



# Pima County Clerk of the Board

Robin Brigode

Julie Castañeda  
Deputy Clerk

Administration Division  
130 W. Congress, 5<sup>th</sup> Floor  
Tucson, AZ 85701  
Phone: (520)724-8449 • Fax: (520) 222-0448

Document and Micrographics Mgt. Division  
1640 East Benson Highway  
Tucson, Arizona 85714  
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## MEMORANDUM

TO: Honorable Chair and Board Members  
Pima County Board of Supervisors

FROM: Robin Brigode, Clerk of the Board *RB*

DATE: November 17, 2015

RE: Petition for Exemption – Desert Hope Lutheran Church

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Pursuant to A.R.S. §42-11109, Desert Hope Lutheran Church, Parcel No. 133-23-099L, filed a petition on October 5, 2015, for relief of taxes and any associated interest/penalty for Tax Year 2015.

### Background

#### Parcel No. 133-23-099L

The Pima County Assessor reported Desert Lutheran Church did not acquire title to the property until after January 1, 2015. (report attached)

The Pima County Treasurer reported taxes due as of 10/15/15 in the amount of \$22,814.51 for TY 2015. (report attached)

### Consideration

Consideration by the Board is requested for relief of taxes and any associated interest/penalty for TY 2015 in the approximate amount of \$22,814.51.

Respectfully submitted.

Attachments



# Pima County Clerk of the Board

Robin Brigode

Mary Jo Furphy  
Deputy Clerk

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Tucson, AZ 85701  
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## Petition to the Board of Supervisors - Review Form

Pursuant to      A.R.S. §42-11104(G) (educational/library property) or  
  x   A.R.S. §42-11109(E) (religious property)

Taxpayer Desert Hope Lutheran Church

For tax year(s) 2015

- 1) Did the organization file an affidavit as required by A.R.S. §42-11153?  
  x   Yes           No
  
- 2) Was the affidavit filed on or before March 1 of the tax year as required by A.R.S. §42-11153?  
  x   Yes           No
  
- 3) If the affidavit had been filed timely, would the Assessor have granted the exemption?  
     Yes           No
  
- 4) If the answer to Number 3 is "No", why was the exemption denied?  
     The required ownership of the property was not in effect during the time period required by statute.  
     The property was not being used for the exempt purpose during the time period required by statute.  
     The requesting church, educational or library property did not furnish the required documents requested by the Assessor at the time of application per A.R.S. §42-11152(3)&(B)  
     Other:  
Desert Hope Lutheran Church didn't acquire title to the property until after 1/1/15.  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Completed by: Ryan Call Date: 10/08/15

c: Honorable Bill Staples, Pima County Assessor

Beth Ford  
Pima County Treasurer



Patti Davidson  
Chief Deputy Treasurer

**PIMA COUNTY TREASURER'S OFFICE**  
**ACCOUNT BALANCE**

DESERT HOPE LUTHERAN CHURCH  
7474 E SPEEDWAY BLVD  
TUCSON AZ 85710-1505

ACCOUNT: 13323099L  
PROPERTY TYPE: Real Estate  
PROPERTY LOCATION: 7474 E SPEEDWAY BL  
LEGAL DESC: PTN E2 NE4 NW4 LYG N & ADJ PANTANO WASH  
3.32 AC SEC 8-14-15

**Account Balance as of October 15, 2015**

Tax Year	Cert No	Interest Date	Interest Percent	Amount	Interest Due	Fees Due	Penalties Due	Total Due
2015 - 1		11/2/2015	16.0	11,407.26	0.00	0.00	0.00	11,407.26
2015 - 2		5/2/2016	16.0	11,407.25	0.00	0.00	0.00	11,407.25
<b>Totals</b>				<b>\$22,814.51</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$22,814.51</b>

If you have any questions about the items on this statement, please contact our offices.



# Pima County Clerk of the Board

Robin Brigode

Julie Castañeda  
Deputy Clerk

Administration Division  
130 W. Congress, 5<sup>th</sup> Floor  
Tucson, AZ 85701  
Phone: (520)724-8449 • Fax: (520) 222-0448

Document and Micrographics Mgt. Division  
1640 East Benson Highway  
Tucson, Arizona 85714  
Phone: (520) 351-8454 • Fax: (520) 791-6666

November 2, 2016

Terry F. Bredehoft, President  
Desert Hope Lutheran Church  
7474 E. Speedway Blvd.  
Tucson, AZ 85710

RE: Petition for Refund – Parcel Nos. 133-23-099L

Dear Mr. Bredehoft:

Please be advised that your petition for refund has been scheduled before the Pima County Board of Supervisors on Tuesday, November 17, 2016, at 9:00 a.m. or thereafter, at the following location:

Pima County Administration Building  
Board of Supervisors Hearing Room  
130 West Congress, 1st Floor  
Tucson, AZ 85701

If you have any questions regarding this hearing, please contact this office at 724-8449.

Sincerely,

A handwritten signature in cursive script that reads "Robin Brigode".

Robin Brigode  
Clerk of the Board

October 1, 2015

Pima County Board of Supervisors  
c/o Robin Brigode, Clerk  
130 W. Congress, Fifth Floor  
Tucson, AZ 85701

Subject: Property Tax Exemption Appeal for Desert Hope Lutheran Church

Dear Ms. Brigode,

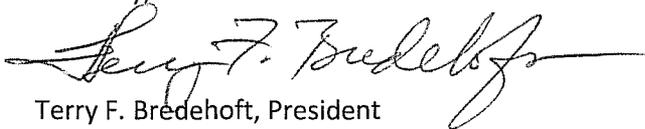
On January 7, 2015 Desert Hope Lutheran Church, a duly registered Arizona Non-Profit Corporation, acquired title to the building and land located at 7474 E. Speedway Blvd, Tucson, AZ for use as our church assembly and church office facility. The Parcel ID of the property is 133-23-099L.

At that time, we were instructed by the Pima County Assessor's Office to apply for tax exemption status on this property for the 2015 tax year. The exemption application was submitted to the Assessor's Office on February 3, 2015 and this application was approved. A copy of the completed application package and affidavit are enclosed with this letter for your reference.

We recently received a property tax assessment bill for said property in the amount of \$22,814.51 for the entire 2015 tax year. In subsequent discussions with the Assessor's Office we have been informed that we did not qualify for tax exemption for the 2015 tax year because our title to the property began on January 7, 2015 rather than January 1, 2015.

Per Arizona Revised Statute 42-11109, we are hereby petitioning the Pima County Board of Supervisors to grant our exemption request for the 2015 property tax year as we will be using the property for our church building for 51 weeks of the current year. Further per the statute, we are petitioning the Board to forgive and strike off from the tax roll any property taxes and accrued interest and penalties that are due but not paid.

Sincerely,



Terry F. Bredehoft, President  
Desert Hope Lutheran Church

7474 E. Speedway Blvd.  
Tucson, AZ 85710

(520) 576-2678  
[TBREDEHOFT@COX.NET](mailto:TBREDEHOFT@COX.NET)

Attachments:

2015 Property Tax Exemption Affidavit & Application Package

OCT 05 PM 15:30 KOFM BK



January 10, 2015

Pima County Assessor's Office  
Exemption Section  
33 N. Stone Ave. Suite 130  
Tucson, AZ 85701

Attn: Grace Gutierrez

Subject: Letter of Intent

To Whom It May Concern:

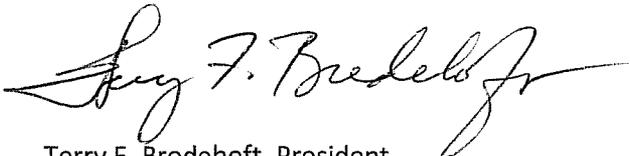
Desert Hope Lutheran Church acquired title to the property located at 7474 E. Speedway, Tucson, AZ as the new location for our church on January 7, 2015. It is our intent to utilize this property for church worship services and the church's administrative office. We are hereby making application for a Property Tax Exemption for said property under A.R.S. Title 41, Chapter 11, Article 3 subsection 42-11109.

Enclosed please find the following documents to support this application:

Questionnaire for Property Tax Exemption Application  
I.R.S. Tax Exemption Documentation  
Constitution & By-Laws  
Articles of Incorporation  
Church Financial Report  
Architect Conceptual Site Plan Drawings  
Minutes of Congregational Meeting Authorizing Property Purchase

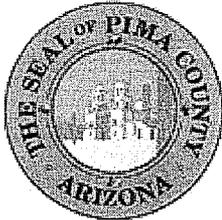
If you have any questions about this application, please direct them to the undersigned.  
Thank you for your consideration and attention to this matter.

Sincerely,

A handwritten signature in black ink, appearing to read "Terry F. Bredehoft". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Terry F. Bredehoft, President  
Desert Hope Lutheran Church

Mailing Address: 7474 E. Speedway Blvd, Tucson, AZ, 85710  
e-Mail: [TBREDEHOFT@COX.NET](mailto:TBREDEHOFT@COX.NET)  
Phone: 520.576.2678



Office of the Pima County Assessor  
Personal Property Division  
33 N. Stone Avenue Suite 110  
Tucson, AZ 85701

---

Bill Staples  
Assessor

Lon Berg  
Chief Deputy Assessor

**Non-Profit and Religious Organizations**

**Property Tax Exemption Information and Questionnaire**

Claims for exemptions from property taxes and/or personal property taxes pursuant to A.R.S. Title 42, Chapter 11, Article 3 - Exemptions

**Copies of the following documents must be submitted when making application:**

- I.R.S. Tax Exemption Letter
- By-Laws
- Articles of Incorporation • Financial Report
- Letter of Specific Intent, date property was acquired, details of all activities conducted at site.
- An inventory of personal property when applying for Personal Property exemption only
- If property or building is being held primarily for religious worship, submit at least two documents to show intent. I.e. minutes of board meeting, architectural or site plans, etc.

**Statutory Time Period for Filing Exemption**

1st Monday in January until March 1<sup>st</sup>

***Failure to file a claim for property tax exemption within this time period waives all rights for property tax exemption for that calendar year.***

**Direct all correspondence and inquiries to:**

Pima County Assessor's Office  
Exemption section  
33 N. Stone Ave. Suite #130 Tucson,  
Arizona 85701  
724-7501 or 724-7500  
(Complete questionnaire next page)

**QUESTIONNAIRE FOR PROPERTY TAX EXEMPTION APPLICATION**

1. Name & Address of Non-Profit or Religious organization:

Desert Hope Lutheran Church

Mailing Address: 7474 E. Speedway, Tucson, AZ, 85710

Property Address: 7474 E. Speedway, Tucson, AZ, 85710

2. From which subsection of A.R.S. Title 42, Chapter 11, Article 3-Exemptions do you base your claim for exemption?

42-11109

3. Are any types of sales or business activities (lunch counters, sale of souvenirs, etc.) operated on the premises? Yes  No

4. Is the organization exempt from Federal and/or State income taxes?  Yes  No

5. Give day, month, and year deed, title was acquired by applicant.

07 January 2015

6. Claimant is:  Owner/Operator  Owner only  
 Operator only

7. Exemption is claimed on:  All land  
 Buildings & Improvements  
 Personal Property

8. List name of organization which owns or operates the property other than claimant:

9. Is any portion of the property used as a place of residence? Yes  No   
If yes, state number of individuals occupying the premises. #

10. Does applicant receive any income? (Other than free will offerings in connection with this Property) Yes  No

11. What portion of the property is being leased or rented to a non-profit and/or a for-profit organization?

The property is 100% owned by Desert Hope Lutheran Church, an Arizona non-profit corporation.

