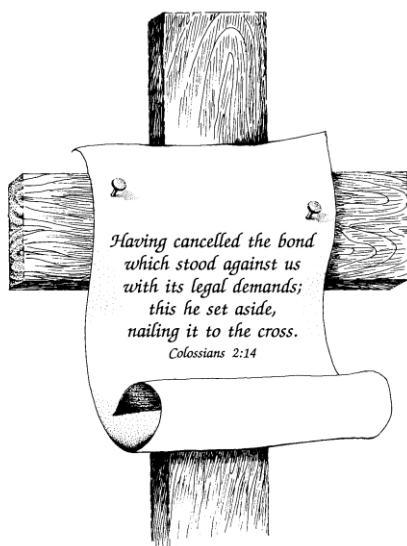


CHURCH OF THE LUTHERAN CONFESSION

PROCEEDINGS

of the

Twenty-Sixth Convention



"O Blessed Ministry of Reconciliation"

2 Corinthians 5:18-21

"God Has Reconciled Us To Himself Through Jesus Christ"

"And Has Given Us The Ministry Of Reconciliation"

- 1. In Our Individual Lives**
- 2. In Our Congregational Work**
- 3. In Our Synodical Endeavors**

*Immanuel Lutheran College
Eau Claire, Wisconsin*

June 21–25, 2004

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CONVENTION DELEGATES

Key: P=Present; P=Present – accepted into voting membership at this Convention; X=Excused; XP=Excused part-time; U=Unexcused; UP=Unexcused part-time; O=Served in an observatory role for the congregation; *=Affiliated congregation; **=Congregation accepted into voting membership at this convention; ***=Preaching station.*

I. U. S. Congregations and Pastors

1. ALASKA	Ketchikan - Holy Truth	Delegates		
		Pastor	<u>P</u>	David Fuerstenau
2. ARIZONA	Phoenix - Holy Cross	Delegates	<u>P</u>	John Abbott
			<u>P</u>	Peter de Leon/Merrill Wuerch
		Pastor	<u>P</u>	Delwyn Maas
3. CALIFORNIA	Hayward - St. Stephen	Delegates	<u>P</u>	Jan Messerschmidt
		Pastor	<u>P*</u>	Nathan Pfeiffer
4.	Mountain View - St. Stephen	Delegates	<u>P</u>	Scott Mueller
			<u>P</u>	Robert Botchek
		Pastor	<u>P</u>	David Povolny
5. COLORADO	Denver - St. Paul	Delegates	<u>P</u>	Bob Rankin
			<u>XP</u>	Ed Chiappetti
		Pastor	<u>P</u>	James Sandeen
6.	Lamar - Mt. Olive	Delegates		
		Pastor	<u>P</u>	Timothy Wheaton
7.	Loveland - Prince of Peace	Delegates	<u>P</u>	Larry Dassow
		Pastor	<u>P</u>	Peter Reim
8. FLORIDA	Live Oak - Grace	Delegates	<u>P</u>	Peter Krafft
			<u>P</u>	Robert Davidson
		Pastor	<u>P</u>	Karl Stewart
9.	Northport - CLC Northport	Delegates		
		Pastor	<u>P</u>	Paul Larsen
10.	Winter Haven - Immanuel	Delegates	<u>P</u>	Richard Kuehne
		Teacher	<u>P</u>	Neil Bernthal
		Pastor	<u>P</u>	John Schierenbeck
11. GEORGIA	Lawrenceville – Zion	Delegates	<u>P</u>	Mark Greve
		Pastor	<u>P*</u>	Nathanael Mayhew
12. IDAHO	Orofino - Peace	Delegates	<u>P</u>	Marty Wolters
		Pastor	<u>P</u>	Paul Krause
13. ILLINOIS	Batavia - Immanuel	Delegates	<u>XP</u>	Mark Kuehne
		Pastor	<u>P</u>	David Baker
14.	Pana - Word of God	Delegates		
		Pastor	<u>P</u>	Dennis Rieken
15. MICHIGAN	Cadillac – Our Savior	Delegates		
		Pastor	<u>P</u>	Timothy Holland
16	Coloma - Faith	Delegates		
		Pastor	<u>P</u>	Vacancy: David Schaller
17.	Detroit - Mt. Zion	Delegates		
		Pastor	<u>P</u>	Walter Schaller

18. MICHIGAN	Jenison - Rock of Ages	Delegates		
		Pastor	<u>P</u>	Timothy Holland
19.	Marquette - Calvary	Delegates	<u>P</u> <u>P</u>	Walter Priebe Earl Knutson
		Pastor	<u>P</u>	Joel Fleischer
20.	Saginaw - Gethsemane	Delegates	<u>P</u> <u>P</u>	David Miller Art Leinberger
		Teacher	<u>P</u>	Daniel Barthels
		Pastor	<u>P</u>	Michael Wilke
21.	Sister Lakes - Redeemer	Delegates		
		Pastor	<u>P</u>	David Schaller
22.	Stambaugh - St. Peter's	Delegates		
		Pastor	<u>P</u>	Philip Matzke
23. MINNESOTA	Austin - St. Paul's	Delegates	<u>P</u> <u>P</u> <u>P</u>	Melvin Eichstadt Ronald Strike Ted Barthels
		Pastor	<u>P</u>	
24.	Detroit Lakes - Mt. Olive	Delegates		
		Pastor	<u>P</u>	John M. Johannes
25.	Eagle Lake - Salem	Delegates	<u>P</u> <u>P</u> <u>P</u>	Brandon Heinze Ken Schmitt
		Pastor	<u>P</u>	Norman Greve
26.	Fridley - Grace	Delegates	<u>P</u> <u>P</u> <u>P*</u>	David Rust Benno Sydow Ryan Libby
		Pastor	<u>P</u>	John Ude
27.	Inver Grove Heights - Berea	Delegates	<u>P</u> <u>P</u> <u>P</u>	Mark Rehm Dan Schafer
		Teacher	<u>P</u>	Matthew Thurow
		Pastor	<u>XP</u>	David Schierenbeck
28.	Mankato - Immanuel	Delegates	<u>P</u> <u>P</u>	Paul Bade Burdette Wheaton
		Teachers	<u>P</u> <u>P</u> <u>P</u> <u>P</u> <u>P</u> <u>P</u> <u>P</u> <u>P</u> <u>P</u> <u>P</u>	Lane Fischer Douglas Libby Karl Olmanson Lief Olmanson Craig Owings Daniel Roehl Jay Sydow Michael Wheaton
		Pastors	<u>P</u> <u>P</u>	Paul D. Nolting Wayne Eichstadt
29.	Morris - Bethel	Delegates		
		Pastor	<u>P</u>	Elton Hallauer
30.	New Ulm - Faith	Delegates	<u>P</u> <u>P</u> <u>P</u>	Dennis Lee Ross Theneman
		Pastor	<u>P</u>	Bruce Naumann
31.	Okabena - St. John's	Delegates	<u>P</u> <u>P</u> <u>P</u>	Larry Boernsen Allen Schmidt
		Teacher	<u>XP</u>	Philip Strike
		Teacher	<u>P*</u>	Joel Gullerud
		Pastor	<u>P</u>	James Albrecht
32.	Parker's Prairie - Peace***	Delegates		
		Pastor	<u>P</u>	Elton Hallauer

33. MINNESOTA	Ponsford - St. Paul's	Delegates Pastor	<u>P</u> <u>P</u>	Brian Stearns John M. Johannes
34.	Red Wing - Our Redeemer's	Delegates	<u>P</u>	Wally Voigt
35.	Sleepy Eye - Grace	Pastor Delegates	<u>P</u> <u>P</u> <u>P</u>	Rick Grams Lester Maas Charles Romberg
36. MISSOURI	Manchester - Faith	Pastor Delegates	<u>P</u> <u>P</u> <u>P</u>	Bruce Naumann Leonard Benter Peter Evenson
	Liberty – Living Word	Pastor Delegates	<u>P</u> <u>P</u>	Todd Ohlmann Dan Schierenbeck
37. NEBRASKA	Valentine - Grace	Pastor Delegates	<u>P</u> <u>P</u> <u>P</u>	Todd Ohlmann Dennis Ahrens Craig Ohlmann
38. NEW MEXICO	Albuquerque - Holy Spirit	Pastor Delegates	<u>P</u> <u>P</u>	James Naumann Robin Vogslund
39. NORTH DAKOTA	Bismarck - St. Paul	Pastor Delegates	<u>O</u>	Vacancy Eugene Lang
40.	Jamestown - Our Savior's	Pastor Delegates	<u>P</u>	Michael Roehl
41.	Fargo - Gift of God	Pastor Delegates	<u>P</u> <u>P</u> <u>P</u>	Roland H. Gurgel Jon Sandeen John H. Johannes
42. SOUTH CAROLINA	W. Columbia - Holy Trinity	Pastor Delegates	<u>P</u> <u>P</u> <u>P</u>	John M. Johannes Larry Porter Martin Raffel
43. SOUTH DAKOTA	Bowdle - Redeemer	Teacher Pastor Delegates	<u>P</u> <u>P</u> <u>P</u>	Nathan Wales Vance Fossum
44.	Estelline - Zion	Pastor Delegates	<u>P</u>	George Dumman
45.	Faulkton - First Lutheran	Pastor Delegates	<u>P</u>	Andrew Schaller
46.	Hecla - Prince of Peace	Pastor Delegates	<u>P</u> <u>P</u> <u>XP</u>	George Dumman Larry Hansen Nathan Ordenbach
47.	Ipswich - Zion	Pastor Delegates	<u>P*</u>	Matthew Hanel
48.	Lemmon - St. Luke's	Pastor Delegates	<u>P</u> <u>P</u>	George Dumman Luther Schoon
49.	Mission - Peace	Pastor Delegates	<u>P</u>	Frank Gantt
50.	Rapid City - Good Shepherd	Pastor Delegates	<u>P</u> <u>P</u> <u>P</u>	James Naumann Aaron Durst Jay Hollenbeck
51.	Sioux Falls - Berea	Pastor Delegates	<u>P</u>	John Klatt
		Pastor	<u>P</u>	Mark Gurath

52. SOUTH DAKOTA	Watertown - Trinity	Delegates	<u>P</u> <u>XP</u> <u>P</u>	Tim Fuerstenau Darwyn Maas Andrew Schaller
53.	White River - St. Paul's	Delegates		
54. TEXAS	Corpus Christi - Resurrection	Pastor Delegates	<u>P</u> <u>P</u>	James Naumann Wallace Crozier
55.	Dallas - St. Matthew's	Pastor Delegates	<u>P</u> <u>P</u> <u>P</u>	Daniel Fleischer D. J. Quiggle Joel Krafft
56.	Spring - Bethel	Pastor Delegates	<u>P</u> <u>P</u>	Thomas Schuetze Eugene Rutz
57.	Weslaco - Shepherd of the Valley	Pastor Delegates	<u>P*</u>	Luke Bernthal
58. VIRGINIA	Fairfax - Gift of God	Pastor Delegates	<u>P</u>	Daniel Fleischer
59. WASHINGTON	Clarkston - St. John's	Pastor Delegates	<u>P*</u>	Glenn Oster
60.	Lynwood - Redemption	Pastor Delegates	<u>P</u> <u>P</u> <u>P</u>	Paul Krause Joel Gamble Bruce Walden
61.	Opportunity - Gethsemane	Teacher Pastor Delegates	<u>P</u> <u>P</u> <u>P</u>	Quinn Sprengeler John Hein Matt Gable
62.	Spokane - Trinity	Pastor Delegates	<u>P</u> <u>P</u> <u>P</u>	Robert List Nathan Albrecht Les Graham
63.	Tacoma - Ascension	Pastor Delegates	<u>P</u> <u>P</u> <u>P</u>	Terrel Kesterson Bruce Buchanan Doran Slater/Bertram Naumann
64. WISCONSIN	Cambridge - Faith	Pastor Delegates	<u>P</u>	Paul Naumann
65.	Eau Claire - Messiah	Pastor Delegates	<u>XP</u> <u>P</u> <u>XP</u>	Kevin McKenney Marlin Beekman/Jim Gullerud Martin Albrecht
66.	Fairchild - Morning Star	Teachers Pastors Delegates	<u>P</u> <u>P</u> <u>P</u> <u>P</u>	Seth Schaller Scott Wuerch Paul Tiefel Mark Gullerud Herb Aichele
67.	Fond du lac - Luther Memorial	Pastor Delegates	<u>P</u> <u>P</u> <u>P</u>	Gordon Radtke Michael Cutler David Gurath
68.	Hales Corners - Messiah	Teachers Pastor Delegates	<u>P</u> <u>P</u> <u>P</u> <u>P</u>	David Bernthal Kurt Koenig David Naumann B. J. Lillo
69.	Millston - Trinity	Teacher Pastor Delegates Pastor	<u>P</u> <u>P</u> <u>P</u> <u>P</u>	Joel Gerbitz Ted Quade Michael Eichstadt Steve Vanderpal Arthur Schulz

70. WISCONSIN	Markesan - Faith	Delegates	<u>P</u>	John Bobek
			<u>P</u>	Curtis Brown/Martin Hansen
		Teacher	<u>P</u>	Barry Hay
		Pastor	<u>P</u>	Michael Schierenbeck
71.	Middleton - Peace Thru Christ	Delegates	<u>P</u>	Duane Riggert
			<u>P</u>	Randy Dreyer
		Pastor	<u>P</u>	Mark Bernthal
72.	Onalaska - Peace with God	Delegates		
		Pastor	<u>P</u>	Michael Sydow (Vacancy)
73. WYOMING	Cheyenne - Redeemer	Delegates	<u>P</u>	Mark Sprengeler
		Pastor	<u>P</u>	Paul Fleischer

II. Canadian Congregations and Pastors

1. ALBERTA	Calgary - Resurrection	Delegates		
		Pastor	<u>P</u>	Steven Karp
2. BRITISH COLUMBIA	Vernon - St. Paul's	Delegates		
		Pastor	<u>P</u>	David Reim

III. Clergy Without Congregations

1. <u>P</u>	Buck, Prof. Michael	8. <u>P</u>	Roehl, Prof. Ross
2. <u>P</u>	Kranz, Prof. Mark	9. <u>P</u>	Schaller, Prof. Paul
3. <u>P</u>	Lau, Prof. David	10. <u>P</u>	Schierenbeck, Prof. Jeffery
4. <u>P</u>	Lau, Prof. Joseph	11. <u>P</u>	Sippert, Prof. Steven
5. <u>P</u>	Pfeiffer, Prof. John	12. <u>P</u>	Sullivan, Prof. Paul
6. <u>X</u>	Reim, Prof. John	13. <u>P</u>	Sydow, Prof. Michael
7. <u>P</u>	Roehl, Prof. Ronald		

IV. Missionaries

1. P Pastor David Koenig (Overseas)

V. Clergy Emeriti and Pastors w/o a call – in attendance

Harvey Callies
Leroy Hulke
Paul Koch
Clifford Kuehne
John Lau
Bertram Naumann
Paul F. Nolting
Robert Rehm
Jonathon Schaller

VI. Official Observers

John Vieths, Dallas TX (WELS Commission)

VII. Conference Visitors (ratified)

Minnesota	Pastor David Schierenbeck
Eastern	Pastor Thomas Schuetze
Great Lakes	Pastor Michael Eichstadt
Pacific Coast	Pastor Delwyn Maas
West Central	Pastor Michael Roehl

COMMITTEE #1 – President's Message, Publications

Pastor Mark Gurath, Berea, Sioux Falls, SD, **Chairman**
Pastor Philip Matzke, St. Peter's, Stambaugh, MI, **Secretary**
Pastor Michael Wilke, Gethsemane, Saginaw, MI
Pastor John M. Johannes, Mt. Olive/St. Paul, Detroit Lakes/Ponsford, MN
Pastor John H. Johannes, Gift of God, Mapleton (Fargo area), ND
Pastor Paul Fleischer, Redeemer, Cheyenne, WY
Pastor Rick Grams, Our Redeemer's, Red Wing, MN
Pastor Arthur Schulz, Trinity, Millston, WI
Pastor John Klatt, Good Shepherd, Rapid City, SD
Pastor Luke Bernthal, Bethel, Spring, TX
Pastor Theodore Barthels, St. Paul's, Austin, MN
Professor Paul Sullivan, ILC, Eau Claire WI
Professor Steven Sippert, ILC, Eau Claire WI
Mr. Mark D. Sprengeler, Redeemer, Cheyenne, WY
Mr. Les Graham, Trinity, Spokane, WA
Mr. Melvin Eichstadt, St. Paul's, Austin, MN
Mr. Martin Raffel, Holy Trinity, West Columbia, SC
Mr. Larry R. Hansen, Prince of Peace, Hecla, SD
Mr. Leonard Benter, Faith, St. Louis, MO
Mr. Dan Schierenbeck, Living Word, Liberty, MO
Mr. Matthew Gable, Gethsemane, Spokane Valley, WA
Mr. Walter Priebe, Calvary, Marquette, MI

COMMITTEE #2 – Doctrine, Education

Pastor Elton Hallauer, Bethel/Peace, Morris, P. Prairie MN, **Chairman**
Professor Paul Schaller, ILC Eau Claire WI, **Secretary**
Pastor Vance Fossum, Holy Trinity, W. Columbia SC, **Reporter**
Pastor Bruce Naumann, Grace, Sleep Eye, MN
Pastor David Fuerstenau, Holy Truth, Ketchikan AK
Pastor David Schaller, Redeemer, Sister Lakes MI
Pastor David Reim, St Paul, Vernon BC Canada
Professor David Lau, ILC Eau Claire WI
Teacher Michael Wheaton, Immanuel, Mankato MN
Teacher Nathan Wales, Holy Trinity, W. Columbia SC
Mr. Phillip Strike, St. John's, Okabena MN
Mr. Mark Greve, Zion, Atlanta GA
Mr. Ken Schmitt, Salem, Eagle Lake MN
Mr. Gene Rutz, Bethel, Spring TX
Mr. Allen Schmidt, St. John's, Okabena MN
Mr. Larry Porter, Holy Trinity, W. Columbia SC
Mr. Scott Mueller, St. Stephen, Mt. View CA
Mr. Dennis Ahrens, Grace, Valentine NE
Mr. Bruce Walden, Redemption, Lynnwood WA

COMMITTEE #3: – ILC President's Report; Board of Regents

Pastor Paul Naumann, Ascension - Tacoma, WA, **Chairman**
Pastor Paul Nolting, Immanuel - Mankato, MN, **Reporter**
Pastor Todd Ohlmann, Faith & Living Word - Manchester & Liberty, MO Sec.
Pastor Timothy Wheaton, Mt. Olive - Lamar, CO
Pastor Walt Schaller, Mt. Zion - Detroit, MI
Pastor Dennis Rieken, Word of God - Pana, IL
Pastor David Koenig, Foreign Missionary - Eja, Nigeria
Pastor Paul Krause, St. John's & Peace - Clarkston, WA & Orofino, ID
Pastor Mark Gullerud, Messiah - Eau Claire, WI
Pastor Roland Gurgel, Our Savior's - Jamestown, ND
Teacher Quinn Sprengeler, Redemption - Lynnwood, WA
Teacher Matt Thurow, Berea - Inver Grove Heights, MN
Teacher Dan Roehl, Immanuel - Mankato, MN
Mr. Jon Sandeen, Gift of God - Fargo, ND
Mr. Ronald Strike, St. Paul - Austin, MN
Mr. Brandon Heinze, Salem - Eagle Lake, MN
Mr. Doc Albrecht, Messiah - Eau Claire, WI
Mr. Tim Fuerstenau, Trinity - Watertown, SD
Mr. Peter de Leon, Holy Cross - Phoenix, AZ
Mr. Robert Davidson, Grace - Live Oak, FL
Mr. Richard Kuehne, Immanuel - Winter Haven, FL
Mr. Wally Voigt, Our Redeemer's - Red Wing, MN
Mr. Mark Kuehne, Ascension - Batavia, IL
Mr. John Bobek, Faith - Markesan, WI

COMMITTEE #4: Missions

Teacher Seth Schaller, Messiah, Eau Claire, WI, **Chairman**
Mr. John Abbott, Holy Cross, Phoenix, AZ, **Secretary**
Pastor Paul Larsen, CLC North Port, North Port, FL, **Chaplain**
Pastor Michael Schierenbeck, Faith, Markesan, WI, **Reporter**
Pastor Daniel Fleischer, Resurrection, Corpus Christi, TX
Pastor John Hein, Redemption, Lynwood, WA
Pastor David Baker, Ascension, Batavia, IL
Pastor David Naumann, Luther Memorial, Fond du Lac, WI
Pastor Terrel Kesterson, Trinity, Spokane, WA
Professor Michael Buck, ILC, Eau Claire, WI
Professor Michael Sydow, ILC, Eau Claire, WI
Teacher Daniel Barthels, Gethsemane, Saginaw, MI
Teacher Doug Libby, Immanuel, Mankato, MN
Mr. Joel Gerbitz, Messiah, Hales Corners, WI
Mr. Aaron Durst, Good Shepherd, Rapid City, SD
Mr. Peter Evensen, Faith, St. Louis, MO
Mr. Brian Stearns, St. Paul's, Ponsford, MN
Mr. Dave Rust, Grace Lutheran, Fridley, MN
Mr. Duane Riggert, Peace Thru Christ, Middleton, WI
Mr. Dennis Lee, Faith, New Ulm, MN

COMMITTEE #5: – Elections

Teacher Leif Olmanson, Immanuel, Mankato MN, **Chairman**
Teacher David Bernthal, Luther Memorial, Fond du Lac, WI, **Secretary**
Pastor Robert List, Gethsemane, Spokane Valley, WA
Professor Joe Lau, ILC, Eau Claire WI
Teacher Neil Bernthal, Immanuel, Winter Haven, FL
Teacher Ryan Libby, Grace, Fridley, MN
Teacher Lane Fischer, Immanuel, Mankato, MN
Teacher Scott Wuerch, Messiah, Eau Claire, WI
Mr. Curtis Brown, Faith, Markesan, WI
Mr. Craig Ohlmann, Grace, Valentine, NE
Mr. David Miller, Jr., Gethsemane, Saginaw, MI
Mr. Herb Aichele, Morning Star, Fairchild, WI

COMMITTEE #6 - Membership

Pastor Delwyn Maas, Holy Cross, Phoenix, AZ, **Chairman**
Pastor Glenn Oster, Gift of God, Fairfax, VA, **Secretary**
Pastor Gordon Radkte, Morning Star, Fairchild, WI
Pastor George Dummam, First Lutheran, Faulkton, SD
Pastor Joel Fleischer, Calvary, Marquette, MI
Pastor Norman Greve, Salem, Eagle Lake, MN
Pastor Tim Holland, Rock of Ages, Grand Rapids, MI
Teacher Craig Owings, Immanuel, Mankato, MN
Teacher Theodore Quade, Messiah, Hales Corners, WI
Teacher Joel Gullerud, St. John's, Okabena, MN
Teacher James Arndt, Faith, Coloma, MI
Mr. Marlin Beekman, Messiah, Eau Claire, WI
Mr. Wallace Crozier, Resurrection, Corpus Christi, TX
Mr. Jay Hollenbeck, Good Shepherd, Rapid City, SD
Mr. Earl Knutson, Calvary, Marquette, MI
Mr. Butch Lang, St. Paul, Bismarck, ND
Mr. Lester Maas, Grace, Sleepy Eye, MN
Mr. Doran Slater, Ascension, Tacoma, WA
Mr. Robin Vogsland, Holy Spirit, Albuquerque, NM
Mr. Burdette Wheaton, Immanuel, Mankato, MN

COMMITTEE #7 - Finance

Mr. Benno Sydow - Grace, Fridley MN, **Chairman, Reporter**
Pastor Frank Gantt - St. Lukes, Lemmon SD, **Chaplain**
Mr. B.J. Lillo - Messiah, Hales Corners WI, **Secretary**
Pastor Steven Karp - Resurrection, Calgary AB
Pastor James Nauman - Grace, Valentine NE, Peace, Mission SD, St. Paul's, White River SD
Pastor Michael Roehl - St. Paul, Bismarck ND
Pastor Matthew Hanel - Prince of Peace, Hecla SD
Pastor Mark Bernthal - Peace Thru Christ, Middleton WI
Pastor Paul Tiefel - Messiah, Eau Claire WI
Pastor Michael Eichstadt - Messiah, Hales Corners WI
Pastor Matthew Gurath - Without a call
Professor Jeff Schierenbeck - ILC, Eau Claire WI
Teacher Jay Sydow - Immanuel, Mankato MN
Mr. Joel Krafft - St. Matthew, Dallas TX
Mr. Peter Krafft - Grace, Live Oak FL
Mr. Paul Bade - Immanuel, Mankato MN
Mr. Larry Boernsen - St. Johns, Okabena MN
Mr. Randy Dreyer - Peace Thru Christ, Middleton WI
Mr. Dan Schafer - Berea, Inver Grove Heights MN
Mr. Larry Dassow - Prince of Peace, Loveland CO
Mr. Michael Slattengren - St. Stephen, Mountain View CA
Mr. Michael Cutler - Luther Memorial, Fond du Lac WI
Mr. Bruce Buchanan - Ascension, Tacoma WA

COMMITTEE #8 – ILC Expansion

Pastor Wayne Eichstadt, Immanuel, Mankato MN, **Chairman, Reporter**
Pastor James Sandeen, St. Paul, Denver CO, **Secretary**
Pastor Thomas Schuetze, St. Matthew, Dallas TX
Pastor John Ude, Grace, Fridley MN
Pastor Peter Reim, Prince of Peace, Loveland CO
Pastor Andrew Schaller, Trinity, Watertown/Zion, Hiwood SD
Pastor Karl Stewart, Grace, Live Oak FL
Pastor Dave Povolny, St. Stephen, Mountain View CA
Pastor Nathan Pfeiffer, St. Stephen, Hayward CA
Pastor Nathanael Mayhew, Zion, Lawrenceville GA
Professor. Ross Roehl, ILC, Eau Claire WI
Professor Mark Kranz, ILC, Eau Claire WI
Teacher Karl Olmanson, Immanuel, Mankato MN
Mr. Mark Rehm, Berea, Inver Grove Heights MN
Mr. Jan Messerschmidt, St. Stephen, Hayward CA
Mr. Luther Schoon, St. Luke's, Lemmon SD
Mr. Ross Theneman, Faith, New Ulm MN
Mr. Dar Maas, Trinity, Watertown SD
Mr. Joel Gamble, Redemption, Seattle WA
Mr. Art Leimberger, Gethsemane, Saginaw MI
Mr. David Gurath, Luther Memorial, Fond du Lac WI
Mr. D. J. Quiggle, St. Matthew, Dallas TX
Mr. Charles Romberg, Grace, Sleepy Eye MN
Mr. Bob Rankin, St Paul, Denver

REPORT: BOARD OF DOCTRINE

The Board of Doctrine meets at the call of the president. In the past biennium the Board met once. It was requested by the president that the Board meet to consider the request of the Coordinating Council in the fall of 2003 that it prepare guidelines for the declaration of fellowship with foreign churches. The following was accepted by the Coordinating Council and is presented here for information.

This document is in response to the directive from the C.C. to help our synod in establishing fellowship with foreign church bodies. This is not the same as the guidelines established and accepted by the Convention in 1984.* Those guidelines spoke to practicing individual/personal fellowship with those being instructed by the foreign missionary.

GUIDELINES FOR THE ESTABLISHMENT OF FELLOWSHIP WITH FOREIGN CHURCH BODIES

- 1) Mission Work Among Us In our proclamation of the Gospel, mission work includes faithfulness to the whole counsel of God. Cf. Acts 20:27; Matthew 28:18-20
- 2) Principles associated with determining fellowship. These principles presuppose that there is an existing church organization.
 - A. Determination of confessional position.
 - B. Identification of errors that must be addressed.
 - C. Freedom from entanglements with other church bodies not in agreement with our doctrinal position.
 - D. Willingness on the part of a foreign church body to bow to Scripture when presented with the Word.
3. Procedures for establishing confessional fellowship.
 - A. Personal discussions with CLC representatives.
 - B. Written response to prepared questions posed by missionary and/or Board of Doctrine.
 - C. Review by the Board of Doctrine.
 - D. Recommendation to President.
 - E. Declaration of Convention.

We recognize that foreign church bodies may have an incomplete understanding of Scripture. We recognize also that there may be difficulties posed by language barriers, distance, travel restrictions, finances, etc.

In principle we want to be patient with such groups who approach us and show a genuine interest in fellowship with the CLC. At the same time we want to impress upon them that more important than fellowship declaration is primarily an understanding of the Word of God, as well as an understanding of our confessional principles.

- *DOCTRINE: Report of Committee # 1 pg. 22, 1984 proceedings

We recommend that the following guidelines proposed and amended by the Board of Doctrine be used by the Mission Board in determining whether fellowship may be practiced by its representatives meeting people in foreign lands: As Mission Board representatives explore new mission fields, they may fellowship on a personal basis with individuals, religious teachers, and church groups prior to

formal recognition* by the convention when the following four points are satisfied:

- 1) An agreement with us in what we teach;
- 2) An evident readiness to abide by the Word of God;
- 3) Personal integrity and Christian character, in so far as this can be determined;
- 4) Freedom from entanglements with other church bodies not in agreement with our doctrinal position.

* The formal recognition of fellowship is an action taken by the convention upon recommendation by the President of the CLC and the Board of Doctrine.

Pastor Daniel Fleischer, Chairman *(Resurrection, Corpus Christi TX)*

Pastor Mark Bernthal, Secretary *(Peace Thru Christ, Madison WI)*

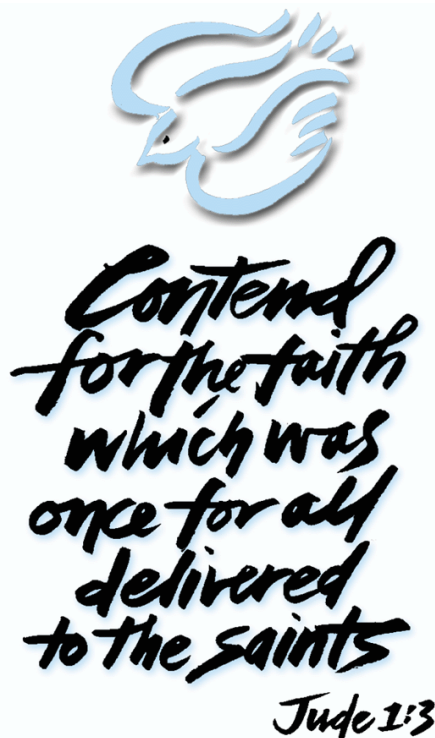
Mr. Frank Paull, Jr. *(Calvary, Marquette, MI)*

Mr. Melvin Eichstadt *(St Paul's, Austin MN)*

Professor David Lau *(Messiah, Eau Claire WI)*

Pastor Thomas Schuetze *(St Matthew, Dallas TX)*

Pastor David Schierenbeck *(Berea, Inver Grove Heights MN)*



REPORT: BOARD OF EDUCATION

Sunday School Project

Four levels of 58 Old Testament and 56 New Testament Lessons with Teacher's Notes of *God's Hand in Our Lives* have been created and posted on the CLC Website. Each lesson has received two rounds of editing. Several approaches to teaching stories have been added to the Teacher's Notes of various stories and have been well received. We encourage others to submit suggestions of story presentation for incorporation into the God's Hand series as well.

Vacation Bible School Materials

Users of the online Sunday School lessons have inquired as to the possibility of posting VBS materials online. The Publishing Division is considering this request.

School Self-Evaluation

Many schools have voluntarily completed *An Evaluation Program for CLC Christian Day Schools* provided by the Board of Education. The self-evaluation form was adapted with permission from one used by LCMS and included guidelines about the school's aims and purposes, the school's relationship with its congregation and community, the administration of the school board and principal, and the quality of the faculty, curriculum and instruction. Also included were guidelines for health and safety, food, student activities, physical facilities, and finance. The Board continues to seek feedback from those using this evaluation.

Video Tape Interviews

The video, *The Rock from Which We Were Hewn*, in which Rev. Paul Tiefel interviewed Professor Emeritus Lester W. Schierenbeck regarding his memories of the early years of the CLC is now on the CLC Website, <http://www.clclutheran.org/>. Rev. Dale Redlin provided two taped interviews which may lend themselves to placement on the internet. The videos are interviews of Rev. Paul F. Nolting, "Sharing the Good News," and of then President Daniel Fleischer, "Challenges of Tomorrow." The tapes will be turned over to the Publishing Division. Other video project topics will be investigated.

Online Book House Project

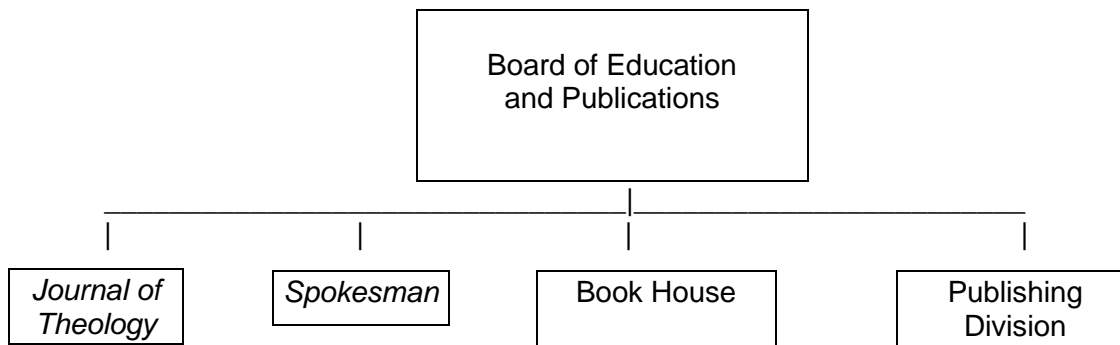
The Online Bookstore is now active at: <http://www.clcbookhouse.org>. Credit card capability is available. A Disclaimer Statement which includes "We encourage everyone to read with discretion those books and materials not published by the CLC, since they may contain teachings or ideas that are not consistent with Scripture," has been posted on the Book House Website.

Mentoring

The CLC Teachers' Conference discussed the idea of a peer-mentoring program within the CLC. ILC will be working to try to match up volunteer mentors with new teachers as they graduate and receive calls. Attempts will be made to provide more contact between CLC teachers and ILC students in the education program to enable graduating students to choose a mentor with whom they believe they might work well. Second and third year teachers will also be invited to select a mentor from the list of volunteers. The list of volunteer mentors will be obtained by ILC. A structure will be designed to coordinate the mentoring program with the school principal.

Organizational Structure

It is proposed that the Board of Education be structured as shown.



It is proposed that the *Spokesman* & *Journal of Theology* also report to the Board of Education. No change would be made in the Editorial or Business Administration of these two publications. In addition, both the Book House and Publishing Division would report to the Board of Education with communicating lines between the Book House and Publishing Division and the Book House and the *Journal of Theology/Spokesman*.

Proposal to Have Board of Education Members Elected Rather Than Appointed.

Whereas, presently members of the Board of Education are appointed by the President of the CLC, and

Whereas, two members of the Board of Education have a vote in the Coordinating Council, therefore, be it

Resolved, that the members of the Board of Education be elected, and be it further

Resolved, that the term of office on the Board of Education be four years with two members elected at each regular Convention.

Proposal to Change the CLC Constitution

Whereas, the name, organizational change and the proposal to elect Board of Education members conflict with portions of the CLC Constitution, therefore, be it

Resolved, that the Standing Constitution Committee propose rewording of the Constitution to reflect the changes.

CLC Publishing Division

Projects

The Sydow Catechism

The Publishing Division has agreed to assume the responsibility for the printing of the Sydow Catechism. It is being reproduced for the 2004 - 2005 school year.

The Lutheran Spokesman Archive, 1958 – Present

The Lutheran Spokesman Archive, 1958 - Present, on CD-ROM will be available for purchase at the 2004 Convention. Those who purchased the 1958 - 1978 Archive at the 2002 Convention may exchange their CD for a \$5.00 credit toward the purchase of the full archive.

CLC History

Work continues on the comprehensive history of the CLC, 1960 - 2010, in observance of the 50th Anniversary of the CLC in 2010.

Other Projects

The Publishing Division is proceeding with the development of several other publications as funds and time allow. Book House customers have expressed a desire for reprinting *Preaching To Preachers*, *Evening Bells At Bethany* (Madson), *Manna* (Zorn), and the Gullerud devotion books. Work on these projects is at various stages of development.

