unrestricted Mission Funds	(2)	105,354	48,034	64,182
Restricted Mission Funds	(3)	177,382	296,597	73,459
Property Rental	(4)	167,270	165,253	54,875
Conventions, Conferences and Workshops	(5)	90,495	129,295	30,189
Interest Earned on Long-Term and Savings Investments	(6)	152,610	150,936	112,717
Interest Earned on Promissory Note		6,979	5,921	4,765
Other		10,029	7,136	6,167
Change in Value of Funds Held by Third-Party Trustee	(7)	685	1,390	39,686
Gain on Property Sold	(8)		10,000	357,772
Gain on Donated Property	(9)			829,065
Net Gain/(Loss) on Secured Investments		23,166	(9,388)	0
Total Revenue		<u>2,717,267</u>	<u>3,014,720</u>	<u>3,857,628</u>
<b>EXPENSES</b>				
Synodical Support	(10)	205,904	207,321	204,738
President's Office		223,658	291,285	440,557
Congregational Services	(11)	253,399	257,338	220,948
Administration/Finance	(12)	287,191	295,158	293,615
Mission Support	(13)	1,364,959	1,091,366	923,369
Building and Office Overhead	(14)	329,532	347,782	234,250
Synodical/District Conventions	(15)	80,144	75,751	668
District Committees		27,760	27,101	27,091
District Programs	(16)	167,693	185,431	197,531
Missionary Training	(17)	81,799	95,234	42,053
District Communication		57,785	59,638	32,727
Depreciations		212,967	159,612	153,302
Loss on Donated Property	(18)	23,293	178,925	
Total Expenses		<u>3,316,084</u>	<u>3,271,942</u>	<u>2,770,849</u>
<b>CHANGE IN NET ASSETS</b>		<u><b>(598,817)</b></u>	<u><b>(257,222)</b></u>	<u><b>1,086,779</b></u>

*\*Statement of revenue and expenses in year of 2008 is not finalized by the auditors.*

*Note#: Identifies the order of the brief explanation in the Review for Statement of Revenue and Expenses, next page.*

**Review for Statement of Revenue and Expenses**  
**For the Year Ended December 31, 2006, 2007 and 2008**

**Note# Explanation**

**REVENUE**

1 **District Congregational Support**: Pledge receipts from District congregations totaled \$1,983,297, \$2,209,546 and \$2,284,751 for the years ended December 31, 2006, 2007 and 2008 respectively. The balances are the sum of cash receipts and congregational pledges for the year.

2 **Unrestricted Mission Funds**: in 2006, includes \$64,500 donation for Ministry Center and in 2008 includes \$43,000 from Fan into Flame campaign.

3 **Restricted Mission Funds** includes all temporarily and permanent restricted funds from Synod, congregations, & affiliated entities.

4 **Property Rental** includes rental income earned from Citigroup and Church Extension Fund. The lease with Citigroup was completed in 2007 and was not extended.

5 **Conventions, Conferences and Workshops** includes fund released for District convention in 2006; Synodical Convention in 2007 and Convention assessment reserved in 2008

6 **Interest Earned on ... Investments** includes interest earned from savings investments and Endowment Funds. Due to low interest rates in 2008, the earnings dropped significantly in that year

7 **Change in Value of Funds Held by Third-Party Trustee** shows the net change of all endowments and Irrevocable Trusts that are managed by the Third Party, primarily LCMS Foundations

8 **Gain on Property Sold** is the gain from the sale of 2780 Constitution Drive

9 **Gain on Donated Property**: in 2008, First Lutheran Church-Vallejo, CA, transferred their building to the District after their last services.

**EXPENSES**

10 **Synodical Support**: District submits 10% of Congregation remittances to Synod from 2006 to 2008

11 **Congregational Services** includes mission awareness and parish education.

12 **Administration/Finance** cover business, accounting and office administration.

13 **Mission Support** includes all Mission Counselors and grants for mission work. The grant dollars that were sent to Congregations were \$845,170, \$509,592 and \$479,291 for the year ended December 31, 2006, 2007 and 2008 respectively

14 **Building and Office Overhead**: the major impact is caused by the mortgage interest. The building loan for the Minstry Center was paid down from \$2,789,000 to \$350,000 in May, 2008. As a result, the mortgage interest expenses was reduced by \$12,300 per month on average.

15 **Synodical/District Convention**: Convention Assessment receipts are recorded as deferred income. They are released at the time the event takes place. District and Synodical conventions were held in 2006 and 2007 respectively.

**Review for Statement of Revenue and Expenses**  
**For the Year Ended December 31, 2006, 2007 and 2008**

<b>Note#</b>	<b>Explanation</b>
16	<b>District Programs</b> includes programs such as Interim Pastor, Loan Forgiveness, Student Aid, Lutheran Social Services, etc.
17	<b>Missionary Training</b> expenditures are used for Pastoral training, Missionary training and tuition for Theological Programs.
18	<b>Loss on Dontated Property:</b> In 2006, the District incurred a Loss of donated property in St. Mary, Ohio. In 2007, a permanent endowment fund was returned to the donor. Please note that after investigation it was learned that this endowment could not be returned to the donor; therefore, the loss will be reversed in 2009.