12. List date of occupancy: 08 January 2015



Lutheran Congregations in Mission for Christ

**CERTIFICATION OF FEDERAL INCOME TAX EXEMPTION  
for**

September 28, 2010

Desert Hope Lutheran Church  
6424 E Speedway Blvd, #130  
Tucson, AZ 85710

RE: 501(c)(3) Group Umbrella

To Whom It May Concern:

This letter is to confirm that Lutheran Congregations in Mission for Christ (LCMC) has received a request for coverage under our 501(c)(3) Group Umbrella from Desert Hope Lutheran Church, Tucson, AZ.

Be advised that as of this date, Desert Hope Lutheran Church, being a member in good standing of LCMC, shall be considered a subordinate according to the IRS 501(c)(3) code. This inclusion establishes that this entity is not a private foundation as defined in Code Section 509(a). The four-digit Group Exemption Number 3972 is the same for the LCMC and its related entities. The nine-digit EIN is different for each congregation and for other employing entities.

The IRS issued the attached Group Exemption Letter to the LCMC on June 10, 2003. In accordance with the terms of this letter, entities affiliated with LCMC are exempt from Federal Income Tax under the LCMC's Group Exemption Ruling.

Sincerely,

Sharon MacFadyen  
LCMC Administrative Coordinator

Cc: file

INTERNAL REVENUE SERVICE  
P. O. BOX 2508  
CINCINNATI, OH 45201

DEPARTMENT OF THE TREASURY

Date: JUN 10 2003

LUTHERAN CONGREGATIONS IN MISSION  
FOR CHRIST C/O ANN  
NOVACHECK LINDQUIST &  
VENNUM PLLP 4200 IDS  
CENTER MINNEAPOLIS, MN  
55402

Employer Identification Number:  
41-1991463  
DLN:  
503085037  
Contact Person:  
LYNN A BRINKLEY ID# 31435  
Contact Telephone Number:  
(877) 829-5500

Addendum Applies:  
No

Dear Applicant:

We have considered your application for a group exemption letter recognizing your subordinates as exempt from federal income tax under section 501(a) of the internal Revenue Code as organizations of the type described in section 501(c)(3).

Our records show that you were recognized as exempt from federal income tax under section 501(c)(3) of the Code. Your exemption letter remains in effect.

Based on information you supplied, we recognize your subordinates whose names appear on the list you submitted as exempt from federal income tax under section 501(c)(3) of the Code.

Additionally, we have classified the organizations that you operate, supervise, or control, and that are covered by your notification to us, as organizations that are not private foundations because they are organizations of the type described in sections 509(a)(1) and 170(b)(1)(A)(i) of the Code.

Donors may deduct contributions to your subordinates as provided in section 170 of the Code. Bequests, legacies, devises, transfers, or gifts to your subordinates or for their use are deductible for federal estate and gift tax purposes if they meet the applicable provisions of section 2055, 2106, and 2522 of the Code.

Your subordinates are not required to file Form 990, Return of Organization Exempt From Income Tax, if they qualify as churches or integrated auxiliaries of churches or otherwise meet the exceptions in section 1.6033-2(g) of the Income Tax Regulations.

Your subordinates are required to make their annual information return, Form 990 or Form 990-EZ, available for public inspection for three years after the later of the due date of the return or the date the return is filed. You and your subordinates are also required to make available for public inspection your group exemption application, any supporting documents and this exemption letter. Copies of these documents are also required to be provided to any

Letter 2419 (DO/CG)

LUTHERAN CONGREGATIONS IN MISSION

individual upon written or in person request without charge other than reasonable fees for copying and postage. You may fulfill this requirement by placing these documents on the Internet. Penalties may be imposed for failure to comply with these requirements. Additional information is available in Publication 557, Tax-Exempt Status for Your Organization, or you may call our toll free number shown above.

Your subordinates are not required to file federal income tax returns unless subject to the tax on unrelated business income under section 511 of the Code. Each organization subject to this tax must file Form 990-T, Exempt Organization Business Income Tax Return. In this letter we are not determining whether any of your subordinates' present or proposed activities are unrelated trade or business as defined in section 513 of the Code.

As of January 1, 1984, each of your subordinates is liable for social security (PICA) taxes for each employee to whom the subordinate paid \$100 or more during a calendar year. This does not apply, however, to any subordinate that makes or has made a timely election under section 3121(w) of the Code to be exempt from such tax. Your subordinates are not liable for tax imposed under the Federal Unemployment Tax Act (FUTA).

Each year, at least 90 days before the end of your annual accounting period, please send the items listed below to the Internal Revenue Service Center at the address shown below.

1. A statement describing any changes during the year in the purposes, character, or method of operation of your subordinates;
2. A list showing the names, mailing addresses (including Postal ZIP codes), actual addresses if different, and employer identification numbers of subordinates that, since your previous report:
  - a. Changed names or address;
  - b. Were deleted from your roster; or
  - c. Were added to your roster.
3. For subordinates to be added, attach:
  - a. A statement that the information on which your present group exemption letter is based applies to the new subordinates;
  - b. A statement that each has given you written authorization to add its name to the roster;
  - c. A list of those to which the Service previously issued exemption rulings or determination letters;
  - d. A statement that none of the subordinates is a private foundation as defined in section 509(a) of the Code if the group exemption letter covers organizations described in section 501(c) (3) ;
  - e. The street address of each subordinate whose mailing address is a P.O. Box; and
  - f. The information required by Revenue Procedure 75-50, 1975-2 C.B. 587, for each subordinate that is a school

LUTHERAN CONGREGATIONS IN MISSION

claiming exemption under section 501(c)(3). Also include any other information necessary to establish that the school is complying with the requirements of Revenue Ruling 71-447, 1971-2 C.B. 230. This is the same information required by Schedule B, Form 1023, Application for Recognition of Exemption Under Section 501(c)(3) of the Internal Revenue Code.

4. If applicable, a statement that your group exemption roster did not change since your previous report.

Please mail the information requested in this letter to the following address:

Internal Revenue Service  
Ogden UT 84201

Your Group Exemption Number is 3972. Your subordinates are required to include this number on each Form 990, Return of Organization Exempt From Income Tax, and Form 990-T, Exempt Organization Business Income Tax Return, that they file. Please advise your subordinates of this requirement and provide them with the Group Exemption Number.

If the heading of this letter indicates that an addendum applies, the enclosed addendum is an integral part of this letter.

Because this letter could help resolve any questions about the exempt status and foundation status of your subordinates, you should keep it for your records.

We have sent a copy of this letter to your representative as indicated in your power of attorney.

If you have any questions, please contact the person whose name and telephone number are shown in the heading of this letter.

Sincerely yours,



Lois G. Iferner  
Director, Exempt Organizations  
Rulings and Agreements

**CONSTITUTION  
AND  
BYLAWS**

**DESERT HOPE LUTHERAN CHURCH  
TUCSON, ARIZONA**

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**CONSTITUTION  
AND  
BYLAWS**

(Bylaws codified with three sets of numbers and printed in Italics)

**PREAMBLE**

We, baptized and believing people of God united in a community of faith, love, and hope, do adopt this constitution.

**CHAPTER 1. NAME AND INCORPORATION**

- C1.01. The name of this congregation shall be Desert Hope Lutheran Church.
- C1.02. For the purpose of this constitution and the accompanying Bylaws, the Desert Hope Lutheran Church congregation is hereinafter designated as the/this “Congregation.”
- C1.03. This Congregation shall be incorporated under the laws of the State of Arizona.

**CHAPTER 2. CONFESSION OF FAITH**

- C2.01. This Congregation confesses the Triune God: Father, Son, and Holy Spirit.
- C2.02. This Congregation confesses Jesus Christ as Lord and Savior and the Gospel as the power of God for the salvation of all who believe.
- C2.03. This Congregation accepts the canonical Scriptures of the Old and New Testaments as the inspired Word of God and the sole authoritative source and norm of its proclamation, faith, and life.
- C2.04. This Congregation accepts the Apostles’, Nicene, and Athanasian Creeds as the true declarations of the faith of this Congregation.
- C2.05. This Congregation accepts the unaltered Augsburg Confession and the writings in the Book of Concord, namely, the Apology of the Augsburg Confession, the Smalcald Articles and the Treatise, the Small Catechism, the Large Catechism, and the Formula of Concord, as valid interpretations of the faith of the Church.

**CHAPTER 3. NATURE OF THE CHURCH**

- C3.01. All power in the Church belongs to our Lord Jesus Christ, its head. All actions of this Congregation are to be carried out under his rule and authority.
- C3.02. The Church exists both as an inclusive fellowship and as a local congregation gathered for worship and Christian service. In length, it acknowledges itself to be in the historic continuity of the communion of saints; in breadth, it expresses the fellowship of believers and congregations in our day.

- C3.03. The Church is composed of a priesthood of all believers. Every Christian has gifts for ministry. Every Christian shares responsibility for interpreting the Word of God and assisting one another in interpreting the Word of God.