Board of Education:

Dr. Gayle Stelter, Chairman (*Immanuel, Mankato MN*)

Professor Ross Roehl, Secretary (*Messiah, Eau Claire WI*)

Teacher David Bernthal (*Luther Memorial, Fond du Lac WI*)

Pastor David Naumann (*Luther Memorial, Fond du Lac WI*)

CLC Book House

Mrs. Jessica Lau (*Messiah, Eau Claire WI*)

Publishing Division:

Pastor Joel Fleischer, Chairman (*Calvary, Marquette, MI*)

Mr. John Abbott (*Holy Cross, Phoenix AZ*)

Mr. Matt Kelly (*St Paul's, Austin MN*)

Mr. James Lau (*Messiah, Eau Claire WI*)

Mr. Matt Schaser (*Peace Thru Christ, Madison WI*)

Dr. James Sydow, Advisory, CLC Treasurer (*Messiah, Eau Claire WI*)



j.sydw

Book House	
Projected BOY Balance FY2005	\$19,000
Revenue:	
<i>Receipts:</i>	
Miscellaneous	250
Publishing Division	4,000
State Sales Tax	<u>500</u>
<i>Subtotal</i>	\$4,750
<i>Sales:</i>	
College Textbook Rental/Sales	2,900
High School Textbook Rental/Sales	7,600
Interstate Sales-No Tax	2,500
Sales - Non Taxable	25,000
Sales - Taxable	7,000
Shipping Charges	<u>1,000</u>
	\$46,000
Revenue Total	\$50,750
Expenditure:	
GBO Allocation	\$9,250
<i>Expenses:</i>	
Office Supplies/Miscellaneous	500
Telephone	300
Postage	1,000
Publishing Division Inventory	<u>20,000</u>
	\$21,800
<i>Purchases:</i>	
College Textbooks	1,450
High School Textbooks	3,800
Purchases for Resale	<u>20,000</u>
	\$25,250
Expenditure Total	\$56,300
Projected EOY Balance FY2005	\$13,450

Publications	
Projected BOY Balance FY2005	\$7,500
Revenue:	
Journal	2,000
Spokesman	<u>20,000</u>
Revenue Total	\$22,000
Expenditure:	
Journal	2,200
Spokesman	<u>20,800</u>
Expenditure Total	\$23,000
Projected EOY Balance FY2005	\$6,500

Board of Education	
Expenditure:	
Board Expenses	500
Publishing Division	<u>4,000</u>
Expenditure Total	\$4,500

REPORT: ILC PRESIDENT



Immanuel Lutheran College

"God with Us"

INTRODUCTION

Remember now your Creator in the days of your youth, Before the difficult days come, And the years draw near when you say, "I have no pleasure in them": While the sun and the light, The moon and the stars, Are not darkened, And the clouds do not return after the rain; In the day when the keepers of the house tremble, And the strong men bow down; When the grinders cease because they are few, And those that look through the windows grow dim; When the doors are shut in the streets, And the sound of grinding is low; When one rises up at the sound of a bird, And all the daughters of music are brought low; Also they are afraid of height, And of terrors in the way; When the almond tree blossoms, The grasshopper is a burden, And desire fails. For man goes to his eternal home, And the mourners go about the streets. Remember your Creator before the silver cord is loosed, Or the golden bowl is broken, Or the pitcher shattered at the fountain, Or the wheel broken at the well. Then the dust will return to the earth as it was, And the spirit will return to God who gave it. (Ecclesiastes 12:1-7)

Solomon gives us some rather picturesque ways of describing the characteristics of old age: . . . the hands get shaky . . . the legs get weak . . . the teeth fall out. . . the eyes grow dim . . . the ability to chew food is lost . . . each day begins early . . . the hearing gets bad . . . the slightest elevation becomes a difficulty . . . you worry about dangers as you leave your house . . . your hair turns grey . . . there is no spring in your step . . . desire fails . . . man goes to his eternal home. . . . the central nervous system begins to breakdown, as do the circulatory and respiratory systems. Finally, the dust will return to the earth as it was, and the spirit will return to God who gave it.

Although much is said about old age, Solomon is actually talking to young people. His exhortation is that young people prepare for their old age. Some people store up money for their old age. He tells us to store up memories . . . memories of God. Solomon lived a long life with many experiences. On the basis of his accumulated knowledge and wisdom, he says, "Now is the time. Now, when you're young."

ILC is here to help achieve this goal. Through Bible study in chapel and in the classroom, as well as through daily applications to their lives, we help the youth of the CLC to fill their minds with memories of the Creator.

However, why now? Why in youth? Perhaps the point is this: when one gets old and all these difficulties begin to plague him, that's when he tends to reflect on his youth. Memories of the recent past become blurred, but the memories of distant past become sharper. As Solomon wrote elsewhere: *Train up a child in the way that he should go and when he is old, he will not depart from it. (Prov.22:6)*

When a man gets old and starts remembering his youth, what is he going to remember? Is he going to remember the goodness of God or the evils of his own behavior? Are his memories going to be the product of youthful Bible study or the result of studying the ways of the world? What kind of memories are stored up?

There are memories that we all would like to delete and substitute with better ones. Thanks be to God that Jesus Christ has paid for our sins and, though we may remember them, He does not. As God Himself says to us, *For I will forgive their iniquity, and their sin I will remember no more. (Jer.31:34)*

Therefore . . . let us lay aside every weight, and the sin which so easily ensnares us (Heb.12:1) and start building good memories. For the youth of the CLC, now is the time to do it. Now . . . as they are filling up the memory banks in their mind.

Then, when those difficult days come, they will be able to fall back on old memories. — When my grandmother was in her 90's and had trouble getting to sleep, she would go through her Norwegian

catechism in her mind. That's the kind of memories that will give the needed help to endure the difficulties of old age.

There is a very strong connection between youth and old age. The older one gets the more he remembers from his youth. Therefore, the days of youth are the time to store up memories. There should be no delay . . . no procrastination, for suddenly, before they know it, they will be old, and then what? What will their memories be?

And finally the dust will return to the earth as it was, and the spirit will return to God who gave it. God grant that, when our spirits return to Him, we will return full of happy memories of the Father, Son, and Holy Spirit.

God grant, also, that Immanuel Lutheran College will continue to faithfully assist His children, so that they will store up memories of their Creator . . . memories which will help them in their old age.

STUDENT BODY

CLOSING ENROLLMENT FY03		PRESENT ENROLLMENT April, 04		PROJECTED ENROLLMENT AY05	
High School	133	High School	129	High School	130
College	32	College	29	College	36
Seminary	4	Seminary	3	Seminary	5
Total	169	Total	161	Total	171
Dormitories					
Girls	53	Girls	50	Girls	51
Boys	56	Boys	52	Boys	51

ACADEMICS

SEMINARY

AY03 In response to a paper delivered at the Pacific Coast Pastoral Conference, the seminary faculty reviewed the curriculum of the seminary. As a result of this review we set aside three days in the month of February in order to "field test" two possible changes in the curriculum. Dean Marzofka (a psychologist) and Pastor David Schierenbeck presented a seminar on the subject of counseling (8 class hours were used). Pastor Paul D. Nolting presented a seminar on the subject of leadership (8 class hours).

Following the seminars, the seminary faculty met to consider the possibility of curriculum changes. It was decided that, for the present, we will propose no changes. Rather, the plan was to implement a continuing seminar program. This program would make use of gifted laymen and pastors in the CLC. Each year a seminar would be offered in some area of counseling.

AY04 In March of 2004, three days were set aside for seminars. During this time, Dean Marzofka addressed the students and some faculty members on the subject of personality disorders. Pastor Mark Bernthal spoke on the topic of premarital and marital counseling. James Sydow gave a presentation on the financial operations of the CLC.

Vicar Assignments AY03

Eric Libby: Messiah Lutheran Church of Eau Claire, WI.
Caleb Schaller: Berea Lutheran Church of Inver Grover Heights, MN.

Vicar Assignments AY04

Eric Libby: Grace Ev. Lutheran Church of Sleepy Eye, MN.
Caleb Schaller: Messiah Lutheran Church of Eau Claire, WI.
Matthew Ude: St. Paul Ev. Lutheran Church of Lakewood, CO.

GRADUATES

AY03 By the grace of God, the following graduated from the seminary in 2003: Matthew Hanel, who accepted the call to Prince of Peace in Hecla, SD and Luke Bernthal, who accepted the call to Bethel in Houston, TX.

From the education department the following graduated in 2003: Valerie Bernthal, who accepted the call to St. John's in Okabena, MN and Anita Meyer, who accepted the call to Grace of Valentine, NE.

AY04 God-willing, Seminarian Eric Libby will be completing the required courses at the end of the first semester AY05. His graduation is tentatively scheduled to take place during the Christmas concert on Dec.17.

There will be no graduates from the education department in AY04.

MINI-COURSES

For the last seven years the high school department has set aside three days in the middle of the third quarter for an educational experience that we have named "mini-courses." During these three days volunteers from within and outside of our faculty have presented courses on topics such as auto repair, chess, skin care, and woodworking. Some of the courses involved tours of local businesses. Besides offering the students some knowledge outside of our ordinary curriculum, it serves as a welcome break from the long winter quarter.

In 2003 the seminary joined this effort by having the seminars mentioned above.

In 2004 the college department also joined. Courses were offered in Family Leadership, Creative Writing, Budgeting Money, Witnessing, Taxes for Called Workers, and Disciplining Children. Both the faculty and the students believe that this was a worthwhile effort.

We truly appreciate the willingness of members of the CLC to make the trip to Eau Claire (one came from the state of Washington) and to teach our students for three days. Not only did our students learn something about the subject matter that they taught, but also about willingness to serve the Lord. Our thanks to these volunteers.

SPANISH

ILC has been investigating the possibility of having a Spanish course incorporated into our curriculum. Although no decision has been made about the course or its instructor, Prof. John Reim is presently taking a Spanish course at the University of Wisconsin-Eau Claire.

Our intention is to incorporate Spanish into the curriculum as soon as a teacher(s) is available. In order for this to take place, something must be deleted from the curriculum. The faculty is presently considering a proposal to remove the German course.

STUDENT PERFORMANCE

Having received the five year evaluation of ILHS students based on the American College Test (ACT), we find that our students' composite scores are above both the state and national average. We give thanks to God, who blesses our efforts to instruct His children.

FACULTY

PART-TIME TEACHERS AY04 Due to financial constraints, it became necessary to remove the part-time teaching positions from the staff and assign their courses to full-time faculty members. While those members of the faculty who accepted the assignments were able to do the work given, it was not without some sacrifices. For example, additional class hours and preparatory work for those courses has reduced the number of hours available for preparatory work for the remainder of the courses. In addition, it is difficult to know how many hours were taken away from familial responsibilities.

The reinstatement of these part-time positions should be an imperative among the concerns of the CLC. The result will be improved instruction in a number of areas and less stress on the full-time members of the faculty.

The courses suggested to be assigned to the part-time teachers are the following: art, physical education, and keyboarding. More remote possibilities would be Spanish and one of the math courses.

WORK LOAD Besides the heavy teaching load that our faculty carries, they are also involved in numerous co-curricular activities: coaching, coordinating student activities (Class Day, banquet, formal dinner, parties, recitals, Mission Society, Student Council), directing the Tour Choir, directing the instrumental groups, supervising school publications (Lance, Beacon, Flash), administrative duties (President, Academic Dean, Principal, Registrar, Dean of Students, Athletic Director), directing the plays and musicals, driving bus, supervising in the Commons on weekends, handling class advisor duties, etc. They serve in these activities without complaint, without remuneration, and often well into the night.

Often it happens that the day begins in the classroom at 7:40 a.m. (continuing until 2:20 p.m.), is followed by an afternoon supervising activities and preparing for classes, and proceeds into an evening of games, plays, Commons' supervision, and more preparation for classes.

I am sure that the members of the Board, of the Coordinating Council, and of the CLC are thankful for the many hours that these dedicated servants give to the Lord, the students, and the church body. May the Lord bless them for their unselfish labor.

STAFF

FINANCIAL MANAGER

FY03 After serving the Lord for 39 years as CLC treasurer and 27 years as ILC Business Manager, Lowell Moen announced his retirement. It is difficult to find the right words to thank such a dedicated servant of the Lord. However, thank him we do, and we thank the Lord who gave us this gift. While we regularly see the gifts of the Lord being placed in His service in the public ministry, there is a tendency to overlook the gifts which He places in the private ministry, such as the financial management of our church body. We will not make this oversight regarding Mr. Moen; his presence at Immanuel has been a blessing to us all. May the Lord bless Mr. Moen as richly as He has blessed us through Mr. Moen. Included in this prayer is Mrs. Rita Moen, who not only worked at her Lowell's side here on campus, but also served as a continuing source of support and encouragement for her husband.

FY04 To replace Mr. Moen as Financial Manager of the General Business Office of the CLC, the Lord has given us another servant in the person of James Sydow. His labors throughout this fiscal year have proven that he is a blessing to us. We pray that the Lord will continue to bless him with the wisdom, strength, and spiritual dedication to continue this work.

HALF-TIME MAINTENANCE POSITION

AY04 Due to financial constraints, it was become necessary to remove the half-time maintenance position from our staff at the end of the 2002-03 fiscal year. This put serious pressure on the rest of the maintenance staff, resulting in the delay of needed maintenance work and the indefinite postponement of a number of improvements.

Thanks to our gracious God, willing hearts and able hands came forth during the summer of 2003 to do some of the work that was delayed. 143 volunteers from 13 different congregations put in 1531 hours of work. 314 projects were listed as possible tasks for volunteers. Of these 210 were completed, 22 were partially completed, and 23 were begun by volunteers and completed by the staff.

In addition to the work done, there is the immeasurable blessing of fellowship and a sharing of the gifts and talents found in the body of the Lord. It is evident that the members of the CLC love their school and support it in numerous ways. The entire staff and faculty of ILC join in expressing our thanks for the support that this effort demonstrates.

For all this, we give great thanks to our merciful and gracious God, without Whom the fellowship of the CLC would not exist and the hearts of the people would not have been moved to offer themselves in this way.

DORMITORY SUPERVISOR

During the fall semester of the present school year, a chronic, debilitating illness made it necessary for Fran McDonald to resign her position as dormitory supervisor. For six and one-half years Fran McDonald has served faithfully and has touched the lives of many girls. She will be missed.

We commit Fran into the hands of the Lord, praying for a return to good health. We trust that, whatever He does, it will be good for Fran. "He who did not spare His own Son, but delivered Him up for us all, how shall He not with Him also freely give us all things?" (Rom.8:32)

In her place, Kendra Ahrens, a CLC member from Valentine, NB, has been ably serving as temporary dormitory supervisor. Her presence has been a blessing on this campus. We thank Kendra for so graciously offering her services to the Lord and ILC. As she returns to her home and her college education, we pray that the Lord will richly bless her.

Next fall we will be pleased to have the services of Yvonne Rudolph, a CLC member at our congregation in Millston, WI. For each new supervisor there is a period of adjustment, as she becomes accustomed to the idea of being a mother to 50+ teenage girls. We are confident that the Lord will bless her with the strength and wisdom needed to perform this service. May she find, as have past supervisors, that this experience will be a blessing to her, also.

FINANCES

FY04 The financial constraints mentioned above caused us to take some various steps to reduce our budget. We have already mentioned the loss of part-time teachers and the half-time maintenance position.

In addition to this, we closed West Hall for the year. This was made possible through improvements on the lower level of South Hall. The female residents of West Hall were moved to that location. (We appreciate the fact that the students have accepted this without complaint.) This action has resulted in a significant reduction in utilities.

As much as we appreciate this result, we are hopeful that this is only temporary. We would rather have an enrollment that is large enough to make the use of West Hall a necessity.

Likewise, the elimination of staff positions needs to be seen as a temporary solution. These teaching and maintenance positions are not "frosting on the cake," but are a part of the "cake" itself. We pray that we will be able to reinstate these positions in the coming year.

CONCLUSION

As we look to the past, we can see the hand of the Lord guiding and blessing Immanuel Lutheran College. Never could we have reached this point in our history without His continuing presence and protection.

As we look to the future, we pray for trust. May the Lord grant us the ability to move into the future with confidence in His abiding grace and mercy. Amen.

ILC President John Pfeiffer *(Messiah, Eau Claire WI)*



REPORT: ILC Board Of Regents

All power is given to Me in heaven and on earth. Go therefore and make disciples of all nations, baptizing them in the name of the Father, and of the Son, and of the Holy Ghost, teaching them to observe all things whatsoever I have commanded you. And behold, I am with you always, even unto the end of the age.

Matthew 28:18-20

"When seedlings are 2"- 4" high, *thin* to a distance of 10" between plants." The rookie gardener scratches his head at this direction and wonders: Don't I need more plants in order to produce more fruit? Then he learns that less *can be* more. Gideon was taught this truth (*Judges 7*). We ourselves have experienced it. Indeed, the paradox --less is more-- may be the most common flower in the garden of the Christian life; it comes in many varieties and blooms all year long.

The first disciples turned their heads and ran from the Lord when He seemed utterly defeated by the kings of the earth and hated by the people He came to save. How could they possibly spread *His* kingdom? He was gone! They were few and uneducated men! What would they say? How would they stand with Him when they had already run from Him? And if they who had been with Jesus could not stand with Him for long, how could they tell others about Him and help them to stand firm in His kingdom and salvation?

But He who was gone from them returned with "all power in heaven and on earth," *having* conquered Sin and Satan, Death and Damnation. Now, in that almighty power *less will always be more*. Those who "lose" their earthly lives for Christ's sake gain eternal life! In poor health, Paul said, "His (God's) strength is made perfect in my weakness." So he went out in weakness to proclaim the gospel of Christ with power all over the Mediterranean Gentile-world. Luther, plagued by the Devil's legions, sang, "The Old Evil Foe means deadly woe, . . . *One* little word can fell him." Armed only with *The Book*, Professor Luther fulfilled the Great Commission by going forth against pope and emperor to defend and restore the teachings of Jesus Christ to the world.

Especially in troubled and turbulent times like our own, we may scratch our heads and wonder at our Lord's simple directions to His followers: "*Go! Make more followers from the nations by baptizing them and teaching them to observe all that I have commanded you.*" Thanks be to God that we are not alone in this! For how small is our budget, and how insignificant is the school from which we send so few laborers into the harvest and the battlefield for souls. How tiny is the space of our garden, and how thinly we are planted!

But less is more! We strive to carry out these simple directions of Christ just because He still sends us out with *His* power – His Word, His Spirit, His angels, etc. – "*all* power in heaven and earth"! Just as He promised to arise from the dead, and did, so we know and are convinced that His power will also remain with the Church "until the end of the world." How thankful and happy we are that the Lord of the Church continues to bless Immanuel Lutheran College with His presence and power, that we may prepare workers for His kingdom. May the risen Lord Jesus Christ graciously bless our students, Faculty, and Staff with every needful gift as they apply themselves to the wonderful work our Lord has committed to His believing people! Amen.

I. FROM THE 2002 CONVENTION

THE ACADEMIC CENTER BUILDING PROJECT

The 2002 Convention approved the construction of an *Academic Center* on the ILC campus, to begin when offerings had been received Ato within \$600,000 of the final project cost.@ (Cf. Proceedings, p. 102)

- At the current rate of donations, this approved building project will not be a reality for over 10 years.
- This time-line for completion will necessitate additional, substantial maintenance costs into buildings that otherwise would be removed with the availability of the new Academic Center. It may be necessary for the Board to obtain funds *already this year* to repair both the Cottage

and Northwest Hall. In fact, the latest report from the ILC Facilities Manager indicates that, over the next 5-8 years \$150,000 - \$200,000 will be needed for repairs to the Cottage, Northwest Hall, and Ingram. Money will be needed or spent not only for painting and carpeting, but electrical, heating, plumbing, and labor costs. These buildings continue to need much improvement in the area of wall and attic insulation, to say nothing of window replacement B the lack of which wastes hundreds, if not thousands of dollars each year in heating costs.

- It should also be noted that over a 10+ year period there may be other buildings (e.g. dormitories) that will need substantial upgrading or replacement.
- Presently the Board is faced with the prospect of spending IIF dollars on projects that *have minimal long-term value*, and likewise taking critical IIF funding from other high-value, long-term projects at ILC.
- **We remind our CLC brethren and the Convention of the urgent need to complete the Academic Center. May God graciously move the hearts of our people to support this project with their offerings.**

II. NOTES FROM THE LAST BIENNIUM

A. CALLS, APPOINTMENTS, RATIFICATIONS

The CLC Call Committee for Educational Institutions is scheduled to meet on April 21st to elect an ILC professor to serve as president during the next two-year term, beginning June 2004. The election results will be announced.

The Regents made the following appointments during the biennium:

1. High School Principal -- Prof. Jeffrey Schierenbeck (through May of 2005)
2. Dean of Students -- Prof. Paul Sullivan (through May of 2005)
3. Assistant to the Dean -- Prof. Joe Lau (through May 2005)
4. Academic Dean -- Prof. Michael Sydow (through May 2006)
5. Seminary Dean -- Prof. Steven Sippert (through May 2006)

The Regents also ratified the following appointments by the ILC president:

1. Registrar -- Prof. Ronald Roehl (through May 2005)
2. Athletic Director -- Prof. Michael Buck (through May 2006)

B. FACULTY AND STAFF SALARY INCREASES

In FY03 (2002-03 school year) the ILC Faculty received a salary increase of \$150/month, while the Staff received a raise equal to the percentage of the Faculty raises.

In FY04 (2003-04 school year) there were no increases in salary for Faculty or Staff

C. TUITION AND ROOM/BOARD INCREASES

The 2002-03 school year (FY03) included an increase in tuition of \$100/student/year, as well as an increase in Room and Board of \$100/student/year.

The 2003-04 school year (FY04) included an increase in tuition of \$125/student/year, and an increase in Room and Board of \$150/student/year.

D. THE COMPLETION OF THE DINING-COMMONS FACILITY

We join our brethren of the Church of the Lutheran Confession in giving thanks to God that payments for the Dining-Commons project have been completed. He has surely moved the hearts of our people to support this effort over the years. The Commons has been a great blessing to students,

faculty and staff, as well as many others who have visited our campus. We pray that it will be a blessing for many years to come.

E. FACULTY WORK-LOAD

The Board continues to monitor the work-load of our Faculty and Administrative positions because of our ongoing concern for the health of our professors, the welfare of their families, and the education of our students. A recent report submitted by the ILC president indicated the following:

- To bring each faculty-member down to no more than 20 credit hours would require an additional 18-**21** credits of teaching staff.
- To reduce the ILC Administrative positions of Dean of Students, Principal, and Academic Dean to no more than 16 credit-hours would require another 10-**15** credits of teaching staff.

As a result of this report, and under current budgetary constraints, the Faculty has been asked to determine what classes could be taught by part-time instructors in order to reduce the current credit-hour load of our full-time workers by 36 hours.

F. INGRAM HALL LONG-RANGE HEATING/MAINTENANCE CONCERNS

The ILC Facilities Manager presented a detailed report to the Board, advising against making larger, future investments in maintaining the existing heating system. The Board agrees with this assessment, and approved the following resolutions:

- Future repairs will be done at the discretion of the Facilities Manager on an as-needed basis.
- Since the current Academic Center Building Project, when completed, will remove all current and regular uses of space on the 2nd and 3rd floor of Ingram, the current Academic Center Building Committee shall be asked
 - to examine the cost of maintaining the remaining functions on the 1st floor of Ingram (i.e. new forced air HVAC system, repair of Rotunda roof, and window replacement) as compared to the cost of expanding the Academic Center to include all of the 1st floor of Ingram; and
 - to develop a plan to resolve the problem.

G. STUDENT REVENUE – TUITION AND “FEES”

For some time the Board has been attempting to adjust certain student-fees to bring them more in line with actual costs of the service, and to streamline our budgeting process. During the biennium the following changes were made, *all of which become effective with the FY05 (2004-05 school year)* :

- The *Classroom Fee* has been eliminated by combining its current cost into the tuition costs.
- The *Library Use Fee* has been eliminated.
- The *Textbook Rental Fee* has been eliminated by rolling it into the tuition fee.

H. REVIEW OF THE CLC CONSTITUTION BYLAW 8-B., REGARDING THE APPOINTED TIME-LINES FOR THE CALLING OF ILC PROFESSORS.

The Board is concerned that current mandated time-lines can become cumbersome and logistically challenging because of the implied requirements for announcing the request for nominees as well as publishing the list of candidates in the CLC Spokesman. *We ask that the standing Constitution Committee be directed to review this article.*

III. CONVENTION ACTION

A. APPEAL FOR THE ESTABLISHMENT OF AN ILC ENDOWMENT FUND

The operating budget of ILC is largely based on tuition, fees and room and board payments. Currently, about 25% of the total cost of education at ILHS/ILC is covered by the CBP, while about 75% comes from tuition, fees and room and board. Basing the budget largely on student-derived revenue presents a number of problems. A minimum number of students and dormitory residency is required to meet minimum operating expenses of the school. Since these expenses do not diminish significantly with lower enrollments or dorm census, financial shortfalls resulting from reduced enrollment must often be passed on to the remaining students. This in turn may lead to still more reductions in student enrollment and residency, further exacerbating the problem.

The only current alternative to increasing the cost of tuition, fees and room and board during the periods of reduced enrollment is to reduce the operating budget. The budget for ILC must be presented to the Coordinating Council well in advance of the start of the school year. A shortfall from the projected enrollment and/or dormitory residency requires trimming the budget after the start of the school year. Any further reduction in student-enrollment or dorm-residence during the course of the year requires still further budget cuts. Unfortunately, any funds in excess of the budget that might be accrued during the years of unexpectedly high enrollment cannot be set aside for lean years, but rather must be returned to the general budget.

Few private high schools and colleges in the United States attempt to operate on primarily student-derived income. In most such schools student revenue covers much less than half the total cost of operation. The balance is covered by other sources of funding such as contributions, gifts, grants and endowments.

Our Board is concerned that the cost of an ILC student's education be and remain affordable. We also believe that our CLC people may appreciate an opportunity to contribute funds to our high school, college and seminary through wills, tax-advantaged gifts, and the like.

We therefore propose that

1) the 2004 Convention authorize the CLC president to appoint a committee for the purpose of investigating the establishment of an ILC Endowment Fund, by which such gifting might be encouraged and accomplished; and

2) that this committee submit a complete report to the 2006 Convention, which will enable the receiving of monies into the Fund upon Convention approval.

B. STUDENT AID FUND (SAF)

The SAF began the current fiscal year with an actual balance of \$79,350. There were 57 work-study students for this school year with a projected year-end payment amount of \$34,800.* This amount is paid out of the Human Resources and Food Service portions of the budget.

1) The following amounts were awarded from the Student Aid Fund for the current school year (2003-04):

40 Scholarships ** @	\$ 7,850
24 Grants @	\$18,000
44 Loans @	\$90,545
26 Multi-student Discount @	\$17,500***

* These figures represent a great deal of additional assistance to our students without impacting the SAF budget.

** Scholarships are awarded on the basis of academic achievement (G.P.A. 3.5) after the student's first year at ILC.

*** The costs of the MSD to the General Operations Budget of ILC have not been reimbursed by the SAF in the past. However, the goal of the SAF has always been to fund all aspects of student aid at ILC, and since the MSD is essentially a *grant* to eligible students, the Board has determined that MSD costs may be funded out of the SAF as long as the SAF income exceeds the demands for new loans, grants, and scholarships.

The MSD is a grant to eligible students based on a *needs* analysis. Income stratification was used for the first time this year to determine whether the student was eligible for 50%, 25% or 10% tuition reduction.

2) We propose the following FY 05 Budget:

<u>Anticipated Revenue</u>		<u>Awards/payment</u>	
Final FY04 Balance	\$ 57,046	Scholarships	\$ 10,550
Endowment Interest	\$ 20,000	Grants	\$ 18,600
Loan Repayments	\$ 60,000	Loans	\$ 94,160
Grant Repayments	\$ 3,000	MSD	\$ 17,500
Delinquent Accounts	\$ 2,500	<u>GBO payment</u>	<u>\$ 9,190</u>
<u>Contributions</u>	<u>\$ 30,000</u>	Total	\$150,000
Total	\$172,546		

Projected Balance: \$22,546

3) New SAF loan rate

The Board resolved to lower the SAF loan rate from 8.5% to 6%. The new rate will be applied to any SAF notes which become due for payment after April 20, 2004, or any new note issued after April 20, 2004. Guidelines will be established on how past, current, or future SAF notes are impacted by changes made to the interest rate.

4) SAF balances and SAF endowment interest SAF balances and SAF endowment interest

In order to promote the growth of the SAF Endowment Fund principal, the Board approved the establishment of SAF guidelines to return a certain percentage of any interest-income or end-of-the-year SAF balances to the SAF Endowment Fund.

5) Three *Endowment Funds* – purpose and principal

There are currently three special funds that have been established to provide financial assistance to ILC students in addition to the Student Aid fund. The interest monies earned by investment of an endowment principal is distributed from ***The SAF Endowment Fund*** and ***The ILC Grant Endowment Fund*** to all ILC students preparing to be pastors or teachers in the CLC. ***The ILC Scholarship Fund*** principle also earns interest which is distributed to qualifying individuals on the basis of their *academic* performance.

As of March 30, 2004, these Funds have the following invested balances:

The SAF Endowment Fund @ \$147,703
The ILC Grant Endowment @ \$205,619
The Scholarship Fund @ \$10,557

We are thankful to our Lord Who has made possible the growth of the endowment principal in these funds through generous gifts of our CLC people.

C. ILC IMPROVEMENT FUND (IIF)

Completed projects since the 2002 Convention

Completed Projects Projected Cost		Actual Cost
0. Professorage Furnace	\$ 3,000	\$ 2,546
0. West Hall Boiler	\$ 30,000	\$33,012
0. ILC Bus Purchase	\$ 4,000	\$ 4,106
0. Building Design Fees	\$ 5,000	\$ 2,544
0. Annexation/sewer hook-up	\$ 3,500	\$ 3,134
0. South Hall reshingling	\$ 7,500	\$ 2,712
0. Organ repair	\$ 2,500	(completed 6/1/04) \$ 2,500
0. Schrnbcck House 517 remodel	\$ 28,204 *	(Basement completed) \$10,632
0. Furnace Replacement (507)	\$ 3,000	(completed 5/1/04) \$ 3,000

*This number represents the *total* projected cost for remodeling of the basement, transforming the garage into a living room, and building a new garage.

We request approval of the following IIF projects and budget for FY05:

1.	Annexation Project <i>completion</i>	\$ 500
2.	Dump Truck	\$15,000
3.	Furnace (511)	\$ 3,000
4.	North Hall Shingling	\$ 2,000
5.	(517) Re-modelling	\$13,750
6.	Co-Ray-Vac replacement	\$ 8,000
7.	Paving of Ingram Drive	\$25,900
8.	South Hall window replacement	\$18,000
9.	<u>ADA*</u>	<u>\$10,000</u>
	TOTAL	91,650

*ADA = Administrative Discretionary Account

We give thanks to our CLC brethren, and to the LORD for providing both the means and the willing hearts which made it possible to complete these important projects.

Projected Revenue

Balance April 7, 2004	\$21,182
<u>Needed offerings for FY 05</u>	<u>\$70,468</u>
Total projected Revenue:	\$91,650

Future Projects:

- > Ingram Storm Windows
- > Furnace Replacements @ (\$ 3,000)
- > Entrance Sign, Ingram rotunda roof, field house roof

VI. CBP BUDGET FOR FY05 SCHOOL YEAR (2004-05)

The projected revenue figures for the next school year are based on an estimated enrollment of 168 students, including 102 dorm residents.

This proposal includes the following *disbursement increases over the current year*:

- Salary increase for called workers of \$50/month
- Health Insurance increase of \$100/month/family, \$50/month/single
- Staff Salary increase of 3.23%
- Part-time instructors (*restored cut from FY-04 budget*)
- Half-time maintenance man (*restored cut from FY-04 budget*)

This proposal also includes *revenue increases in the following areas*:

- High School Tuition raised to \$1150/semester from \$1062.50.
- College Tuition raised to \$1600/semester from \$1462.50.
- Seminary Tuition raised to \$1,000/semester from \$802.50.
- Activity Fee raised to \$150/semester from \$110

Revenue

Student Revenue (168 students with 102 residents)	\$ 760,940
Other Revenue	\$ 51,500
CLC Subsidy	\$ 260,000
Total	\$1,072,440

Disbursements

GBO Allocation	\$ 47,100
Building and Grounds	\$ 124,500
Administration	\$ 12,900
Classroom Equipment	\$ 17,200
Education	\$ 22,700
Human Resources	\$ 650,500
Student Housing	\$ 8,500
Kitchen/Food Service	\$ 140,500
Student Activities	\$ 54,050
Transportation	\$4,200
Total Disbursements	\$1,082,150

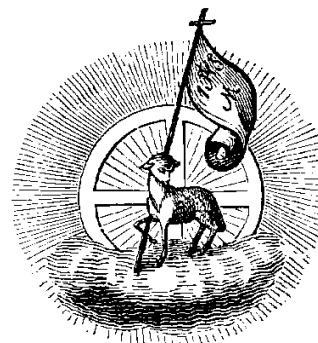
Respectfully submitted, The Board of Regents for ILC:

Pastor Ted Barthels (*St. Paul's, Austin MN*)

Dr. David Menton (*Faith, Ballwin MO*)

Mr. Tom Beekman, Secretary (*Messiah, Eau Claire WI*)

Pastor Vance Fossum, Chairman (*Holy Trinity, W. Columbia SC*)



REPORT: CLC Board of Missions

Victory!

“Victory!” That one word would be enough to set off an immediate celebration in all 50 states. Instead of hearing daily tallies of killed and wounded, we would be welcoming troops home to families and friends. Instead of questions about when and how, or even if victory is possible, we would bask in its glow and be blessed by its peace. Who could keep quiet about news of that magnitude? Who would want to?

“Victory!” is the headline of our Christian witness. Yes, we do talk about the cross, where God's holy Son was loaded down with the crushing burden of the world's sin. He was stricken, smitten, and afflicted for us. He was forsaken by His Father. He died. But that is not the end. He suffered, He died, and He won the victory. There is nothing at all uncertain about when or how. On Easter morning He rose from death, having defeated the devil and all his forces. Jesus now lives and rules over all things for all eternity. It is cause for the greatest celebration, for everyone who hears and believes that gospel Word shares in the victory. “The sting of death is sin, and the strength of sin is the law. But thanks be to God, who gives us the victory through our Lord Jesus Christ. Therefore, my beloved brethren, be steadfast, immovable, always abounding in the work of the Lord, knowing that your labor is not in vain in the Lord” (1 Cor. 15:56-58).

HOME MISSIONS

	Avg. Sunday Attend.	Pastor
Atlanta, GA	25	N. Mayhew
Calgary, AB	17	S. Karp
Chicago, IL	24	D. Baker
Detroit, MI	17	W. Schaller
Grand Rapids, MI	18	T. Holland
Ketchikan, AK	17	D. Fuerstenau
Live Oak, FL	23	K. Stewart
North Port, FL	25	P. Larsen
Sioux Falls, SD	28	M. Gurath
Tacoma, WA	26	P. Naumann
Vernon, BC	30	D. Reim

Zion, Lawrenceville (Atlanta) GA: The Lord continues to provide a steady flow of visitors, both CLC and non-CLC, to Zion's worship services. This year Lenten services were held on Wednesday evenings instead of Fridays, as was done in previous years. In addition, Pastor Mayhew has had the opportunity to meet with a number of contacts on an individual basis and offer them the comfort and counsel of the Word. The congregation was not able to renew the lease on their current worship space, but they were offered a slightly larger area in the same vicinity for favorable terms. The move is scheduled for May. Monthly services are also conducted in a community center near Monterey, TN. Recently there has been an encouraging upswing in attendance and in interest in this effort. 16 attended the service on April 10th.

Resurrection, Calgary, AB: Attendance at the German Sunday service is 12, while the English service averages 4. A Saturday school is held using the CLC Sunday School series. All the children attending are from either a Pentecostal or Catholic background. The change in US/Canadian monetary exchange rates has meant a net decrease in what the congregation receives in subsidy.

Ascension, Batavia, IL: With the spring weather, work on Ascension's new church/parsonage is accelerating. All underground work has been completed, and to date the project is under budget. Much of the work is being done by volunteers from the congregation, assisted by able hands from other CLC churches. A December completion date is planned. A man who lives two blocks from the building site has attended worship occasionally.

Mount Zion, Detroit, MI: For the past three years Pastor Walt Schaller has faithfully served as the CLC's exploratory missionary at Mount Zion in the greater Detroit area. Numerous contacts over this time, as well as his service to an isolated group in the Cleveland area, have demonstrated the importance of continued ministry here.