#### **CHAPTER 4. STATEMENT OF PURPOSE**

- C4.01. The Church is a people created by God in Christ, empowered by the Holy Spirit, called and sent to bear witness to God's creative, redeeming, and sanctifying work in the world.
- C4.02. To participate in God's mission, this Congregation as a part of the Church shall:
- a. Worship God in proclamation of the Word and administration of the sacraments and through lives of prayer, praise, thanksgiving, repentance, witness, and service;
  - b. Proclaim God's Word as Law and Gospel, according to the apostolic witness in the Holy Scripture, preserving and transmitting the Gospel faithfully to future generations, as the Gospel of justification by grace through faith in Christ alone;
  - c. Carry out Christ's Great Commission by reaching out to all people to bring them to faith in Christ;
  - d. Serve in respect to God's love to meet human needs, caring for the sick and the aged, advocating dignity and justice for all people, working for peace and reconciliation among the nations by standing with the poor and powerless, and committing itself to their needs;
  - e. Nurture its members in the Word of God so as to grow in faith and hope and love, to see daily life as the primary setting for the exercise of their Christian calling, and to use the gifts of the Spirit for their life together and for their calling in the world; and
  - f. Manifest the unity given to the people of God by living together in the love of Christ and by joining with other Christians in prayer and action to express and preserve the unity which the Spirit gives.
- C4.03. To fulfill these purposes, this Congregation shall:
- a. Provide services of worship at which the Word of God is truly preached and the sacraments are administered;
  - b. Provide pastoral care and assist all members to participate in this ministry;
  - c. Challenge, equip, and support all members in carrying out their calling in their daily lives and in this Congregation;
  - d. Teach the Word of God;
  - e. Help each child through pastoral and educational ministry to identify more deeply with the Christian community and participate more fully in its mission;
  - f. Witness to the reconciling Word of God in Christ, reaching out to all people;
  - g. Respond to human need, work for justice and peace, care for the sick and suffering, and participate responsibly in society;
  - h. Motivate its members to provide financial support for the Congregation's ministry and the ministry of the one Christian Church; and

- i. Foster and participate in interdependent relationships with other congregations of the one Christian Church.

- C4.04. This Congregation shall develop an organizational structure to be described in the bylaws. The Leadership Council shall prepare descriptions of the responsibilities of each committee, task force, or other organizational groups and shall review their action.
- C4.05. This Congregation shall, from time to time, adopt a mission statement which will provide specific direction for its programs.

**CHAPTER 5. POWERS OF THE CONGREGATION**

- C5.01. The powers of this Congregation are those necessary to fulfill its purpose.
- C5.02. The powers of this Congregation are vested in the Congregational Meeting called and conducted as provided in this constitution and bylaws.
- C5.03. Only such authority as is delegated to the Leadership Council or other organizational units in this Congregation’s governing documents is recognized. All remaining authority is retained by the Congregation. The Congregation is authorized to:
  - a. Call a pastor as provided in Chapter 9;
  - b. Terminate the call of a pastor as provided in Chapter 9;
  - c. Approve the budget;
  - d. Acquire real and personal property by gift, devise, purchase, or other lawful means;
  - e. Hold title to and use its property for any and all activities consistent with its purpose;
  - f. Sell, mortgage, lease, transfer, or otherwise dispose of its property by any lawful means;
  - g. Elect a Leadership Council, and any other committees requiring election, and require them to carry out their duties in accordance with the constitution and bylaws; and
  - h. Determine church affiliation consistent (see Chapter 6) with its statement of faith (see Chapters 2 & 3) and helpful in carrying out its purpose (see Chapter 4).

**CHAPTER 6. CHURCH AFFILIATION**

- C6.01. This Congregation recognizes that the local congregation (believers gathered around Word and Sacrament) is the primary form of the church and reserves the right to practice all congregational autonomy which does not conflict with the Word of God. This Congregation also recognizes that local congregations are individual members of the larger body, the one, holy, catholic and apostolic church, and therefore has responsibility in working with other congregations as partners in the gospel.
- C6.02. This Congregation has the authority to enter into full partnership and membership in ministries, denominations, and associations of congregations that are consistent with its statement of Faith (see Chapters 2 & 3) and helpful in carrying out its purpose (see Chapter 4). All such affiliations are voluntary, and this Congregation reserves the right to

dissolve such affiliations, as well. Entrance into, as well as dissolution of, any such affiliations shall require a majority vote of all voting members present and voting at a legal meeting of the Congregation called for this purpose.

*C6.02.01 This Congregation is a member of Lutheran Congregations in Mission for Christ, an association of Lutheran congregations who are free in Christ, accountable to one another, and rooted in the Scriptures, working together to fulfill Christ's Great Commission to go and make disciples of all nations.*

## **CHAPTER 7. PROPERTY OWNERSHIP**

- C7.01. Title to property shall continue to reside in this Congregation regardless of affiliation with, or membership in, an association of congregations, ministries, or denominations.
- C7.02. If this Congregation ceases to exist, property shall be disposed of as determined by a final Congregational meeting.
- C7.03. Should this Congregation, by legal majority vote, choose to become an organization which is not specifically and exclusively Christian in nature or join an organization which requires the Congregation to abandon its evangelical faith as described in Chapters 2 & 3 of this constitution, then title to all land and other assets, both real and personal, shall automatically remain with the largest minority faction wishing to remain an explicitly Christian organization.

## **CHAPTER 8. MEMBERSHIP**

- C8.01. Members of this Congregation shall be those baptized persons on the roll of this Congregation at the time that this constitution is adopted and those who are admitted thereafter and who have declared and who maintain their membership in accordance with the provisions of this constitution and its bylaws.
- C8.02. Members shall be classified as follows:
- a. Baptized members are those persons who have been received by the Sacrament of Holy Baptism in this Congregation, or, having been previously baptized in the name of the Triune God, have been received by certificate of transfer from other congregations or by affirmation of faith;
  - b. Confirmed members are baptized persons who have been confirmed in this Congregation, those who have been received by adult baptism or by transfer as confirmed members from other congregations, or baptized adults received by affirmation of faith;
  - c. Voting members are confirmed members who have worshiped, communed, and made a financial contribution of record in the twelve (12) months proceeding receipt of notification of any Congregational meeting; and
  - d. Associate members are persons holding membership in other Christian congregations who wish to retain such membership but desire to participate in the life and mission

of this Congregation. They have all the privileges and duties of membership except eligibility to serve on the Leadership Council of this Congregation.

C8.02.01

- a. *Baptized members shall be eligible for instruction in preparation for receiving Holy Communion when they are ready for and interested in such instruction (at the combined discretion of family, pastor, and child). Upon satisfactory completion of pre-communion instruction (to be determined at the combined discretion of family, pastor, and child), the baptized child shall become a communing member.*
- b. *Pre-confirmation age children from other congregations shall be eligible to receive Holy Communion if they commune in their home congregation.*

C8.02.02

- a. *Confirmation instruction shall normally begin when a child enters the sixth grade and is deemed ready by the family, pastor, and child.*
- b. *Confirmation instruction shall normally last three years and consist of any additional requirements agreed upon by the Leadership Council.*
- c. *The Rite of Confirmation (Affirmation of Baptism) shall take place after the third year of instruction as a part of the Congregation's worship life for all those youth who have satisfactorily completed the requirements of the program (as recommended by the pastor and Leadership Council), and who wish to take this public step of faith.*

C8.03. All applications for membership in any classification shall be presented to the Leadership Council.

C8.04. It shall be the privilege and duty of members of this Congregation to:

- a. Participate fully in corporate worship and discipleship opportunities;
- b. Discover and utilize gifts in ministry;
- c. Live a Christian life in accordance with the Word of God and the Confession of Faith of this Congregation (Chapter 2); and
- d. Support the work of this Congregation, and the entire Christian Church through contributions of their time, abilities, and financial support as biblical stewards.

C8.05. Membership in this Congregation shall be terminated by any of the following:

- a. Death;
- b. Resignation;
- c. Transfer or release;
- d. Disciplinary action by the Leadership Council; or
- e. Removal from the roll due to inactivity as defined in the bylaws. Such persons who have been removed from the roll of members shall remain persons for whom the church has a concerning pastoral concern.

*C8.05.01*

- a. *This Congregation will issue a letter or certificate of transfer to another Christian congregation upon a member's request. Should a member, having moved to a distant community, fail to request a transfer, a Christian congregation in or near that community may be notified.*
- b. *A member who is able but has elected not to fulfill the provisions of membership as described in Chapter 8.04 of this constitution for one year shall be considered inactive. If, after six additional months, the member still does not respond, that member's name shall be removed from the active member roster but retained on a responsibility list as a person for concern. As soon as any sign of inactivity is noticed by the pastor(s) and/or Congregation, we shall reach out in Christian love to restore the member to active participation. The staff and the Leadership Council shall also strive to provide means for every member to grow in faith and relationship to God and one another, thus preventing inactivity, particularly identifying those at risk of becoming inactive.*

**CHAPTER 9. THE PASTOR(S)**

- C9.01. Authority to call a pastor shall reside in this Congregation and be exercised by at least a two-thirds majority ballot vote of eligible voting members present and voting at a meeting called for that purpose. Before a call is issued, the officers, or a committee elected by this Congregation to recommend the call, shall seek the advice and help of the association(s) to which it belongs.
- C9.02. Every ordained minister shall:
- a. Preach the Word properly, distinguishing between law and gospel;
  - b. Administer the sacraments;
  - c. Conduct public worship;
  - d. Provide pastoral care;
  - e. Confirm, marry, and bury the dead;
  - f. Oversee all schools and organizations of this Congregation;
  - g. Install regularly elected members of the Leadership Council;
  - h. Administer discipline together with the Leadership Council;
  - i. Seek out and encourage qualified persons to prepare for ministry of the Gospel;
  - j. Strive to extend the Kingdom of God in the community, in the nation, and abroad;
  - k. Impart knowledge of this church and its wider ministry;
  - l. Endeavor to increase the Congregation's sense of partnership in the broader work of the Kingdom of God; and
  - m. Equip the saints for ministry, helping each to identify gifts for ministry both within and beyond the Congregation, training and supporting every member in their ministries, and encouraging gifted and trained members to use their gifts in ministry.

- C9.03. The specific duties of the pastor, compensation, and other matters pertaining to the service of the pastor shall be included in a letter of call.
- C9.03.01 *The letter of call shall be signed by the president and the secretary of the Congregation.*
- C9.04.
- a. The call of this Congregation, when accepted by a pastor, shall normally constitute a continuing mutual relationship and commitment which, except in the case of death of the pastor, shall be terminated only following consultation with the associations to which it belongs, for the following reasons:
    1. Mutual agreement to terminate the call or the completion of a call for a specific term;
    2. Resignation of the pastor;
    3. Inability to conduct the pastoral office effectively in the Congregation in view of local conditions, without reflection on the competence or the moral and spiritual character of the pastor;
    4. The physical or mental incapacity, or incompetence of the pastor;
    5. Disqualification of the pastor through discipline on grounds of doctrine, morality, or continued neglect of duty; or
    6. The dissolution of the Congregation.
  - b. All licensed or ordained staff in full pastoral ministry shall have the right to have up to a total of three advocates drawn from pastoral colleagues from any local Congregation present as full, non-voting members in the dismissal process prior to a final decision. No final decision to terminate shall be made sooner than 90 days from the inception of the dismissal process as recorded in the Leadership Council minutes unless agreed upon by all parties.
- C9.04.01 *Following acceptance of a letter of call to another ministry, resignation, or termination, the pastor's ministry in the Congregation shall usually terminate within 45 days.*
- C9.05. At a time of pastoral vacancy, an interim pastor may be sought by the Leadership Council.
- C9.06. During the period of service, an interim pastor shall have the rights and duties in the Congregation of a regularly called pastor. The interim pastor and any ordained pastor providing assistance shall refrain from exerting influence in the selection of a pastor.
- C9.07. This Congregation shall make satisfactory settlement of all financial obligations to a former pastor before calling a successor. A pastor shall make satisfactory settlement of all financial obligations to this Congregation.
- C9.08. When a pastor is called to serve in company with another pastor or pastors, the privileges and responsibilities of each pastor shall be specified in documents to accompany the call and to be drafted in consultation involving the pastor(s) and the Leadership Council. As

occasion requires, the documents may be revised through a similar consultation. The Congregation shall give final approval to the letter of call.

- C9.10. The Congregation may depart from C9.04.a and call a pastor for a specific term. Details of such calls shall be in writing setting forth the purpose and conditions involved. Prior to the completion of a term, the Congregation shall review the call. Such call may also be terminated before its expiration in accordance with the provisions of C9.04.a. and C9.04.b.
- C9.11. The pastor(s) shall be responsible for accurate parochial records of all baptisms, confirmations, marriages, burials, members received, and members removed from the Congregation, and shall submit a summary of such statistics annually to the Congregation and this Congregation's association(s), as requested.
- C9.12. The pastor(s) shall be a member of this Congregation while under call.

*C9.13.01*

- a. The records of the Congregation shall be the property of the Congregation and shall not be removed or used for commercial purposes. The records are:*
- 1. The roster of baptized, confirmed, voting, and associate members;*
  - 2. The ministerial acts performed by the pastor;*
  - 3. The minutes of the meetings of the Congregation and the Leadership Council; and*
  - 4. The financial records of the Congregation; all official and legal documents including this constitution and bylaws, deed, mortgages, contracts, etc.*
- b. In the event of dissolution or cessation of ministry, the official records of the Congregation shall be deposited in the archives of association(s) to which the Congregation belongs.*

**CHAPTER 10. CONGREGATIONAL MEETING**

- C10.01. The annual meeting of this Congregation shall be held as specified in the bylaws.
- C10.01.01 The annual meeting shall be held in February, as called by the Leadership Council.*
- C10.01.02 The agenda for the annual meeting shall be prepared by the Leadership Council and notice shall be given at least 14 days prior to the annual meeting.*
- C10.01.03 The annual meeting will include the annual financial report of the prior fiscal year, adoption of the annual budget, and election of Leadership Council members. The members will receive a consolidated annual report.*
- C10.02. A special Congregational Meeting may be called by the pastor, the Leadership Council, or the president of this Congregation, and shall be called at the written request of ten percent of the voting members. The call for each special meeting shall specify the purpose for which it is to be held and no other business shall be transacted.

- C10.03. Notice of all meetings of this Congregation shall be given at the services of worship on the preceding two consecutive Sundays and by mail or electronic means to all voting members at least 10 days in advance of the date of the meeting. The posting of such notice in a regular or special mailing sent to the last known address of such members shall be sufficient.
- C10.04. Ten percent of the voting membership shall constitute a Quorum.
- C10.05. The official roster of voting members will be available at each meeting of the Congregation.
- C10.06. Voting by proxy or by absentee ballot shall not be permitted.
- C10.07. All actions by the Congregation shall be by majority vote except as otherwise provided in this constitution.
- C10.08. Robert's Rules of Order shall govern parliamentary procedure of all Congregational meetings under this chapter.

## CHAPTER 11. OFFICERS

- C11.01. The officers of this Congregation shall be president, vice-president, secretary, and treasurer.
- a. Duties of the officers shall be specified in the bylaws.
  - b. The officers shall be voting members of the Congregation.
  - c. Except for Office of Treasurer, officers of this Congregation shall serve similar offices of the Leadership Council and shall be voting members of the Leadership Council.

### *C11.01.01*

- a. *The president shall:*
  1. *Preside at all meetings of the Congregation, the Leadership Council, and executive committee;*
  2. *Coordinate the work of the Council Members;*
  3. *Carry out the will of the Congregation as ordered by this constitution, bylaws, and resolutions of the Congregation;*
  4. *Deliver an annual report to the Congregation;*
  5. *Appoint members of the audit committee (cf. C13.03.);*
  6. *Execute letters of call to pastors on behalf of the Congregation;*
  7. *Prepare the agenda for the regular and special Congregational meetings and Leadership Council meetings;*
  8. *Be authorized in the absence of the treasurer to sign checks;*
  9. *Select council member to lead devotions for each council meeting; and*
  10. *Sign all necessary legal documents as authorized by resolution of the Leadership Council or Congregation;*

*b. The vice-president shall:*

- 1. Perform the duties of the president in the president's absence, incapacity, or at the president's request;*
- 2. Chair the finance committee (C13.06.);*
- 3. Act as or appoint a parliamentarian at Congregational and Leadership meetings; and*
- 4. Be authorized in the absence of the treasurer to sign checks.*

*c. The secretary shall:*

- 1. Record minutes of the Congregational and Leadership Council meetings and make copies available to members of this Congregation;*
- 2. Retain and codify such secretarial records to be filed permanently in the church office; keep a duplicate set of records which shall be turned over to their successor;*
- 3. Keep attendance record of each Leadership Council meeting; notify members having two successive absences;*
- 4. Prepare announcements of all Congregational and Leadership Council meetings and arrange for meeting places;*
- 5. Make roster of voting members available at each Congregational meeting; prepare directory of Leadership Council and committee members;*
- 6. Assist president on agenda items, calling to attention matters deferred or referred to committees for further study and recommendations;*
- 7. Maintain a register of Congregational and Leadership Council resolutions and policies;*
- 8. Execute letters of call to pastors on behalf of the Congregation;*
- 9. Be responsible for safekeeping of all official Congregational documents (e.g., deeds, mortgages, articles of incorporation, constitution and bylaws, etc.); and*
- 10. Notify the nominating committee of all offices to be filled 90 days prior to the annual meeting where elections are to take place.*

*d. The treasurer shall:*

- 1. Be appointed by the Leadership Council;*
- 2. Maintain the financial procedure, records, and investments for the Congregation;*
- 3. Enter a monthly statement of income and expense compared to budget to the Leadership Council;*
- 4. Sign checks;*
- 5. Deliver an annual financial report to the Congregation;*
- 6. Be a member of the budget and finance committee, if any;*
- 7. Recommend written financial policies and procedures for cash management;*
- 8. At the discretion of the Leadership Council, the Treasurer's function may be carried out by a non-Council bookkeeper. The Secretary would sign as Secretary/Treasurer for any legal documents requiring such signatures; and*

*9. The Treasurer shall have a voice, but no vote, on the Leadership Council.*

- C11.02. The Leadership Council shall elect its officers and they shall also be officers of the Congregation. The officers shall be elected by written ballot and shall serve for one year. Except for the office of Treasurer, officers are eligible for reelection as long as they remain on the Leadership Council. Their terms shall begin immediately following the February annual meeting and end at the next February annual meeting.
- C11.03. No officer shall hold more than one office at a time.

## **CHAPTER 12. LEADERSHIP COUNCIL**

- C12.01. The voting membership of the Leadership Council shall consist of the pastor(s), and members of the Leadership Council, the total number to be specified in the bylaws. Any voting member of the Congregation 18 years of age or over may be elected to the Leadership Council.
- C12.01.01 A Leadership Council of not less than 7 nor more than 12 members shall be elected and constituted, not including staff.*
- C12.01.02 The Church Administrator/office manager (if any) shall have a voice, but no vote on the Leadership Council.*
- C12.02. The members of the Leadership Council except the pastor(s) shall be elected to serve for two years or until their successors are elected. Such members shall be eligible to serve no more than three full terms consecutively. Their terms shall begin at the close of the first February meeting at which they are elected.
- C12.02.01 The members of the Leadership Council (except the pastor(s)) shall be elected at the annual meeting of the Congregation as specified in the bylaws (cf. C10.01.01).*
- C12.03. A member's place on the Leadership Council shall be declared vacant if the member:
- a. Ceases to be a voting member of the Congregation or
  - b. Is absent from three successive regular meetings of the Leadership Council without cause.
  - c. Should a member's place on the Leadership Council be declared vacant, the Leadership Council shall elect, by majority vote, a successor to serve until the next annual meeting. An unexpired term of less than one year shall not be considered a term of office.
- C12.04. The Leadership Council shall have general oversight of the life and activities of this Congregation, to the end that everything is done in accordance with the Word of God. The duties of the Leadership Council shall include the following:
- a. To lead this Congregation in stating its mission, to do long-range planning, to set goals and priorities, and to evaluate its activities in light of its mission, vision, and core values;

- b. To seek to involve all members of this Congregation in worship, learning, witness, service, and support, according to the purposes identified in C4;
- c. To oversee and provide for the administration of this Congregation to enable it to fulfill its functions and perform its mission;
- d. To maintain supportive relationships with the pastor(s) and staff and help them annually to evaluate the fulfillment of their calling, appointment, or employment, in conjunction with the personnel committee;
- e. To be examples individually and corporately of the style of life and ministry expected of all Christians;
- f. To promote a Congregational climate of peace and goodwill and, as differences and conflicts arise, to endeavor to foster mutual understanding;
- g. To arrange for pastoral service during the sickness or absence of the pastor; and
- h. To recognize the service of members to Congregational and community ministry.

C12.05. The fiduciary responsibilities of the Leadership Council shall include the following:

- a. The Leadership Council shall prepare an annual budget for adoption by this Congregation, and shall supervise the expenditure of funds in accordance therewith following its adoption. The budget shall include benevolence of at least 10% of anticipated receipts. In instances where income falls below budgeted expectations or expenses exceed budgeted expectations (including emergency repairs); the Leadership Council may incur obligations up to 10% above anticipated receipts without additional Congregational approval. Any obligations beyond 10% above anticipated receipts shall require approval of the Congregation at a specially called Congregational meeting;
- b. Except as provided in C12.06.b, the Leadership Council may enter into contracts of up to \$25,000 for items not included in the budget, provided that funds are available;
- c. The Leadership Council shall authorize all extra-budgetary appeals for funds and fund-raising events for sources both inside and outside the Congregation;
- d. The Leadership Council shall be responsible for this Congregation's investments and its total insurance program;
- e. The Leadership Council shall provide a fidelity bond for the treasurer;
- f. The Leadership Council shall ascertain that the financial affairs of the Congregation are being conducted efficiently, giving particular attention to the prompt payment of all obligations and to the regular forwarding of benevolence monies. In support of this, the president shall appoint an audit committee. (cf. C11.01.01.a. and C13.03.)
- g. The Leadership Council shall appoint a financial secretary, whose duties are as follows:
  1. Direct the counting, depositing, and recording of all contributions, gifts, and bequests received and fees collected;
  2. Reconcile each deposit to contributors' records;

3. Issue quarterly statements to contributors; and
  4. Keep confidential individual giving records.
- h. The Leadership Council may appoint a finance committee. In lieu of a separate committee, the executive committee may function as the finance committee. (cf. C13.06.)