However, due to budget constraints and other factors, the Board of Missions found it necessary to suspend the exploratory missionary program for the present and to grant Pastor Schaller a peaceful release from his call as exploratory missionary. Subsidy at a reduced level will be provided to Mount Zion, which may allow the congregation to call a pastor for part-time service. It is the Board's prayer that improved finances will allow for the restoration of the exploratory missionary program in the near future.

Rock of Ages, Grand Rapids, MI: Pastor and Mrs. Tim Holland were recently blessed with the birth of a daughter. Worship services were relocated to a motel conference room, because of increased costs at their former rented space. Weekly radio ads and flyers are being utilized for outreach. Plans are underway for VBS on the northwest side of Grand Rapids this summer.

Holy Truth, Ketchikan, AK: Pastor David Fuerstenau traveled to Anchorage last fall to visit several CLC contacts and conduct worship. Another trip is planned for this summer. A VBS program is scheduled as well.

Grace, Live Oak, FL: The congregation's membership is holding steady. The parsonage/fellowship hall roof is slated for replacement this summer. Generous, sacrificial giving has enabled the congregation to meet growing financial challenges.

CLC, North Port, & Bethany, Coral Springs, FL: 65 worshipers gathered Easter morning to praise the risen Lord. Several new contacts may develop into instruction classes. Pastor Paul Larsen holds monthly services at Coconut Creek for two families on Sunday evenings. The members there pay the costs of these trips.

Berea, Sioux Falls, SD: In spite of some very difficult months financially, the congregation is confident of the Lord's help and blessing, and is eager to move forward. The Friends on Fridays program for the developmentally disabled is going well with an average attendance of 70. Evangelism efforts include leaving issues of the Spokesman in local waiting rooms and offering CDs containing ILC Tour Choir songs and a message from Pastor Mark Gurath. The congregation is still pursuing the sale of their property and relocation to a nearby area.

Ascension, Tacoma, WA: Pastor Paul Naumann reports that it is a rarity when visitors are not present at Sunday worship. The congregation has purchased its own web domain: lutherantacoma.com. Car decals with the web address have also been produced. Newspaper ads for special services are published. A direct mail outreach effort is underway made possible by a \$2,500 donation by a non-member. Pastor Naumann writes: *"The Pacific Northwest is an exciting mission field to be in! A newspaper article this week revealed that Washington state has the fewest church-goers per capita in the nation, with the exception of Oregon. We have only 38% who say they go to church. To me this is encouraging--it means that there are spiritual needs going unfulfilled, and that the mission field is wide open."*

St. Paul, Vernon, BC: Pastor David Reim recently conducted a seminar on the Gibson film "The Passion" for both congregation members and visitors. The Friday evening visits to prospects in the community will be resumed soon. The change in US/Canadian exchange rates has resulted in a net decrease in subsidy, as it has for the Calgary congregation.

Other U.S. Efforts

Thankfully, mission work is being done in many other places and ways, besides those efforts supported by the Board of Missions. Congregations in mission situations which do not receive financial support from the Board include Shepherd of the Valley, Weslaco, TX; Gift of God, Mapleton (Fargo), ND, and Peace with God, LaCrosse/Onalaska, WI. In addition, many preaching stations are being maintained by individual congregations in communities such as Fairbanks, AK; Juneau, AK; Monterey, TN; Cleveland, OH; Killeen, TX; Gold Canyon/Mesa, AZ; Los Angeles, CA; Stockton, CA; Orlando, FL; Sioux Center, IA; Cadillac, MI; Kimball, MN; Liberty, MO; Albuquerque, NM; Cleveland, OH; Fairfax, VA; and Withrow, WA. We pray for the success of God's Word among these committed CLC Christians.

Traveling Vacation Bible School -- The TVBS committee, headed by Pastor Paul Tiefel, is now finalizing plans for this summer's program. Another ambitious schedule is being coordinated between dozens of volunteers and

the many congregations who will host the flyer and teaching teams which will prepare for and conduct VBS programs for the children of the community. The itinerary this summer includes trips to Phoenix, AZ; Houston, TX; Vernon, BC; Clarkston, WA; Fargo, ND; Stambaugh, MI; Chicago, IL; LaCrosse, WI; Monterey, TN; Atlanta, GA; and Austin, MN. This year, more so than at any previous time, other congregations besides Messiah, Eau Claire, are taking an active role. Immanuel, Mankato, MN, and Messiah, Milwaukee, WI, will be helping to supply teams and other assistance.

Please keep the TVBS program in your prayers, asking that the Lord's angels will protect these young people over the thousands of miles that they will be traveling. We also pray that the Holy Spirit will work through His Word in the hearts of all those who will hear of the Savior in the course of the summer.

One of the primary goals of the TVBS is to help the mission outreach of our CLC congregations. Therefore the Board of Missions is making a request to Convention to authorize the continued funding for this valuable program through the MDF.

Committee on Domestic Fields (CDF) – The CDF is still in the process of producing an on-line publication of the “CLC Outreach Resource Manual.” This is a collection of ideas for local congregational outreach committees to use in their efforts to witness to the Gospel in their communities. It can be seen on the Internet at: <http://www.redeemerclc.org/missions>. The Manual will be an ongoing work; materials and ideas for outreach should be forwarded to Pastor Walter Schaller, at: clcexp@netzero.net. The Mission Board is encouraging all of our mission congregations to make active use of this resource.

The members of the Committee on Domestic Fields are Mr. Peter Krafft, Teacher David Bernthal ('06), Pastor Walter Schaller ('05), and Mr. Marlin Beekman ('04).

FOREIGN MISSIONS

For about two years, Missionary Koenig has been sending a regular newsletter to our foreign affiliates, entitled B.A.S.I.C. (Brothers and Sisters in Christ). These newsletters cover doctrinal and devotional topics, and also give details on the history and current affairs of our various overseas partners. The report below includes some quotations from these B.A.S.I.C. newsletters, in order to give our CLC members a broad overview of our work in foreign lands.

NCLC, and Second Foreign Missionary – Pastor Gurath, his wife Priscilla, and son Jed arrived in Nigeria during the second week of March, 2004. They joined David and Mary Koenig in Efa, and began immediately to acclimate to serving the Lord among the people of the NCLC. Pastor Gurath has since become acquainted with his duties in preaching, teaching in the NCLC Bible Institute, and outreach planning, including preparations for a VBS program. The mechanics of living and working in this foreign country, with its tropical climate, have been challenging for the Guraths. However, Pastor Gurath has reported on his experiences with enthusiasm and even good humor. We pray for their continued success in our Lord's service in Efa. Plans by the NCLC Board to send a man to the North of Nigeria to work among the Muslims are developing. The goal is to send Pastor Patrick Ekpo, a recent graduate of the seminary, to begin a northern mission. The NCLC has 12 students enrolled in the Bible Institute, many of whom preach in the nearby congregations.

Coming Visitation to Foreign Fields, Summer/Fall '04: From May until August Pastor and Mrs. Koenig will be on furlough here in the U.S. During this time, Pastor Koenig will be traveling extensively to various CLC congregations for mission festivals and informational meetings. Meanwhile, Pastor Gurath and his family will be continuing their work in Efa. In early August, Pastor Koenig will leave for his annual visit to India and other African countries. On this trip he will be accompanied by Pastor Gurath, whose wife and son will return to the U.S. This visitation will last into November, at which time Mary Koenig, along with Priscilla and Jed Gurath, will return to Efa about the same time that our missionaries return from their visitation. We encourage the members of the CLC to remember our missionary families in their prayers, for their safe travel and success in their work for the Lord.

LCEA, the Lutheran Church in East Africa – From B.A.S.I.C. #29: *“On April 4, 2000 Pastor Jesse Angowi, bishop and head of the church, sent an inquiry letter to the CLC. As the missionary was going to be in Kenya shortly, a meeting was arranged. Four Lutheran pastors from the LCEA in Tanzania met and discussed doctrine with us. There seemed to be agreement. The following year the missionary visited the LCEA congregations and pastors in Tanzania. Based upon this we declared fellowship. The LCEA consists of around 1000 souls in 15 congregations. In May of 2003, with CLC assistance, they started St. Peter's Seminary at Himo, Tanzania. There were nine students the first year of the three-year program offered. The school has served already as an outreach opportunity, since among those nine students there are several who are not of the LCEA, but are interested. It takes a lot of hard work to have a school like this function well. Pray that they can persevere. In outreach they have work among the Masai tribe. Only one in ten of the Masai are Christian. The Muslims are also working to bring the Masai into their religion. The LCEA has several stations where some Masai attend. It is hoped that one or more Masai men can attend the seminary. In the last visit by the missionary there were several new preaching stations. In addition to this, one of their pastors is seeking to establish a congregation in Dar es Salaam, a large and Muslim city. Pray that these brethren go forward with the Gospel trusting in the Lord who said His Word would not return to Him void.”*

Missionaries Koenig and Gurath will spend time in Himo during their upcoming Fall visitation. They will review the seminary operation and curriculum, as well as the outreach efforts being conducted among the Masai people. In the next fiscal year, the work of the seminary will be supported by \$400 monthly from the Missions budget. In addition, Kinship sponsors will help to support each seminary student.

Etago, Kenya — From B.A.S.I.C. #27: *“A group of people from the Kisii area were looking for a new church in 1999. These people had been Roman Catholic and Seventh Day Adventist. They had an individual who lived in an area where many tourists traveled who would approach individuals and ask about foreign churches. One man approached one day encouraged them to try the CLC-USA. The correspondence continued until in April 2000 a meeting was held with interested people in Etago, Gucha, and Kisii, Kenya. There were about 125 people who met with the Koenigs in a pasture. After that more literature was sent. The first worship service was held on June 18, 2000 with Samson O. Nyabine as the preacher. The new congregation numbered 32 adults and 24 children. In 2001 another visit by the missionary saw a service with 70 in attendance with 40 baptized. Catechisms have been sent and purchased to prepare the people for communicant membership. There has been steady growth from the meeting in the pasture. Not all who attended the first meeting became members. In the year 2003 the following progress was made by the ECLC. In January an orphan school was started with two teachers and 80 children. This is a preschool to prepare the children (whose parents have died of AIDS) for regular school. This is held in the mudwaddle church building. A sister congregation was started at Kenuchi. Land has been donated and a roof will soon go up for a church building with 25 members at this time. Doctrinal discussions were held with a Baptist Pastor Fred. It appears at this time that he is willing to become a Lutheran with his congregation. They number about 50 at Chotororo. For a small congregation the pastor, elders and members have worked hard to establish themselves as a true-teaching Lutheran church. Our prayer is that God will continue to bless their efforts.”*

BELC – From B.A.S.I.C. #25: *“The CLC's involvement with the Bharath Ev. Lutheran Church in India dates from our initial meetings in 1984, although it was started earlier by Pastor Bas down in Kanyakumari, India. The work of the BELC is in Andhra Pradesh and Tamil Nadu States on the eastern coast of south India. There has been steady growth as the following indicates: 1986 - 300 souls, 1992 - 2000, 2003 - 3802. A disruption has happened between us and the former head of the church, and apparently we have lost some property also. During the problems, though, nearly all of the pastors and congregations in Andhra Pradesh and Tamil Nadu stayed in fellowship with us. The means by which our pastors are now being trained is through monthly meetings held in different meeting places by our lead pastors. The lead pastors conduct the meetings and studies. The CLC missionary conducts them during his visits. The five districts basically have five lead pastors. The two meeting places have been Nellore and Nagalapuram. Now as of last summer we have three new meeting places with studies held there by the following pastors: Victor at Cuddapah, Moses at Renigunta, Sampath at Velur (Vaniyambadi). Paul, Bhasker and Rajamani continue to conduct the studies also as well as supervise the areas. All our lead pastors have had previously two years of intense study. We hope to have a convention once the problems are settled with the former head of the BELC. The BELC faces many, many opportunities for outreach and growth. Now numbering 102 congregations and 82 pastors the growth has been cause to praise God. One*

very important consideration in outreach is to go into villages where there is no other witness for Christ available. In one series of preaching engagements that I had in 34 villages visited, ours was the only church in 18 of them. In addition to the 82+ pastors we have: 8 studying at Cuddapah, 10 at Vaniyambadi, 38 likely at Renigunta. Most of the pastoral candidates do not have a Lutheran background, and must learn the truth and reject the errors of their former affiliations. Our continuing efforts at printing and distributing Luther's catechism in local languages is an important aid to the instruction. Out in the congregations we have many converted Hindus. For this grace we thank our living God."

Among our foreign affiliates, the BELC stands in greatest need of our help for organization, leadership, and teaching in the truths of the Scripture. We have been addressing that need by regular visits from Pastor Koenig, who will be accompanied by Pastor Gurath this Fall. The Mission Board has also approved funding for the airfare of Pastor Todd Ohlmann of St. Louis, MO, who will spend about 6 weeks among the people of the BELC late this summer, as well. Pastor Ohlmann's congregations are contributing the greater share of the overall cost of this trip. It is hoped that Pastor Ohlmann will be able to make this trip annually, with the permission of the congregations he serves, to bolster our presence among the BELC congregations and training centers.

CLCI – From B.A.S.I.C. #24: *"While initial contact with the CLCI began in 1983 with a visitation of CLC pastors to hold doctrinal meetings, the church body under a different name was started in 1968. Over the years over 8000 souls have been baptized. Their growth is showed in the following membership statistics for three years: 1986 -2800 souls, 1992-5000, 2002-7000. Most of the churches are located in Andhra Pradesh State on the east coast of southern India. Just in this state alone there are over 60 million people, the majority of whom do not believe in Christ. It is clear there is much work to do. The founder of the CLCI is V. S. Benjamin, who withdrew from the Andhra Ev. Lutheran Church because of their politics and not teaching correctly from God's Word. His son Jyothi is head of their Bible Institute, where pastors are trained in a three-year program. Another son, Nireekshana, is doing among other outreach with Gospel meetings, and administration of the CLCI orphanage. While the majority of members are in Andhra Pradesh State, a group of about 700 souls is in Madhya Pradesh State. They have been self-supporting there. This is a goal for all to be self-supporting. The CLCI has been working among tribals. These are people who are very backward and live in the forests. Pastor Benjamin's work among them began back toward the start of his church. These people, being very primitive, require a lot of patience to work with. The Bible Institute (started in 1998) has 17 students in the three-year program. Some of the pastors in the field are enrolling in the Institute to have a better foundation in their pastoral training. The CLCI has 69 congregations served by 72 pastors."*

Expansion and improvement to the facilities on the CLCI property is an ongoing process. Following Mission Board approval in September '03, construction has recently begun on the second floor of the mission house. This new facility, which is funded mostly through a special gift to the MDF, will provide a dormitory for seminary students and a separate dormitory room for the orphan boys. Also, an acre of land near to the CLCI property was purchased with Kinship funds, with the purpose of building a school for the orphans. All the orphans currently attend public schools, with a prominent Hindu influence present. Four thousand Telegu catechisms were purchased, 2800 of which are for the CLCI and will go to seminary students and to pastors who have passed the catechism examinations. Since January, some of Pastor Jyothi's work of Translating English to Telegu has been given to Nireekshana. He is translating the doctrinal pamphlets that are used for evangelism and outreach so that Pastor Jyothi can concentrate on the translation of books for seminary instruction.

Ghana, Togo — From B.A.S.I.C. #28: *"In West Africa setting next to each other are the countries of Ghana and Togo. Our contact here was through a CLC-USA member teaching in a school in the area for a year. She found a Lutheran man in Lome, the capital of Togo, who might be interested in the CLC. As it turned out, he did not join the CLC. He did though give us contact with the two men we are working with: Gideon Abussah in Denu, Ghana and Kossi Joffre Blewu in Lome, Togo. In April 2000 the Koenigs met Gideon Abussah at the contact's house in Lome. After some discussions Gideon agreed to study with us to see if he was in agreement with us and could work with us. He had had several years of training in a Bible school. He began a small congregation at Denu, Ghana on the border with Togo. There has been competition with the pentecostal/charismatic churches, and subsequently the congregation is no more. Also, Gideon's wife has been deathly sick, so that the work has not gone forward. Let us pray that he may begin again to reach out with the precious Word of life. In September 2001 we met Kossi Joffre Blewu after having had problems making connections. In April 2001 he was waiting at the*

Lome airport for us, while we flew into the Accra, Ghana airport and drove down. Arriving at the hotel in Lome and waiting we made no connections. He was still interested, so that we met five months later. He began what we call theological education by extension. This is carried out by us with the sending of lessons to him by the mail and classes held when the missionary is present. We are doing this with several other men also. After a study of the catechism Kossi left the Baptist church and joined us seeing that we teach correctly on baptism and communion. At the present time he is conducting services in Lome with a small congregation and teaching school to support himself. With him as with many of the pastors in our sister churches we are assisting with a self-help loan. This is in line with Paul working with his hands to support himself. So we encourage the pastors of our sister churches whose congregations are not large enough to support them to follow Paul's example, as we read of it in: Acts 18:3, 20:34-35, II Thess. 3:7-8. In Lome, as in many of the cities where our sister churches are working, the land is too expensive for us at this time. Pray that land can be found and the people can build a modest church building in which to hallow God's name." During the return trip of the Koenigs to the U.S. for their furlough, they will visit Gideon in Denu, Ghana and Kossi in Lome, Togo.

ELCC, "Eglise Lutherienne de Confession du Congo" — From B.A.S.I.C. #26: *"The Church of the Lutheran Confession of Congo began by that name on October 13, 1998. Pastor Mutombo Muzakuza had been looking for a church body to affiliate with having seen that the Reformed was not in accord with Scripture. He had been baptized Roman Catholic and joined a confessional Reformed church in 1978, ordained as a bishop in 1997. He sought a Lutheran church. His correspondence with us was initiated in April of 1998. Based upon a quantity of French and English doctrinal material having been sent and two meetings with him in Kinshasa (the capital of Congo) in 2001 and 2002, the CLC established fellowship understanding that there was a lot of teaching that had to be done since none of his people had a Lutheran background. We have had difficulty getting materials into the country to Pastor Muzakuza due to unreliability of the mail and corruption in the mail service. We are now trying to send materials through Zambia to him. The warfare in the Democratic Republic of Congo has ended. It is our prayer that the Word may have freer course now. From a recent letter of Pastor Muzakuza's it is evident that they have problems with obtaining property in the cities just as is the case in many other places. The costs are too high for our small groups. While registration on a national level was attempted it is at a standstill now due to raised costs. They are registered in Katanga Province. The majority of pastors and congregations are in Katanga Province which is the very southern part of the country. The capital of this province is Lubumbashi. They are divided up into the northern and southern Katanga Districts in the church. There has been steady growth as the following statistics show: 1999 - 394 souls in 10 congregations, 2001 - 589 souls in 18 congregations., 2002 - 980 souls in 26 congregations. The most recent statistics show 1063 souls in 28 congregations served by 27 pastors. The training of pastors in orthodox Lutheranism is a big job that Pastor Muzakuza has before him. He has classes for part of the pastors on Sunday evenings. Otherwise he makes periodic circuits of visits to the others. We are trying to send in French materials for each pastor for him to study on his own. We are trying, as in all our sister churches, to get the catechism into the hands of all members. The ELCC has a translation committee that has been working on pamphlets that explain our distinct Bible teachings. The first visit of the missionary to Katanga Province took place in October of 2003 with the prayer that each year this takes place and with extended time allowed also. We pray for Pastor Muzakuza and his pastors and people that God give them increased faith and confidence to reach out."*

Project Kinship – The Committee currently is sponsoring 42 children and 37 seminary students through Project Kinship. 33 children and 17 seminary students in the CLCI at Nidubrolu have sponsors. Nine children including a new baby and 11 seminary students have sponsors in the NCLC in Efa, Nigeria. Seven local students and two from Kenya have sponsorships through Kinship at the LCEA seminary in Himo, Tanzania. The baby in Nigeria and the seminary students from Kenya are new additions to the program.

Kinship recently purchased a one-acre parcel of property near the CLCI compound. The goal of this land is to build a Christian Day School for the education of the orphans. The cost of the parcel was \$10,000.

Christmas gifts for the orphans were sent from many different sources to the CLCI orphanage and the children's home in Efa. Mary Koenig, after listing the many gifts and donors said, *"I gave these gifts out several different times. They always enjoy everything. The money was used for special foods, gifts and things they needed. There is still some money left which I will use for treats and gifts for them from time to time. When I visit them, I usually do a craft with them. They haven't worked with a lot of these items, so it's interesting to teach them. For instance,*

last time I had some coloring pictures of the Apostle Paul. We went over what each picture was about and then they colored or painted their pictures. They had never painted before but they caught on fast."

The ECLC in Kenya is requesting help in educating its orphans. These are children whose parents have died of AIDS. The 80 AIDS orphans are taught now in a preschool or nursery set up by two teachers, both members of the congregation. There are children who are likely of second grade age but have never gone to school. Some of these just stopped going to school after their parents died. Of the 80, 30 are under guardians of the congregation while the rest are under the guardianship of others. But the school teaches the Word of God as the congregation sees fit. Generally, the needs of the school are two-fold, funds for the teachers' salaries and supplies, and a classroom. Land next to the church will be donated for the school by a church member. Costs for the teachers' salaries and supplies would be \$75 per month for 40 children. The Mission Board will fund this. The classroom for 40 children will cost \$2000 and will be paid for by Kinship. The land for the school is large enough that the school could be enlarged to eventually have eight classrooms.

Budget Proposal for FY05 – The proposed budget total for Missions in FY05 reflects our first full-year commitment to the fielding of two full-time foreign missionaries. This is a very positive development for the work in the NCLC, as well as for our efforts in India and elsewhere in Africa. The increased activity with two men in Nigeria will mean that regular NCLC subsidy will also rise.

The elimination of the CLC Medical Plan will have varied impact on our domestic missions. In most cases some savings in premiums will result, at least in the short term. However, the end of the CLC Health Plan is one of the factors, along with financial constraints, in the decision to suspend our Exploratory Missionary Program for the time being. We hope to resume exploration of stateside mission fields, whether by means of the Exploratory Program or simply by opening new, full-time missions, in fiscal year 2006 and beyond.

MDF – The Mission Development Fund has been a great aid in enhancing our Gospel outreach efforts over the years. During the past year these funds have been used to allow Missionary Koenig to have regular, face-to-face contact with our brethren in India and Africa. Other important projects have included: the startup costs of fielding our second foreign missionary, Pastor Matthew Gurath; the purchase and distribution of thousands of Bibles, catechisms, and hymnals in native languages; assistance with the purchase of roofing materials for churches; the building of a seminary dormitory for the CLCI; support for VBS programs in India and Nigeria, and funds for the Traveling VBS program.

During the coming year, we are requesting approval of MDF items which will include startup projects overseas, the purchase and distribution of printed materials, capital improvements for seminaries and (on a limited basis) churches, and self-help projects. We also request that missionary travel to and from foreign fields, as well as TVBS support, be allowed to remain as budgeted items of the MDF, based on past precedent and the adverse impact on our program if these items were required to be paid from the regular missions budget. Our commitment as a Mission Board will be that other regular, ongoing operating expenses will be accounted for under the regular Missions budget. As always, MDF line items will need to be approved, on a semi-annual basis, by the Convention or Coordinating Council.

"Reach the Children": The redwood boxes that are found in many CLC churches are for the collection of children's contributions for VBS overseas. During this past year, more than \$500 has been collected for this purpose. This money funds the annual Vacation Bible School program of the CLCI, India, as well as VBS programs in the NCLC, Nigeria. We encourage our stateside VBS programs to offer this giving opportunity to our children again this year. Any church in need of a "Reach the Children" contribution box may contact Pastor Bruce Naumann.

Conclusion— The Mission Board Chairman was invited to contribute toward a B.A.S.I.C. newsletter, and sent the following to our overseas brethren. It is a reminder of the purpose which we share in our mission work overseas. From B.A.S.I.C. #23: *"While I have this opportunity, I would like to share with you some of the current goals and policies of the CLC Board of Missions. We consider it our great privilege that the Lord is making use of CLC people and funds to help spread the Gospel of Christ crucified in India and Africa. The four men who serve on the Board of Missions are responsible to discuss the needs and opportunities for the Lord's work before us,*

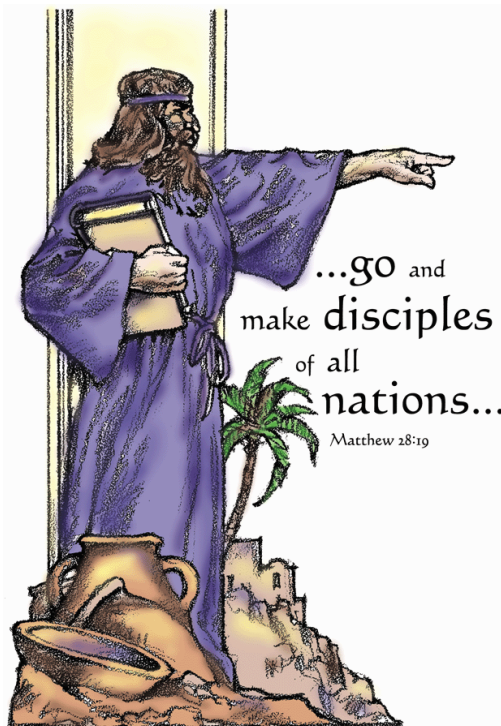
with the counsel and aid of Missionary Koenig. We then apply the money which CLC members contribute in order to help you make this work go forward. The areas of work which we consider to be most important are these:

- 1) To establish and support seminary training centers. When young men are trained in sound Lutheran (that is, Scriptural) teaching, they can then spend a lifetime in preaching and teaching the true Word of God.*
- 2) When it is needed, to find ways to help pastors support themselves through "self-help" projects. We recognize that very poor congregations cannot always provide for their pastor's living expenses. Since the CLC-USA does not provide for the salaries of individual pastors, we want to help by providing loans for small business ventures, or agriculture, or other means to help a pastor support his family himself.*
- 3) To assist our partner church bodies overseas in reaching out with the Gospel to those who do not yet know Christ. We see that the fields are white for harvest, as Jesus said! Our heart's desire is that, on the Last Day when Jesus comes again, we will see a great many people at His right hand who came to believe in Christ because the Lord worked through you and us.*
- 4) To help make our sister church bodies stronger in God's Word through the distribution of Luther's Small Catechism. We believe that the strength of the churches depends not only on the knowledge of the pastors and teachers, but also on the knowledge of Bible doctrine that the individual members have. Luther's Catechism is the best and simplest way for church members to get to know the true Bible teaching.*
- 5) To help our sister church bodies to become self-organized, self-governing, and self-supporting. We recognize that our financial help will always be welcomed. Still, we would like our sister churches to be prepared, if necessary, to be able to continue with the work of the Gospel even without help from us with money.*
- 6) To assist, where we can, in helping congregations as they build their own churches. We have helped to buy the roofing materials for many congregations already, and we look forward to helping in this way in the future.*

May the Lord richly bless your preaching and teaching, as we shine the Gospel light on our Savior, the Lord Jesus, for our people!"

Respectfully submitted by the CLC Board of Missions,

Pastor Bruce Naumann, Chairman *(Grace, Sleepy Eye MN)*
Pastor Michael Eichstadt, Secretary *(Messiah, Milwaukee WI)*
Mr. Peter Krafft *(Grace, Live Oak FL)*
Mr. Jack Mayhew *(Grace, Valentine NE)*



**CLC Board of Missions Budget Proposal
FY 05**

	FY04	FY05
		Proposed 4/04
Administration		
Misc. supplies, expenses	\$400.00	\$1,000.00
Meals & lodging	\$1,000.00	\$1,000.00
Moving expenses	\$1,800.00	\$2,500.00
Telephone	\$2,000.00	\$2,500.00
Postage	\$125.00	\$125.00
Printing	\$125.00	\$125.00
Travel expenses	\$2,000.00	\$2,000.00
General Business Office	\$1,500.00	\$2,000.00
TOTAL - Admin.	\$8,950.00	\$11,250.00
Foreign Missions		
India - CLCI (Benjamin)	\$12,900.00	\$14,000.00
India -- BELC	\$11,160.00	\$12,700.00
Nigeria - NCLC	\$12,700.00	\$18,000.00
Tanzania -- LCEA	\$2,400.00	\$5,700.00
1st Foreign Missionary	\$35,000.00	\$36,000.00
2nd Foreign Missionary	\$17,500.00	\$35,000.00
TOTAL - Foreign	\$91,660.00	\$121,400.00
Home Missions		
Atlanta, GA	\$24,600.00	\$23,400.00
Batavia, IL	\$7,620.00	\$10,020.00
Calgary, Alberta	\$23,400.00	\$22,200.00
Detroit, MI	\$24,000.00	\$14,400.00
Grand Rapids, MI	\$16,500.00	\$15,300.00
Ketchikan, AK	\$8,100.00	\$6,900.00
Live Oak, FL	\$8,100.00	\$9,900.00
North Port, FL	\$7,200.00	\$6,000.00
Sioux Falls, SD	\$10,500.00	\$12,900.00
Tacoma, WA	\$23,400.00	\$22,800.00
Vernon, B.C.	\$13,200.00	\$12,000.00
TOTAL - Domestic	\$166,620.00	\$155,820.00
Medical, salary increases	\$0.00	\$5,000.00
TOTAL BUDGET	\$267,230.00	\$293,470.00

MDF Expenditures, FY04 YTD

1) 2nd Missionary moving	\$3,642.82
2) African Exploratory	\$9,140.20
3) Bibles & Christian Literature	\$5,995.44
4) Bicycles - motorcycles	\$6,655.00
5) Church Roofing	\$2,220.00
6) CLCI -- sem expansion	\$8,160.00
7) GBO Administration	\$1,138.42
8) India Outreach	\$4,392.62
9) LCEA sem improvements	\$0.00
10) Mission Helper	\$1,345.00
11) Nigeria/India Miss. Travel	\$15,104.32
12) "Reach the Children" VBS	\$828.13
13) Self-help Projects	\$0.00
14) Seminary Libraries, Texts	\$0.00
15) Telegu (Indian) Catechisms	\$0.00
16) U.S. Exploratory	\$0.00
17) U.S. Traveling VBS	\$5,481.00
TOTAL	\$64,102.95

CLC MDF, FY05 Proposal

1) African Exploratory	\$9,000.00
2) Bibles & Christian Literature	\$12,000.00
3) Church Roofing	\$3,000.00
4) GBO Administration	\$1,700.00
5) Improved Internet, NCLC	\$2,000.00
6) Indian Exploratory	\$3,000.00
7) LCEA sem improvements	\$1,000.00
8) Mission Helper	\$2,500.00
9) Nigeria/India Miss. Travel	\$18,000.00
10) Reach the Children VBS	\$1,000.00
11) Self-help Projects	\$12,000.00
12) Seminary Libraries, Texts	\$2,000.00
13) U.S. Exploratory	\$3,000.00
14) U.S. Traveling VBS	\$6,000.00
TOTAL	\$76,200.00

Project KINSHIP Budget -- FY05**Projected Income**

Opening balance, FY05	\$8,000.00
Sponsorship Revenue	\$36,000.00
General Revenue (based on 03-04 actuals)	\$14,420.00
Estimated Available	\$58,420.00

Expenditures -- Sponsorship

CLCI Orphanage -- 33 sponsors @\$50/mo	\$19,800.00
CLCI Seminary -- 17 sponors @\$35/mo	\$7,140.00
NCLC Orphanage -- 9 sponsors @15/mo	\$1,620.00
NCLC Seminary -- 11 sponsors, varying rate	\$3,600.00
LCEA Seminary -- 8 sponsors, varying rate	\$3,840.00
Total Sponsorship	\$36,000.00

Expenditures -- General

CLCI Worker salaries & admin.	\$7,980.00
CLCI Orphan housing	\$2,000.00
NCLC Orphan Admin.	\$700.00
GBO Adminstration	\$1,486.00
U.S. phone and admin.	\$600.00
Orphan gifts and misc	\$665.00
NCLC well	\$1,000.00
Additional Etago Aids orphans classroom	\$2,000.00
Misc. needs and repair	\$2,500.00
Total General	\$18,931.00

TOTAL projected expenditures **\$54,931.00**

REPORT: CLC BOARD OF TRUSTEES

Our Lord's blessings upon the Church of the Lutheran Confession are shown in many ways. He has given us many gifts by which we are privileged to do His work. The financial resources that He provides are part of those gifts, and He also has provided servants through which the financial gifts are put to use. We thank our Lord for the dedication of one of these servants, Lowell Moen, who retired in June of 2003 having served the CLC as its treasurer for 39 years. To Lowell our heartfelt thanks for his tireless service which has been appreciated very much.

CLC Current Financial Status 3/31/2004: The key items of the CLC financial results through March 31, 2004 are included below. The detailed monthly report has been distributed and update details will be presented at the June Convention.

- The primary operating accounts, the General Fund and ILC, have a combined balance of \$29,899.
- Spending through the first three quarters of the year is under plan by \$17,092.
- Offerings from congregations are ahead of the same pace of a year ago by \$28,247
- Offerings are less than the CBP estimate by \$2,980 and less than the budget plan need by \$15,881.
- Revenue from students at ILC is ahead of the budget plan by \$34,411.

	<u>3/31/04 Balance</u>	<u>YTD Budget</u>	<u>YTD Receipts</u>
General Fund	-\$7,144	\$554,048	\$540,148
ILC Operations	\$37,043	\$753,641	\$786,312

	<u>Estimate</u>	<u>Actual</u>	<u>Difference</u>
YTD Congregation Offerings	\$541,147	\$538,166	(\$2,980)
YTD Student Receipts	\$530,754	\$565,165	\$34,411

Key Results for the Biennium: Important financial highlights since the 2002 Convention are:

- The ILC Commons Building mortgage was retired in July 2003. From the beginning of the Building Fund collection in 1990 through the retirement of the mortgage in July 2003, the final total cost for the building is:

All Building and Mortgage Costs:	\$1,149,282
Mortgage Principal Paid:	\$450,000
Interest Paid On Mortgage:	\$81,555

- The Student Aid Fund (SAF) and the ILC Grant Endowment have distributed the following totals:

Grants	\$57,865
Loans	\$162,440
Scholarships	\$16,300

- SAF loan repayments totaling \$129,767 have been received during the biennium.
- The Church Extension Fund (CEF) mortgage loans to congregations of the CLC total \$896,000.
- The ILC Improvement Fund (IIF) has completed improvement and maintenance projects totaling \$64,146.
- The Mission Development Fund (MDF) has expended \$159,103 for foreign projects, and \$11,481 for home projects.
- Project Kinship has expended \$83,928 in support of orphans, and seminary students in India and Nigeria.
- The Medical Plan deficit is \$129,568 through the biennium. Accumulated deficit to date: \$268,000.

The convention financial report will provide the detailed results for each of the CLC funds.

2002 Convention Resolutions and Board Actions:

The following resolutions were passed by the 2002 Convention directing Trustee action. The Board response to these resolutions and related Board action is included.

Medical Plan Matters

RESOLVED that we encourage all non-participating congregations to reassess their lack of participation, and become part of the plan if possible,

Newsletters and the monthly President's letter were used to encourage participation.

RESOLVED that the Trustees oversee the preparation and distribution of materials:
a) informing congregations about the CLC Medical Plan, and
b) informing plan participants how best to use their benefits.

Medical Plan information was sent to all participants and Medical Plan benefits booklets were distributed.

RESOLVED that the Board of Trustees continue to investigate various medical insurance options.

The Trustees completed several evaluations & obtained quotes from several new insurance carriers.

RESOLVED that the Board of Trustees cover the FY02 medical plan loss according to their discretion.

The Trustees have resolved to complete repayment of the medical loss amount over a ten year period.

Budget Matters

RESOLVED that our congregations be encouraged to increase their General Fund offerings, and be it further

RESOLVED that the Board of Trustees be directed to request new CBP estimates for FY03, making them due by September.

The congregations of the CLC were asked to improve their estimates during the fall of 2002 to address these items. This was done to address these two resolutions.

RESOLVED that should any shortfalls occur in the General Fund during the next Biennium, the Board of Trustees are directed to declare a fiscal emergency and request immediate funds from the church body.

This action was not needed because sufficient General Fund offerings were received.

RESOLVED that compensation increases continue to be a priority when preparing the FY04 budget.

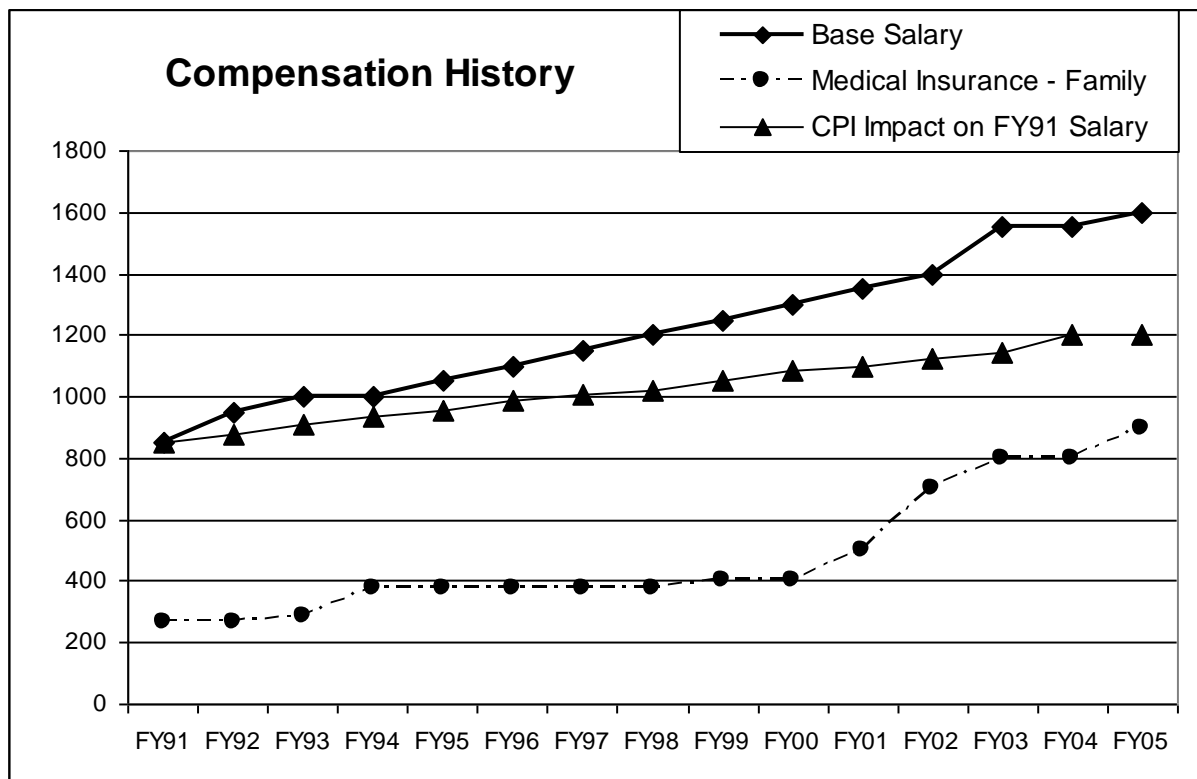
While compensation remained a priority preparing the FY04 budget, the Coordinating Council did not grant a FY04 code salary increase, but did provide for increased medical insurance premiums.

CLC Code Compensation Status: The 2002 Convention as several past conventions resolved to keep the compensation increases a priority in the budgeting process. At the 2002 Convention the base code salary was increased by \$150 per month to \$1550, largely in reaction to the significant change in the medical deductible increases.

Given budget pressures the FY04 (current) budget did not include an increase because the Coordinating Council judged that the salary increase was not the highest priority. The budget proposal for the next fiscal year beginning July 1, 2004 includes a \$50 per month salary increase to \$1600. The following chart is the history of compensation improvements over the past years.

COMPENSATION REVIEW	FY91	FY92	FY93	FY94	FY95	FY96	FY97	FY98	FY99	FY00	FY01	FY02	FY03	FY04	FY05
Base Salary	850	950	1000	1000	1050	1100	1150	1200	1250	1300	1350	1400	1550	1550	1600
Service Increment \$/yr/yr ser	75	75	75	75	75	75	75	75	75	75	75	75	75	75	75
Child Allowance	40	40	40	40	40	40	40	40	40	40	40	40	40	40	40
Medical Insurance - Family	265	265	285	375	375	375	375	375	400	400	500	700	800	800	900
Medical Insurance - Single	105	105	115	150	150	150	150	150	160	160	200	280	325	325	375
Retirement Contribution	50	50	60	70	70	70	70	70	70	70	80	90	100	100	100
Consumer Price Index	4.2%	3.0%	4.0%	2.7%	2.5%	3.3%	1.7%	1.6%	2.7%	3.4%	1.3%	2.4%	1.6%	5.1%	
CPI Impact on FY91 Salary	850	875	910	935	958	990	1006	1023	1050	1086	1100	1126	1145	1203	1203

A graphical representation of the data indicates that our base salary has improved relative to inflation, but note that the medical insurance premium costs have increased much faster.



The compensation of our called workers continues to be a concern. However progress has been made against inflation, and even though two years out of the last 15 years have not had an increase, the salaries have consistently been a priority.

CLC Medical Plan: The Board of Trustees has decided to terminate the CLC Medical Plan on June 30, 2004 and the Convention will be asked to ratify this decision. The following information provides some background.

The CLC Medical Plan was enacted by the 1988 convention and has provided resources for the medical treatment of many of our called workers and their families, with paid benefits/claims exceeding 4 million dollars. Currently there are 55 workers on the Plan. During the early years the Plan had a very favorable claims experience which resulted in low premium costs. However during the past several years the Plan has experienced much larger than usual claims. This has resulted in sharply increased premiums for the Plan. The Trustees have tried various means to help the Plan survive, including subsidizing the Plan to keep monthly premiums down and encouraging more congregations to join the Plan. The efforts have had minimal effect. The data below shows the results.

Medical Plan	FY97 Actual	FY98 Actual	FY99 Actual	FY00 Actual	FY01 Actual	FY02 Actual	FY03 Actual	FY04 Budget
Beginning Balance	46,812.22	33,453.15	36,797.78	83,262.99	-65,858.04	-85,902.86	-139,257.60	-293,686.40
Receipts								
Congregation Premiums	279,531.20	273,348.10	304,770.00	304,680.00	380,363.08	460,905.00	500,000.00	450,000.00
Individual Premiums	9,175.00	10,350.00	4,780.00	10,895.00	5,515.00	10,025.00	5,485.00	3,500.00
Investment Income	1,336.21	1,452.92	1,582.22	1,391.73	0.00	0.00	0.00	0.00
Reinsurance Residuals	30,000.00	49,589.31	9,408.18	163,212.01	183,930.91	671,694.37	39,530.42	120,000.00
Transfer from Reserve						85,902.86	0.00	27,253.49
Medical Plan Subsidy								80,000.00
Other Receipts	0.00	11,516.26	6,559.55	8,270.35	2,856.00	3,313.83	6,457.38	2,500.00
Total Receipts	320,042.41	346,256.59	327,099.95	488,449.09	572,664.99	1,231,841.06	551,472.80	683,253.49

Medical Plan (cont.)	FY97	FY98	FY99	FY00	FY01	FY02	FY03	FY04
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Budget
Total Balance & Receipts	366,854.63	379,709.74	363,897.73	571,712.08	506,806.95	1,145,938.20	412,215.20	389,567.09
Disbursements								
Administrative Fees	0.00	15,012.18	14,290.50	15,658.50	15,269.75	12,713.25	14,004.50	25,000.00
Claims	148,080.74	206,808.91	151,036.49	512,368.94	412,108.27	1,140,780.90	527,513.45	450,000.00
Life and AD&D Premium	0.00	4,353.98	4,359.99	4,381.19	3,350.49	2,816.97	2,876.10	3,000.00
Reinsurance Premiums	185,320.74	109,234.06	104,679.45	104,399.99	156,126.63	127,801.18	154,833.87	130,000.00
Other Payments	0.00	7,502.83	6,268.31	761.50	5,854.67	1,083.50	6,673.68	2,000.00
Total Disbursements	333,401.48	342,911.96	280,634.74	637,570.12	592,709.81	1,285,195.80	705,901.60	610,000.00
Balance	33,453.15	36,797.78	83,262.99	-65,858.04	-85,902.86	-139,257.60	-293,686.40	-220,432.91

During the early years of the Plan, premiums could be kept low, increasing only \$25 from \$375/mo in 1993 to \$400/mo in 1999. But for the last several years, the plan has sustained unusually high claims beyond the plan resources, because of workers' rising medical needs. Accordingly, the premiums have increased dramatically to the current \$800/mo/family and \$325/mo/single.

Preliminary renewal information indicates substantial premium increases of 15-25% can be expected again this July 1, increasing premiums to more than \$900/family and \$400/single. In view of these circumstances the Trustees have completed a detailed evaluation of options for the CLC Medical Plan.

These options are listed in the chart below.

Options	1	2	3	4	5
Description	Current CLC Plan	Fully Funded Plan	Code Workers Only	CLC Catastrophic	No CLC Plan
Type	self insurance	self insurance	self insurance	self insurance	
Family Premium	\$900	\$1,350	??	??	
Single Premium	\$375	\$575	??	??	
Benefits	Same Deductibles	Same Deductibles	Same Deductibles	\$10,000	
CLC Code	All in the plan	All in the plan	All in the plan	All in the plan	
Subsidy	\$80,000	\$0	\$0	\$0	
Termination	\$0	\$0	\$0	\$0	\$200,000
Pro	Insurability Portability No Change	Insurability Portability No Subsidy No CLC Liability	Insurability Defined Group No Subsidy No CLC Liability	Insurability Portability No Subsidy	No CLC Liability Premium Savings No Subsidy
Con	Premium Cost Some PPO Limitations	Large Premium Increase Some PPO Limitations	Termination Costs? Non-Code Insurability	Premium Cost Some PPO Limitations Termination Costs? Declining Enrollment Not a Defined Group Adverse Selection Incompatible with Salaries Uncovered CLC Liability	Premium Increase of some Termination Costs Risk of Poor Insurance

The primary factors that have led the Trustees to ask for the ratification of their decision to terminate the CLC Medical Plan are as follows:

1. Increasing liability to the CLC

- In order to maintain reasonable premium levels the aggregate stop loss coverage limits increased to over \$665,000.

2. Adverse selection

- Increasingly, healthy workers have left the plan for cheaper premiums, resulting in a higher loss and subsidy ratio. Plan participation has declined from 81 in FY00 to 55 currently.

3. Major cost increases

- An adverse selection results in correspondingly higher premiums for stop loss coverage and requires the plan to charge higher premiums to participants.

4. Debt the Plan has incurred

- Over the past several years the plan has operated at a significant deficit, even with major premium increases. The Trustees have resolved to repay this deficit from their General Fund budget over the next 10 years.

Despite the termination of the CLC Medical Plan, the board reminds the CLC constituency that:

1. Medical Insurance is part of the CLC code workers' compensation. Mission congregations & ILC will provide medical insurance for their workers. Benefits and deductibles will be comparable to the current plan.
2. All congregations and schools should continue to provide health insurance as part of their worker compensation.

The board recommends that the CLC Medical Plan terminate at the end of this plan year on June 30th, 2004 for the following reasons:

1. Continuing the plan for several months & then terminating the Plan mid-year could expose the Plan to a higher uncovered risk with a higher liability for claims
2. A 10% decline in enrollment during the plan year could void the contract at the carrier's discretion, risking a re-writing of the contract with higher premiums and a greater liability exposure

Participating congregations and ILC will be advised to seek coverage that will be effective 7/1/04. **Plan participants will be alerted of the need to urge their caregivers to submit claims incurred before June 30, 2004 not later than September 30, 2004. Claims submitted after September 30, 2004 will not be paid.**

Convention is asked to ratify the decision to terminate the CLC Medical Plan effective June 30, 2004.

Church Extension Fund: During this biennium loans totaling \$896,000 have been made to several of our congregations. The CEF continues to be the major source of capital for the CLC providing for many building projects and helping to manage the month-to-month cash flow needs of several operating accounts.

The CEF has for many years borrowed from the members of the CLC to help provide the cash to fund many projects. The interest rate paid on these promissory notes was lowered to a maximum of 4.0% on March 1, 2004 consistent with the current economy and the lower return that the fund can get from reinvestments.

The CEF budget is somewhat difficult to predict precisely, but the past history helps significantly to set the expectations for the fund. Remember that the fund has a large liability of promissory notes held against it by individuals and congregations of the CLC. This obligation requires a large cash balance to provide for repayment of notes that may be recalled.

CEF Budget	FY00 Actual	FY01 Actual	FY02 Actual	FY03 Actual	FY04 Estimate	FY05 Budget
Opening Balance	\$572,205	\$365,815	\$727,189	\$1,000,743	\$1,297,397	\$1,327,422
Receipts						
Contributions & Bequests	\$114,408	\$17,099	\$4,587	\$6,444	\$75,000	\$10,000
Investment Income	\$55,060	\$18,594	\$19,531	\$539	\$50,000	\$20,000
Mortgage Loan Interest	\$158,488	\$162,335	\$162,068	\$169,028	\$175,000	\$175,000
Mortgage Loan Principal	\$245,242	\$262,020	\$371,767	\$233,638	\$250,000	\$250,000
Other Income	\$113,187	\$558,988	\$780,644	\$779,709	\$750,000	\$500,000
Total Receipts	\$686,385	\$1,019,035	\$1,338,598	\$1,189,358	\$1,300,000	\$955,000

CEF Budget (cont)	FY00 Actual	FY01 Actual	FY02 Actual	FY03 Actual	FY04 Estimate	FY05 Budget
Disbursements						
Administration	\$15,193	\$17,432	\$18,545	(\$25)		
Allocation From the GBO				\$21,529	\$20,000	\$20,000
Computer System	\$14,872	\$11,701	\$0			
Debt Service	\$206,211	\$258,134	\$511,000	\$474,199	\$550,000	\$550,000
Mortgage Loans						
Atlanta	\$110,000					
Fairchild	\$40,000					
Denver	\$190,000	\$80,000				
Live Oak	\$30,075					
Milwaukee	\$40,000					
Okabena	\$20,000				\$50,000	
ILC Professorage	\$129,254	\$2,059				
Saginaw	\$19,170	\$60,000	\$10,000			
Weslaco	\$78,000					
Lemmon		\$50,000				
Detroit Lakes		\$16,000				
Fond du Lac		\$140,000				
Northport		\$22,336				
Chicago					\$250,000	
Inver Grove Hts			\$370,500			
Tacoma			\$30,000	\$142,000	\$12,887	
Markesan			\$125,000			
Fargo				\$60,000	\$6,000	
Bismarck				\$70,000		
Loveland				\$45,000	\$190,000	
Spokane- Geth				\$80,000	\$80,000	
Sioux Falls					\$11,088	
Estimated Additional					\$100,000	\$500,000
Total Mortgages	\$656,499	\$370,395	\$535,500	\$397,000	\$699,975	\$500,000
Total Disbursements	\$892,775	\$657,661	\$1,065,044	\$892,703	\$1,269,975	\$1,070,000
Balance	\$365,815	\$727,189	\$1,000,743	\$1,297,397	\$1,327,422	\$1,212,422

A CEF net worth evaluation is done routinely to monitor the health of the fund. This evaluation is done twice annually at the time of the CC meetings. The results of the past several evaluations are:

CEF Net Worth:	9/30/2002	3/31/2003	8/31/2003	3/31/2004
CEF Cash Position:	\$ 561,639	\$ 762,483	\$ 701,893	\$ 970,579
CEF Cash Reserve:	\$ 500,000	\$ 500,000	\$ 500,000	\$ 575,000
Mortgage Balance:	\$ 3,255,224	\$ 3,300,907	\$ 3,542,353	\$ 3,609,758
Total Assets:	\$ 4,316,863	\$ 4,563,390	\$ 4,744,246	\$ 5,155,337
Fund Liabilities:	\$ 2,158,877	\$ 2,424,512	\$ 2,527,079	\$ 2,859,809
Net Worth:	\$ 2,157,986	\$ 2,138,878	\$ 2,217,167	\$ 2,295,528

A bequest from a charitable remainder trust has been received by the CEF. After review of a letter written by the donor the Board has determined that the best way of handling this gift, in keeping with the desire of the donor, is to implement the following action with the concurrence of the CC. The bequest proceeds (\$91,425.19) will be distributed and used based on these resolutions.

RESOLVED, to allocate \$20,000 of the bequest to the ILC Grant Endowment Fund, and further

RESOLVED, to allocate the remainder of the bequest (\$71,425) to the CEF and reduce mission congregation mortgage rate to 4.5%, effective July 1, 2004.

FY05 Trustees Budget Proposal: Following is the Board of Trustees General Fund budget and the proposal for the next fiscal year. The proposal includes 43 beneficiaries participating in the old retirement plan. Note the allocation from the General Business Office (GBO), which is included in the administration portion of the budget. Also, given the recommendation on the Medical Insurance and the Trustee action on resolution of the Medical Plan deficit, a repayment amount has been included in the budget.

Trustees Budget	FY00	FY01	FY02	FY03	FY04	FY05
Administration	Actual	Actual	Actual	Actual	Budget	Proposed
General Business Office	\$0	\$0	\$0	\$6,459	\$6,500	\$6,950
Misc Supplies & Expense	\$494	\$1,773	\$2,189	\$772	\$1,000	\$200
BD of Education	\$391	\$60	\$0	\$0	\$0	\$0
Treasurer's Assistant	\$1,500	\$1,500	\$1,500	\$0	\$0	\$0
Computer Hardware & Software	\$720	\$9,337	\$479	\$0	\$0	\$0
Liability Insurance	\$1,261	\$1,045	\$1,047	\$1,100	\$1,200	\$2,000
Telephone	\$2,472	\$2,029	\$857	\$878	\$700	\$400
Postage	\$1,301	\$1,447	\$903	\$976	\$600	\$650
President's Expenses	\$200	\$99	\$0	\$100	\$250	\$200
Printing	\$442	\$170	\$714	\$141	\$750	\$100
Travel Expenses	\$7,995	\$10,221	\$6,949	\$7,306	\$8,000	\$7,000
Treasurer's Allowance	\$1,800	\$1,800	\$1,800	\$0	\$0	\$0
Total:	\$18,576	\$29,481	\$16,438	\$17,731	\$19,000	\$17,500
Debt Service						
ILC Professorage Loan Payments	\$0	\$9,944	\$10,848	\$10,848	\$10,800	\$10,800
Medical Plan Subsidy					\$80,000	\$0
Medical Deficit Repayment (10yr @5.5%)						\$60,000
Retirement (Old Plan)						
Monthly Payments Families	\$60,160	\$64,938	\$66,135	\$66,216	\$69,200	\$70,700
Monthly Payments Singles	\$42,740	\$42,140	\$40,473	\$39,072	\$41,000	\$41,000
Total:	\$102,900	\$107,078	\$106,608	\$105,288	\$110,200	\$111,700
Total Disbursements	\$121,476	\$146,503	\$133,894	\$133,867	\$220,000	\$200,000

General Business Office: The GBO is the combined office of the CLC, ILC, and the Publishing Division (CLC Book House). As the activities of the CLC have expanded and grown, it has become a substantial business operation handling upwards of \$4,500,000 annually.

The equitable allocation of the costs for the operation of the GBO is being refined. The GBO staff has submitted revised allocations based on their evaluations of the work performed.

The budgets for the next fiscal year include the revised allocations of the GBO. Because of the broad responsibility of the GBO, the CC has determined that its budget will be approved at the CC meeting.

GBO Budget			FY04 Budget	FY05 Budget
Receipts:	Allocations:	Missions	1,500	2,312
		Kinship	1,500	2,312
		MDF	1,500	3,468
		Trustees	6,500	6,937
		CEF	20,000	16,186
		Medical	2,000	3,468
		Retirement Plan	1,500	3,468
		Book House	6,500	9,249
		SAF	3,000	9,249
		IIF	1,500	580
		Regents	52,000	47,980
		Kitchen	14,000	10,405
Total Receipts:			111,500	115,614

GBO Budget (cont.)			FY04 Budget	FY05 Budget
Disbursements:	Staff:	Staff Salaries	70,000	68,004
		Staff Social Security	5,700	5,210
		Staff Medical	19,200	25,800
		Staff Retirement	2,400	3,600
		Part time Help	1,500	0
		Workman's Comp	250	250
		Total:	99,050	102,864
	Computer:	Maintenance	500	500
		New Hdw & SW	1,500	1,500
		Total:	2,000	2,000
	Office Supplies:	Copy Machine Lease	1,000	1,000
		Phone	550	750
		Paper	500	0
		Bank Chg	500	250
		Misc	750	2,000
		Postage	1,000	750
		Total:	4,300	4,750
	Floor Space:		6,000	6,000
Total Disbursements:			111,350	115,614

Based on this budget, the GBO staffing includes the manager, 3 part time workers with hours ranging from 20/week to 36/week, and several additional part time helpers.

The General Business Office operates under the financial management policy established by the Trustees. A committee appointed by the CLC President to review the GBO has developed the following definition of the GBO and the process to approve actions taken.

GBO Management and Accountability

2/5/2004

The definition of GBO management and accountability is the responsibility of the GBO leader (CLC Treasurer, ILC Business Manager, and CLC Book House Manager). Oversight of the GBO and its leader is defined by the constitution and the convention defined responsibilities of the various Boards of the CLC. As such, each of the Boards must direct and review the activities of the GBO as they relate to the Board area of responsibility. The results of the committee review is summarized:

1. The scope of responsibility is based on the duties described in the Financial Manager Position Description.
2. The GBO staffing and management:
 - a. Hiring of the GBO Manager will be a joint effort by the several Boards and approved by the CC.
 - b. Number of positions needed will be planned by the manager and approved by the CC.
 - c. Position descriptions will be developed and updated by the manager and approved by the CC.
 - d. Compensation for each position will be recommended by the manager and approved by the CC.
3. The GBO budget process as executed by the GBO Manager and staff:
 - a. Prepare the line items to be included in the GBO budget
 - b. Prepare the allocation method and amounts for the various CLC accounts
 - c. Submit to the Boards review and approval of the budget by the CC in the budgeting process

The GBO without the name has existed for many years. The key area that will benefit from additional guidelines is the budgeting and allocation of GBO costs.

FY05 Operations Budget Proposal: The congregation CBP response totaled \$758,839. The key areas of expenditure increase are:

- Increase base code salary \$50 to \$1,600 per month
- Increase in the foreign mission program with the addition of the second missionary

Cooperative Budget Plan	Actual	Actual	Actual	Budget	Proposed
General Fund	FY01	FY02	FY03	FY04	FY05
Congregation CBP Estimates	\$612,830	\$637,027	\$678,918	\$721,529	\$758,839
CBP Actual Offering	\$606,984	\$608,438	\$669,305		
Special Offering		\$20,503	\$3,084		
Actual Budget Figures					
General Fund Revenue/Estimates	\$607,388	\$628,945	\$672,399	\$721,529	\$758,839
General Fund Starting Balance	\$49,168	\$0	\$518	\$0	\$0
Reserve Transfers	(\$76,088)	\$0	\$0	\$0	\$0
Total General Fund Revenue	\$580,468	\$628,945	\$672,917	\$721,529	\$758,839
ILC Student Revenue/Estimates	\$677,964	680,092	702,424	707,672	769,240
Prior Year Balance	(\$5,083)	(\$2,019)	\$1,205	\$0	\$0
ILC Other Revenue	\$51,022	\$56,019	\$32,182	\$50,100	\$45,600
Total ILC Revenue	\$723,903	\$734,093	\$735,811	\$757,772	\$814,840
Total Est Operations Revenue	\$1,304,371	\$1,363,038	\$1,408,729	\$1,479,301	\$1,573,679
Total Approved Budget	\$1,308,819	\$1,364,901	\$1,421,879	\$1,474,585	\$1,474,585
Operations Spending					
Extra-Budgetary	\$1,500	\$0	\$1,000	\$0	\$0
Education - Total	\$0	\$0	\$0	\$4,500	\$4,500
Trustees - Total	\$146,503	\$133,894	\$133,867	\$220,000	\$200,000
Missions - Total	\$232,218	\$243,002	\$244,455	\$267,230	\$293,470
Regents - Gen Fund Subsidy	\$213,870	\$251,530	\$269,000	\$247,000	\$260,000
Reserve Transfer to Regents			\$30,071		
Total General Fund	\$594,092	\$628,427	\$678,394	\$738,730	\$757,970
Regents - ILC Revenue Expenditure	\$725,923	\$732,887	\$734,606	\$757,772	\$814,840
Regents - ILC Total	\$939,793	\$984,417	\$1,033,677	\$1,004,772	\$1,074,840
Total Spent/Planned:	\$1,320,015	\$1,361,314	\$1,412,999	\$1,496,502	\$1,572,810
Spending (Over)/Under:	(\$11,196)	\$3,587	\$8,880	(\$17,201)	\$869

Proposals for 2004 Convention Action:

1. Ratify the decision to terminate the CLC Medical Plan
 - See the section of this report that addresses the CLC Medical Plan
2. Remove the 50% equity investment restriction on the CLC Retirement Plan
 - A resolution from a past convention limits the amount of equity investments in the Retirement Plan to 50%.
 - The Trustees recommend that the Plan continue the conservative investment approach but allow the allocation of investments to be managed under the Investment Guidelines prepared by the Trustees wherein the limits are set.
3. Retirement contribution increase in FY06 and FY07
 - In keeping with the need to continue to address the adequate retirement planning for our workers, the Trustees recommend that the contribution for the participants be increased.
 - The increase proposed is \$10/month (from \$100 to \$110) in FY06 and \$10/month (from \$110 to \$120) in FY07.
4. Continue to raise the salaries \$50/month each year.

Mr. Philip Radichel, Chairman *(Grace, Fridley MN)*
 Pastor John Ude *(Grace, Fridley MN)*

Pastor James Sandeen, Secretary *(St. Paul, Denver CO)*
 Mr. Eugene Lang *(St. Paul, Bismarck ND)*

REPORT: BUDGETARY PROCESS REVIEW COMMITTEE

At the 25th Convention of the Church of the Lutheran Confession (CLC) in June 2002, President John Schierenbeck appointed the following to a committee to review the budgeting process: Mr. Steve Leinberger (Gethsemane, Saginaw, MI), Mr. Steve Ludvigson (Berea, Inver Grove Heights, MN) and Dr. James Sydow (Grace, Fridley, MN). The Executive Summary includes the two specific Convention resolutions that defined the committee assignment and states the committee recommendations related to each. The body of the report provides the background discussion and issue analysis for each. Also included is an addendum of two spreadsheets with ten years of historical data and current fiscal year budget information.

Convention resolution:

Resolved that the President of the CLC appoint a committee to make a study of the suggested budgeting approach (...CLC subsidy to ILC cover all budgetary expenses incurred for professors' salaries and benefits...) and that said committee report its findings to the 2004 Convention (25th CLC Convention Proceedings, 2002, p. 87)

Committee recommendation:

The Budget Review Committee recommends that the current method of determining the CLC subsidy to ILC be continued and not be tied to specific expenditure items in the ILC operating budget.

Convention resolution:

Therefore be it resolved that the matter of changing the fiscal year (...the fiscal year to start on October 1st each year...) be referred to said committee (25th CLC Convention Proceedings, 2002, p. 98).

Committee recommendation:

The Budget Review Committee recommends

- **that the CLC fiscal year (July 1st – June 30th) not be changed, and further**
- **that the approved ILC operating budget not be modified if there is a projected end of year balance within 3% of the approved budget, and finally**
- **that the next year's ILC operating budget includes any budget deficits or surpluses up to 3% of the previous year's budget.**

Other significant observations of the Budget Review Committee are the following:

That the Cooperative Budget Plan (CBP) continues to be an effective means for representing the needs of the CLC to the member congregations and is an effective tool for estimating revenue.

That the Board of Regents and the Board of Missions include on-going expenditure items in their respective budgets and identify only those projects for the ILC Improvement Fund (IIF) and the Mission Development Fund (MDF) that are one-time activities or long-term capital improvements.

Mr. Steve Ludvigson, Chairman (*Berea, Inver Grove Heights*)

Mr. Steve Leinberger (*Gethsemane, Saginaw, MI*)

Dr. James Sydow, CLC Treasurer (*Messiah, Eau Claire WI*)

Report: CLC Standing Constitution Committee

Right of Appeal - Proposed Modification

Whereas, in a case of church discipline, a lengthy passage of time can make the review of an action very difficult, due to failing recollections and/or lost or inaccurate records, therefore, be it

RESOLVED that the following additions be made to the CLC Constitution Bylaw 6, the Right of Appeal:

A. Any member of a congregation of the Church of the Lutheran Confession who has been excommunicated, or whose membership has been suspended or terminated has the right of appeal, and shall be so informed by the congregation. A pastor, teacher, or professor whose call has been terminated or who has been suspended by the Praesidium has the right of appeal, and shall be so informed by the Praesidium. The appeal and the grievances are to be submitted in writing to the appropriate Conference Visitor with a copy to the President of the Church of the Lutheran Confession not more than six months from the date of the action taken against the party.

D. In the event that either party is not satisfied that the case has been dealt with in a just and scriptural manner by the commission of review, an appeal of the case may be filed with the President of the Church of the Lutheran Confession not more than six months from the date of the report of the first commission of review. The President of the Church of the Lutheran Confession is then to ask two visitors of the synod to appoint the second commission of review.....

Whereas the relationship of the President's report of an appeal matter to the convention's review of the matter is unclear, therefore be it

RESOLVED that the following clarification be made to CLC Constitution, Bylaw 6:E:

Original Wording

E. The President of the Church of the Lutheran Confession shall report the disposition of the case to the next regular convention. If the convention chooses to review the case, all documents pertaining to the case shall be submitted to the committee chosen by the convention.

Proposed Change

E. The President of the Church of the Lutheran Confession shall report the disposition of the case to the next regular convention. If there is an appeal, the convention shall decide whether to review the case. If so, all documents pertaining to the case shall be submitted to the committee chosen by the convention.

Pastor Peter Reim (*Prince of Peace, Loveland CO*)
Mr. Joel Kraft (*St. Matthews, Dallas TX*)
Mr. Ivan Zarling (*Trinity, Spokane WA*)

REPORT: CLC Foundation Board

The CLC Foundation Guidelines Study Committee submitted its findings to the 2002 Convention with recommendations for approval of five “substantive” amendments to the Guidelines (2002 Proceedings, pages 30-34). The Convention resolved “that this study be referred to the Coordinating Council for action” (page 99). The Coordinating Council at its Fall 2002 meeting reviewed the amendments as presented and adopted the first four recommendations. “The remainder of the report was referred to the Foundation Committee for further work” (Coordinating Council Report, September 11-12, 2002, page 2). Your board completed its work in February 2003 and submits the amended Guidelines for ratification by the Convention.

Copies of the pamphlets, “**Seed Tips in Estate Planning**” and “**Ways of Giving to the Church of the Lutheran Confession Foundation**,” are available for members of our congregations.

THE CHURCH OF THE LUTHERAN CONFESSION FOUNDATION

Guidelines

- I. NAME:** The Church of the Lutheran Confession (hereinafter referred to as the “CLC”) shall have a Foundation. The Foundation shall be named “The Church of the Lutheran Confession Foundation” (hereinafter referred to as the “Foundation”). It shall be part of the CLC itself, and not a separate entity.
- II. GENERAL PURPOSE:** The Foundation is to provide the means for the CLC to administer special gifts and bequests (hereinafter collectively referred to as “donations”) given by members of the CLC for the Work of the Kingdom of God. All undesignated special gifts and bequests or undesignated portions of special gifts and bequests given to the CLC shall be directed to the Foundation for administration.
- III. FOUNDATION BOARD AND OFFICERS:**
- A. The Foundation Board (hereinafter referred to as the “Board”) shall consist of three members. The term of each member shall be six years; terms shall be staggered with one member to be appointed at each regular convention by the Conference Visitors and the Presidium. Each appointment shall be subject to ratification by the convention. Board members can not serve consecutive terms. The members of this Board shall not be members of any elective board nor of the CLC Presidium.
 - B. The Board shall elect its own chairman and secretary. The Treasurer of the CLC shall also act as treasurer of the Foundation
 1. The Chairman or member designated by the chairman shall preside at all Board meetings
 2. The Secretary shall:
 - a. Maintain complete and accurate minutes of all meetings of the Board and supply a copy thereof to each member.
 - b. Maintain an accounting of all donations received and disbursed.
 3. The Treasurer of the CLC shall receive, deposit, and disburse funds of the Foundation as directed by the Board, and maintain complete and accurate books of account.
 - C. The Board may ask other members of the CLC to serve as advisory members and shall refer all legal matters to the Chairman of the Board of Trustees.
- IV. BOARD DUTIES:**
- A. The Board shall make known the existence of the Foundation to the membership of the CLC.
 - B. The Board shall provide direction and assistance to prospective donors for giving donations and bequests according to the regulations established for the Foundation. (This especially relates to the consideration and acceptance of designated and undesignated gifts as mentioned in Sections V.F. and H. 2. b.)
 - C. The Board shall, upon the direction of the CLC President and the Coordinating Council, make distribution of gifts and accumulated earnings according to the regulations established for the Foundation.
 - D. The Board shall provide periodic reports to the CLC regarding the status of the Foundation.

V. REGULATIONS:

In accordance with the Constitution of the CLC (ARTICLE VI. D), the Board shall, subject to the ratification of the convention, establish and amend its own regulations as necessary to conduct the business of the Foundation.

- A. Meetings. The Board shall meet at least annually, or as frequently as may be deemed necessary in the best interest of the Foundation.
- B. Reporting. In accordance with the Constitution of the CLC (ARTICLE VI), the Board shall submit written reports to the regular convention of the CLC.
- C. Board Approval.
 - 1. With all members of the Board fully informed of the decision in question, all decisions of the Board need approval by a simple majority of its members before action is taken.
 - 2. No member of the Board shall engage in any self-dealing or transactions with the Foundation in which the member of the Board has direct or indirect financial interest and shall at all times refrain from any conduct in which his personal interest would conflict with the interest of the Foundation.
- D. Publication.
 - 1. The Board shall inform the membership of the CLC of the existence and purpose of the Foundation by distribution of pamphlets and through articles in CLC media.
 - 2. The Board shall *not* solicit gifts. This does not prohibit the distribution of general information as required above.
- E. Administrative expenses of the Foundation shall be submitted to the CLC Trustees chairman and included in the Trustees' Budget.
- F. Donations may be made upon special terms or conditions or containing limitations or directions as to the use of the substance of the donation or the use of accumulation of the earnings, provided that the restriction(s) are defined in writing, and are acceptable to the Board.
- G. Endowments.
 - 1. The Foundation shall maintain an endowment account for the management of the donations given to the Foundation as an endowment. The endowment account shall be called the "Foundation Endowment".
 Undesignated accumulated earnings from endowments making up the Foundation Endowment shall be disbursed by the CLC Treasurer at the direction of the President and the Coordinating Council.
 Designated accumulated earnings from endowments making up the Foundation Endowment shall be disbursed by the CLC Treasurer according to the terms of acceptance with the donor.
 - 2. The CLC needs flexibility to respond to the doors the Lord opens. Therefore, both the accumulated earnings and principal of all endowment donations shall be available for the Lord's work. The Board shall periodically review all endowment principal, and may upon ratification of the Convention distribute a portion of the endowment principal to one or more of the Funds of the CLC as deemed to be appropriate to support and expand the ministry of the CLC.
- H. Policy for Accepting Donations.
 - 1. Each donation must be approved by the Foundation Board prior to being accepted into the Foundation. The potential donor may request assistance from a Board member. However, the Board shall not draft, establish, or administer any legal documents, contracts, wills, or trusts, including a charitable remainder trust, for any individual or group. Acquiring the services of an attorney or financial counselor shall be the responsibility of the donor.
 - 2. The Board shall determine the suitability of accepting each donation, based on the following criteria:
 - a. The Board shall encourage donations from members of the CLC.
 Donations
 - (1) from individuals who are not members of the CLC,
 - (2) from companies or corporations owned by individuals who are or who are not members of the CLC, and
 - (3) from any other source,
 may be accepted by the Board if such donations would be accepted under policies in force and applying to other funds of the CLC.
 - b. Donations may be undesignated or may be designated for approved CLC Funds, Projects or Endowments.
 - c. Donations shall be consistent with the policy to maintain the financial stability of the CLC.
 - d. Donations shall be free of liability and legal encumbrance.
 - e. Contractual agreements to receive or to pay out any proceeds of investments or any capital amounts at some future date or for some period in the future, whether stated or implied, may

only be made with individuals who are members of the CLC. Such agreements, once made, shall be honored in full regardless of continued member status of such individuals.