C12.06. The Leadership Council shall be responsible for the property matters of this Congregation. It shall:

- a. Be the board of trustees of this Congregation, and as such shall be responsible for maintaining and protecting its property and the management of its business and fiscal affairs. It shall have the powers and be subject to the obligations that pertain to such boards under the laws of the State of Arizona, except as otherwise provided herein;
- b. Not have the authority to buy, sell, or encounter real property unless specifically authorized to do so by a meeting of the Congregation;
- c. Maintain the buildings and premises of the Congregation including equipment and furnishings, and keep a record inventory of physical assets, maintenance performed thereon, and estimated replacement dates;
- d. Approve or reject the use of Congregational facilities by outside groups that have made application to the Leadership Council, and assess usage fees and restrictions. Only groups and activities compatible with the purposes of the Congregation shall be granted approval for use of its facilities. Applications for occasional use will be approved by the Leadership Council and application for regular use will be approved by the Congregation;
- e. Prescribe a policy for building and premises security; distribution of keys, fire extinguishers, burglar alarms, smoke and heat detectors, and responsibility for locking the buildings following various events, especially for evenings and weekends; and
- f. Provide for the inspection of the premises at least annually for the purpose of sound maintenance, safety, accessibility, insurance, and building code compliance.

C12.07. The Leadership Council shall be ultimately responsible for the administration of the Congregation. It shall:

- a. Designate standing committees and specify their number, duties, authority, budget, and accountability to the Leadership Council;
- b. Ensure that all committees and ministries are responsible to the Leadership Council and maintain an accurate, current organizational chart;
- c. Appoint a Congregational historian who shall preserve historical archives of the Congregation, prepare and distribute written history of the Congregation, and celebrate anniversaries and historic events;
- d. Prepare and distribute a current directory to the members of the Congregation;

- e. Coordinate the programs and ministries of the Congregation; and
- f. Direct ministry functions not otherwise specified to the most appropriate committee.

*C12.07.01*

- a. *Areas of ministry to be administered through the Leadership Council shall include, but not be limited to:*
  1. *Worship and music, providing meaningful worship opportunities, full of Spirit and Truth, for every member of the Congregation, while taking into consideration the liturgical year;*
  2. *Prayer, encouraging every member to grow in dependence on the Lord Jesus through prayer, via personal and corporate opportunities;*
  3. *Outreach, assisting every member to witness both in word and deed to the good news of Jesus Christ in the Tucson community;*
  4. *Stewardship, assisting every member to regularly respond to the call of God through proportionate giving of time, abilities, and money;*
  5. *Education/discipleship, offering learning opportunities for members of all ages to nurture their faith in Christ through both classroom settings and small relational groups;*
  6. *Property, managing the buildings and other physical assets of the Congregation;*
  7. *Youth, developing and overseeing a balanced youth program consisting of worship, prayer, study, fellowship, witness, financial giving, and service;*
  8. *Missions/social ministry, planning and leading opportunities to serve the broader community both with acts of mercy and with the gospel of Jesus Christ;*
  9. *Fellowship, planning activities and events which facilitate social interaction for all members and beyond; and*
  10. *Planning, establishing short- and long- range goals for facilities, staffing, and program development.*
- b. *The Leadership Council may form committees/teams and task forces to carry out any of the above as the need requires. Each committee/team shall designate its own chairperson and secretary from its membership. Each committee/team is encouraged to include others from the Congregation in carrying out its ministry.*
- c. *As long as the tasks and functions of each of the above, along with the overall purposes described in C4., are being carried out and/or overseen by a Council representative, the Leadership Council is free to structure itself with or without standing committees, keeping in mind the overall mission and stewardship of the Congregation.*

C12.08. The Leadership Council shall appoint a personnel committee. In lieu of a separate committee, the executive committee may function as the personnel committee. (cf. C13.05.)

- C12.09. The Leadership Council shall see that the provisions of this constitution and its bylaws are carried out.
- C12.10. The Leadership Council shall provide for an annual review of the membership roster.
- C12.11. The Leadership Council shall submit a consolidated annual report to this Congregation at the annual meeting.
- C12.12. The Leadership Council shall normally meet once a month. The date, time, and place shall be set by the Leadership Council. Special meetings may be called by the pastor, the president, or at the request of 3 of its members. Notice of each special meeting shall be given to all who are entitled to be present.
- C12.13. Leadership Council members will support each other, the decisions made, and participate in open debate.
- C12.14. A quorum for the transaction of business shall consist of a majority of the members of the Leadership Council.

### **CHAPTER 13. CONGREGATION COMMITTEES**

- C13.01. The officers of this Congregation and the Lead/Senior Pastor(s) shall constitute the executive committee.
- C13.01.01 The executive committee shall:*
- a. Unless otherwise provide herein, supervise support of the pastor according to the letter of call;*
  - b. Shall oversee the development of and recommend a mission statement to the Congregation;*
  - c. Act as personnel committee in the absence of a separate committee for that purpose;*
  - d. Act as finance (budget) and planning committee in absence of separate committee for those purposes; and*
  - e. Carry out any additional responsibilities referred to in this constitution.*
- C13.02. A nominating committee of five voting members of this Congregation shall include the Senior/Lead Pastor, two outgoing members of the Leadership Council, and two members of the Congregation.
- C13.02.01 The nominating committee shall:*
- a. Be convened by the pastor; elect a chairperson from their midst who will call and preside at subsequent meetings;*
  - b. Nominate one or more candidates for each office to be filled;*
  - c. Ask candidates to serve the full term of office if selected; and*
  - d. Announce the nominees and their qualifications to the Congregation with the notices of the regular or special Congregational meeting.*

C13.03. An audit committee of two or three voting members shall be appointed by the president. Audit committee members shall not be members of the Leadership Council.

*C13.03.01 An audit committee shall:*

- a. Audit the financial books and procedures of records prior to the annual meeting;*
- b. Follow the written audit procedures adopted by the Leadership Council; and*
- c. Report their findings to the Congregation in writing and include them with the annual report, signed and dated by each member of the committee.*

C13.04. When a pastoral vacancy occurs, the Leadership Council shall nominate a call committee of five to seven voting members to be elected by this Congregation. The term of office will terminate at installation of the newly called pastor. No more than two members shall be Leadership Council members.

*C13.04.01 The call committee shall:*

- a. When a pastoral vacancy occurs, notify the association(s) to which the Congregation belongs who may assist them in providing interim pastoral service and the call process;*
- b. Study the Congregation's mission and pastoral needs; share results with the Congregation;*
- c. Gather descriptive information about the Congregation, e.g., history, pictures of church building, directory, map, congregational reports, annual report, etc., for the pastoral candidates; furnish information about the Congregation and its mission to each candidate;*
- d. Receive recommendations of nominees;*
- e. Evaluate pastoral candidate; and*
- f. Recommend one candidate to the Congregation at a special meeting called for that purpose.*

C13.05. A personnel committee (cf. C12.08.) may be appointed by the Leadership Council to advise the Senior/Lead Pastor and Executive Committee.

C13.06. A finance committee (cf. C12.05.h) may be appointed by the Leadership Council.

*C13.06.01 The finance committee shall:*

- a. Adopt a written audit procedure for both income/expense and balance sheet transactions. Inspect all insurance policies for adequacy of coverage; report findings to the Leadership Council;*
- b. Adjust allocation of funds and notify the Congregation should income fall short of expectations or expenses exceed budgeted amounts; provide for contingency or emergency funds;*

- c. *Prepare and adopt a capital budget for improvements or major repairs; receive bequests, special or deferred gifts to the Congregation; review and accept or decline all offers of unsolicited gifts to the Congregation;*
- d. *Approve all depositories of Congregational funds.*

C13.07. Other Congregation committees may be formed as the need arises, by decision of the Leadership Council or Congregation.

#### **CHAPTER 14. ORGANIZATIONS WITHIN THE CONGREGATION**

C14.01. All organizations within this Congregation shall exist to aid it in ministering to the members of this Congregation and to all persons who can be reached with the Gospel of Christ. As outgrowths and expressions of this Congregation's life, the organizations are subject to its oversight and direction. This Congregation shall receive reports concerning their membership, work, and finances.

C14.02. Special interest groups may be organized only after authorization has been given by the Leadership Council.

#### **CHAPTER 15. DISCIPLINE OF MEMBERS**

C15.01. Denial of the Christian faith as described in this constitution, conduct grossly unbecoming a member of the Church of Christ, or persistent trouble-making in this Congregation are sufficient cause for discipline of a member. Prior to disciplinary action, reconciliation will be attempted following Matthew 18:15-17, proceeding through these successive steps:

- a. Private admonition by pastor(s);
- b. Admonition by the pastor(s) in the presence of two or three witnesses; and
- c. Citation to appear before the Leadership Council.

C15.02. A member charged with an offense shall appear before the Leadership Council having received a written notice, specifying the exact charges that have been made against the member, at least 10 days prior to the meeting. Should the member disregard the notice and make no effort to comply, the Leadership Council shall proceed with the hearing and reach its conclusion in the absence of the member.

C15.03. Should the allegations be sustained by a two-third majority vote of the members of the Leadership Council and renewed admonishments prove ineffective, the Council shall impose one of the following disciplinary actions:

- a. Censure before the Leadership Council or Congregation;
- b. Suspension from membership for an indefinite period of time; or
- c. Exclusion from membership in this Congregation. Notice of disciplinary actions b. and c. shall be delivered to the member in writing.

- C15.04. Disciplinary actions may be reconsidered and revoked by the Leadership Council upon receipt of:
- a. Evidence that injustice has been done; or
  - b. Evidence of repentance and amendment.
- C15.05. A member against whom disciplinary action has been taken by the Leadership Council shall have the right to appeal the decision to the Congregation. The appeal shall be filed with the Leadership Council within 10 days of such notice (C15.03.c.). The Leadership Council shall call a special meeting of the Congregation no later than 30 days of the receipt of such appeal (C10.02. and C10.03.). Such right may not be abridged and the decision of the Congregation shall be final.

## **CHAPTER 16. BYLAWS**

- C16.01. The congregation may adopt bylaws. No bylaw may conflict with this constitution
- C16.01.01 All bylaw provisions in this constitution are codified with three sets of numbers, and printed in italics.*
- C16.02. Bylaws may be adopted or amended at any legally called meeting of this Congregation with a quorum present by a two-thirds majority vote of those voting members present and voting.
- C16.03. Changes to the bylaws may be proposed by any voting member provided, however, that such additions or amendments be submitted in writing to the Leadership Council at least 60 days before a regular or special Congregational Meeting called for that purpose and that the Leadership Council notify the members of the proposal with its recommendations at least 30 days in advance of the Congregation Meeting.