3. Approval and Denial. The Board will indicate in writing the acceptance or declination of a donation to the Foundation to the donor or his agent.
- I. Administration of Donations.
 1. Upon acceptance of a donation by the Board, written acknowledgement of receipt shall be sent to the donor by the Board of Trustees, including a designation of the value ascribed.
 2. Upon the instruction of the Board, the Treasurer shall receive and disburse all funds for which the Board has been made responsible.
 3. All donations shall be liquidated upon receipt unless the donation at the time of receipt is in a form acceptable to the Board, and/or suitable for investment as the CLC Board of Trustees shall direct.
 4. Upon receipt of a donation by the Foundation and until the donation is disbursed from the Foundation, the Board of Trustees shall invest all funds of the Foundation as the CLC shall direct.
- J. Policy for Distribution of Funds.
 1. Designated donations and their accumulated earnings will be distributed in a timely manner to the appropriate CLC Fund, Project or Endowment.
 2. Donations designated to Funds or Projects which cease to exist shall be considered undesignated and shall be distributed according to the guidelines for undesignated donations.
 3. Undesignated donations and their accumulated earnings shall be disbursed to a CLC Fund, Project or Endowment at the direction of the President and the Coordinating Council.
 4. All accumulated earnings shall be distributed at least annually.
 5. The Board shall not distribute funds to the General Fund of the CLC.

Financial Report

On hand 03/31/02

CLC Foundation Endowment	\$1,000.00
CLC Foundation	43.86

Received

Donations - CLC Foundation Endowment	\$ 215.00
Earnings - CLC Foundation	121.42

On hand 03/31/04

CLC Foundation Endowment	\$1,215.00
CLC Foundation	165.28

Mr. Tim Noeldner (*Messiah, Eau Claire WI*)

Mr. Randy Dreyer (*Peace Thru Christ, Middleton WI*)

Pastor Elton Hallauer (*Bethel, Morris; Peace, P Prairie MN*)

REPORT: Lutheran Spokesman - Survey on Readership

The 2002 Convention Proceedings (page 83, paragraph 1) passed the following resolution: " .. . We recommend that the Business Manager arrange to have a survey conducted to determine why there has been a decrease in the number of subscriptions for Spokesman "

In working the Publishing Division and more specifically, Pastor Joel Fleischer and Editor Paul Fleischer, it has been determined not to have another survey, but to use the results of the survey presented at the last convention. Pastor Joel Fleischer has summarized these results.

Benno Sydow, Business Manager (*Berea, Inver Grove Heights MN*)

REPORT: Ministry By Mail

- Editor: Pastor Wayne C. Eichstadt
- Writing Staff: Michael M. Eichstadt, Wayne C. Eichstadt, Peter E. Reim, Michael J. Roehl, and Michael M. Schierenbeck.
- Business Assistant: Wendy Sharp (Immanuel member)
- Production Assistants: Mary Hansen, Joan Hartmann (Immanuel members)
- Current Subscriptions: Some congregations receive bulk mailings, some congregations receive a single master copy for their own production, and the rest of the subscriptions are made up of individuals receiving one or more copies.
 - 85 weekly copies are mailed (2 large print, 76 United States, 4 foreign)
 - 5 pastors receive a master via email
 - An unknown number reads and/or downloads the sermons from the Internet (www.clclutheran.org)
 - We also provide a copy of each sermon to the CLC archives
- Current Subscription rates:

Annual subscriptions are \$40.00 for a single weekly sermon; \$10.00 for each additional copy mailed to the same address.
Large print subscriptions are available for \$50.00/year (\$20.00 for each additional copy mailed to the same address).
Bulk subscriptions (more than 10 copies to same address) are charged at actual postage and printing costs.
Foreign subscriptions are \$45.00 (mailed biweekly).

In the Savior's Service,

Pastor Wayne C. Eichstadt (*Immanuel, Mankato MN*)

Report: ILC Academic Center Publicity Committee

During the past biennium our committee has done the following work to the glory of God and for the welfare of His Church.

- Produced a poster with pictures of buildings on the ILC campus and the proposed ILC Academic Center Drawing
- Sent out Building Fund Envelopes
- Put out 4 bulletin inserts
- Set up ILC Publicity Web site
- Initiated the ILC Alumni Web site
- Encouraged saving aluminum cans to help in funding
- Set up a weekend at ILC to collate 36,000 sheets of papers with the money going to the Academic Center Building Fund
- Encouraged the CLC Teachers' to write a brief paragraph on why ILC was special to them and how important they felt a new Academic Center would be from a teaching/learning perspective—will use their paragraphs for future bulletin inserts.
- Encouraged Alumni to write brief excerpts on how important ILC was to their spiritual and educational training—will use their excerpts for future bulletin inserts.
- Producing a video of life at ILC from a student's perspective

Mr. Jeff Altom (*Messiah, Eau Claire WI*)

Mr. Randy Dreyer

Pastor Mark Bernthal (*Peace Thru Christ, Madison WI*)

Report: CLC Compensation Committee

(Summary)

We have been "directed to prepare materials to help educate the congregations about our financial needs and the functions of the CBP, and to prepare a long range compensation program to be presented to the 2004 convention for consideration." (2002 Proceedings, p.97)

To achieve this, we are preparing:

I. a) A compensation template that is intended to be annually considered by our congregations as they consider the matter of their responsibilities for compensating called servants. This template will include three parts:

1. A consideration of Biblical principles related to the compensation of church workers
2. Generalities related to the application of these principles
3. Specifics related to the application of these principles

It is our hope that this template will encourage a more focused effort to follow all of the Scriptural direction we are given in regard to worker compensation.

b) An informational pamphlet regarding the opportunities we are given in connection with the entire scope of the work of our church body, how the CBP is our chosen vehicle to help in the administration our financial resources to this end, and how vital proper stewardship considerations are to enable us individually to "cheerfully" contribute according to the abilities our God gives to work with such far-reaching (eternal) consequences. We seek to address in an evangelical manner how important and appropriate a careful and honest inventory of our Lord's blessings to each of us becomes in this regard.

II. A matrix (summarized below) for a compensation program for our workers which would provide for them in a manner similar to lower paid professionals in our society. Given their educational requirements and the scope of the responsibilities they assume in connection with their callings this at least seems appropriate. Our proposal encourages that we move away from any approach that appears to be a needs-based model to a plan/model that might be considered value-based.

Current Plan

Base	\$1600/month (\$19,200/yr)
Experience Increment	\$6.25/month for each year served
Child Allowance	\$40 per month per child

Proposed Plan

Base	\$2,700/month (\$32,400/yr) Pastors	\$2,295/month (\$27,540/yr) Teachers
Experience Increment	\$40/month (\$480/year) Pastors	\$34/month (\$408/year) Teachers
Child Allowance	None	

Re: New Compensation Proposal

1. For many years we have discussed CLC worker compensation, frequently stressing our need to more adequately provide for our called workers. We are providing this new matrix as a goal, a standard by which to measure and monitor our progress toward that specific goal. We are realistic about the fact that our progress will have to be made within the context of a clear picture of the whole scope of our work and our available resources. With this matrix, however, we have a long-range program which can continue to serve as a goal and a standard of evaluation.

2. As can be seen we provide specifics of our current model for comparison purposes. Our new model is meant to be adjusted each year, or at least periodically, for inflation. This allows for some kind of cost of living increase, as well. According to the Bureau of Labor and Statistics, inflation over the last decade is as follows: 1994 (2.6%), '95 (2.8%), '96 (3%), '97 (2.3%), '98 (1.6%) '99 (2.2%), 2000 (3.4%), '01 (2.8%), '02 (1.6%), '03 (2.3%). While we have enjoyed comparatively modest inflation rates in the last decade, inflation rates will be a fact of life. If our trend of only adding \$50 per month to our base salary continues, we would want to make people aware that we need to factor the inflation rate into the equation to determine what the actual increase in the base might be in a given year. Certainly any discussion of the current state of our code base salary would need to factor in how our practice of adding \$25 per month (\$300/yr) to code for quite some time, often at times when inflation rates were higher than we have experienced in the past decade, fared against inflation. That is part of the reason a new model as we are now presenting appears so ambitious. The further we get behind the more difficult it is to recover.

3. ***A significant difference with the new model is that it intends that housing would be the responsibility of the worker.*** The trend for churches to get out of the housing market continues successfully in other bodies comparable to our own. While it requires an effort to do so, those workers are usually gaining an equity value that it would be very difficult for many groups to match if they were attempting to provide that entire value themselves. In the end analysis, the fact that the employer has not removed the 'choice factor' from the worker stands to benefit the worker in the very same way that most in our church body benefit from owning their homes when retirement approaches. We believe we, too, should make this attempt. Even in the CLC it is possible that more workers than some would think are already now purchasing their own homes. We know there are many instances where it is not feasible currently for this change to be made. Our model would then recommend a 25% (30% if utilities are included) decrease in compensation, with 10% of that amount directed toward some kind of equity fund for the worker. The net result would be 15% (20% with utilities). Now the large congregational advantage of church-owned housing is being shared with the worker, who in our circles will need help to cover housing costs at his or her retirement. In fairness to our workers, this is a very practical matter which deserves our concerted attention.

4. Please note any 'child allowance' is eliminated. This is a need-based component which really seems very antiquated in our day. The comparatively sharp increase in experience increment (from \$6.25 to \$40 per month) is meant to address this, and some other considerations, as well.

Pastor Doug Libby (Immanuel, Mankato MN)

Mr. Steve Ludvigson (Berea, Inver Grove Heights MN)

Mr. Tom Lentz (Immanuel, Mankato MN)



MEMORIAL: Temporary Moratorium on ILC Building Projects

- Whereas,** discussion has arisen concerning an ILC chapel during deliberations about the proposed ILC Academic Center; and
- Whereas,** synod conferences have been directed to study and contemplate the issues of use, feasibility and benefits of such a chapel amongst themselves; and
- Whereas,** such discussion, study, and findings have not had opportunity to be duly presented to the synod; and
- Whereas,** delegates to previous conventions have not been presented with more than one classroom building proposal(layout, design, type of structure and materials used); and
- Whereas,** reasons put forth for the building of the proposed "ILC Academic Center" have been based upon, in part, the following three assumptions:
- 1.) ILHS enrollment will continue to increase
 - 2.) ILHS enrollment has experienced continued historical increases, and is now at record levels
 - 3.) The present academic facilities are inadequate and/or antiquated and;
- Whereas,** the aforementioned reasons or assumptions may and should be further deliberated upon as we consider the current and future need of said classroom building based on the following:
- 1.) For various reasons, current enrollment figures may in fact be peaks for a great many years to come(cf. Current synod membership, % attending from Of available students, etc.)
 - 2.) Rather than being at all-time highs enrollment-wise, we are in fact just now, after 25 years, getting back to previous enrollment levels(cf. Late 1970's high-school classes);
 - 3.) Present facilities not only have served well, but some may serve faithfully for many more years to come with maintenance, improvement, and modification / expansion.
- Therefore, be it**
- Resolved** that the current academic center plan be held in abeyance during the presentation of alternative classroom building plans, discussion of current classroom building plans; and further deliberation on the issue of an ILC chapel proposal, as well as the priority, use, and need of each of these buildings. These issues will be discussed and presented during the 2004-06 biennium and voted on at the 2006 CLC Convention. ALSO, be it also
- Resolved,** that during the ensuing biennium, the "ILC Building Fund" continue to operate and receive offerings. These offerings will accumulate for the purpose of whichever building is ultimately accepted in whatever form and design becomes final. In conclusion, let it be finally
- Resolved,** that if and when(whether before or after the proposed ILC chapel) the "Immanuel Academic Center" be built, it be done after the fashion of Reim Hall, being built of wood frame construction and by the constituency of our CLC synod. The total size and room size shall remain as proposed by the previously-appointed ILC Project Planning Committee. Total cost of the building (not including furnishings and equipment) shall not exceed \$400,000.

Submitted by,

Marty Dummann: Bd. of Trustees; Trinity Lutheran; Watertown, S.D.

George Dummann: Pastor; Redeemer, First, Zion Lutheran congregations

Bowdle, Faulkton, Ipswich, S.D.

MEMORIAL: ILC Academic Center

- Whereas due to student classroom needs we have resolved as a synod to construct an Academic Center at ILC (2002 Proceedings p. 102) and
- Whereas construction may not begin until “1) the funds necessary to complete the project have been collected to within \$600,000 of the final project cost (the remaining \$600,000 can be borrowed to begin construction 2) the Church Extension Fund must be in a position to lend the necessary funds.” (2002 Proceedings p. 102), and
- Whereas with anticipated annual cost increases of \$30,000 - \$60,000 coupled with the current and historical rate of offerings for the building fund it would take at least 10-15 years for the fund to be within \$600,000 of the final project cost, and
- Whereas the student classroom needs (more square footage, adequate ventilation, an area more conducive to education - cf. 2002 Proceedings p. 102) recognized by the 2002 Convention are current and unmet, therefore be it
- Resolved** that construction of the Academic Center begin when 1) the funds necessary to complete the project are 20% of the final project cost and 2) the Church Extension Fund is in a position to lend the necessary funds.

Respectfully submitted,

Pastor Mike Schierenbeck *(Faith, Markesan WI)*

MEMORIAL: CLC Subsidized Medical Plan

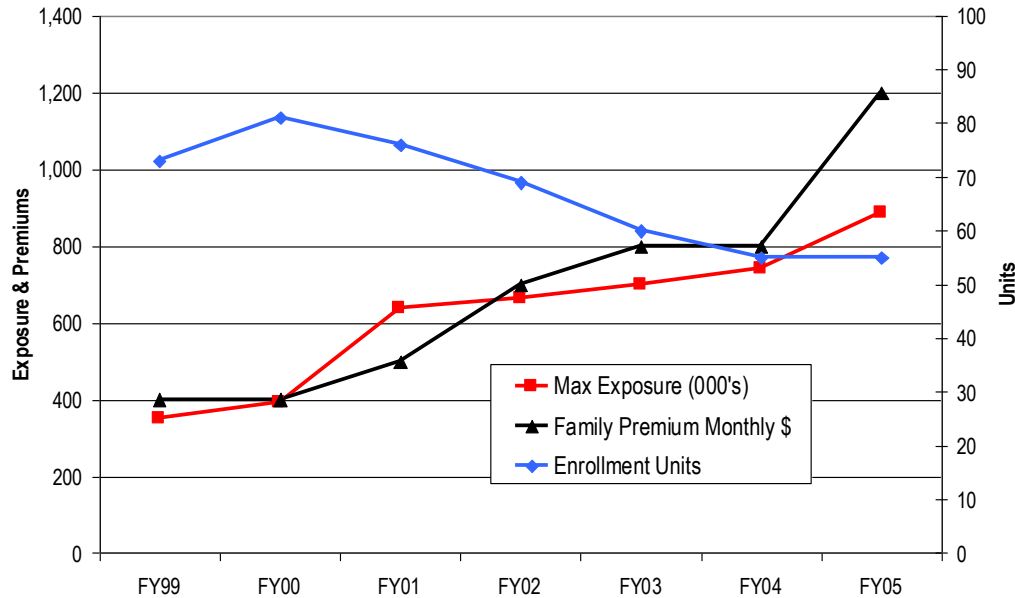
- WHEREAS,** The CLC Medical(Health Insurance) Plan has encountered drastic financial difficulties in the previous five years; and
- WHEREAS,** this has resulted in a high rate of borrowing(@\$250,000 to date) against other synod accounts (cf. FY03 injection of \$80,000 from CEF); and
- WHEREAS,** there has been no plan put forth to reimburse said funds into other accounts; and
- WHEREAS,** this situation threatens to have a further negative financial impact on other efforts of the Church of the Lutheran Confession; and
- WHEREAS,** requiring our synod-subsidized mission congregations to buy costly synod health insurance disallows them from more quickly becoming self- supporting and thus freeing up synod and congregational funds for other purposes; and finally
- WHEREAS,** spending in this area has become a financial stewardship issue to seriously address both within individual congregations and synodically; therefore be it
- RESOLVED:** that the CLC Medical Plan be terminated effective December 31, 2004 and congregations obtain their own health insurance privately.

Redeemer Ev. Lutheran Church
Bowdle, South Dakota

CLC Trustees Supplementary Report to Convention

Medical Insurance Plan

- Ratification of decision to terminate the CLC Medical Plan:



Medical Insurance Plan

- Ratification of decision to terminate the CLC Medical Plan is recommended because:
 1. Increasing liability to the CLC from higher stop loss coverage limits
 2. Adverse selection because healthy workers have left the Plan
 3. Major premium cost increases have made the Plan less desirable
 4. Debt the Plan has incurred has reached practical limits
 5. All plan participants have been able to secure alternate coverage
 6. Continuing the Plan until midyear poses an additional high risk to the CLC
- Convention resolved to terminate the CLC Medical Plan effective June 30, 2004.

Retirement Plan Investments

- The Trustees recommend that limits in the investment portfolio for the Retirement Plan be revised:
 1. The CLC has operated a qualified retirement plan since 1986
 2. Convention resolutions limit the equity investments in the Retirement Plan to 50% of the total account value.
 3. A conservative investment approach must be maintained but fixed limits of equity investments do not always serve the Plan goals
 4. The Trustees have developed investment policies that set the limits.
- Convention resolved to remove the 50% equity investment restriction in the Retirement Plan and operate based on the limits set in the Trustees “Statement of Investment Policy and Guidelines”.

Retirement Plan Contributions

- In order to increase the CLC Retirement Plan viability it is necessary to periodically increase the monthly contribution to the Plan for each of the participants.
 1. The Convention in 2000 increased the contribution by \$10/month for FY01 and FY02
 2. Given the need to continue to address the adequate retirement planning for our workers, the Trustees recommend that the contribution for the participants be increased.
- Convention resolved to increase the individual contribution to the CLC Retirement Plan for each participant \$10/month from \$100 to \$110 in FY06 and \$10/month from \$110 to \$120 in FY07.

Base Code Salary and Mileage Rate

- The compensation of our called workers must continue to be addressed by the Convention
- Over the last 15 years the base salary has been increased \$50/month each year
- The proposed budgets for FY05 include the same salary increase
- With increasing car expense the Trustees recommend the mileage reimbursement be increased from \$0.25/mile to \$0.30/mile
- Convention approved the CLC base code salary increase of \$50/month for FY05 from \$1550 to \$1600/month.
- Convention resolved to increase the mileage reimbursement from \$0.25/mile to \$0.35/mile.





REPORT OF THE PRESIDENT
TO THE
26TH CONVENTION OF THE
CHURCH OF THE LUTHERAN CONFESSION
JUNE 21-25, 2004

O blessed ministry Of reconciliation That shows the way to God,
And brings to us salvation!
By Thine evangel pure, Lord Thou preservst Thy fold,
Dost call, enlighten, keep, Dost comfort and uphold.

My parents and people from their generation have experienced in their lifetime the greatest changes the world has seen. They have witnessed a world which has gone from outdoor privies and people who seldom traveled more than twenty-miles from home to a world dominated by the computer, instant communication on the internet, and unlimited travel. Although there is nothing new under the sun as far as man's basic condition and needs, there certainly have been changes in the spiritual climate and mores of our society. I believe that in the next ten years, the Church of the Lutheran Confession will face tremendous challenges in the manner in which this blessed ministry of reconciliation will be proclaimed by our small church body.

In light of these changes, it is legitimate to examine our continuing commitment to the Gospel ministry of reconciliation and to confessional Lutheranism. Some of those who were involved with the formation of the CLC almost fifty years ago are concerned about this present generation's faithfulness to the Scriptures and the future of confessional Lutheranism. We need to recognize that these are valid concerns based on the history of church organizations throughout the ages. Consider the emptiness of the Lutheran religion in Germany today. Consider the apostasy of Lutheran churches in the United States in the last fifty years. But most of all, consider the weakness inherent within ourselves.

The form and the demands of the public ministry have changed in the last fifty years. My father has remarked that I am facing problems in my pastoral ministry on a regular basis that he never dreamed of facing. I am convinced that my son is going to have an even more difficult time in his ministry. In 1943 a WELS seminary professor counseled his students to spend the mornings studying, the afternoons visiting, and the evenings with family. Tell this to any pastor today, and he would long for the good, old days.

Today the workload is more demanding. Pastors are expected to prepare bulletins and annual reports in PowerPoint formats. More work goes into preparing special services. Meetings fill up the entire week. Counseling our members occupies a large part of our work as pastors. We sometimes expect our younger pastors and teachers to fulfill their ministry of reconciliation in the same way we did in the 50's and 60's.

Today the attitude toward the public ministry is different. Our pastors and teachers today face entirely different attitudes in children and people regarding respect and responsibility. Families are facing the pressures of working mothers, the ease of no-fault divorce, and different levels of commitment toward the Word and the organized church. Everything seems to be getting busier and more stressful. Congregations need to be careful about how they treat their public servants realizing that the high calling of the public ministry is worthy of double honor.

However, God is still in control. There are tremendous opportunities for this Gospel of reconciliation. I was impressed with the openness and spiritual interest shown by primarily high school age young people at the CLC Youth Conference held near Cleveland, TN last summer.

There was an overriding concern for sharing with others this ministry of reconciliation, which has been committed to us. They were impressed by the simple fact that, as president of the CLC, I had even bothered to ask them how the church body could better serve them. Their answers revealed a depth of spiritual interest and insight. Their concern for the sharing of this Gospel through the ministry of reconciliation is a great blessing.

I am also heartened by the spirit and Scriptural foundation of our young pastors and teachers. Immanuel Lutheran College has done a remarkable job in teaching and training young people for the Gospel ministry of reconciliation in all its forms. These young people will be leaders within the CLC and are God's ambassadors for Christ to the next generation.

The members of the Church of the Lutheran Confession and this convention need to recognize the challenges that face us as a confessional church body entrusted with the ministry of reconciliation. While the challenges are great, we have the confidence that this ministry of reconciliation (the Gospel) will empower us and will create the forms this ministry will take in the next years. We need to emphasize the glorious ministry of reconciliation as we consider the work the Lord has laid before us at this convention.

We need to remember that this is **God's** ministry of reconciliation. The initiative for reconciliation came from God not from man. We were separated from God because of our sins. We were dead in trespasses and sins. We were enemies of God. God purposed to do something. God reconciled the world unto Himself in the most unbelievable way. God did not impute the sins of the world unto them. The message of the Bible is God's ministry of reconciliation. This ministry of reconciliation is always in Christ and through Christ. Our main purpose is to preach Christ crucified.

God then committed this ministry of reconciliation to you. Every believer by virtue of his call to follow Jesus has been entrusted with this ministry of reconciliation. This is not just a "ministry" given to public servants of the Word. God has made all of you ambassadors for Christ. Through you God pleads with lost sinners to be reconciled to Himself. As a church body, our purpose in this generation is to proclaim the wonders God has done in reconciling the whole world to Himself. This message is the power of God unto salvation to everyone who believes this Word of reconciliation.

How are we going to fulfill our high calling in functioning as ambassadors for Christ? How are we going to plead with a secular society which has a form of godliness which actually denies the very Lord that bought them? How are we of the Church of the Lutheran Confession going to function as people possessing the glorious ministry of reconciliation in this coming generation? The ministry of this Gospel of reconciliation will create its own forms in order to proclaim this message to the world.

The Lord has moved the hearts of His people to participate in this ministry of reconciliation with their prayers, their talents, and their financial gifts of faith. There is always more to do than we are able. As a church body, we are going to have to decide at this convention how to use and prioritize the resources that the Lord has provided for us to carry out His ministry of reconciliation. Some have said at conventions that we have to have more faith in order to do everything the Lord has laid out for us. The implication is that our people do not have enough faith, and that they are not giving enough to do what we think they should do. The CLC's giving for synodical purposes reveals that the same number of people have consistently been giving more and more. There will never be a time, hopefully, when we will have more resources than

needs. We cannot meet every need in this world. This convention has the privilege of deciding the priorities for the use of the resources that the CLC has.

There is a tendency for conventions to sidestep difficult financial choices by emphasizing special funds and special appeals. This does not work in the long term and can become discouraging for our people. It is important that we do not avoid difficult decisions by creating and emphasizing special funds and projects. We need to work within the means the Lord has provided for us. It is also important that we do not think that one form of this ministry is more important than another. The answer is not simply to tell our people, "You aren't giving enough." Many local congregations are struggling with their own financial problems. This convention will have to make some difficult decisions. We need to ask for God's guidance.

Pastor Daniel Fleischer correctly pointed out in his President's Report at the last convention, "In the matter of finances we can expect no more than that the people of God give willingly, cheerfully, and regularly according to the measure of grace they have received and in accord with the substance with which they are blessed. Among us, giving is part of the sanctified Christian life. The sanctified life is a consequence of the Gospel working in the heart. Let us not ever preach the Gospel to satisfy our treasury; but let us never resort to any other means to touch the hearts of people in this regard than through preaching of the Gospel!"

I hope that you will take time during this convention to reflect upon the miracles God has accomplished among us. His Gospel and saving Word have made us priests and kings. God has called us out of the darkness into His marvelous light. He has done this so that we might proclaim the praises of a gracious God. Instead of focusing on what we can't do, we should be rejoicing in what God has done for us as a church body and as congregations. The Lord has committed unto us the glorious ministry of reconciliation in His saving Word.

This ministry of reconciliation in the CLC is carried out in connection with our support of those who preach the Gospel.

The Scriptural principle is that the person who preaches the Gospel should live from the Gospel (1 Corinthians 9:14). At this convention, we will continue to struggle with providing adequate compensation for our called workers. In our day, medical insurance is an important part of the compensation package. The CLC through its medical plan has paid out almost three million dollars in the last five and a half years (1998-2003) to cover the medical claims of our workers. The ability to pay these costs has been a blessing. Whether we provide a CLC medical plan or use some other plan, these medical costs will have to continue to be paid. Medical coverage for our CLC workers must be considered an essential element of the care of our workers even in the face of continually rising premium costs.

There are no easy answers. 1) We could expect the individual, the congregation, or the church body to pay the uninsured medical bills of our called servants. However, we cannot afford even one large claim (\$1,000,000 +). 2) We could expect the state or federal government to pay for the insurance and costs of our called servants. 3) Some congregations may be able to save money by having an individual policy for their called servants. All of these are short-term solutions. These alternatives may not provide for those who have preexistent health problems or for those who may move to another state and have developed serious health issues. They also will not address the needs of congregations or individuals who cannot afford the cost of health insurance.

I believe that these issues of portability, affordability, and insurability will cause serious problems for our workers and may impact decisions regarding the divine call. Without full participation, the CLC plan was not a true group where the risks are shared by all the workers. The CLC plan faced the problem of those with better health leaving because of lower short-term

costs. Our medical plan also faced rising deficits. I know that the Board of Trustees has spent many hours in wrestling with this problem. The Board of Trustees has recommended and put into action the termination of our current CLC Medical Plan. The effects of this will work themselves out in the next years. I also know that the Lord will provide. It is possible that the Lord would teach us as pastors and teachers to rely more and more upon Him by removing our current CLC medical insurance.

The ministry of reconciliation in the CLC is carried out at ILC as we equip “saints for the work of ministry.”

This ministry of reconciliation includes the blessing the Lord has provided for us in Immanuel Lutheran High School, College and Seminary. Before the CLC officially organized, our fathers committed us to the funding of a school where pastors and teachers would be trained for the public ministry. They took a long-term view of the most effective way to fulfill Jesus’ command to make disciples of the nations. We dare not ignore the financial commitment involved in carrying out this form of the ministry. We are not only training young people for the public ministry. We are also equipping the saints to be lights in this world in their every day living. With God’s help, the Convention needs to provide the commitment necessary to continue this important training of our young people in this generation. Very few church bodies today provide for the thorough Scriptural training of pastors and teachers for the next generation.

The Lord has blessed us with a history of commitment to Christian education through our elementary school system. Today our Christian Day Schools and our teachers are under increasing pressure. Smaller numbers of students and financial constraints within our congregations will make it difficult for some of our congregations to support a Christian Day School. Teachers are having a difficult time because of the failure of the home and the pervasive influence of the world. We need to help our teachers, especially our younger teachers. We also have a tremendous opportunity in helping our families to home school their children. This is consistent with the Scriptural paradigm of parents directly training their children. There are new opportunities for us to expand the concept of Christ-centered education. The Board of Education’s *God’s Hand In Our Lives* Sunday School series has provided materials not only for our congregations, but through the internet, to many different people.

The ministry of reconciliation in the CLC is carried out as we seek to fulfill Jesus’ command “to disciple the nations.”

The ministry of reconciliation is carried out by our Board of Missions. They are in the process of reexamining the allocation of resources in opening and supporting new mission stations. They have called a second foreign missionary to help in the fields in Africa and India. We need to realize that mission strategy is not simply going into areas which have not heard the Gospel. It is the Lord of the Church who opens and closes doors. We need to be more attentive to where Jesus would have us go. It is safe to say that if we could financially support congregations and their building programs in Africa and India, we could open an unlimited number of missions. Unless we are able to make these congregations and church bodies confessionally sound and financially self-supporting, we will not be following the pattern laid out in the book of Acts. We are also facing more and more requests for money for things which are peripheral to the work of the ministry of reconciliation. This includes orphanages, building programs, hostels, and self-help business proposals. The Board of Missions needs to clearly define the limits of our financial support in these foreign fields. I believe that it is important in building the church overseas that we have more and more native leaders of these churches trained at ILC.

The decision to send a second foreign missionary also means that there will be less money available for our state-side missions. The Convention will have to examine the cost involved in

sustaining our stateside mission congregations. The Board of Missions has terminated the exploratory mission program for the present. We should not underestimate the importance of the work of smaller congregations as a part of the ministry of reconciliation. It is not pleasant to bring up the possible necessity of contracture in our congregations. There may be different ways to serve some of our congregations. This could involve several smaller congregations being served by one pastor. The Internet may make it possible to serve smaller groups in new and different ways. It is amazing how many contacts come from our web page. The CLC Web Site could develop into a new way of reaching out with the Word of reconciliation. We also are going to have to develop the gifts within our members and train them to function as ambassadors for Christ. The Mission Board needs to consider new ways of promoting and supporting our home mission program.

God has committed this Word of reconciliation unto us.

The Lord has committed unto us the ministry of reconciliation. This Gospel ministry will produce the forms to accomplish the Lord's will. We have been given tremendous opportunities to proclaim this Gospel of reconciliation to our generation. As always, these new forms may produce temporary dislocation and shake up the status quo. Our hope does not rest in the Church of the Lutheran Confession or our present organizational structure. This is God's ministry of reconciliation. Let us rejoice in this day which the Lord has made for us. "Therefore if anyone is in Christ, he is a new creation; old things have passed away; behold, all things have become new." At this convention, we need to center our energy and our attention on this glorious message of reconciliation.

Sometimes it seems that too much time and emphasis is placed on finances. These financial debates are a little like making sausage at Hormel. The process is not pretty, but it is necessary. This convention will determine the direction the Lord would have us go by making difficult financial decisions and setting priorities. These financial decisions set the course this ministry of reconciliation will take in our church body in the future. Conventions need to concentrate their efforts on making large policy directives and avoid micro-managing the boards. Give the boards large policy directives, and let them figure out how best to get there. As our organizational structure has gotten more complicated, we still tend to operate as if the convention should decide every detail of our work. The boards also need to frame the larger issues in such a way that conventions can give direction. The present medical plan decisions brought into sharp focus the need to make the Coordinating Council a true Board of Directors with decision-making power subject to the Convention and not simply an advisory board.

We thank all those who serve the CLC in many various ways. It also should be noted that the work of our boards is becoming more and more time-consuming because of the growing complexities involved in their duties. Unlike other church bodies with bloated bureaucracies, the CLC is served for the most part by part-time volunteers. The complexity factor raises a very large question of succession management. There is a concern in getting people up to speed on the work of the various boards. I would encourage all the boards and the ILC Business Manager to continue to work on handbooks of procedures to insure that everything gets done properly and in good order.

I also recommend with the concurrence of the Coordinating Council that the Convention use the Visitors as a true nominating committee. This would enable the visitors with due deliberation to bring a slate of qualified candidates to the Convention for all elective offices. The Convention would still have the right to add names to the slate of candidates from the floor. The Visitors are prepared to function this way at this Convention if the delegates approve.

This is a very important convention, and the delegates have their work cut out for them. May the Holy Spirit bless your efforts and guide your decisions. Try to keep your eye on this glorious

ministry of reconciliation which we have in “earthen vessels.” Surely our convention is an earthen vessel. Rejoice in the “Word” of reconciliation that is being proclaimed in our devotions and reflected in our essays. God has committed the glorious ministry of reconciliation unto us.

Doctrine

The matter of the American Legion occupied much of the time, energy and prayers of the last convention. The 2002 Convention without a recorded dissenting vote adopted a statement on the American Legion. The Preamble set the tone for the resolution, “With regard to the American Legion, we concur that it would be inadvisable to provide... ‘a synodical rule or precedent that must be mechanically or legalistically applied.’ (Proceedings p. 42) We likewise share the concern expressed in the GPC Report that confessional Lutherans of good faith have wrestled with this issue for over 80 years.” Many were filled with joy that the Spirit had led us to make an evangelical and clear Christian witness of our concern for our members for whom Jesus’ died.

Following the convention, I did receive several requests for clarification of what the convention said and what the convention resolution implied. It is with sadness that I report that one of our pastors, Pastor Stephen Kurtzahn, left the CLC on July 30, 2002, applying Romans 16:17-18 to the CLC over the Legion issue. In his letter to his congregation, Pastor Kurtzahn also stated that he “no longer believes there is a doctrinal difference between the WELS/ELS and the CLC.”

The “CLC Constitution” gives the President of the CLC the responsibility for “The interpretation of the constitution and of the resolutions passed by the convention.” (Article VII (E)) On August 15, 2002, I sent my official interpretation of the convention resolution on the American Legion to the pastors of the CLC. My interpretation could not go beyond what the convention said and did. I pointed out in my interpretation that the convention resolution was **pastoral** in nature as it sought to help our people in coming to a God-pleasing decision regarding their membership in the Legion. Copies of the full text of my interpretation and my *Personal Plea to Pastors of the CLC* will be made available to the floor committee.

It is now time to move on, and in all our pastoral ministries of reconciliation help our people grapple with all the issues that confront them in a godless and materialistic society. I concluded my *Personal Plea to the Pastors of the CLC*:

“As pastors we continue to pray and study the Word in order to aid our people in their struggle to apply the principles of Scripture to various organizations and situations in their everyday lives. I pray that this unity of purpose, as expressed in the Convention resolution, will enable us to deal with one another in brotherly love and to work patiently and evangelically with our members, always considering and seeking the spiritual welfare of blood-bought souls entrusted to our care.”

Appeal

The 2002 CLC President’s report stated, “A couple filed an appeal on an action of excommunication taken against them in 1994 by a congregation of which they had been members. An appeal committee heard the appeal. The committee reported ‘no validity in the charges’ against ‘the pastor,’ and ‘no reason to challenge’ the congregation’s decision.”

The first committee’s decision was appealed. A second appeal committee was appointed according to Bylaw 6 of the Constitution. The Second Appeal Committee encountered several problems because of the long lapse of time and the frailty of human nature. The Second Appeal Committee was in complete agreement with the First Appeal Committee and the Conference

Visitor in their conclusion that there was nothing unscriptural in the doctrine and practice of the pastor. However, the Second Appeal Committee did find problems with the congregation's act of excommunication.

The conclusion of the Second Appeal Committee was:

"Therefore, it is the conclusion of the Second Appeal Committee that the excommunication of the parties on December 19, 1994 was invalid and should be declared null and void.

"However, because of the doctrinal differences that exist between the party and the congregation and thus also the Church of the Lutheran Confession, we would not expect or recommend that the congregation receive them as members until those doctrinal differences are resolved."

The congregation responded to the Second Appeal Committee's report:

"We accept the Scriptural instruction of the Second Appeal Committee as outlined in their report. We agree that the excommunication did not follow certain Scriptural principles, and is therefore invalid.

"Therefore, we rescind the resolution of December 19, 1994.... thereby making the excommunication null and void.

"At the same time we regretfully acknowledge that their membership remains terminated because of their 'adherence to false doctrine.'"

The Constitution states, "The President of the Church of the Lutheran Confession shall report the disposition of the case to the next regular convention. If the convention chooses to review the case, all documents pertaining to the case will be submitted to the committee chosen by the convention." (Bylaw 6 (E))

My recommendation is that the Convention accept the report of the Second Appeal Committee. Based on the congregation's action, there is no need for further action by the convention on this appeal. The case is closed. We commit this entire matter to God Who not only judges righteously, but also desires that His children live in peace with one another.

I would urge the convention to consider the Standing Constitution Committee's recommendation regarding the length of time for an appeal to be made. I also intend, as recommended by the Second Appeal Committee, to urge a review of the Biblical teaching on church discipline including excommunication as well as the proper and orderly practices associated with it.

I thank both appeal committees for their faithful and careful work. I thank God that the Spirit moved people to listen to the Word of God and act according to it. The discussions were free of personal rancor and intemperate behavior and language. There was a heartfelt struggle with the issue involved.

Miscellaneous

In accord with the spirit of last convention's response to the "Evangelism Memorial," the theme of this convention emphasizes the glorious ministry of reconciliation which has been committed to us.

The CLC Directory (the names and addresses of all called workers in the CLC) has been separated from the official CLC Roster (pastors, teachers, professors whose installation has been authorized by the President of the CLC). The CLC Directory is published every two years

and is available on the CLC web site. The official CLC Roster, from which I draw my call lists, is maintained on the CLC web site. It is not published as a separate booklet.

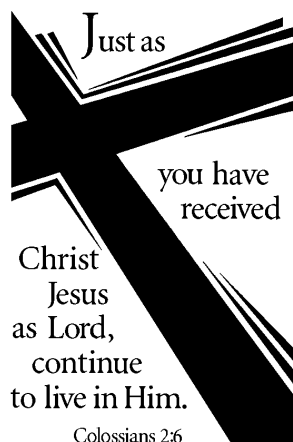
I intend to have the Visitors of the CLC prepare a handbook outlining the duties and responsibilities of the office of visitor. Work has begun on a Visitors' Handbook.

Finally, I would urge that memorials be limited to subjects that are proper for a convention to examine and act upon. The subject matter of many memorials should first be submitted to the proper board for consideration and action.

We thank the Lord of the Church for committing the Word of reconciliation unto us. I would personally like to thank everyone in the CLC for helping to make the last two years a smooth transition in the office of president. Pastor Dan Fleischer has been particularly helpful with his advice and counsel. All the boards, committees, and the visitors have worked hard so that all things are done decently and in order. I ask that the members of the CLC continue to pray for their called workers including those who serve the Church of the Lutheran Confession in official capacities. In the last days of this world, I ask for your prayers. It truly is a glorious ministry of reconciliation that has been committed to us. And you are our "living letters" communicating the message of reconciliation to lost sinners.

"Do we begin again to commend ourselves? Or do we need, as some others, epistles of commendation to you or letters of commendation from you? You are our epistle written in our hearts, known and read by all men; clearly you are an epistle of Christ, ministered by us, written not with ink but by the Spirit of the living God, not on tablets of stone but on tablets of flesh, that is, of the heart. And we have such trust through Christ toward God. Not that we are sufficient of ourselves to think of anything as being from ourselves, but our sufficiency is from God, who also made us sufficient as ministers of the new covenant, not of the letter but of the Spirit; for the letter kills, but the Spirit gives life."

(2 Corinthians 3:1-6)



PASTORS: ORDINATION/INSTALLATION

<u>*Ordained/Installed:</u>	<u>By:</u>	<u>Date:</u>	<u>Congregation:</u>
Michael Wilke	Professor Michael Sydow	August 18, 2002	Gethsemane, Saginaw, MI
Bruce Naumann	Pastor Em. Dale Redlin	August 25, 2002 September 1, 2002	Grace, Sleepy Eye, MN Faith, New Ulm, MN
*Nathanael Mayhew	Pastor Paul Tiefel	September 29, 2002	Zion, Atlanta, GA
Ted Barthels	Pastor David Schierenbeck	November 10, 2002	St. Paul, Austin, MN
Michael Schierenbeck	Pastor Em. Keith Olmanson	December 8, 2002	Faith, Markesan, WI
John Klatt	Pastor Frank Gantt	March 30, 2003	Good Shepherd, Rapid City, SD
George Dummann	Pastor Michael Roehl	April 6, 2003	Redeemer, Bowdle, SD
John M. Johannes	Pastor Em. John H Johannes	May 11, 2003	Mt. Olive, Detroit Lakes, MN St. Paul, Ponsford, MN
*Luke Bernthal	Pastor Mark Bernthal	June 29, 2003	Bethel, Spring (Houston), TX
James Naumann	Pastor David Naumann	July 5, 2003	St Paul's, White River, SD Peace, Mission, SD
*Matthew Hanel	Pastor Michael Roehl	July 6, 2003	Prince of Peace, Hecla, SD
Matthew Gurath	Pastor Bruce Naumann	February 28, 2004	Second Foreign Missionary

TEACHERS: INSTALLED/CLC CERTIFIED

<u>Installed/*CLC Certified:</u>	<u>By:</u>	<u>Date:</u>	<u>School:</u>
Wendy Greve	Pastor Del Mass	July 13, 2003	Holy Cross, Phoenix, AZ
Matthew Thurow	Pastor David Schierenbeck	July 27, 2003	Berea, Inver Grove Heights, MN
*Amy Rodas	Pastor David Naumann	July 28, 2002	Luther Memorial, Fond d Lac, WI
*Valerie Bernthal	Pastor James Albrecht	August 10, 2003	St John's, Okabena, MN
Lindsey Paul	Pastor Bob List	August 3, 2003	Gethsemane, Spokane, WA
*Anita Meyer	Pastor James Naumann	August 3, 2003	Grace, Valentine, NE

APPLICATION FOR MEMBERSHIP

Pastors:
Nathanael Mayhew
Luke Bernthal
Matthew Hanel
Glenn Oster

Teachers:
Joel Gullerud
Ryan Libby

MEMBERSHIP CHANGES

Withdrawal - Pastors:
Stephen Kurtzahn

Retirement - Teachers
Robert Snell

Retirement – Pastors:
John H. Johannes

Resignations – Teachers:
Barry Hay
Philip Strike
Kurt Koenig
J.D. Sydow

Resignations – Pastors:
Jay Hartmann

DEDICATIONS

<u>Congregation:</u>	<u>Dedicated:</u>	<u>Speaker:</u>	<u>Date:</u>
Gift of God Mapleton, ND	Church	Pastor Ted Barthels, Pastor John M. Johannes Pastor Michael Roehl	October 13, 2002
Ascension Tacoma, WA	Church	Pastor John Schierenbeck	June 15, 2003
St Paul Bismarck, ND	Church Addition	Pastor Michael Roehl	August 10, 2003
Resurrection Corpus Christi, TX	Church Addition	Pastor Joel Fleischer	May 9, 2004

ANNIVERSARIES

<u>Congregation:</u>	<u>Years:</u>	<u>Speaker:</u>	<u>Date:</u>
Peace Thru Christ Middleton, WI	30	Pastor John Ude	June 30, 2002
Redeemer Cheyenne, WY	50	Pastor L Dale Redlin Pastor Norman Greve Professor Michael Sydow Pastor D Franklin Gantt Pastor Michael Eichstadt	August 4, 2002
Prince of Peace	25	Former Pastor Michael Sprengeler	November 9, 2003
Faith Ballwin, MO	50	Professor Michael Sydow Pastor Mark Gullerud Former Pastor Jerry Barthels Pastor Vance Fossum	June 12-13, 2004
Trinity Lutheran Spokane, WA	60	Pastor Paul Schaller Pastor David Schaller Pastor John Hein	June 13, 2004
Faith Lutheran Markesan, WI	40	Pastor Em. Egbert Albrecht Professor Michael Sydow Pastor Bruce Naumann	June 20, 2004

PERSONAL ANNIVERSARIES

<u>Anniversary of:</u>	<u>Years Service:</u>	<u>Date:</u>
Professor John Lau	50	July 7, 2002
Pastor Arthur Schultz	50	June 17, 2003
Professor Ron Roehl	50	May 21, 2004
Pastor Paul Fleischer	40	May 23, 2004
Teacher Marion Fitschen	40	May 30, 2004

MINISTERS OF THE CONVENTION

“O BLESSED MINISTRY OF RECONCILIATION”

2 Corinthians 5:18-21

Essayists: Professor Steve Sippert; Mr. Larry Dassow;
Pastor Andrew Schaller; Professor Paul Sullivan

Chaplain: Pastor Ted Barthels

Communion Service Preacher: Pastor David Fuerstenau

Communion Liturgist/Service Coordinator: Pastor David Povolny

Organist Coordinator: Professor Paul Schaller

Convention Reporter: Professor Joseph Lau

Church of the Lutheran Confession

Office of the President

John Schierenbeck
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Winter Haven FL 33881
863.299.4084 JnSchbeck@aol.com

August 15, 2002

I have received several requests for an interpretation of the 2002 Convention resolution on The American Legion. As President of the CLC I "represent the Church of the Lutheran Confession between conventions," and I am charged with seeing "to it that all resolutions are carried out."

The Convention resolution was thoroughly debated and adopted without any recorded nay votes. This is my official interpretation of the 2002 resolution. As the president of the CLC, my interpretation of the resolution cannot go beyond what the Convention said and did.

The Convention resolution did clearly recognize that "the religious elements of The American Legion identified in the 2001 General Pastoral Conference Report are in conflict with God's Word "; and that "membership in The American Legion risks compromising our Christian witness and may provide an occasion for offense"; and that "The American Legion . . . publishes, materials that endanger souls." The resolution also gave guidance as to how this is to be handled on an individual level. "We trust that God's Word, rather than synodical resolutions, will serve to bind consciences where and when they are to be bound, and that the Gospel will move Christian hearts in a God-pleasing direction." The Convention then resolved "that for the spiritual welfare of souls, patient and evangelical guidance be given to any in our congregations who are members of The American Legion, with the goal of leading them out."

The emphasis in the Convention resolution was centered on helping our people come to a God-pleasing decision regarding their membership in the Legion. The preamble stated that it would be "inadvisable to provide a synodical rule or precedent that must be mechanically or legalistically applied." The Convention resolution was not a political attempt to paper over differences for the sake of outward unity. It was an honest attempt to aid our people, living in an age of growing secular paganism, in coming to a God-pleasing decision for the right reasons. I had hoped that the adoption of this resolution would be an important step in coming together as a church body struggling with a serious and difficult issue.

The Floor Committee intentionally did not answer the question of whether or not membership in the Legion is a sin (i.e., contrary to the will of God). It did this because it was the opinion of the committee that it would be unwise to attempt to answer this question with a sweeping synodical resolution. The Convention adopted the Floor Committee Report with very few changes.

- 1. The convention resolution did not answer the question of whether or not membership in the American Legion is sin. Therefore - - -**
 - a. The Convention in its resolution does not say or imply that membership in The American Legion is a sin.**
 - b. The Convention in its resolution does not say or imply that membership in The American Legion is not a sin.**
- 2. The convention resolution does agree with the 2001 Pastoral Conference Report's (Section III - The American Legion) analysis of The American Legion.**
- 3. The convention resolution does affirm the pastoral goal of leading our people out of The American Legion through patient and evangelical instruction.**

"Peace to the brethren, and love with faith, from God the Father and the Lord Jesus Christ. Grace be with all those who love our Lord Jesus Christ in sincerity. Amen." (Ephesians 6:23-24)

(signed) John Schierenbeck, President of the Church of the Lutheran Confession

COMMITTEE # 1: CLC President's Message, Ministry by Mail, Lutheran Spokesman, The Journal of Theology

CLC President's Message

We thank President Schierenbeck for his timely message regarding God's gift of, and our need for, His ministry of reconciliation.

We wholeheartedly appreciate the President's reminders that while the church faces increasing and tremendous challenges, "God is still in control."

We thank and praise the Lord for giving to all of us (pastor, teacher, and layman alike) His glorious ministry of reconciliation.

We agree with President Schierenbeck that we "need to help our teachers, especially our younger teachers." We encourage especially the Board of Education and Immanuel Lutheran College to continue their efforts in this endeavor.

Coordinating Council

Whereas making the Coordinating Council a "true Board of Directors" requires a constitutional change, therefore, be it

RESOLVED that the Moderator appoint an ad hoc committee to investigate the advisability of changing the CLC Constitution to make "the Coordinating Council a true Board of Directors with decision-making power subject to the Convention." This committee shall report to the 2006 CLC Convention.

Appeal

We concur with the recommendation of the President that the Convention accept the report of the Second Appeal Committee.

Memorials

We also encourage those who wish to submit memorials to the Convention to first direct their concerns and the subject matter to the appropriate board, if applicable, for consideration and action.

CLC Publications: Ministry by Mail, Lutheran Spokesman, and The Journal of Theology

Ministry by Mail

We thank the Ministry by Mail editor and staff for their work in the past biennium.

We are thankful that the staff has worked to provide various options for receiving this ministry. While many have begun to use sermons from individual CLC church web sites, the Ministry by Mail continues to be a valuable service for our distant members.

NOTE: (lutheransermons.org / lutheransermons.com are internet domains for accessing *Ministry by Mail*.)

The Lutheran Spokesman and The Journal of Theology

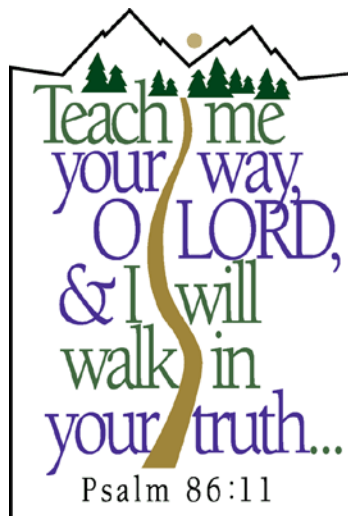
We thank the editor and staff of the *Lutheran Spokesman* and those of *The Journal of Theology* for their work in the past biennium.

We note the decline in the number of subscriptions in both the *Lutheran Spokesman* and *The Journal of Theology*.

Given the valuable resources that the *Lutheran Spokesman* and *The Journal of Theology* are to our brethren, we encourage pastors to actively promote the use of the *Lutheran Spokesman* and *The Journal of Theology* among their members. We also encourage congregations to have extra copies on hand for outreach purposes.

NOTE: (lutheranspokesman.org / lutheranspokesman.com are internet domains for accessing the *Lutheran Spokesman*)

Pastor Mark Gurath, Berea, Sioux Falls, SD, **Chairman**
Pastor Philip Matzke, St. Peter's, Stambaugh, MI, **Secretary**
Pastor Michael Wilke, Gethsemane, Saginaw, MI
Pastor John M. Johannes, Mt. Olive/St. Paul, Detroit Lakes/Ponsford, MN
Pastor John H. Johannes, Gift of God, Mapleton (Fargo area), ND
Pastor Paul Fleischer, Redeemer, Cheyenne, WY
Pastor Rick Grams, Our Redeemer's, Red Wing, MN
Pastor Arthur Schulz, Trinity, Millston, WI
Pastor John Klatt, Good Shepherd, Rapid City, SD
Pastor Luke Bernthal, Bethel, Spring, TX
Pastor Theodore Barthels, St. Paul's, Austin, MN
Prof. Paul Sullivan, ILC, Eau Claire WI
Prof. Steve Sippert, ILC, Eau Claire WI
Mr. Mark D. Sprengeler, Redeemer, Cheyenne, WY
Mr. Les Graham, Trinity, Spokane, WA
Mr. Melvin Eichstadt, St. Paul's, Austin, MN
Mr. Martin Raffel, Holy Trinity, West Columbia, SC
Mr. Larry R. Hansen, Prince of Peace, Hecla, SD
Mr. Leonard Benter, Faith, St. Louis, MO
Mr. Dan Schierenbeck, Living Word, Liberty, MO
Mr. Matthew Gable, Gethsemane, Spokane Valley, WA
Mr. Walter Priebe, Calvary, Marquette, MI



COMMITTEE #2 Doctrine, Education, etc.

Guidelines

- Whereas the 1984 Convention approved guidelines concerning the practice of individual/personal fellowship with those being instructed by the foreign missionary (1984 *Proceedings*, p.22); and
- Whereas upon request by the president of the CLC, the CLC Board of Doctrine has presented Scriptural guidelines for the establishment of fellowship with foreign church bodies (*Board of Doctrine Report*); and
- Whereas these guidelines present both sound principles and orderly procedure which may be helpful for our representatives overseas; therefore be it
- RESOLVED** that we approve these *Guidelines for the Establishment of Fellowship with Foreign Church Bodies*.

Sunday School Project

We thank all those working on the Sunday School materials project and we encourage further editing of the series, including teachers' guides and artwork, with the goal of eventual hard-copy publication.

School Self-Evaluation

We thank the Board of Education for preparing *An Evaluation Program for CLC Christian Day Schools*, and we encourage our schools to make use of it, as they are able.

Online Book House Project

We are happy that the Online Bookstore is now active and we encourage its use by our membership. We agree that a disclaimer statement is desirable, and recommend the following:

"We are the official Book House of the Church of the Lutheran Confession (CLC). We provide products created by the CLC. We also sell products, such as church supplies, books and gift items which are produced by other religious publishers and are found to be useful by our pastors and laypeople. Books and materials printed by the CLC have been reviewed by CLC representatives. We encourage Christians to read all materials carefully and to compare their contents to what Scripture teaches."

Mentoring

- Whereas the CLC Teachers' Conference sees the importance and possible benefits of implementing a peer-mentoring program within the CLC, therefore be it
- RESOLVED** that we encourage ILC to continue the efforts to establish such a mentoring program.

Organizational Structure

- Whereas the duties of the Board of Education have expanded into the area of publication, therefore be it
- RESOLVED** that the name of the Board of Education be changed to the Board of Education and Publications, and be it further
- RESOLVED** that the Board of Education and Publications oversee the Book House, the Publishing Division, the Lutheran Spokesman, the Journal of Theology, and the Ministry by Mail, as proposed by the Board of Education, and be it further
- RESOLVED** that the Board look into whether it would be beneficial to include the Video Tape Ministry in their organizational structure.

Board of Education Members to be Elected Rather Than Appointed

Whereas presently members of the Board of Education are appointed by the President of the CLC, and

Whereas two members of the Board of Education have a vote in the Coordinating Council, therefore be it

RESOLVED that the members of the Board of Education be elected, and be it further

RESOLVED that the term of office on the Board of Education be four years with two members elected at each regular Convention.

Proposal to Change the CLC Constitution Bylaws

Whereas the name, organizational change, and the proposal to elect Board of Education members conflict with portions of the CLC Constitution Bylaws, therefore be it

RESOLVED that the Standing Constitution Committee propose rewording of the Bylaws to reflect the changes, so that the elections can take place at this convention.

CLC Publishing Division

We appreciate the efforts of the CLC Publishing Division and are grateful to our God for the added opportunities a publishing division presents. We regard the Sydow Catechism, the Spokesman archives, and the CLC history as worthy projects, and look forward to the reprints of the Madsen, Zorn, and Gullerud books as well.

President's Report

Upon request, the President has given an official interpretation of the resolutions on the issue of the American Legion. We concur with his response and affirm that it is a correct interpretation of the will of the 2002 Convention.

We note with regret that Pastor Stephen Kurtzahn withdrew from our fellowship in connection with the American Legion issue.

We give thanks to our God for the resolution of the American Legion controversy and we concur with the President that "it is now time to move on, and in all our pastoral ministries of reconciliation help our people grapple with all the issues that confront them in a godless and materialistic society" (*President's Report*, p. 6).

*Pastor Elton Hallauer, Bethel/Peace, Morris, P. Prairie MN, **Chairman***

*Professor Paul Schaller, ILC Eau Claire WI, **Secretary***

*Pastor Vance Fossum, Holy Trinity, W. Columbia SC, **Reporter***

Pastor Bruce Naumann, Grace, Sleep Eye, MN

Professor David Lau, ILC Eau Claire WI

Pastor David Fuerstenau, Holy Truth, Ketchikan AK

Pastor David Schaller, Redeemer, Sister Lakes MI

Pastor David Reim, St Paul, Vernon BC Canada

Teacher Michael Wheaton, Immanuel, Mankato MN

Teacher Nathan Wales, Holy Trinity, W. Columbia SC

Mr. Phillip Strike, St. John's, Okabena MN

Mr. Mark Greve, Zion, Atlanta GA

Mr. Ken Schmitt, Salem, Eagle Lake MN

Mr. Gene Rutz, Bethel, Spring TX

Mr. Allen Schmidt, St. John's, Okabena MN

Mr. Larry Porter, Holy Trinity, W. Columbia SC

Mr. Scott Mueller, St. Stephen, Mt. View CA

Mr. Dennis Ahrens, Grace, Valentine NE

Mr. Bruce Walden, Redemption, Lynnwood WA



COMMITTEE #3: ILC President's Report; Board of Regents

(Prospectus, pp 7-18)

Response to the ILC President's Report:

Introduction *(Prospectus, p. 7)*

We thank Professor Pfeiffer for his reminder of the primary work of ILC, namely that our children and young adults may "store up memories of their Creator."

Student Body *(Prospectus, p. 8)*

We are encouraged by ILC's steady enrollment numbers. We urge continued publicity of Immanuel through the use of tracts, videos, and the Internet in order to attract the largest possible number of students.

Seminary *(Prospectus, p. 8)*

We applaud the use of special seminars in the seminary to meet needs not presently addressed by the curriculum. We encourage the further use of such seminars, especially in the area of counseling. We further encourage the seminary faculty to include more instruction on practical counseling within the regular curriculum. We also encourage our area pastoral conferences and the general pastoral conference to include topics in this area in order to help our pastors more effectively present God's Word in counseling situations.

Graduates *(Prospectus, p. 9)*

We thank our gracious God for providing His Church with the following Kingdom workers through our Immanuel College and Seminary: Pastor Luke Bernthal, Pastor Matthew Hanel, Teacher Valerie Bernthal, and Teacher Anita Meyer were graduated in 2003.

We acknowledge with disappointment that there were no graduates of ILC entering the teaching or preaching ministries following the 2004 school year. We pray that the Lord of harvest move the hearts of more of our young people to prepare themselves for the public ministry of reconciliation. (cf. 2 Cor. 5:18-21).

Mini Courses *(Prospectus, p. 9)*

We encourage the continuation of the mini-courses for the High School and College departments. These impart valuable life skills and offer a welcome break during the long winter quarter.

Spanish *(Prospectus, p. 9)*

We support the desire to add Spanish language courses to the High School curriculum. However, we also encourage the Board of Regents to retain the German language courses subject to available budgetary and faculty resources. While we are aware that the most common language spoken in the United States, besides English, is Spanish; we also recognize the importance of German to the preservation of our Lutheran Reformation heritage.

Part-time Teachers *(Prospectus, p. 9)*

We are pleased that the part-time teaching positions have been restored and hope that the budget will permit these vital positions to be maintained.

Work Load *(Prospectus, p. 10)*

We thank the Lord for the called workers and support staff who unselfishly volunteer their time for special activities while maintaining heavy work loads.

Financial Manager *(Prospectus, p. 10)*

We thank the Lord of the Church for the gift of Lowell Moen and his wife Rita. Their presence at Immanuel for the past 39 years has been a blessing to us all. We are pleased to hear that the Lord has led Dr. James Sydow to accept the position of General Business Office Manager of the CLC.

Half-Time Maintenance Position (*Prospectus, p. 10*)

We understand that the half-time maintenance position has been restored. In view of the maintenance workload, we hope that this position will be continued without interruption. We gratefully acknowledge the Lord's grace in moving many volunteers to complete numerous projects on the ILC campus.

Dormitory Supervisor (*Prospectus, p. 11*)

We thank Mrs. Fran McDonald for her 6½ years of faithful service as the Girls' Dormitory Supervisor. We pray that the Lord will restore her health and give her strength. We also wish to apprise the members of the CLC of the Fran McDonald Fund, which is administered by the CLC Treasurer.

We thank Ms. Kendra Ahrens for her service as temporary Dormitory Supervisor and thank our Lord for guiding Mrs. Yvonne Rudolph to accept the position. We pray for her work in the coming years.

Response to Board of Regents Report:

Calls, Appointments, Ratifications (*Prospectus, p. 13*)

We recognize the individuals appointed by the Regents and the ILC President during the last biennium and thank them for their service. We appreciate our faculty members for taking on these positions (*cf. Prospectus p. 13*) in addition to their regular teaching duties. We also report that the CLC Call Committee for Educational Institutions has elected Professor John Pfeiffer as ILC President.

Faculty and Staff Salary Increases (*Prospectus, p. 13*)

We are thankful that a raise was given to ILC faculty and staff for FY03 but regret that financial constraints did not allow for a raise in FY04. We encourage the Regents to continue raising salaries as finances permit.

Tuition and Room/Board Increases (*Prospectus, p. 13*)

We express our appreciation for the quality Christian education provided at Immanuel. We laud the Board of Regents' efforts to provide this education at a low cost relative to comparable institutions. However, we recognize the necessity of tuition/room and board increases as reflected in the Board of Regents' report.

The Retirement of the Dining/Commons Facility Debt (*Prospectus, p. 13-14*)

We join the Board of Regents in thanksgiving to God for the retirement of the Dining/Commons facility debt.

Faculty Work Load (*Prospectus, p. 14*)

- Whereas the Board of Regents, in a continuous effort to monitor the workload of our faculty, has acknowledged a concern for the health of our professors, the welfare of their families, and the education of our students, and
- Whereas the ILC President has indicated that to bring each faculty member to no more than 20 credit hours would require an additional 18-21 credits of teaching staff, and
- Whereas the ILC President has also indicated that in order to reduce the teaching work load of those who hold ILC administrative positions of Dean of Students, Principal and Academic Dean to no more than 16 credit hours would require another 10-15 credits of teaching staff, be it
- RESOLVED** that the Board of Regents be directed to formulate a plan for reducing faculty work load and report the specifics to the 2006 Convention.

Student Revenue - Tuition and "Fees": (*Prospectus, p. 14*)

We note with approval the Board of Regents' decision to consolidate certain "fees" in order to streamline the tuition/fee structure.

Appeal for the Establishment for an ILC Endowment Fund: (*Prospectus, p. 15*)

- Whereas the ILC operating budget is based largely on student-derived revenue, and

- Whereas lower than expected enrollment often causes either a rise in tuition or a cut in programs, and
- Whereas in the event of a year-end surplus, monies cannot be set aside for lean years, but rather must be returned to the general budget, and
- Whereas we concur with the Board of Regents that the cost of an ILC student's education be and remain affordable, and that CLC members may appreciate an opportunity to contribute funds to our high school, college and seminary, therefore be it
- RESOLVED** that we authorize the CLC President to appoint a committee for the purpose of investigating the establishment of an ILC Endowment Fund, by which such gifting might be facilitated; and be it further
- RESOLVED** that said committee submit a report to the 2006 Convention.

Student Aid Fund (SAF): (*Prospectus, p. 15 & 16*)

- Whereas we recognize that the goal of the SAF has always been to fund all aspects of student aid, and
- Whereas the Multi-student Discount (MSD) is essentially a grant to eligible students, therefore be it
- RESOLVED** that the Board of Regents continues funding the MSD out of the SAF as long as the SAF income exceeds the demands for new loans, grants, and scholarships.

We concur with the Board of Regents' decision to use a means test to determine whether a student is eligible for a 50%, 25%, or 10% MSD.

We approve the SAF budget set by the Board of Regents: (*Prospectus, p. 16*)

- Total Revenue - \$172,546
- Total Payments - \$150,000

We note with approval the Board of Regents' decision to lower the SAF loan rate from 8.5% to 6%.

We note with approval the Regents' decision to return a certain percentage of any interest-income or end-of-the-year SAF balances to the SAF Endowment Fund.

We offer thanks to the Lord of the Church who has provided financial assistance for ILC students through the growth of the following three existing endowment funds: the *SAF Endowment Fund*, the *ILC Grant Endowment*, and the *Scholarship Fund*.

ILC Improvement Fund (IIF) (*Prospectus, p. 17*)

We join with the Regents in offering thanks to our Lord and our CLC brethren for providing both the means and the willing hearts which made it possible to complete many IIF projects during the last biennium.

We approve the requested IIF projects and budget for FY05 subject to the availability of funds.

- Total Budget - \$96,150

CBP Budget for FY 05 – School Year 2004-05: (*Prospectus, p. 18*)

- Whereas this Convention has approved a budget for FY05 (school year 2004-05), therefore be it
- RESOLVED** that the FY05 Regents budget be adopted.

Pastor Paul Naumann, Ascension - Tacoma, WA **Chairman**
 Pastor Paul Nolting, Immanuel - Mankato, MN **Reporter**
 Pastor Todd Ohlmann, Faith & Living Word - Manchester & Liberty, MO **Secretary**
 Pastor Timothy Wheaton, Mt. Olive - Lamar, CO
 Pastor Walt Schaller, Mt. Zion - Detroit, MI
 Pastor Dennis Rieken, Word of God - Pana, IL
 Pastor David Koenig, Foreign Missionary - Efa, Nigeria
 Pastor Paul Krause, St. John's & Peace - Clarkston, WA & Orofino, ID
 Pastor Mark Gullerud, Messiah - Eau Claire, WI
 Pastor Roland Gurgel, Our Savior's - Jamestown, ND
 Teacher Quinn Sprengeler, Redemption - Lynnwood, WA
 Teacher Matt Thurow, Berea - Inver Grove Heights, MN

Teacher Dan Roehl, Immanuel - Mankato, MN
 Mr. Jon Sandeen, Gift of God - Fargo, ND
 Mr. Ronald Strike, St. Paul - Austin, MN
 Mr. Brandon Heinze, Salem - Eagle Lake, MN
 Mr. Doc Albrecht, Messiah - Eau Claire, WI
 Mr. Tim Fuerstenau, Trinity - Watertown, SD
 Mr. Peter de Leon, Holy Cross - Phoenix, AZ
 Mr. Robert Davidson, Grace - Live Oak, FL
 Mr. Richard Kuehne, Immanuel - Winter Haven, FL
 Mr. Wally Voigt, Our Redeemer's - Red Wing, MN
 Mr. Mark Kuehne, Ascension - Batavia, IL
 Mr. John Bobek, Faith - Markesan, WI

COMMITTEE #4 – Missions

We appreciate President Schierenbeck's reminder that carrying out the blessed ministry of reconciliation has been, and is to remain, the commitment of the CLC. The essays of the convention have reinforced the joy of the Gospel ministry to which the CLC stands committed.

President's Report: Missions

We join the president in acknowledging the challenging decisions that are made by the dedicated servants on the Board of Missions and in the field. We pray the Spirit continues to bless these men and our church body with wisdom as we carry out the ministry of reconciliation.

We concur with President Schierenbeck in encouraging continued dedication by the Board of Missions in promoting and supporting the efforts to fulfill our God given commission to spread the ministry of reconciliation.

Home Missions (*Prospectus pp. 19-20*)

We thank the Lord for sustaining our subsidized congregations. We praise the Lord for blessing the efforts of their pastors and lay members and for reconciling souls to Him through the proclamation of His Word.

We rejoice with Ascension of Batavia, IL as their building project is underway. We pray that the Lord will continue to bless all subsidized congregations as they move toward self-support.

We thank the Lord for Pastor Walter Schaller's years of faithful service as Exploratory Missionary*.

We encourage the Board of Missions to restore the Exploratory Missionary Program when the Board recognizes fields of opportunity and when finances are available.

*1997-1999, Rock of Ages, Grand Rapids, MI; 1999-2000, Our Savior, Cadillac, MI; 2000-2004, Mt. Zion, Detroit, MI.

Other U. S. Efforts (*Prospectus pp. 20-21*)

We praise God for enabling congregations to continue to support preaching stations. We pray that God's Word will take root as it is sown.

We thank the Traveling Vacation Bible School (TVBS) Committee and the volunteers for their work in the past biennium. We recognize the benefits of the TVBS program both for the congregations visited and the young people participating.

We direct the Board of Missions to move the TVBS program funding from the MDF into the Mission budget by the 27th convention.

Committee on Domestic Fields (CDF) (*Prospectus p. 21*)

Whereas the work of the Mission Outreach Committee is already being done by the Committee on Domestic Fields (CDF), therefore be it

RESOLVED that the Mission Outreach Committee be dissolved as requested by the Board of Missions.

We recognize the value of the work the CDF is doing in assisting the Board of Missions with its many duties.

We encourage the CDF to continue to research options to aid outreach efforts in local congregations.

Foreign Missions (*Prospectus pp. 21-25*)

We send our greetings and pray for the brethren in the CLCI, BELC, NCLC, LCEA, ECLC, ELCC, EELC, Ghana, and Togo.

The harvest is great, and the laborers few. O Lord of the harvest, send laborers into the harvest. Put the Gospel on their lips and with its proclamation send Your Spirit to convert sinful hearts of stone into hearts of flesh (Ezek. 36:26) imprinted with Your forgiveness and love.

We not only pray that the Lord of the harvest inspire and disperse laborers into all the world, we also pray specifically for those in fellowship with us who spread the unique Gospel of life and light in Jesus Christ in the ripe fields in India and Africa. We ask that the Lord not only prosper the work of missionaries and pastors and keep them in His care, but that He shine His light of love, comfort, and protection on their spouses and families.

Second Foreign Missionary (*Prospectus p. 21*)

We note that Missionary Matthew Gurath found it necessary to leave the work in Africa and India. We thank the Lord for the work he was able to do in the months he was overseas. May the Lord lead him and his family to the knowledge of His will for their continuing service.

We concur with the CLC Board of Mission's intent to call another individual to serve the Lord and the CLC as the second foreign missionary.

Travels (*Prospectus p. 21*)

We request the Lord's blessing and presence with Pastor David Koenig as he visits the stateside congregations as well as various stations of our CLC foreign fields. We implore His blessing on the travel of Mary Koenig when she returns to meet her husband in Nigeria in November.

Training Pastors (*Prospectus p. 22*)

We thank the Lord of the harvest for the establishment and continuing presence of seminaries in the CLCI (India), NCLC (Nigeria), and the LCEA (Tanzania). We note with joy the expansion of the BELC (India) into areas where the lead pastors can meet students and those inquiring of our confession and direct them to the hope we have in Jesus Christ. We pray that God will continue to bless their efforts and provide the students and necessary facilities to carry on their work.

As a response to President Schierenbeck's report, we concur with the Board of Missions and do not recommend bringing students from our foreign missions to study at ILC at the present time.

Mission Helper Program (*Prospectus p. 23*)

We are thankful for the opportunity provided by Faith congregation of St. Louis, Missouri, and Living Word congregation of the Kansas City area, to allow their pastor to go on a six-week visitation to the BELC later this year.

We encourage other congregations to consider similar leaves of absence for their pastors and work with the CLC Board of Missions to assist in the harvest work in our foreign fields.

We also encourage those who are interested in the mission helper trip for summer 2005 to contact Pastor Todd Ohlmann.

Translation (*Prospectus p. 22-23*)

We also implore the Lord of the Church to provide servants for the task of translating religious books and pamphlets into native languages. We especially pray for translators to aid the BELC and CLCI in producing outreach materials. We thank Nireekshana Benjamin for translating doctrinal materials for evangelism and outreach and Jyothi Benjamin for his work in translating seminary instructional materials. We are also grateful for the translation efforts in the BELC to produce religious pamphlets in Tamil. We also thank the translators in Nigeria, Congo, and Kenya.

Project Kinship (*Prospectus p. 24*)

We thank the Lord for moving the hearts of our members to support orphans and seminary students in India and Africa. We encourage congregations and members of the CLC to sponsor orphans and seminary students.

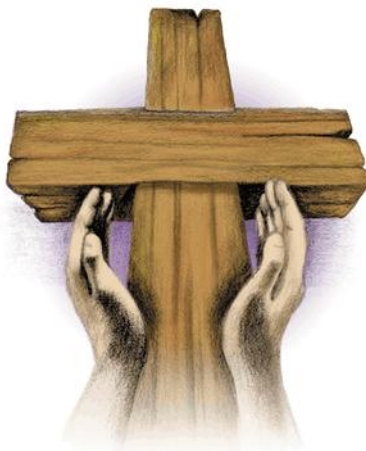
We concur with the decision to provide a school for the orphans in Nidubrolu. What better use of their and our resources than to rescue these lambs of the Lord from the idolatrous poison of Hindu schools and bring to them the Word of Life of the Good Shepherd in their own Christian day school!

Budget and MDF (*Prospectus p. 28*)

We approve the list of projects proposed by the Board of Missions for the MDF during FY05.