## **CHAPTER 17. AMENDMENTS**

- C17.01. Amendments to this constitution may be proposed by at least five voting members or by the Leadership Council. Proposals must be filed in writing with the Leadership Council 60 days before formal consideration by this Congregation at its regular or special meeting called for that purpose. The Leadership Council shall notify the members of the proposal with their recommendations at least 30 days in advance of the meeting.
- C17.02. A proposed amendment to this constitution shall:
- a. Be approved at a properly called meeting according to this constitution by a majority vote of those present and voting;
  - b. Be ratified without change at the next February meeting by a two-thirds majority vote of those present and voting; and
  - c. Have the effective date included in the resolution and noted in the constitution.

Approved this \_\_\_\_ day of \_\_\_\_\_, 2010

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Paul Olson, Leadership Council Secretary

AUG 24 2010

ARTICLES OF INCORPORATION  
OF A TAX-EXEMPT  
CORPORATION  
Pursuant to A.R.S. §10-2202  
(Arizona Non-Profit Corporation)

FILED 1008024

1. The Name of the Corporation is:

Desert Hope Lutheran Church

2. The purpose for which the corporation is organized is:

Said corporation is organized for charitable and religious purposes; including, for such purposes, the making of distributions to organizations that qualify as exempt organizations under section 501(c)(3) of the Internal Revenue Code, or the corresponding section of any future federal tax code.

3. Character of Affairs: The character of affairs of the corporation will be:

Religious Organization

4. No part of the net earnings of the corporation shall inure to the benefit of, or be distributable to its members, directors, officers, or other private persons, except that the corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth in Article 2. No substantial part of the activities of the corporation shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and the corporation shall not participate in, or intervene in (including the publishing or distribution of statements,) any political campaign on behalf of any candidate for public office. Notwithstanding any other provision of these Articles, the corporation shall not carry on any other activities not permitted to be carried on: (a) by a corporation exempt from Federal Income Tax under Section 501(c)(3) of the United States Internal Revenue Code (or the corresponding provision of any future United States Internal Revenue Law) or; (b) by a corporation, contributions to which are deductible under Section 170(e)(2) of the United States Internal Revenue Code (or the corresponding provisions of any future United States Internal Revenue Law).

5. Upon the dissolution of the corporation, the Board of Directors shall, after paying or making provision for the payment of all of the liabilities of the corporation, dispose of all its assets exclusively for the purposes of the corporation in such a manner, or to such organizations organized and operated exclusively for charitable, educational, religious or scientific purposes as shall at the time qualify as an exempt organization or organizations under Section 501(c)(3) of the United States Internal Revenue Code (or the corresponding provision of any future United States Internal Revenue Law) as the Board of Directors shall determine. Any such assets not disposed of shall be disposed of by the Superior Court of the county in which the principal office of the corporation is then located, exclusively for such purpose or to such organization or organizations, as said Court shall determine, which are organized and operated exclusively for such purpose.

6. The power of indemnification under the Arizona Revised Statutes shall not be denied or limited by the bylaws.

7. **Board of Directors:** The initial board of directors shall consist of four (4) directors. The names and addresses of the persons who are to serve as the directors until the first annual meeting of the members, if a member corporation, or Board of Directors, if the corporation has no members, or until their successors are elected and qualify are:

James Curda  
8422 East Speedway Blvd Suite 130  
Tucson, AZ 85710

Russ Grisanti  
8422 East Speedway Blvd Suite 130  
Tucson, AZ 85710

Keith Kuehn  
8422 East Speedway Blvd Suite 130  
Tucson, AZ 85710

Peter Pomorie  
8422 East Speedway Blvd Suite 130  
Tucson, AZ 85710

(The number of persons to serve on the board of directors thereafter shall be fixed by the bylaws.)

8. **Known Place of Business:** (In Arizona) The street address of the known place of business of the Corporation is:

Desert Hope Lutheran Church  
8422 East Speedway Blvd, Suite 130  
Tucson, AZ 85710

9. **Statutory Agent:** (In Arizona) The name and address of the statutory agent of the Corporation is:

Keith J. Kuehn  
c/o Beach Fleischman PC  
1898 E River Rd, Ste 201  
P.O. Box 64130  
Tucson, AZ 85728-4130

10. **Incorporators:** The name and address of the incorporator is:

Keith J. Kuehn  
c/o Beach Fleischman PC  
1898 E River Rd, Ste 201  
P.O. Box 64130  
Tucson, AZ 85728-4130

All powers, duties and responsibilities of the incorporators shall cease at the time of delivery of these Articles of Incorporation to the Arizona Corporation Commission.

11.  Check this box, if this provision will apply to your corporation.  
(Does not apply to religious organizations.)

**DISCRIMINATION:** The Corporation will not practice or permit discrimination on the basis of sex, race, national origin, religion, physical handicap or disability.

**12. MEMBERS (Check One)**

The corporation:  will have members  
 will not have members.

Executed this 23rd day of August, 2010 by all of the incorporators.

Signed: \_\_\_\_\_

Keith J. Kuehn

PHONE: 620.816.7002 FAX: 620.321.4040

**Acceptance of Appointment by Statutory Agent**

The undersigned hereby acknowledges and accepts the appointment as statutory agent of the above-named corporation effective

This 23rd day of August, 2010.

Signed: \_\_\_\_\_

Keith J. Kuehn

**CERTIFICATE OF DISCLOSURE**  
A.R.S. §10-202(D) (for-profit and financial institutions) or §10-202(D) (nonprofit)

Desert Hope Lutheran Church  
EXACT CORPORATE NAME

- A. Has any person (i) who is currently an officer, director, trustee, incorporator, or (ii) (for-profit and financial institutions only) who controls or holds over 10% of the issued and outstanding common shares or 10% of any other proprietary, beneficial or membership interest in the corporation been:
1. Convicted of a felony involving a transaction in securities, consumer fraud or criminal in any state or federal jurisdiction within the seven-year period immediately preceding the execution of this Certificate?
  2. Convicted of a felony, the essential elements of which consisted of fraud, misrepresentation, theft by false pretenses, or receipt of trade or money by any state or federal jurisdiction within the seven-year period immediately preceding the execution of this Certificate?
  3. Subject to an injunction, judgment, decree or permanent order of any state or federal court entered within the seven-year period immediately preceding the execution of this Certificate wherein such injunction, judgment, decree or permanent order:
    - (a) involved the violation of bond or registration provisions of the securities laws of that jurisdiction; or
    - (b) involved the violation of the consumer fraud laws of that jurisdiction; or
    - (c) involved the violation of the antitrust or restraint of trade laws of that jurisdiction?

Yes \_\_\_\_\_ No X

B. IF YES, the following information MUST be attached:

- |                                                             |                                                                                                                                                                         |
|-------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1. Full name, prior name(s) and address, if used.           | 5. The nature and description of each conviction or judicial action, including the date and location, the court and public agency involved and the case number of case. |
| 2. Full birth date.                                         |                                                                                                                                                                         |
| 3. Present home address.                                    |                                                                                                                                                                         |
| 4. Prior addresses (for immediate preceding 7-year period). |                                                                                                                                                                         |
| 6. Date and location of birth.                              |                                                                                                                                                                         |

- C. Has any person (i) who is currently an officer, director, trustee, incorporator, or (ii) (for-profit and financial institutions only) who controls or holds over twenty per cent of the issued and outstanding common shares or twenty per cent of any other proprietary, beneficial or membership interest in the corporation served in any such capacity or held a twenty per cent interest in any other corporation in any jurisdiction on the bankruptcy or reorganization of the other corporation?

Yes \_\_\_\_\_ No X

IF YOUR ANSWER TO THE ABOVE QUESTION IS "YES", YOU MUST ATTACH THE FOLLOWING INFORMATION FOR EACH CORPORATION:

- |                                                                                                                                                        |                                                                                   |
|--------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------|
| 1. Name and address of the other corporation.                                                                                                          | 4. Date of corporate operation.                                                   |
| 2. Full name (including aliases) and address of each person involved.                                                                                  | 5. Case information for bankruptcy or reorganization (state, case number, court). |
| 3. Strategy in which the other corporation: <ol style="list-style-type: none"><li>(a) was incorporated.</li><li>(b) has transacted business.</li></ol> |                                                                                   |

Under penalty of law, the undersigned incorporator(s)/officer(s)/director(s) declare(s) that I/we have examined this Certificate, including any attachments, and to the best of my/our knowledge and belief it is true, correct and complete, and hereby declare as indicated above. THE SIGNATURE(S) MUST BE DATED WITHIN THIRTY (30) DAYS OF THE DELIVERY DATE.

BY Karl J. Kuehn BY Priscilla G. Gresham  
PRINT NAME Karl J. Kuehn PRINT NAME Priscilla G. Gresham  
TITLE Director DATE 8/1/2016 TITLE Director DATE 9/1/16

**ARIZONA CORPORATIONS: ALL INCORPORATORS MUST SIGN THE INITIAL CERTIFICATE OF DISCLOSURE. If within sixty days any person becomes an officer, director, trustee or (for-profit or financial institutions) person controlling or holding over 10% of the issued and outstanding shares or 10% of any other proprietary, beneficial, or membership interest in the corporation and that person was not included in this disclosure, the corporation must file a SUPPLEMENTAL certificate signed by at least one duly authorized officer of the corporation.**  
**FOREIGN CORPORATIONS: MUST BE SIGNED BY AT LEAST ONE DULY AUTHORIZED OFFICER OF THE CORPORATION.**  
**FINANCIAL INSTITUTIONS: MUST BE SIGNED BY TWO (2) DULY AUTHORIZED OFFICERS OR DIRECTORS OF THE CORPORATION.**

Desert Hope Lutheran Church  
Treasurer's Report  
January 17, 2015

Checking/Money Market/Petty Cash Account Cash Balance 12/31/14	\$ 191,274.21	
Unrestricted Funds	\$ 108,109.52	
Restricted Funds	\$ 83,164.69	*Includes 12/2014 Restricted Building Fund Contributions that were transferred to the Edward Jones account in January 2015

Facilities/Building Fund Cash Balance 12/31/14	\$ 208,214.59	*Does not include 12/2014 building fund contributions that were transferred in January 2015
------------------------------------------------	---------------	---------------------------------------------------------------------------------------------

December 2014 Financial Summary	Actual	Budget	Variance	YTD Giving	YTD Budget	YTD Variance
Income	\$ 30,014.69	\$ 30,000.00	\$ 14.69	\$ 327,697	\$ 360,000	\$ (32,303)
Expenses						
Benevolence	\$ 2,997.90	\$ 3,000.00	\$ (2.10)			
Facilities & Equipment	\$ 6,616.04	\$ 5,891.54	\$ 724.50			
Ministries	\$ -	\$ -	\$ -			
Outreach	\$ 235.92	\$ 1,392.00	\$ (1,156.08)			
Worship	\$ 161.71	\$ 251.00	\$ (89.29)			
Youth	\$ 351.76	\$ 730.00	\$ (378.24)			
Hospitality	\$ 83.38	\$ 975.00	\$ (891.62)			
Operations	\$ 4,720.72	\$ 3,667.60	\$ 1,053.12			
Payroll	\$ 13,562.07	\$ 13,774.48	\$ (212.41)			
Total Expense	\$ 28,729.50	\$ 29,681.62	\$ (952.12)			
Net Income (Loss)	\$ 1,285.19	\$ 318.38	\$ 966.81			

NOTES:

**Facilities and Equipment**

Over budget due to additional Gridley rent for early setup and additional holiday services.

**Outreach**

Under budget due primarily to the \$750 outreach reserve. The \$9,000 budget for outreach reserve is split evenly over 12 months and will be spent as needed. Also \$100 was budgeted for Be the Church but this was not used and \$300 was budgeted for Christmas for Cops but no reimbursements were submitted.

**Youth**

Under budget due to donations received for the winter retreat.

**Hospitality**

Under budget due primarily to a miscellaneous budgeted expense and no fellowship event.

**Operations**

Over budget due to new worker's compensation insurance and the transfer of remaining continuing education budget to a restricted fund. Copy charges are over budget for Jan-Dec by \$2,736.64.

**Payroll**

Under budget primarily due to nursery staff.

January - December 2014 Financial Summary	Actual	Budget	Variance
Income	\$ 328,588.25	\$ 360,000.00	\$ (31,411.75)
Expenses			
Benevolence	\$ 32,770.00	\$ 36,000.00	\$ (3,230.00)
Facilities & Equipment	\$ 75,854.78	\$ 73,522.48	\$ 2,332.30
Ministries	\$ 156.30	\$ 2,685.00	\$ (2,528.70)
Outreach	\$ 2,272.75	\$ 15,404.00	\$ (13,131.25)
Worship	\$ 4,289.68	\$ 4,455.00	\$ (165.32)
Youth	\$ 14,576.77	\$ 17,680.00	\$ (3,103.23)
Hospitality	\$ 2,618.73	\$ 6,905.00	\$ (4,286.27)
Operations	\$ 24,200.13	\$ 36,689.68	\$ (12,489.55)
Payroll	\$ 163,901.04	\$ 166,658.84	\$ (2,757.80)
Total Expense	\$ 320,640.18	\$ 360,000.00	\$ (39,359.82)
Net Income (Loss)	\$ 7,948.07	\$ -	\$ 7,948.07

## Desert Hope Lutheran Church Giving Summary

	2010			2011			2012			2013			2014		
	# of Sundays	Month	YTD												
Jan			-	5	34,508	34,508	5	29,865	29,865	4	24,852	24,852	4	21,794	21,794
Feb			-	4	26,478	60,986	4	30,164	60,029	4	29,266	54,118	4	27,311	49,105
Mar			-	4	30,517	91,503	4	27,212	87,241	5	38,937	93,055	5	32,750	81,855
Apr			-	4	32,627	124,130	5	35,744	122,986	4	30,456	123,511	4	28,368	110,223
May	5	41,844	41,844	5	33,160	157,290	4	26,412	149,398	4	24,450	147,961	4	22,967	133,190
Jun	4	32,947	74,791	4	24,987	182,277	4	22,831	172,229	5	32,423	180,384	5	29,374	162,564
Jul	4	24,102	98,893	5	26,031	208,308	5	30,891	203,120	4	23,327	203,711	4	19,874	182,437
Aug	5	21,697	120,590	4	26,143	234,451	4	25,006	228,125	4	22,477	226,188	5	30,235	212,672
Sep	4	17,936	138,526	4	23,639	258,090	5	33,316	261,442	5	29,947	256,135	4	26,607	239,279
Oct	5	36,867	175,393	5	33,579	291,669	4	26,383	287,824	4	23,438	279,573	4	23,547	262,826
Nov	4	23,569	198,962	4	22,593	314,262	4	22,994	310,818	4	30,570	310,143	5	34,877	297,703
Dec	4	43,853	242,815	4	29,217	343,479	5	39,393	350,211	5	35,824	345,967	4	29,994	327,697

## Average Weekly Giving and Attendance

	2010			2011			2012			2013			2014		
	# of Sundays	Giving	Attendance												
Jan			-	5	6,902	-	5	5,973	216	4	6,213	198	4	5,449	177
Feb			-	4	6,620	-	4	7,541	202	4	7,316	212	4	6,828	183
Mar			-	4	7,629	-	4	6,803	179	5	7,787	216	5	6,550	185
Apr			-	4	8,157	-	5	7,149	219	4	7,614	186	4	7,092	216
May	5	8,369	-	5	6,632	-	4	6,603	165	4	6,113	167	4	5,742	155
Jun	4	8,237	-	4	6,247	-	4	5,708	155	5	6,485	166	5	5,875	141
Jul	4	6,026	-	5	5,206	-	5	6,178	147	4	5,832	157	4	4,968	151
Aug	5	4,339	-	4	6,536	-	4	6,251	160	4	5,619	144	5	6,047	143
Sep	4	4,484	-	4	5,910	-	5	6,663	179	5	5,989	181	4	6,652	151
Oct	5	7,373	-	5	6,716	-	4	6,596	192	4	5,860	174	4	5,887	159
Nov	4	5,892	-	4	5,648	-	4	5,748	164	4	7,643	182	5	6,975	168
Dec	4	10,963	-	4	7,304	-	5	7,879	182	5	7,165	184	4	7,498	185
		6,938	-		6,605	-		6,608	181		6,653	181		6,302	167

## Desert Hope Lutheran Church Profit & Loss Budget vs. Actual

December 2014

	Dec 14	Budget	\$ Over Budget	% of Budget
<b>Ordinary Income/Expense</b>				
<b>Income</b>				
41000 · Dividend & Interest	20.94			
43400 · Direct Public Support				
43450 · Individ, Business Contributions				
43451 · Pledges and Contributions	29,993.75	30,000.00	-6.25	100.0%
<b>Total 43450 · Individ, Business Contributions</b>	<b>29,993.75</b>	<b>30,000.00</b>	<b>-6.25</b>	<b>100.0%</b>
<b>Total 43400 · Direct Public Support</b>	<b>29,993.75</b>	<b>30,000.00</b>	<b>-6.25</b>	<b>100.0%</b>
<b>44600 · Restricted Donations</b>				
44503 · Hope School Donations	6,589.75			
44517 · Agua Prieta	50.00			
44520 · Poinsettia Plants	290.00			
44525 · DHLB Bldg Fund	46,575.00			
44546 · Holiday Food Baskets	1,235.00			
44554 · Youth Ministries	300.00			
44560 · Misc. Reimbursements	540.49			
44569 · Karissa Trip	75.00			
61500 · Restricted Funds	-55,655.24			
<b>Total 44600 · Restricted Donations</b>	<b>0.00</b>			
<b>Total Income</b>	<b>30,014.69</b>	<b>30,000.00</b>	<b>14.69</b>	<b>100.0%</b>
<b>Expense</b>				
61000 · Benevolence Expense	2,997.90	3,000.00	-2.10	99.9%
<b>62800 · Facilities and Equipment</b>				
62895 · Gridley Rent	2,328.00	2,224.00	104.00	104.7%
62897 · Other Rent	663.00	50.00	613.00	1,326.0%
65897 · Storage Locker	102.50	95.00	7.50	107.9%
65898 · Office Rent	3,522.54	3,522.54	0.00	100.0%
<b>Total 62800 · Facilities and Equipment</b>	<b>6,616.04</b>	<b>5,891.54</b>	<b>724.50</b>	<b>112.3%</b>
<b>6300 · Ministries</b>				
6343 · Adult Education	0.00	0.00	0.00	0.0%
6344 · Caring Card Ministry	0.00	0.00	0.00	0.0%
<b>Total 6300 · Ministries</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.0%</b>
<b>6310 · Outreach</b>				
63101 · Hearts & Hammers	0.00	0.00	0.00	0.0%
63102 · Gospel Rescue Luncheons	194.93	200.00	-5.07	97.5%
63103 · Be The Church/Mission Sunday	0.00	100.00	-100.00	0.0%
63105 · Christmas for Cops	0.00	300.00	-300.00	0.0%
63106 · Visitor/Welcomer Ministry	40.99	42.00	-1.01	97.6%
63107 · Outreach/Ministry Reserve	0.00	750.00	-750.00	0.0%
<b>Total 6310 · Outreach</b>	<b>235.92</b>	<b>1,392.00</b>	<b>-1,156.08</b>	<b>16.9%</b>
<b>6315 · Worship exp</b>				
63152 · Music Licences	0.00	0.00	0.00	0.0%
63153 · Sheet Music	107.98	66.00	41.98	163.6%
63154 · Supplies	53.73	35.00	18.73	153.5%
63155 · Sound Equipment	0.00	100.00	-100.00	0.0%
63156 · Other Expenses	0.00	50.00	-50.00	0.0%
<b>Total 6315 · Worship exp</b>	<b>161.71</b>	<b>251.00</b>	<b>-89.29</b>	<b>64.4%</b>
<b>6320 · Youth</b>				
63220 · Youth Camps/Retreats/Serving	0.00	0.00	0.00	0.0%
63230 · Elementary Education	0.00	45.00	-45.00	0.0%
63235 · Middle/High School Youth	351.76	665.00	-313.24	52.9%
63260 · Nursery Supplies	0.00	20.00	-20.00	0.0%
63270 · Other Expense	0.00	0.00	0.00	0.0%
<b>Total 6320 · Youth</b>	<b>351.76</b>	<b>730.00</b>	<b>-378.24</b>	<b>48.2%</b>
<b>6335 · Hospitality</b>				
63352 · Supplies	83.38	150.00	-66.62	55.6%
63353 · Fellowship Events	0.00	500.00	-500.00	0.0%
63354 · Pastor Luncheons	0.00	0.00	0.00	0.0%
63355 · Other Expense	0.00	325.00	-325.00	0.0%
<b>Total 6335 · Hospitality</b>	<b>83.38</b>	<b>975.00</b>	<b>-891.62</b>	<b>8.6%</b>
<b>65000 · Operations</b>				
60921 · Bank Charges/Merchant Fees	52.11	75.00	-22.89	69.5%
65010 · Books, Subscriptions, Reference	-0.55	100.00	-100.55	-0.6%
65020 · Postage, Mailing Service	0.00	42.00	-42.00	0.0%
65030 · Copy Charges	498.74	215.00	283.74	232.0%
65032 · Office Supplies	655.38	435.60	219.78	150.5%
65050 · Telephone, Telecommunications	175.41	200.00	-24.59	87.7%
65062 · CCB Renewal	0.00	0.00	0.00	0.0%
65063 · Website Hosting	0.00	75.00	-75.00	0.0%
65067 · Advertising	0.00	500.00	-500.00	0.0%
65070 · Liability Insurance	0.00	300.00	-300.00	0.0%
65071 · Worker's Compensation Insurance	1,204.00			
65080 · Pastor Continuing Education	2,017.02	375.00	1,642.02	537.9%
65083 · Capital Campaign	15.00	1,250.00	-1,235.00	1.2%
65090 · Other Expenses	10.00	0.00	10.00	100.0%
65092 · Payroll Processing	93.61	100.00	-6.39	93.6%
68312 · Meetings & Conferences	0.00	0.00	0.00	0.0%