*Teacher Seth Schaller, Messiah, Eau Claire, WI, **Chairman***
*Mr. John Abbott, Holy Cross, Phoenix, AZ, **Secretary***
*Pastor Paul Larsen, CLC North Port, North Port, FL, **Chaplain***
*Pastor Michael Schierenbeck, Faith, Markesan, WI, **Reporter***
Pastor Daniel Fleischer, Resurrection, Corpus Christi, TX
Pastor John Hein, Redemption, Lynwood, WA
Pastor David Baker, Ascension, Batavia, IL
Pastor David Naumann, Luther Memorial, Fond du Lac, WI
Pastor Terrel Kesterson, Trinity, Spokane, WA
Professor Michael Buck, ILC, Eau Claire, WI

Professor Michael Sydow, ILC, Eau Claire, WI
Teacher Daniel Barthels, Gethsemane, Saginaw, MI
Teacher Doug Libby, Immanuel, Mankato, MN
Mr. Joel Gerbitz, Messiah, Hales Corners, WI
Mr. Aaron Durst, Good Shepherd, Rapid City, SD
Mr. Peter Evensen, Faith, St. Louis, MO
Mr. Brian Stearns, St. Paul's, Ponsford, MN
Mr. Dave Rust, Grace Lutheran, Fridley, MN
Mr. Duane Riggert, Peace Thru Christ, Middleton, WI
Mr. Dennis Lee, Faith, New Ulm, MN



COMMITTEE #5: – Elections

A. ELECTIONS:

ELECTED CLC OFFICERS:

President: Pastor John Schierenbeck (2006)

Vice President: Pastor Mark Bernthal (2006)

Secretary: Pastor James Albrecht (2006)

Moderator: Professor Ronald Roehl (2006)

BOARD OF MISSIONS:

Pastor Bruce Naumann (2006), Chairman

Pastor Todd Ohlmann (2008), Secretary

Mr. Jack Mayhew (2006)

Mr. Larry Hansen (2008)

BOARD OF REGENTS:

Pastor Vance Fossum (2006), Chairman

Pastor Ted Barthels (2008), Secretary

Dr. David Menton (2006)

Mr. David Aymond (2008)

BOARD OF TRUSTEES:

Mr. Phil Radichel (2008), Chairman

Pastor James Sandeen (2006), Secretary

Pastor John Ude (2008)

Mr. Eugene Lang (2006)

BOARD OF EDUCATION:

Dr. Gayle Stelter (2008), Chairman

Prof. Ross Roehl (2006), Secretary

Pastor David Naumann (2006)

Teacher David Bernthal (2008)

(**Boldface** indicates results of 2004 elections)

B. APPOINTMENTS:

Board of Doctrine

Pastor Daniel Fleischer, Chairman

Pastor Mark Bernthal, Secretary

Pastor David Schierenbeck

Mr. Melvin Eichstadt

Pastor Thomas Schuetze

Prof. David Lau

Prof. Em. Clifford Kuehne

Foundation Board

Pastor Elton Hallauer

Mr. Randy Dreyer

Mr. Michael Cutler

Publishing Division

Pastor Joel Fleischer

Mr. John Abbott

Mr. Matthew Kelly

Mr. James Lau

Pastor Glenn Oster

Mr. Matthew Schaser

Dr. James Sydow (Advisory)

Kinship

Mr. Jack Mayhew

Pastor Paul Naumann

Mr. Jonathan Wiechmann

Mr. David Klatt

Pastor Thomas Schuetze

Pastor David Fuerstenau

Constitution

Pastor Michael Eichstadt

Mr. Joel Krafft

Mr. Peter Sydow

Salary Compensation

Pastor Doug Libby

Mr. Steve Ludvigson

Mr. Tom Lentz

Lutheran Spokesman Staff

Pastor Paul Fleischer, Editor

Prof. Em. Paul Koch, Asst. Editor

Mr. Benno Sydow, Business Manager

Msrs. John Fox, Matt Schaser, Artists

Contributors

Pastor Ted Barthels

Teacher David Bernthal

Pastor Wayne Eichstadt

Pastor Em. Warren Fanning

Pastor Dan Fleischer

Pastor Joel Fleischer

Pastor David Fuerstenau

Pastor Mark Gullerud

Pastor Roland H. Gurgel

Pastor John Klatt

Pastor Paul Krause

Prof. Joe Lau

Pastor Em. Bertram Naumann

Pastor Paul D. Nolting

Pastor Nathan Pfeiffer

Pastor David Reim

Pastor Peter Reim

Pastor Andrew Schaller

Pastor Michael Schierenbeck

Journal of Theology Staff

Prof. Steven Sippert, Editor

Pastor Elton Hallauer, Asst. Editor

Mr. Benno Sydow, Circulation Manager

Contributors:

Pastor Frank Gantt

Pastor Norman Greve

Pastor John Hein

Pastor Terrel Kesterson

Prof. David Lau

Pastor Del Maas

Pastor Michael Roehl

Pastor Paul Tiefel

Ministry by Mail Staff

Pastor Wayne Eichstadt, Editor.

Contributors:

Pastor Michael Eichstadt
Pastor Peter Reim
Pastor Michael Roehl
Pastor Michael Schierenbeck.

Archivist: Prof. David Lau

Statistician: Dr. James Sydow

CLC Auditor: Mr. Steven Lentz

CLC Webmaster: Pastor Glenn Oster

CLC Directory: Mr. Michael Sprengeler

ILC Building Committee

Mr. Tom Beekman
Mr. Lyle Trulin
Mr. Jeff Altom
Pastor Michael Roehl

ILC Publicity Committee

Pastor Mark Bernthal
Mr. Randy Dreyer
Mr. Michael Sippert
Prof. Ross Roehl.

ILC Endowment Committee

Mr. Norman Mackensen
Dr. David Menton
Mr. Steve Leinberger

ILC Long Range Facilities Planning Com

Mr. Tom Beekman
Prof. Em. John Lau
Mr. Dennis Oster
Mr. Luther Sieg

CC – Board of Directors Study Committee

Pastor Dan Fleischer
Teacher Craig Owings
Mr. Michael Slattengren
Mr. Martin Albrecht

C. STATISTICS:

We thank Dr. James Sydow for his efforts in accurately compiling the CLC statistical information.

D. NEXT CONVENTION:

RESOLVED that the 27th Convention of the Church of the Lutheran Confession be held the week of Monday, June 19 through Friday, June 23, 2006, in Eau Claire, WI.

E. CONVENTION THANKS:

We thank the Lord for providing dedicated leadership as shown by our outgoing board members.

We thank the Lord for His Word of Reconciliation. What a privilege we have as individuals, congregations, and a church body of delivering that Word of Reconciliation.

As a body, we thank the following for their dedicated service at this convention: the faculty and staff of Immanuel Lutheran College, the praesidium, moderator, secretary, the essayists, chaplain, organists, communion service liturgist, convention service speaker, choir director, the officers of the various boards, the committees, and those who worked behind the scenes (kitchen help, ILC office staff, copyist, accommodations personnel, sound specialists, janitorial crew, equipment managers, and chair crew).

The following served in their respective capacities during the convention:

Praesidium – John Schierenbeck, Mark Bernthal
Moderator – Ron Roehl
Secretary – James Albrecht
Keynote Essayist – Steve Sippert
Essayists – Larry Dassow, Andrew Schaller, Paul Sullivan
Chaplain – Ted Barthels

Organists – Lane Fischer, Joel Gamble, John Klatt,
Paul Krause, Sara Pfeiffer, David Schaller
Communion Service Liturgist – David Povolny
Communion Service Speaker – David Fuerstenau
Communion Service Choir Director – Paul Schaller

*Teacher Leif Olmanson, Immanuel, Mankato MN, **Chairman***
*Teacher David Bernthal, Luther Memorial, Fond du Lac, WI, **Sec***
Mr. Curtis Brown, Faith, Markesan, WI
Mr. Craig Ohlmann, Grace, Valentine, NE
Mr. David Miller, Jr., Gethsemane, Saginaw, MI
Mr. Herb Aichele, Morning Star, Fairchild, WI

Teacher Neil Bernthal, Immanuel, Winter Haven, FL
Teacher Ryan Libby, Grace, Fridley, MN
Teacher Lane Fischer, Immanuel, Mankato, MN
Teacher Scott Wuerch, Messiah, Eau Claire, WI
Pastor Robert List, Gethsemane, Spokane Valley, WA
Prof. Joe Lau, ILC, Eau Claire WI

COMMITTEE #6 -- MEMBERSHIP

Applications, Credentials, Excuses, Constitution Matters

APPLICATIONS FOR MEMBERSHIP

Whereas the following have declared their agreement with the doctrinal position set forth in the Constitution of the CLC, and with the order established by it; therefore be it joyfully

RESOLVED that the following be accepted as voting members of the CLC:

PASTORS: Luke Bernthal (Bethel, Spring, TX),
Matthew Hanel (Prince of Peace, Hecla SD)
Nathanael Mayhew (Zion, Atlanta, GA)
Glenn Oster (Gift of God, Fairfax, VA)

TEACHERS: Joel Gullerud (St. John's, Okabena, MN)
Ryan Libby (Grace, Fridley, MN)

RATIFICATION OF CONFERENCE VISITORS:

Whereas the following pastors have been elected as conference visitors by their respective conferences; therefore be it

RESOLVED that we ratify the conference visitors as follows:

Minnesota Conference	Pastor David Schierenbeck
South Eastern Conference	Pastor Thomas Schuetze
Great Lakes Conference	Pastor Michael Eichstadt
Pacific Coast Conference	Pastor Delwyn Maas
West Central Conference	Pastor Michael Roehl

CONSTITUTION MATTERS

BYLAW 6: RIGHT OF APPEAL (*Prospectus, p. 39*)

Whereas the resolution of proposed additions to Constitution Bylaw 6 was defeated, and

Whereas floor discussion of this resolution revealed concerns with several aspects of the existing bylaw, as well as with the proposed changes, therefore be it

RESOLVED that the Standing Constitution Committee be directed to review Bylaw 6 in light of these concerns, and be it further

RESOLVED that the regional pastoral conferences be asked to consider placing this issue on their agendas, and be it finally

RESOLVED that those regional pastoral conferences that do discuss this issue be asked to report their findings to the Standing Constitution Committee.

Whereas Bylaw 6-E of the CLC Constitution is clear and allows flexibility in dealing with a wide variety of potential situations, therefore this committee does not recommend that any changes be made to Bylaw 6-E of the CLC Constitution.

Whereas the Convention has changed the name of the "Board of Education" to the "Board of Education and Publications", therefore be it

RESOLVED that the name "Board of Education" be changed to the "Board of Education and Publications" wherever it occurs in the constitution.

BYLAW 3-A. BOARD OF EDUCATION COMPOSITION (*Prospectus, p. 4*)

Whereas The 26th Convention of the Church of the Lutheran Confession has resolved that the Board of Education and Publications should be elected rather than appointed, therefore be it

RESOLVED that the following change be made to the CLC Constitution Bylaw 3 (Board of Education and Publications) #A (Composition)

“The Board of Education and Publications shall consist of one pastor, one professor, one teacher, and one layman. The term of office shall be four years, the teacher and layman to be elected in even-numbered conventions, pastor and professor in odd-numbered conventions. The members of this board shall not be members of any other elective board.”

Whereas the Convention has changed the organizational structure of the Board of Education and Publications, therefore be it

RESOLVED that the following change be made to the CLC Constitution Bylaw 3 (Board of Education and Publications) #B4 (Duties)

“The CLC Publishing Division, the CLC Book House, the *Lutheran Spokesman*, the *Journal of Theology* and the *Ministry by Mail* shall be under the auspices of the CLC Board of Education and Publications.”

BYLAW 8-B: BOARD OF EDUCATION COMPOSITION (*Prospectus, p. 14*)

Whereas current mandated time-lines can become cumbersome and logistically challenging because of the implied requirements for announcing the request for nominees as well as publishing the list of candidates in the CLC Spokesman, therefore be it

RESOLVED that the following modification be made to the CLC Constitution Bylaw 8-B (Call Committee for Educational Institutions)

“A request for candidates shall be sent to all member congregations by the President of the Church of the Lutheran Confession. All pastors, professors, male teachers and voting members of member congregations of the Church of the Lutheran Confession shall be entitled to nominate a candidate or candidates within twenty days from the date of the sending of the request for candidates. The list of candidates shall be submitted to all congregations three weeks prior to the date of the call meeting. The request for candidates and the list of candidates shall also be published in the *Lutheran Spokesman* and on the official website of the Church of the Lutheran Confession.”

D: ATTENDANCE AT THE 2004 CONVENTION

	Present Full-time	Excused Part-time	Excused Full-time
Pastors:	65	2	0
Teachers:	21	1	0
Professors	12	0	1
Delegates	68	7	1
Clergy Without Congregations	1	0	0

We also recognize the attendance of the following emeriti:

Pastor Harvey Callies, Teacher LeRoy Hulke, Professor Paul Koch, Professor Clifford Kuehne, Professor John Lau, Pastor Bert Naumann, Pastor Paul F. Nolting, Professor Robert Rehm, Pastor Jonathan Schaller, Professor James Pelzl, Pastor Keith Olmanson, and Teacher Alvin Sieg.

*Pastor Delwyn Maas, Holy Cross, Phoenix, AZ, **Chairman**
Pastor Glenn Oster, Gift of God, Fairfax, VA, **Secretary**
Teacher James Arndt, Faith, Coloma, MI
Mr. Marlin Beekman, Messiah, Eau Claire, WI
Mr. Wallace Crozier, Resurrection, Corpus Christi, TX
Pastor George Dummman, First Lutheran, Faulkton, SD
Pastor Joel Fleischer, Calvary, Marquette, MI
Pastor Norman Greve, Salem, Eagle Lake, MN
Teacher Joel Gullerud, St. John's, Okabena, MN
Pastor Tim Holland, Rock of Ages, Grand Rapids, MI*

*Mr. Jay Hollenbeck, Good Shepherd, Rapid City, SD
Mr. Earl Knutson, Calvary, Marquette, MI
Mr. Butch Lang, St. Paul, Bismarck, ND
Mr. Lester Maas, Grace, Sleepy Eye, MN
Teacher Craig Owings, Immanuel, Mankato, MN
Teacher Theodore Quade, Messiah, Hales Corners, WI
Pastor Gordon Radkte, Morning Star, Fairchild, WI
Mr. Doran Slater, Ascension, Tacoma, WA
Mr. Robin Vogsland, Holy Spirit, Albuquerque, NM
Mr. Burdette Wheaton, Immanuel, Mankato, MN*

COMMITTEE #7: Finances

CLC Medical (Health Insurance) Plan (*Prospectus p. 31-33, 47*)

Whereas the CLC Board of Trustees recommends the termination of the current CLC Medical Plan at the end of the current fiscal year (June 30, 2004); and,

Whereas the most recent re-insurance quotes for the Plan would require premiums that would adversely affect the CLC budget, while still exposing us to continued high liability; and,

Whereas all data currently available indicates that all current plan participants can secure similar medical insurance coverage; therefore be it

RESOLVED that we terminate the CLC Medical Plan, effective June 30, 2004; and therefore be it further

RESOLVED that we require the CLC Board of Missions and the CLC Board of Regents, and encourage all self-supporting congregations to regard medical insurance as an essential component of the compensation package of each called worker.

We encourage congregations to select portable insurance plans.

Any congregations or called workers who have difficulty in obtaining insurance may contact their Conference Visitor for assistance.

Whereas the Coordinating Council previously transferred \$28,000 from the Reserve Fund to reduce the debt for the Medical Fund; and,

Whereas the projected deficit for FY2004 is approximately equal to the transferred balance; therefore be it

RESOLVED to reverse the Coordinating Council's transfer back to the Reserve Fund.

Whereas the Board of Trustees FY2005 budget contains \$60,000 to repay debt for the CLC Medical Plan; and,

Whereas the Board of Regents budget is short approximately \$15,000 for increased medical insurance costs; therefore be it

RESOLVED to delay the re-payment of the Medical Plan debt for three months and transfer the money saved from the Board of Trustees budget to the Board of Regents budget to pay for the increased medical insurance costs.

Retirement (*Prospectus p. 37*)

Whereas the 50% equity investment restriction may force us to liquidate profitable holdings; and,

Whereas the restriction is more conservative than is generally recommended for retirement investments; therefore be it

RESOLVED that the 50% equity investment restriction on the CLC Retirement Plan be removed.

Whereas the need exists to continue adequate retirement planning for our workers; therefore be it

RESOLVED to increase the monthly retirement contribution by \$10 in both FY2006 (from \$100 to \$110) and FY2007 (from \$110 to \$120)

Budgetary Process Review Committee (*Prospectus p. 38*)

Motion 1 from Budget Review Committee Report

Whereas the framework for establishing the overall CLC budget requires an interactive process with all Boards' budgets; and,

Whereas a fixed amount for ILC Budget could jeopardize the budgets of other programs and initiatives of the CLC, especially Missions; therefore be it

RESOLVED that the current method of determining the CLC subsidy to ILC be continued and not be tied to specific expenditure items in the ILC operating budget.

Motion 2 from Budget Review Committee Report

Whereas the Budgetary Process Review Committee identified both positives and negatives associated with each fiscal year division; and

Whereas this study identified no clear and compelling reason to change the dates of our present fiscal year (July 1st-June 30th); therefore be it

RESOLVED that we do not change the CLC fiscal year.

Motion 3 from Budget Review Committee Report

Whereas all synodical revenues and expenditures are known only at the end of the fiscal year; and,

Whereas modifying already approved budgets for small budget deficits/surpluses is time consuming; and,

Whereas the CLC has a defined process for dealing with budget deficits through extra-budgetary appropriations (cf. Constitution and Bylaws of the Church of the Lutheran Confession, 2002 Edition, Bylaw 7, pages 13-14); therefore be it

RESOLVED that the approved CLC operating budget ordinarily not be modified.

Motion 4 from Budget Review Committee Report

We recognize the need for flexibility in administering the MDF and IIF to respond to opportunities provided by the Holy Spirit.

Whereas sound budgeting principles call for the inclusion of recurring expenses in the annual budget; and,

Whereas the general practice of including regular, recurring items in the extra operating budgetary funds (such as the MDF and IIF) creates an artificially low estimate of ongoing financial needs; therefore be it

RESOLVED that the Boards be encouraged to include on-going expenditure items in their respective budgets.

Foundation Board (*Prospectus pp. 40-42*)

Motion 1 to change the current wording of the Foundation Board Guidelines

Section G 2 would be eliminated.

Section G 1 would be turned into three separate paragraphs

The words “the President and the Coordinating Council” would be changed to “the Coordinating Council” in sections IV.C, Revised V.G.2, and V.J.3.

These changes are detailed in the enclosed “Suggested revisions to the CLC Foundation Guidelines”

Motion 2 to change the current wording of the Foundation Board Guidelines

Revised Version: V.H.2.

- a. The Board shall accept donations from members of the CLC.
- b. Donations may be accepted by the Board from the following if such donations would be accepted under policies in force and applying to other funds in the CLC:
 - (1) from individuals who are not members of the CLC
 - (2) from companies or corporations owned by individuals who are or are not members of the CLC, and
 - (3) from any other source.

Motion 3 to change the current wording of the Foundation Board Guidelines

Other than the first “gift” in II., change the word “gift(s)” to “donation(s)” throughout the guidelines and strike “bequest(s)” when following “donation(s)”

Mileage Reimbursement

Whereas the Trustees have recognized a need for increasing the mileage reimbursement rate; and
Whereas the current federal mileage reimbursement rate is \$.375 per mile; therefore be it
RESOLVED that the mileage reimbursement rate be increased from \$.25 to \$.35 per mile.

Compensation (*Prospectus pp. 44-45*)

We appreciate the efforts of the CLC Compensation Committee. We support their ongoing work toward completing the directions given to them by the 2002 Convention Proceedings p. 97, to wit, "the Committee has been directed to help educate the congregations about our financial needs and the functions of the CBP, and to prepare a long range compensation program."

Whereas all elements of the report were not presented by the committee; therefore be it
RESOLVED that the standing Compensation Committee completes its report and distributes it to all congregations and called workers for study as soon as possible.

FY2005 Budget

Education	\$4,500
Trustees	\$185,000
Missions	\$294,339
Regents	\$275,000

Total \$758,839

FY2005 CBP (Cooperative Budget Plan)	\$758,839
Estimated ILC Revenue	\$814,840

FY2005 Budget Total \$1,573,679

Convention Service Offerings

- ILC Scholarship Fund \$10.00
- IIF \$20.00
- MDF \$30.00
- ILC Building Fund \$10,066.33*

**This includes three special congregational checks totaling \$6,107.00.*

Audit Report

June 24, 2004

Board of Trustees

Church of the Lutheran Confession

I have inspected the financial records of the Church of the Lutheran Confession and of Immanuel Lutheran College for the years ended June 30, 2002 and June 30, 2003, and have found them to be in good order in all material respects.

Respectfully submitted,

Stephen R. Lentz

Mr. Benno Sydow - Grace, Fridley MN Chair, Reporter
Pastor Frank Gantt - St. Lukes, Lemmon SD Chaplain
Mr. BJ Lillo - Messiah, Hales Corners WI Secretary
Teacher Jay Sydow - Immanuel, Mankato MN
Pastor Steven Karp - Resurrection, Calgary AB
Pastor James Nauman - Grace, Valentine NB, Peace,
Mission SD, and St. Pauls, White River SD
Pastor Michael Roehl - St. Paul, Bismark ND
Mr. Joel Krafft - St. Matthew, Dallas TX
Mr. Peter Krafft - Grace, Live Oak FL
Mr. Paul Bade - Immanuel, Mankato MN
Mr. Larry Boernsen - St. Johns, Okabena MN

Pastor Matthew Hanel - Prince of Peace, Hecla SD
Mr. Randy Dreyer - Peace Thru Christ, Middleton WI
Mr. Dan Schafer - Berea, Inver Grove Heights MN
Mr. Larry Dassow - Prince of Peace, Loveland CO
Mr. Michael Slattengren - St. Stephen, Mountain View CA
Mr. Michael Cutler - Luther Memorial, Fond du Lac WI
Pastor Mark Bernthal - Peace Thru Christ, Middleton WI
Mr. Bruce Buchanan - Ascension, Tacoma WA
Professor Jeff Schierenbeck - ILC, Eau Claire WI
Pastor Paul Tiefel - Messiah, Eau Claire WI
Pastor Michael Eichstadt - Messiah, Hales Corners WI
Pastor Matthew Gurath - Without a call

COMMITTEE #8 - ILC Academic Center

Academic Center Construction

- Whereas the 2002 Convention presented the short & long term classroom needs at ILC (2002 *Proc. p. 102*);
- Current classroom square footage presents safety concerns for current high school class sizes
 - Current classroom ventilation is inadequate for current high school class sizes
 - Current classroom overcrowding is not conducive to quality education
 - Classes are currently being held in areas neither designed for, nor conducive to, quality education; and
- Whereas the 2002 Convention approved the Academic Center project (2002 *Proc. p. 102*); and
- Whereas the proposed Academic Center addresses these short & long term classroom needs at ILC; and
- Whereas proceeding with the Academic Center project has these added benefits:
- 1) reducing faculty work load by allowing consolidation of some classes
 - 2) reducing and eventually eliminating maintenance and energy costs on both the Cottage & Northwest Hall,
 - 3) adding needed parking by razing Northwest Hall; therefore be it
- RESOLVED** that we continue the Academic Center project as resolved by the 2002 Convention, as soon as possible; and
- Whereas the current plan was developed four years ago and building costs have increased, and
- Whereas valuable feedback has been received; therefore be it
- RESOLVED** that the Building Committee be directed to review the plans for cost savings and revise them without significantly altering the site plan or the integrity of the building; and be it further
- RESOLVED** that the existing fund-raising effort be continued and that construction be authorized to begin when the Coordinating Council determines that an appropriate combination of offerings and CEF financing for the entire project has been obtained; and finally be it
- RESOLVED** that repayment of principal and interest on any mortgage be accomplished without using General Budget funds.

Academic Center Publicity

We thank the publicity committee for its efforts, which the Lord blessed with significant offerings in recent months.

- Whereas publicity is important for raising our members awareness of the needs and progress of this project; therefore be it
- RESOLVED** that a President-appointed publicity committee pursue its work forthwith; and be it further
- RESOLVED** that delegates and called servants encourage congregations to address this urgent need.

Long-range Facilities Planning Committee

In 1990 a Long Range Facilities Planning Committee proposed the following schedule of facility development:

- 1992 Commons/dining hall
- 1994 remodeling of Ingram, multipurpose classroom building
- 1996 remodeling gymnasium
- 1996 expansion of dormitory space
- 2001 construction of an additional gym facility

There were also recommendations for a maintenance/equipment building, improved parking space, and improved athletic fields.

Whereas a long range plan is crucial to the unified development of the campus and for wise stewardship of our resources; and

Whereas we have been asked to consider the feasibility of building a chapel and other buildings on campus; therefore be it

RESOLVED that the President appoint a new Long Range Facilities Planning Committee to report to the 2006 Convention.

Ingram Hall (*Prospectus, p. 14*)

Whereas the status of Ingram Hall raises more concerns than can be dealt with at this convention; therefore be it

RESOLVED that the Long Range Facilities Planning Committee, the Academic Center Building Committee, and the Facilities Manager, in consultation with the Board of Regents, thoroughly investigate a solution to these concerns; and be it further

RESOLVED that the funding for this investigation be made a high priority project of the ILC Improvement Fund and that the Long Range Facilities Planning Committee report the results to the 2006 Convention.

This constitutes our answer to the Memorials on the ILC Academic Center. (*Prospectus, pp 46-47*)

Pastor Wayne Eichstadt, Immanuel, Mankato MN *Chrm, Reporter*
Pastor James Sandeen, St. Paul, Denver CO, *Secretary*
Pastor Thomas Schuetze, St. Matthew, Dallas TX
Pastor John Ude, Grace, Fridley MN
Prof. Mark Kranz, ILC, Eau Claire WI
Pastor Peter Reim, Prince of Peace, Loveland CO
Pastor Andrew Schaller, Trinity, Watertown/Zion, Hidewood SD
Teacher Karl Olmanson, Immanuel, Mankato MN
Prof. Ross Roehl, ILC, Eau Claire WI
Pastor Karl Stewart, Grace, Live Oak FL
Pastor Dave Povolny, St. Stephen, Mountain View CA
Pastor Nathan Pfeiffer, St. Stephen, Hayward CA

Pastor Nathanael Mayhew, Zion, Lawrenceville GA
Mr. Mark Rehm, Berea, Inver Grove Heights MN
Mr. Jan Messerschmidt, St. Stephen, Hayward CA
Mr. Luther Schoon, St. Luke's, Lemmon SD
Mr. Ross Theneman, Faith, New Ulm MN
Mr. Dar Maas, Trinity, Watertown SD
Mr. Joel Gamble, Redemption, Seattle WA
Mr. Art Leinberger, Gethsemane, Saginaw MI
Mr. David Gurath, Luther Memorial, Fond du Lac WI
Mr. D. J. Quiggle, St Matthew, Dallas TX
Mr. Charles Romberg, Grace, Sleepy Eye MN
Mr. Bob Rankin, St Paul, Denver CO



IMMANUEL LUTHERAN COLLEGE

CLC BIENNIAL FINANCIAL REPORT

July 1, 2002, through June 30, 2004

<u>Financial Report</u>	<u>FY03 Ending</u>			<u>FY04 Ending</u>			
	<u>6/30/03</u>			<u>6/30/04</u>			
Fund: Item/Project	Bal 7/1/02	Receipt	Disburse	Bal 7/1/03	Receipt	Disburse	Bal 6/30/04
General	\$518	\$672,399	\$672,931	(\$13)	\$734,897	\$735,292	(\$408)
ILC Operations							
Account Total	\$1,205	\$1,033,677	\$1,040,834	(\$5,952)	\$998,086	\$1,004,464	(\$12,329)
Tuition, Rm & BD		\$702,424			\$694,422		
Misc Receipts		\$32,182			\$56,664		
CLC Subsidy		\$299,071			\$247,000		
Mission Development							
General Projects	\$32,536	\$83,585	\$110,581	\$5,540	\$104,141	\$78,362	\$31,318
Kinship Project	\$18,715	\$34,779	\$38,982	\$14,513	\$52,558	\$56,595	\$10,475
Fund Total	\$51,251	\$118,364	\$149,562	\$20,052	\$156,698	\$134,958	\$41,793
ILC Improvement							
General Projects	\$53,216	\$11,149	\$41,406	\$22,959	\$25,085	\$30,273	\$17,772
Building Project	\$1,313	\$42,639	\$39,720	\$4,232	\$92,998	\$5,522	\$91,708
Fund Total	\$54,529	\$53,789	\$81,126	\$27,192	\$118,083	\$35,795	\$109,480
Student Aid	\$76,889	\$124,999	\$122,542	\$79,346	\$117,494	\$148,965	\$47,875
SAF Endowment	\$135,286	\$4,250	\$4,243	\$135,292	\$131,625	\$19,139	\$247,778
ILC Grant Endow	\$180,890	\$5,675	\$5,655	\$180,910	\$45,042	\$19,400	\$206,552
Church Extension	\$1,000,742	\$1,189,358	\$892,703	\$1,297,397	\$1,497,858	\$1,149,537	\$1,645,718
Medical Plan	(\$139,258)	\$521,558	\$675,987	(\$293,686)	\$740,761	\$731,024	(\$283,950)
CLC Foundation	\$1,199	\$80	\$1,180	\$99	\$97,839	\$0	\$97,937
Foundation Endow	\$0	\$1,210	\$0	\$1,210	\$122	\$117	\$1,215
ILC Scholarship Endow	\$10,418	\$0	\$505	\$9,913	\$6,014	\$0	\$15,926
Book House	\$18,718	\$39,942	\$32,292	\$26,369	\$35,744	\$32,890	\$29,223
CLC Reserves	\$32,716	\$24,609	\$30,071	\$27,253	\$29,362	\$56,615	\$0

Biennial Receipts Summaries: Offerings and special gifts, investment income, and the total of all other revenues are contained in the table. The investment income includes the returns from the cash invested in various financial instruments, and the interest income from CEF mortgages and SAF loans. The other revenue items include student account payments at ILC, mortgage principal payments into the CEF, promissory notes into the CEF, loan repayments to the SAF, medical insurance premiums and re-insurance payments.

Fund/Account	FY03				FY04			
	Offerings & Gifts	Invest Income	Other Revenue	Total	Offerings & Gifts	Invest Income	Other Revenue	Total
General	672,390	10	0	672,399	705,526	10	29,362	734,897
ILC Operations	5,965	2	728,638	734,606	6,933	68	744,065	751,066
MDF	83,568	17	0	83,585	104,064	76	0	104,141
Project Kinship	34,761	18	0	34,779	52,525	32	0	52,558
CEF	6,444	169,567	1,013,347	1,189,358	85,968	258,310	1,153,580	1,497,858
Medical Plan	0	0	521,558	521,558	0	0	740,761	740,761
IIF	10,850	45	255	11,149	25,033	53	0	25,085
IIF Building	42,635	4	0	0	92,869	128	0	92,998
SAF	29,937	16,091	78,971	124,999	18,065	30,554	68,875	117,494
SAF Endow	0	4,250	0	4,250	112,486	19,139	0	131,625
ILC Scholar Endow	0	0	0	0	4,930	1,084	0	6,014
ILC Grant Endow	0	5,675	0	5,675	20,000	25,042	0	45,042

Cont.

Fund/Account	FY03				FY04			
	Offerings & Gifts	Invest Income	Other Revenue	Total	Offerings & Gifts	Invest Income	Other Revenue	Total
Foundation	0	80	0	80	97,685	154	0	97,839
Found Endow	30	0	0	30	5	117	0	122
Book House	0	11	39,932	39,943	0	78	35,665	35,743
CLC Reserves	0	24,609	0	24,609	0	2,108	27,253	29,361
Totals:	886,580	220,377	2,382,701	3,489,658	1,326,090	336,953	2,799,561	4,462,603

Biennial Disbursements Summaries: The following disbursement totals for each of the past two fiscal years are the totals from all accounts for the purpose indicated. The foreign mission projects line includes Project Kinship as well as the MDF items. The ILC projects line includes the Commons mortgage payments and the rest of the IIF items.

Purpose	FY03	FY04
	Disbursements	Disbursements
Home Missions	\$171,097	\$166,770
Home Mission Projects	\$6,000	\$8,481
Foreign Missions	\$63,792	\$90,198
Foreign Mission Projects	\$142,486	\$123,402
ILC Personnel	\$612,071	\$636,627
ILC Physical Plant	\$123,890	\$117,554
ILC Education	\$82,628	\$82,763
ILC Projects	\$80,587	\$34,257
Student Housing	\$136,123	\$149,931
Student Aid	\$124,670	\$159,789
Retirement Benefits	\$105,288	\$111,228
CEF Mortgages Payout	\$397,000	\$519,975
Debt Service	\$485,047	\$609,064
CLC Medical Plan	\$675,987	\$728,974
CLC Publishing/BookHouse	\$25,834	\$26,237
Administration (incl GBO)	\$84,055	\$97,669
Totals:	\$3,316,557	\$3,662,919

Composite Account Value: The following composite account value analysis indicates the overall financial status of the CLC. The market value of the ILC campus is excluded because it will not become a cash asset and therefore does not have a positive or negative impact on the relative ability of the CLC to generate the cash needed to operate.

Item	FY00 6/30/00	FY01 6/30/01	FY02 6/30/02	FY03 6/30/03	FY04 6/30/04
Cash Assets:	814,984	1,210,070	1,412,523	1,519,584	2,134,614
Receivables:					
Student Loans	415,892	489,562	438,597	453,318	491,151
CEF Mortgages	2,963,882	3,004,057	3,248,356	3,332,937	3,525,831
Totals:	3,379,774	3,493,618	3,686,953	3,786,255	4,016,983
Total Assets:	4,194,759	4,703,688	5,099,476	5,305,839	6,151,597
Liabilities:					
Professorage	129,254	127,912	124,002	119,870	115,506
ILC Commons	108,137	76,418	43,668	4,932	0
CEF Notes	1,346,856	1,778,366	2,077,717	2,542,105	2,894,420
Totals:	1,584,247	1,982,696	2,245,386	2,666,907	3,009,927
Composite Value	2,610,511	2,720,992	2,854,090	2,638,932	3,141,670

Operations Budget: The CLC operating accounts data for the past several years together with the budget approved by the Convention follows.

Cooperative Budget Plan	Actual	Actual	Actual	Actual	Budget
General Fund	FY01	FY02	FY03	FY04	FY05
Congregation CBP Estimates	\$612,830	\$637,027	\$678,918	\$721,529	\$758,839
CBP Actual Offering	\$606,984	\$608,438	\$669,305	\$702,495	
Special Offering		\$20,503	\$3,084		
Actual Budget Figures					
General Fund Revenue/Estimates	\$607,388	\$628,945	\$672,399	\$705,536	\$758,839
General Fund Starting Balance	\$49,168	\$0	\$518	(\$13)	\$0
Reserve Transfers	(\$76,088)	\$0	\$0	\$29,362	\$0
Total General Fund Revenue	\$580,468	\$628,945	\$672,917	\$734,884	\$758,839
ILC Student Revenue/Estimates	\$677,964	680,092	702,424	694,422	769,240
Prior Year Balance	(\$5,083)	(\$2,019)	\$1,205	(\$5,952)	\$0
ILC Other Revenue	\$51,022	\$56,019	\$32,182	\$56,644	\$45,600
Total ILC Revenue	\$723,903	\$734,093	\$735,811	\$745,115	\$814,840
Total Est Operations Revenue	\$1,304,371	\$1,363,038	\$1,408,729	\$1,479,999	\$1,573,679
Total Approved Budget	\$1,308,819	\$1,364,901	\$1,421,879	\$1,474,585	\$1,474,585
Operations Spending					
Extra-Budgetary	\$1,500	\$0	\$1,000	\$0	\$0
Education - Total	\$0	\$0	\$0	\$2,000	\$4,500
Trustees - Total	\$146,503	\$133,894	\$133,867	\$219,182	\$185,000
Missions - Total	\$232,218	\$243,002	\$244,455	\$267,110	\$294,339
Regents - Gen Fund Subsidy	\$213,870	\$251,530	\$269,000	\$247,000	\$275,000
Reserve Transfer to Regents			\$30,071		
Total General Fund	\$594,092	\$628,427	\$678,394	\$735,292	\$758,839
Regents - ILC Revenue Expenditure	\$725,923	\$732,887	\$734,606	\$757,464	\$814,840
Regents - ILC Total	\$939,793	\$984,417	\$1,033,677	\$1,004,464	\$1,089,840
Total Spent/Planned:	\$1,320,015	\$1,361,314	\$1,412,999	\$1,492,755	\$1,573,679
Spending (Over)/Under:	(\$11,196)	\$3,587	\$8,880	(\$12,757)	\$0
Offering deficit to CBP	(\$5,846)	(\$28,589)	(\$9,613)	(\$19,034)	

The Board of Regents: The Regents responsibilities are the ILC operations, which includes the General Fund Subsidy, the IIF including the ILC Building Project, and the SAF for student support.

ILC Operations	FY01	FY02	FY03	FY04	FY05
	Actual	Actual	Actual	Actual	Budget
Beginning Balance	(\$5,083)	(\$2,019)	\$1,205	(\$5,952)	(\$12,349)
Receipts					
Student Revenue	\$677,964	\$680,092	\$702,424	\$694,422	\$760,940
Investment Income	\$812	\$8	\$2	\$68	\$0
Tour Choir	\$6,002	\$7,120	\$5,965	\$6,933	\$0
Other Income	\$24,187	\$28,271	\$26,214	\$49,643	\$53,900
Admin Salaries from other Funds	\$20,021	\$20,620	\$0	\$0	\$0
CLC Subsidy	\$213,870	\$251,530	\$269,000	\$247,000	\$275,000
Reserve Fund Transfer	\$0	\$0	\$30,071	\$0	\$0
Total Receipts	\$942,856	\$987,642	\$1,033,677	\$998,066	\$1,089,840
Total Operating Cash	\$937,774	\$985,623	\$1,034,883	\$992,115	\$1,077,491

ILC Operations (cont)	FY01 Actual	FY02 Actual	FY03 Actual	FY04 Actual	FY05 Budget
Disbursements					
Athletics	\$33,962	\$29,130	\$29,698	\$31,060	\$34,000
Building & Grounds	\$126,050	\$111,492	\$123,890	\$117,554	\$124,500
Business Office	\$25,260	\$14,441	\$12,117	\$10,755	\$12,900
Classroom Equipment	\$18,864	\$16,342	\$9,585	\$10,761	\$17,200
Education	\$27,757	\$21,231	\$23,601	\$22,081	\$22,700
GBO Allocation			\$74,005	\$53,294	\$47,100
Human Resources	\$544,449	\$632,410	\$612,071	\$590,167	\$658,190
Student Housing	\$11,718	\$10,389	\$8,576	\$7,404	\$8,500
Kitchen	\$125,622	\$130,193	\$127,547	\$142,527	\$140,500
Student Activities	\$16,130	\$8,692	\$8,419	\$15,316	\$20,050
Tour Choir	\$6,087	\$7,156	\$5,950	\$0	\$0
Transportation	\$3,894	\$2,940	\$5,376	\$3,544	\$4,200
Total Disbursements	\$939,793	\$984,417	\$1,040,834	\$1,004,464	\$1,089,840
Balance	(\$2,019)	\$1,205	(\$5,952)	(\$12,349)	(\$12,349)

Immanuel Lutheran College Improvement Fund: The IIF summary includes the building project totals.

IIF Budget	FY01 Actual	FY02 Actual	FY03 Actual	FY04 Actual	FY05 Budget
General Beginning Balance	\$9,493	\$40,693	\$53,216	\$22,959	\$17,772
General Contributions	\$9,458	\$30,999	\$10,200	\$10,142	\$74,000
Special Gifts	\$6,490	\$26,443	\$650	\$13,501	
Bequests	\$29,581			\$1,389	
Extraordinary Income			\$255		
General Investment Income	\$715	\$112	\$45	\$53	
Total General:	\$55,737	\$98,247	\$64,365	\$48,045	\$91,772
Disbursements					
Administration (GBO)			\$538	\$1,537	\$580
Project Disbursements	\$15,044	\$45,032	\$40,867	\$28,735	\$91,560
General Ending Balance	\$40,693	\$53,216	\$22,959	\$17,772	\$212
Building Project Beginning Balance:	\$5,506	\$5,323	\$1,313	\$4,232	\$91,708
Contributions	\$30,901	\$30,202	\$42,216	\$65,732	
Special Contributions	\$3,589	\$530	\$419	\$27,137	
Investment Income	\$82	\$13	\$4	\$128	
Total Building:	\$40,078	\$36,068	\$43,952	\$97,230	\$91,708
Building Project					
Planning & Publicity	\$0	\$0	\$0	\$568	\$0
Construction	\$0	\$0	\$0	\$0	\$0
Mortgage Repayment	\$34,755	\$34,755	\$39,720	\$4,954	\$0
Total Building:	\$34,755	\$34,755	\$39,720	\$5,522	\$0
Building Project Ending Balance:	\$5,323	\$1,313	\$4,232	\$91,708	\$91,708
Fund Ending Balance:	\$46,017	\$54,528	\$27,192	\$109,480	\$91,920

IIF Projects: IIF projects completed over the past several years.

Item Description	FY00	FY01	FY02	FY03	FY04
Admin. Discretionary Account			2,457.00		400.00
Blacktop Maintenance	647.36	143.64			
Blacktop Replacement	22,498.91				
Building Design Fees			2,544.15		
Bus Replacement		3,800.00		4,106.73	
Directional Signs	733.50				
Dormitory Remodeling			4,786.69		
Fire Safety Improvements/Code		4,527.00			
Furnace Replacement	2,410.00	2,775.00	2,800.00	2,564.97	2,547.50
Ingram Heating Repairs					7,437.85
Organ Repair					2,500.00
Pfeiffer Annexation/Sewer					3,405.94
Professorage Reshingle	2,170.09	1,654.14			
Professorage Transition/Update	924.40	1,916.76			
Schierenbeck Basement				1,035.54	8,464.46
Schierenbeck Garage					7.36
Schierenbeck Living Room					1,132.29
South Hall Boiler Replacement		95.93	27,154.88		
South Hall Reshingle					2,840.00
West Hall Boiler Replacement			291.97	33,160.17	
West Hall Reshingle		131.03	4,997.00		
	29,384.26	18,843.50	45,031.69	44,974.14	28,735.40

ILC Student Aid Fund: Grants, scholarships and loans are made to students from this fund.

SAF Budget	FY01	FY02	FY03	FY04	FY05
	Actual	Actual	Actual	Actual	Budget
Beginning Balance	\$27,789	(\$3,117)	\$76,890	\$79,347	\$47,875
Receipts					
Contributions	\$35,686	\$36,014	\$29,937	\$18,065	\$30,000
Bequests	\$25,000			\$0	\$0
Investment Income	\$4,448	\$7,800	\$4,322	\$19,302	\$20,000
Student Loans Principal & Interest	\$55,867	\$124,829	\$83,466	\$69,774	\$60,000
Special Gift	\$122	\$0	\$0	\$0	\$0
Grants Repaid			\$5,400	\$5,175	\$3,000
Other Payments	\$1,800	\$4,030	\$1,874	\$5,178	\$2,500
Total Receipts	\$122,923	\$172,673	\$124,999	\$117,494	\$115,500
Balance & Receipts	\$150,712	\$169,556	\$201,889	\$196,841	\$163,375
Disbursements					
Transfers to Cover Delinq Accts	\$2,379	\$4,872	\$1,874	\$5,428	\$0
Expenses			\$151	\$74	\$0
GBO Allocation			\$2,153	\$3,075	\$9,190
Multi-Student Discount				\$17,607	\$17,500
Student Grants	\$22,600	\$15,150	\$22,610	\$18,800	\$18,600
Student Loans	\$119,350	\$65,988	\$87,255	\$96,183	\$94,160
Student Scholarships	\$9,500	\$6,656	\$8,500	\$7,800	\$10,550
Total Disbursements	\$153,828	\$92,666	\$122,542	\$148,965	\$150,000
Ending Balance	(\$3,117)	\$76,890	\$79,347	\$47,875	\$13,375

Board of Missions: The Board of Missions responsibilities are the General Fund Subsidy to Missions at home and abroad, and the MDF including the Project Kinship.

Missions Budget	FY01 Actual	FY02 Actual	FY03 Actual	FY04 Actual	FY05 Budget
Administration					
Misc Supplies/Expense	\$305	\$638	\$2,269	\$2,157	\$1,000
Meals & Lodging	\$825	\$411	\$581	\$485	\$1,000
Missionary Moving Expense	\$1,870	\$1,557	\$1,450	\$2,266	\$2,500
Telephone	\$2,237	\$2,629	\$1,945	\$408	\$2,500
Postage	\$515	\$184	\$322	\$434	\$125
Printing	\$488	\$107	\$293	\$116	\$125
Travel Expense	\$1,879	\$2,333	\$1,628	\$2,739	\$2,000
General Business Office	\$0	\$0	\$1,076	\$1,537	\$2,000
	\$8,118	\$7,860	\$9,566	\$10,141	\$11,250
Foreign Missions					
India - BELC	\$11,780	\$6,916	\$0	\$12,099	\$12,700
India - CLCI	\$20,140	\$19,183	\$15,538	\$13,019	\$14,000
Nigeria - NCLC	\$12,766	\$12,815	\$15,527	\$16,510	\$18,000
Tanzania - LCEA				\$2,788	\$5,700
Mission Helper - EFA		\$16,651	\$0	\$0	\$0
Missionary Salary & Benefits				\$42,530	\$71,000
Missionary Expenses				\$3,253	\$0
1st Missionary Salary	\$28,779	\$31,053	\$32,728	\$0	\$0
2nd Missionary Salary	\$0	\$180	\$0	\$0	\$0
	\$73,465	\$86,797	\$63,792	\$90,198	\$121,400
Home Missions					
Chicago, IL	\$0	\$1,620	\$2,820	\$4,620	\$10,020
Atlanta, GA	\$22,950	\$21,500	\$22,500	\$24,600	\$23,400
Bismarck, ND	\$0	\$0	\$0	\$0	\$0
Detroit, MI	\$26,700	\$28,225	\$26,400	\$24,000	\$14,400
Coconut Creek, FL	\$0	\$0	\$0	\$0	\$0
Calgary	\$7,400	\$0	\$24,600	\$23,400	\$22,200
Fargo, ND			\$0	\$0	\$0
Tacoma, WA	\$17,200	\$15,900	\$18,075	\$23,400	\$22,800
Exploratory (Contingency)	\$0	\$0	\$0	\$0	\$0
Grand Rapids	\$17,400	\$17,700	\$17,700	\$16,500	\$15,300
Gold Canyon, AZ	\$0	\$0	\$0	\$0	\$0
Ketchikan, AK	\$7,950	\$9,300	\$9,300	\$8,100	\$6,900
Live Oak, FL	\$9,775	\$11,100	\$11,727	\$9,900	\$9,900
Northport, FL	\$16,150	\$17,400	\$10,075	\$7,350	\$6,000
Rapid City, SD	\$0	\$0	\$0	\$0	\$0
Sioux Falls, SD	\$8,900	\$10,500	\$13,500	\$11,700	\$12,900
Vernon, B.C.	\$16,210	\$15,100	\$14,400	\$13,200	\$12,000
	\$150,635	\$148,345	\$171,097	\$166,770	\$155,820
Increase Medical/Salary	\$0	\$0	\$0	\$0	\$5,869
Total Disbursements	\$232,218	\$243,002	\$244,455	\$267,110	\$294,339

Mission Development Fund: This fund supports many foreign mission projects.

MDF Budget	FY01 Actual	FY02 Actual	FY03 Actual	FY04 Actual	FY05 Budget
General Beginning Balance	\$21,519	\$36,566	\$32,536	\$5,539	\$31,317
Contributions	\$41,216	\$25,269	\$38,042	\$69,873	\$50,000
Bequests	\$4,500				
40th Anniversary Offering	\$52,373	\$56,949	\$2,937		
Storm Relief Offering	\$21,073				
Reach the Children Boxes	\$874	\$1,102	\$965	\$848	
Special Offerings	\$5,750	\$4,053	\$41,624	\$33,344	\$25,000
Investment Income	\$866	\$93	\$17	\$76	\$100
Total General	\$148,172	\$124,032	\$116,120	\$109,679	\$106,417
Administration (GBO)			\$1,076	\$1,537	\$3,468
Project Disbursements	\$111,605	\$91,497	\$109,505	\$76,825	\$76,200
General MDF Balance	\$36,566	\$32,536	\$5,539	\$31,317	\$26,749
Kniship Project	Actual	Actual	Actual	Actual	Budget
Beginning Balance	\$12,175	\$9,034	\$18,716	\$14,514	\$10,476
Orphan & Seminary Support	\$41,126	\$42,166	\$23,487	\$35,127	\$36,000
Contributions	\$14,647	\$13,052	\$11,274	\$17,398	\$14,420
Investment Income	\$165	\$26	\$18	\$32	
Total Balance and Receipts	\$68,114	\$64,278	\$53,495	\$67,071	\$60,896
Disbursements					
Administration	\$3,465	\$5,548	\$3,461	\$2,167	\$5,680
Telephone			\$168	\$136	\$600
GBO Allocation			\$807	\$1,537	\$2,312
Bas Expense	\$2,281				
VS Benjamin Repayment	\$1,200	\$1,200	\$1,200	\$200	
Jyothi Benjamin Salary	\$975				
Orhanages Salaries & Admin				\$2,700	\$3,000
CLCI School Land				\$10,000	
Seminary Sponsors	\$4,940	\$3,480	\$11,925	\$14,190	\$14,580
Orphan Housing					\$2,000
Orphan Gifts					\$665
NCLC Well					\$1,000
Etago Aids Orphans Classroom					\$2,000
BELC Orphan Support	\$21,420	\$11,375			
CLCI Orphan Support	\$21,780	\$21,780	\$19,880	\$23,630	\$19,800
NCLC Orphan Support	\$2,040	\$2,180	\$1,540	\$2,035	\$1,620
Miscellaneous	\$979	\$0			\$2,500
Total Disbursements	\$59,081	\$45,563	\$38,982	\$56,595	\$55,757
Ending Balance	\$9,033	\$18,716	\$14,514	\$10,476	\$5,139
Composite MDF Balance	\$45,600	\$51,251	\$21,129	\$43,330	\$35,356

MDF Projects: A listing of the mission projects for the past several years.

Item Description	FY00	FY01	FY02	FY03	FY04
2nd Missionary Moving				850.00	3,642.82
2nd Foreign Missionary Housing		5,556.00			
African Exploratory	8,731.00	7,404.74	4,982.00	10,872.19	11,432.20
BELC Bicycles	200.00				
BELC Building	9,000.00				
BELC Copier	2,500.00				
BELC Motorcycles	2,000.00				
BELC Vehicle		14,000.00			
Bibles, Catechisms, Hymnals		6,260.00	4,307.41	5,047.44	6,277.44
Bicycles- Motorcycles					6,980.00
Calgary Exploratory			26,006.25		
Church Roofing Assistance	3,647.06		350.00	2,457.00	2,680.00
CLCI - Sem Expansion		500.00	4,850.00		8,160.00
CLCI Computer	1,500.00				
CLCI Motorcycle	1,100.00				
CLCI Photo Copier		2,500.00			
CLCI VBS		1,085.00	713.00		
CLCI Vehicle		14,000.00			
Educational Materials	5,777.42				
Equipment-Internet Access					2,539.00
India Bicycles				660.00	
India Church Prop. Registration		3,625.92			
India Outreach		6,179.00	18,742.68	14,127.14	4,392.62
Indian Catechetics		750.00			
Mission BD Foreign Visitation	11,345.11				
Mission Helper Housing - Efa			5,816.76		
Mission Helper Moving - Efa			1,471.67		
Mission Helper Program	3,839.81	8,015.00		6,421.00	2,845.00
NCLC Mission House Repair	900.00				
NCLC Professorage			1,500.00	3,000.00	
NCLC Student Housing		7,500.00			
Nigeria/India Missionary Trav.	8,802.04	9,795.93	10,263.39	13,683.06	18,266.76
Reach the Children VBS				549.25	1,128.13
Self-help Projects		3,500.00	1,370.00	3,260.00	
Seminary Libraries, Texts		1,790.47	3,123.47	2,544.31	
Storm Relief - India		5,250.00			
Tanzania Sem Building				40,033.00	
U.S. Exploratory	3,424.99			3,000.00	
U.S. Traveling VBS	3,250.00	7,250.00	8,000.00	3,000.00	8,481.00
US Preaching Station Outreach		6,643.30			
	66,017.43	111,605.36	91,496.63	109,504.39	76,824.97

Board of Trustees: The Board of Trustees responsibilities are the General Fund Subsidy for the Old Retirement Plan, the general administration of the CLC, and the CEF revolving mortgage fund.

Trustees Budget Administration	FY01 Actual	FY02 Actual	FY03 Actual	FY04 Actual	FY05 Budget
General Business Office	\$0	\$0	\$6,459	\$6,662	\$6,950
Misc Supplies & Expense	\$1,773	\$2,189	\$772	\$79	\$200
BD of Education	\$60	\$0	\$0	\$413	\$0
Treasurer's Assistant	\$1,500	\$1,500	\$0	\$0	\$0
Computer Hardware & Software	\$9,337	\$479	\$0	\$0	\$0
Liability Insurance	\$1,045	\$1,047	\$1,100	\$2,039	\$2,000
Telephone	\$2,029	\$857	\$878	\$536	\$400
Postage	\$1,447	\$903	\$976	\$746	\$650
President's Expenses	\$99	\$0	\$100	\$250	\$200
Printing	\$170	\$714	\$141	\$13	\$100
Travel Expenses	\$10,221	\$6,949	\$7,306	\$6,368	\$7,000
Treasurer's Allowance	\$1,800	\$1,800	\$0	\$0	\$0
Total:	\$29,481	\$16,438	\$17,731	\$17,106	\$17,500
Debt Service					
ILC Professorage Loan Payments	\$9,944	\$10,848	\$10,848	\$10,848	\$10,800
Medical Plan Subsidy				\$80,000	\$0
Medical Deficit Repayment (9 months)					\$45,000
Retirement (Old Plan)					
Monthly Payments Families	\$64,938	\$66,135	\$66,216	\$72,156.00	\$70,700.00
Monthly Payments Singles	\$42,140	\$40,473	\$39,072	\$39,072.00	\$41,000.00
Total:	\$107,078	\$106,608	\$105,288	\$111,228	\$111,700
Total Disbursements	\$146,503	\$133,894	\$133,867	\$219,182	\$185,000

Church Extension Fund: This fund supplies the capital for building projects in the CLC.

CEF Budget	FY01 Actual	FY02 Actual	FY03 Actual	FY04 Actual	FY05 Budget
Opening Balance	\$365,815	\$727,189	\$1,000,743	\$1,297,397	\$1,645,718
Receipts					
Contributions & Bequests	\$17,099	\$4,587	\$6,444	\$85,968	\$10,000
Investment Income	\$18,594	\$19,531	\$539	\$77,510	\$20,000
Mortgage Loan Interest	\$162,335	\$162,068	\$169,028	\$180,800	\$175,000
Mortgage Loan Principal	\$262,020	\$371,767	\$233,638	\$266,110	\$250,000
Other Income	\$558,988	\$780,644	\$779,709	\$887,470	\$500,000
Total Receipts	\$1,019,035	\$1,338,598	\$1,189,358	\$1,497,858	\$955,000
Disbursements					
Administration	\$17,432	\$18,545	(\$25)		
Allocation From the GBO			\$21,529	\$20,498	\$20,000
Computer System	\$11,701	\$0			
Debt Service	\$258,134	\$511,000	\$474,199	\$609,064	\$550,000
Mortgage Loans					
Denver	\$80,000				
Okabena				\$50,000	
ILC Prof	\$2,059				
Saginaw	\$60,000	\$10,000			
Lemmon	\$50,000				
Detroit Lakes	\$16,000				
Fond du Lac	\$140,000				
Northport	\$22,336				
Chicago				\$150,000	
Inver Grove Hts		\$370,500			
Tacoma		\$30,000	\$142,000	\$12,887	

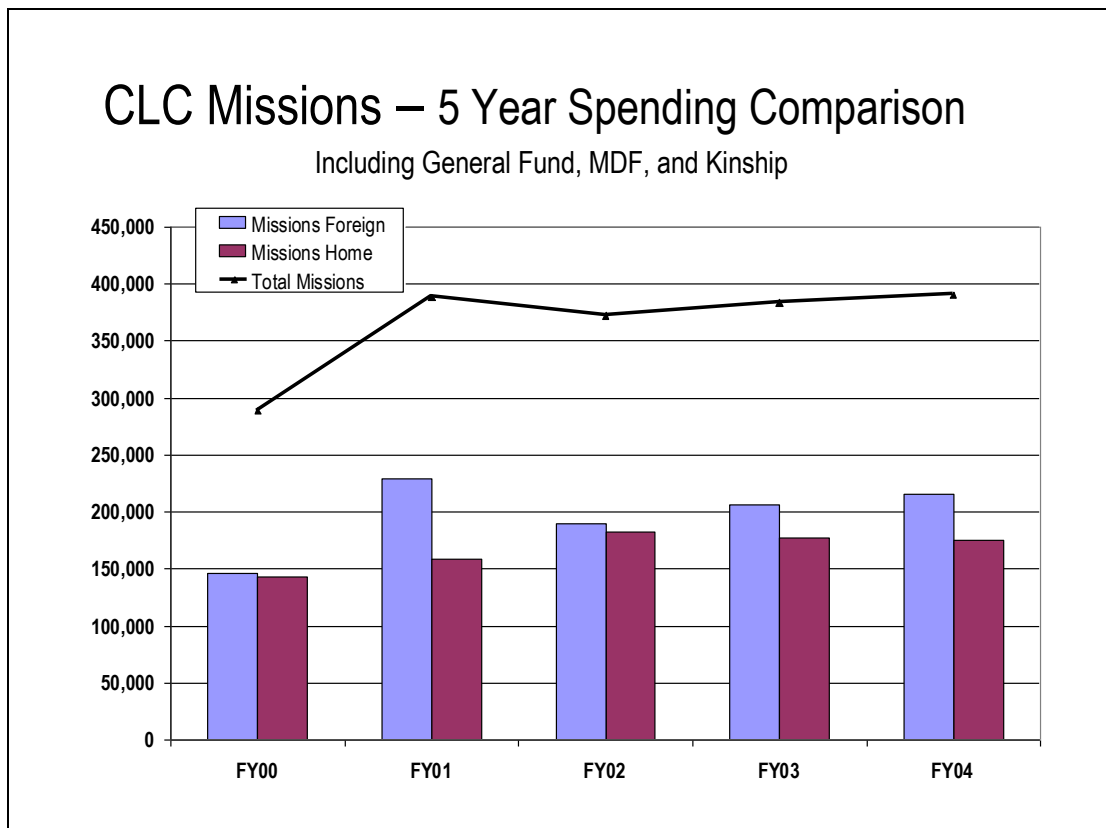
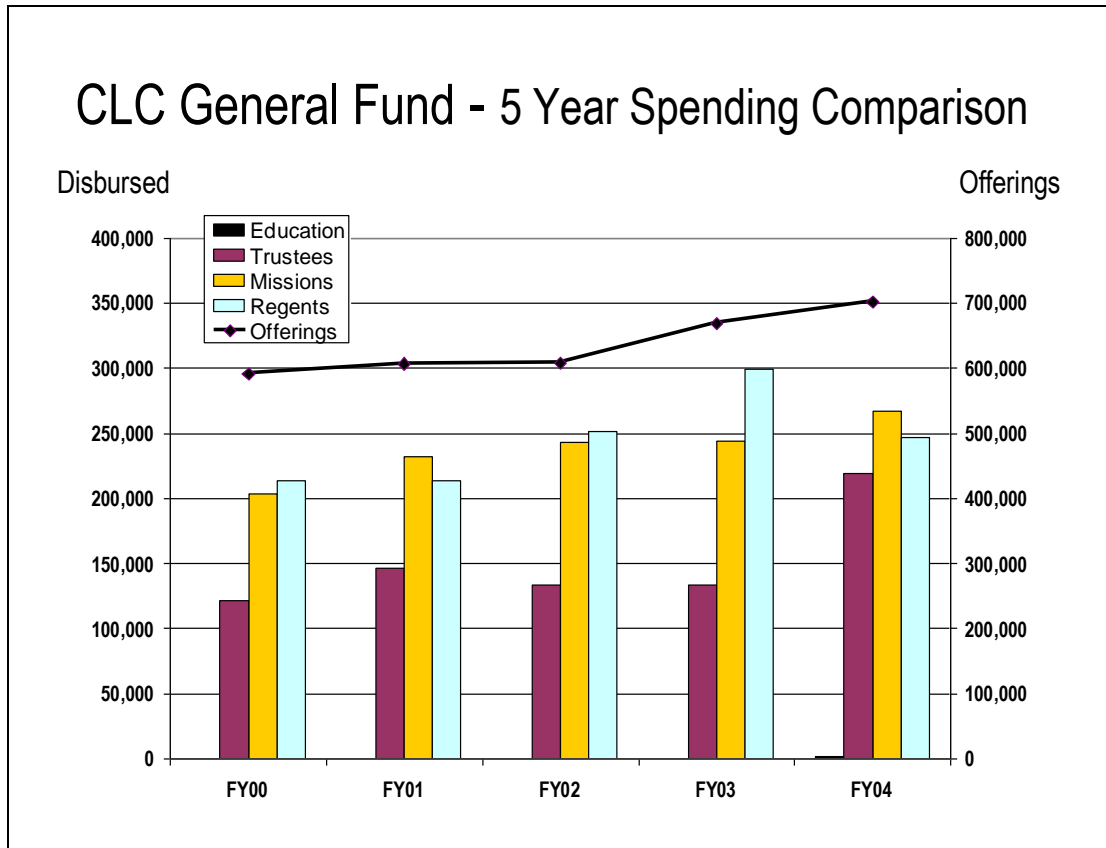
CEF Budget (cont)	FY01 Actual	FY02 Actual	FY03 Actual	FY04 Actual	FY05 Budget
Marksean		\$125,000			
Fargo			\$60,000		
Bismarck			\$70,000	\$6,000	
Loveland			\$45,000	\$210,000	
Spokane- Geth			\$80,000	\$80,000	
Sioux Falls				\$11,088	
Eatimated Additional					\$500,000
Total Mortgages	\$370,395	\$535,500	\$397,000	\$519,975	\$500,000
Total Disbursements	\$657,661	\$1,065,044	\$892,703	\$1,149,537	\$1,070,000
Balance	\$727,189	\$1,000,743	\$1,297,397	\$1,645,718	\$1,530,718

Board Of Education: The Publishing Division and the Book House are under the responsibility of the Board Of Education. Following is the Book House budget.

Publishing/Book House Budget	FY01 Actual	FY02 Actual	FY03 Actual	FY04 Actual	FY05 Budget
Beginning Balance	\$20,665	\$18,631	\$18,719	\$26,369	\$29,223
Receipts					
Investment Income			\$11	\$78	\$0
Calculator Rental	\$207	\$187	\$252	\$47	\$0
Miscellaneous	\$526	\$435	(\$500)	\$129	\$250
Publishing Division	\$2,000	\$162	\$0	\$0	\$4,000
State Sales Taxes	\$280	\$459	\$365	\$378	\$500
Sales					
Directories	\$588	\$16	\$4	\$0	\$0
Textbook Rent/Sales	\$13,039	\$11,652	\$10,890	\$10,834	\$10,500
General Sales	\$14,751	\$32,742	\$28,066	\$23,608	\$34,500
Shipping Charges	\$434	\$1,255	\$855	\$669	\$1,000
Total Receipts	\$31,826	\$46,909	\$39,942	\$35,744	\$50,750
Balance & Receipts	\$52,491	\$65,540	\$58,661	\$62,113	\$79,973
Disbursements					
Administration (GBO)	\$4,800	\$5,752	\$6,459	\$6,662	\$9,250
Travel Expenses	\$87	\$253	\$170	\$0	\$0
Publishing Div Inventory					\$20,000
Miscellaneous Expenses	\$959	\$33	\$0	\$0	\$0
Directory Printing	\$568	\$0	\$0	\$0	\$0
Equipment	\$586	\$718	\$60	\$167	\$0
Office Supplies	\$221	\$131	\$287	\$370	\$500
Telephone	\$400	\$312	\$53	\$359	\$300
Postage	\$778	\$1,572	\$1,004	\$1,058	\$1,000
Taxes	\$225	\$279	\$816	\$394	\$0
Purchases					
Calculators			\$394	\$69	
Coffee			\$155	\$170	
Textbooks	\$7,030	\$4,052	\$2,806	\$3,621	\$5,250
Goods for Resale	\$18,207	\$33,718	\$20,087	\$20,020	\$20,000
Total Disbursements	\$33,860	\$46,821	\$32,292	\$32,890	\$56,300
Ending Balance	\$18,631	\$18,719	\$26,369	\$29,223	\$23,673

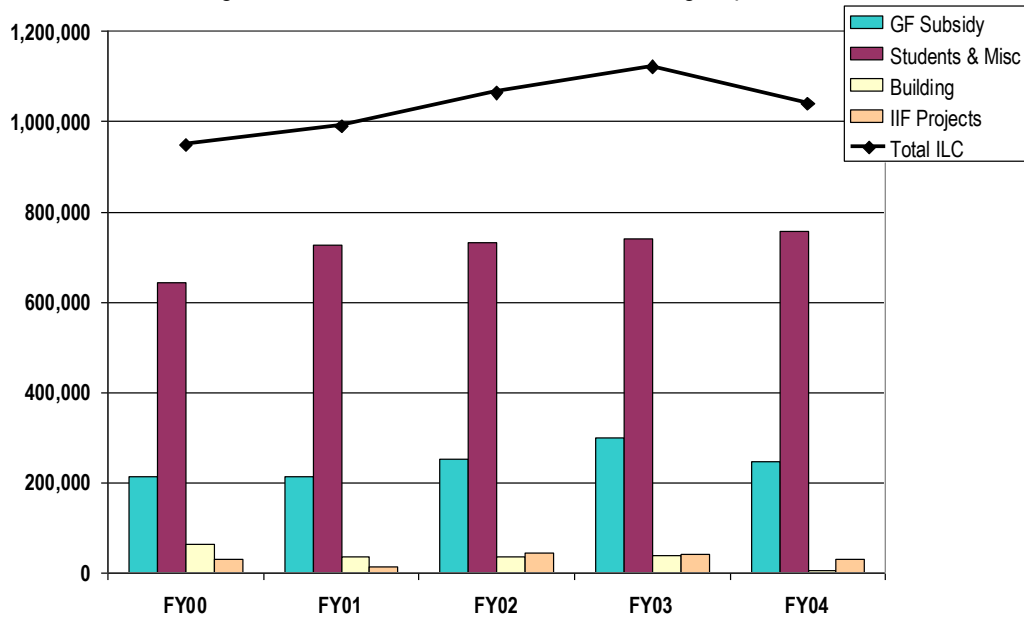
CLC Board of Trustees, Mr. Philip Radichel, Chairman, Pastor James Sandeen, Secretary,
Pastor John Ude, Mr. Eugene Lang

Selected Comparative Graphs



ILC – 5 Year Spending Comparison

Including General Fund, Student, IIF, and Building Expenses



CLC Student Aid Endowment

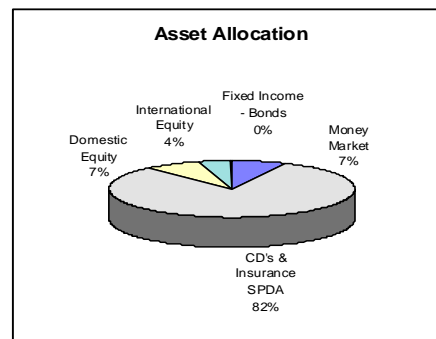
- The 3 endowments associated with student aid

Endowment Asset Allocation 3/31/2004

Asset Description	Amount	%
Money Market	27,377.56	7.2%
CD's & Insurance SPDA	308,351.01	80.9%
Domestic Equity	28,025.88	7.4%
International Equity	16,366.46	4.3%
Fixed Income - Bonds	810.67	0.2%

Account Totals \$ 380,931.58 100%

Rate of Return 7/1/03 to 3/31/04 7%



CLC Retirement Plan Account

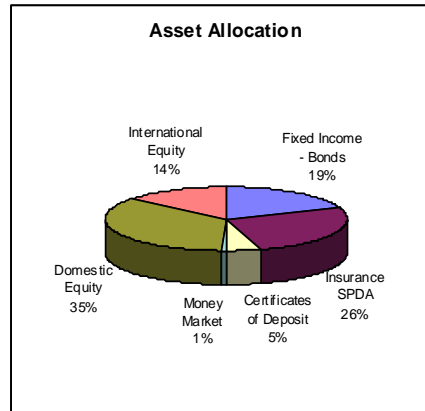
- For Pastors and Teachers enrolled in the CLC Retirement Plan

Retirement Asset Allocation 12/31/2003

Asset Description	Amount	%
Fixed Income - Bonds	427,704.89	19.4%
Insurance SPDA	567,142.92	25.8%
Certificates of Deposit	105,976.92	4.8%
Money Market	13,301.15	0.6%
Domestic Equity	774,923.47	35.2%
International Equity	313,443.37	14.2%

Account Totals \$ 2,202,492.72 100%

Rate of Return 7/1/03 to 12/31/03 11%



CLC Investment Pool

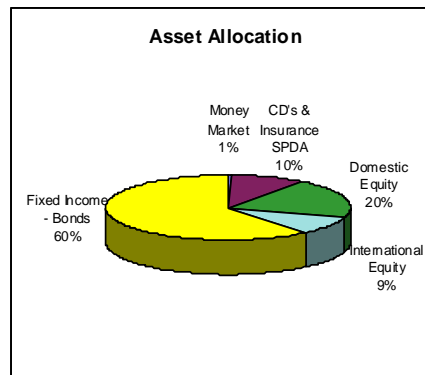
- This Account is used for investing cash not immediately needed
- CEF cash is the majority of this account.

Pool Asset Allocation 3/31/2004

Asset Description	Amount	%
Money Market	5,644.68	0.6%
CD's & Insurance SPDA	87,742.73	9.7%
Domestic Equity	177,099.44	19.6%
International Equity	80,333.67	8.9%
Fixed Income - Bonds	553,974.00	61.2%

Account Totals \$ 904,794.52 100%

Rate of Return 7/1/03 to 3/31/04 7%



Receipt Totals for All Funds

- The chart below includes all fund resources
- The shaded columns highlight the offerings received for all purposes

Fund/Account	FY03				FY04			
	Offerings & Gifts	Invest Income	Other Revenue	Total	Offerings & Gifts	Invest Income	Other Revenue	Total
General	672,390	10	0	672,399	705,526	10	29,362	734,897
ILC Operations	5,965	2	728,638	734,606	6,933	68	744,065	751,066
MDF	83,568	17	0	83,585	104,064	76	0	104,141
Project Kinship	34,761	18	0	34,779	52,525	32	0	52,558
CEF	6,444	169,567	1,013,347	1,189,358	85,968	258,310	1,153,580	1,497,858
Medical Plan	0	0	521,558	521,558	0	0	740,761	740,761
IIF	10,850	45	255	11,149	25,033	53	0	25,085
IIF Building	42,635	4	0	0	92,869	128	0	92,998
SAF	29,937	16,091	78,971	124,999	18,065	30,554	68,875	117,494
SAF Endow	0	4,250	0	4,250	112,486	19,139	0	131,625
ILC Scholar Endow	0	0	0	0	4,930	1,084	0	6,014
ILC Grant Endow	0	5,675	0	5,675	20,000	25,042	0	45,042
Foundation	0	80	0	80	97,685	154	0	97,839
Found Endow	30	0	0	30	5	117	0	122
Book House	0	11	39,932	39,943	0	78	35,665	35,743
CLC Reserves	0	24,609	0	24,609	0	2,108	27,253	29,361
Totals:	886,580	220,377	2,382,701	3,489,658	1,326,090	336,953	2,799,561	4,462,603

Summary of Assets vs. Liabilities

Not Including ILC Property

	FY00	FY01	FY02	FY03	FY04
Item	6/30/00	6/30/01	6/30/02	6/30/03	6/30/04
Cash Assets:	814,984	1,210,070	1,412,523	1,519,584	2,134,614
Receivables:					
Student Loans	415,892	489,562	438,597	453,318	491,151
CEF Mortgages	2,963,882	3,004,057	3,248,356	3,332,937	3,525,831
Totals:	3,379,774	3,493,618	3,686,953	3,786,255	4,016,983
Total Assets:	4,194,759	4,703,688	5,099,476	5,305,839	6,151,597
Liabilities:					
Professorage	129,254	127,912	124,002	119,870	115,506
ILC Commons	108,137	76,418	43,668	4,932	0
CEF Notes	1,346,856	1,778,366	2,077,717	2,542,105	2,894,420
Totals:	1,584,247	1,982,696	2,245,386	2,666,907	3,009,927
Composite Value	2,610,511	2,720,992	2,854,090	2,638,932	3,141,670