## Desert Hope Lutheran Church Profit & Loss Budget vs. Actual

December 2014

	Dec 14	Budget	\$ Over Budget	% of Budget
<b>Total 65000 - Operations</b>	4,720.72	3,667.60	1,053.12	128.7%
<b>66000 - Payroll Expenses</b>				
<b>66005 - Lead Pastor</b>				
66014 - Salary	4,166.66	4,166.66	0.00	100.0%
66015 - Housing Allowance	3,333.34	3,333.34	0.00	100.0%
66016 - Social Security	300.00	300.00	0.00	100.0%
66017 - Health Insurance Reimbursement	352.82	352.82	0.00	100.0%
66018 - Health Ins Savings Acct Cont	500.00	500.00	0.00	100.0%
66019 - Car Allowance	366.66	366.66	0.00	100.0%
66020 - Cell Phone Allowance	50.00	50.00	0.00	100.0%
66026 - 403b Contribution	0.00			
66005 - Lead Pastor - Other	0.00			
<b>Total 66005 - Lead Pastor</b>	9,069.48	9,069.48	0.00	100.0%
66006 - Ministry Coordinator	2,519.01	2,525.00	-5.99	99.8%
66007 - Director Worship/Music	1,973.58	1,980.00	-6.42	99.7%
66008 - Nursery Staff	0.00	200.00	-200.00	0.0%
<b>66009 - Youth Pastor</b>				
66021 - Salary	1,500.00	1,500.00	0.00	100.0%
66022 - Housing Allowance	2,000.00	2,000.00	0.00	100.0%
66023 - Car Allowance	250.00	250.00	0.00	100.0%
66024 - Cell Phone Allowance	50.00	50.00	0.00	100.0%
66025 - Health Insurance Reimbursement	450.00	450.00	0.00	100.0%
66009 - Youth Pastor - Other	0.00			
<b>Total 66009 - Youth Pastor</b>	4,250.00	4,250.00	0.00	100.0%
66010 - Restricted Fund Draw for Youth	-4,250.00	-4,250.00	0.00	100.0%
66013 - Guest Pastor	0.00	0.00	0.00	0.0%
<b>Total 66000 - Payroll Expenses</b>	13,562.07	13,774.48	-212.41	98.5%
<b>Total Expense</b>	28,729.50	29,681.62	-952.12	96.8%
<b>Net Ordinary Income</b>	1,285.19	318.38	966.81	403.7%
<b>Net Income</b>	1,285.19	318.38	966.81	403.7%

## Desert Hope Lutheran Church Profit & Loss Budget vs. Actual January through December 2014

	Jan - Dec 14	Budget	\$ Over Budget	% of Budget
<b>Ordinary Income/Expense</b>				
<b>Income</b>				
41000 · Dividend & Interest	291 07			
43400 · Direct Public Support				
43450 · Individ, Business Contributions				
43451 · Pledges and Contributions	327,697 18	360,000 00	-32,302 82	91 0%
<b>Total 43450 · Individ, Business Contributions</b>	<b>327,697 18</b>	<b>360,000 00</b>	<b>-32,302 82</b>	<b>91 0%</b>
<b>Total 43400 · Direct Public Support</b>	<b>327,697 18</b>	<b>360,000 00</b>	<b>-32,302 82</b>	<b>91 0%</b>
44600 · Restricted Donations				
44503 · Hope School Donations	9,619 23			
44505 · Be The Church	290 00			
44517 · Agua Prieta	50 00			
44520 · Poinsettia Plants	460 00			
44525 · DHL C Bldg Fund	68,897 00			
44527 · Pastor Discretionary	3,000 00			
44529 · Grief Share	258 00			
44533 · Easter Flowers	495 00			
44540 · Memorial Luncheons	100 00			
44543 · Book Reimbursements	353 00			
44544 · Youth Pastor	25,000 00			
44546 · Holiday Food Baskets	3,153 63			
44552 · School Supplies	95 00			
44554 · Youth Ministries	16,650 74			
44560 · Misc. Reimbursements	565 63			
44566 · Sale of Trailer	600 00			
44569 · Karissa Trip	75 00			
61500 · Restricted Funds	-128,062 23			
<b>Total 44600 · Restricted Donations</b>	<b>600 00</b>			
<b>Total Income</b>	<b>328,588 25</b>	<b>360,000 00</b>	<b>-31,411 75</b>	<b>91.3%</b>
<b>Expense</b>				
61000 · Benevolence Expense	32,770 00	36,000 00	-3,230 00	91 0%
62800 · Facilities and Equipment				
62895 · Gridley Rent	29,631 00	26,912 00	719 00	102 5%
62897 · Other Rent	2,634 00	800 00	2,234 00	472 3%
65896 · Land Rental	0 00	600 00	-600 00	0 0%
65897 · Storage Locker	1,119 30	1,140 00	-20 70	98 2%
65898 · Office Rent	42,270 48	42,270 48	0 00	100 0%
<b>Total 62800 · Facilities and Equipment</b>	<b>75,054 78</b>	<b>73,522 48</b>	<b>2,332 30</b>	<b>103 2%</b>
6300 · Ministries				
6340 · Grief Share	0 00	25 00	-25 00	0 0%
6343 · Adult Education	71 57	2,500 00	-2,488 43	2 8%
6344 · Caring Card Ministry	84 73	100 00	-15 27	84 7%
<b>Total 6300 · Ministries</b>	<b>156 30</b>	<b>2,685 00</b>	<b>-2,528 70</b>	<b>5 8%</b>
6310 · Outreach				
63101 · Hearts & Hammers	0 00	2,000 00	-2,000 00	0 0%
63102 · Gospel Rescue Luncheons	1,100 48	1,200 00	-99 52	91 7%
63103 · Be The Church/Mission Sunday	1,104 80	2,400 00	-1,295 20	46 0%
63105 · Christmas for Cops	0 00	300 00	-300 00	0 0%
63106 · Visitor/Welcome Ministry	67 47	504 00	-436 53	13 4%
63107 · Outreach/Ministry Reserve	0 00	0,000 00	-0,000 00	0 0%
<b>Total 6310 · Outreach</b>	<b>2,272 75</b>	<b>15,404 00</b>	<b>-13,131 25</b>	<b>14 8%</b>
6315 · Worship exp				
63152 · Music Licences	890 00	1,425 00	-535 00	62 5%
63153 · Sheet Music	107 72	800 00	-692 28	13 5%
63154 · Supplies	480 44	430 00	50 44	113 8%
63155 · Sound Equipment	863 88	1,200 00	-336 12	72 0%
63156 · Other Expenses	1,938 64	600 00	1,338 64	323 1%
<b>Total 6315 · Worship exp</b>	<b>4,289 68</b>	<b>4,455 00</b>	<b>-165 32</b>	<b>96 3%</b>
6320 · Youth				
63220 · Youth Camps/Retreats/Serving	7,368 83	5,000 00	1,768 83	131 6%
63230 · Elementary Education	249 34	840 00	-590 66	29 7%
63235 · Middle/High School Youth	4,574 42	0,000 00	-4,425 58	50 8%
63260 · Nursery Supplies	29 16	240 00	-210 84	12 2%
63270 · Other Expense	202 02	0 00	202 02	100 0%
63275 · Youth Intern	2,153 00	2,000 00	153 00	107 7%
<b>Total 6320 · Youth</b>	<b>14,576 77</b>	<b>17,680 00</b>	<b>-3,103 23</b>	<b>82 4%</b>
6335 · Hospitality				
63352 · Supplies	842 70	1,600 00	-757 30	52 7%
63353 · Fellowship Events	830 95	3,200 00	-2,369 05	26 0%
63354 · Pastor Luncheons	116 22	500 00	-383 78	23 2%
63355 · Other Expense	828 86	1,605 00	-776 14	51 6%
<b>Total 6335 · Hospitality</b>	<b>2,618 73</b>	<b>6,905 00</b>	<b>-4,286 27</b>	<b>37 9%</b>
65000 · Operations				
65021 · Bank Charges/Merchant Fees	98 03	900 00	-801 97	10 9%
65010 · Books, Subscriptions, Reference	533 92	1,200 00	-666 08	44 5%
65020 · Postage, Mailing Service	140 25	504 00	-363 75	27 8%
65030 · Copy Charges	5,316 64	2,680 00	2,736 64	208 1%
65032 · Office Supplies	2,399 69	5,385 60	-2,986 01	44 6%
65050 · Telephone, Telecommunications	2,083 43	2,400 00	-336 57	86 0%
65062 · CCB Renewal	1,440 00	1,200 00	240 00	120 0%
65063 · Website Hosting	0 00	900 00	-900 00	0 0%
65067 · Advertising	1,518 81	6,000 00	-4,481 19	25 3%
65070 · Liability Insurance	2,062 86	2,500 00	-437 14	82 5%
65071 · Worker's Compensation Insurance	1,204 00			
65080 · Pastor Continuing Education	3,295 08	3,295 08	0 00	100 0%
65083 · Capital Campaign	243 89	5,000 00	-4,756 11	4 9%
65090 · Other Expenses	770 80	1,225 00	-445 20	63 7%
65092 · Payroll Processing	1,127 62	1,200 00	-72 38	94 0%
68312 · Meetings & Conferences	1,976 21	2,400 00	-423 79	82 3%
<b>Total 65000 · Operations</b>	<b>24,200 13</b>	<b>36,689 88</b>	<b>-12,489 55</b>	<b>66 0%</b>
66000 · Payroll Expenses				
66005 · Lead Pastor				
66014 · Salary	49,999 92	50,000 00	-0 08	100 0%
66015 · Housing Allowance	40,000 00	40,000 00	0 00	100 0%
66016 · Social Security	3,600 00	3,600 00	0 00	100 0%
66017 · Health Insurance Reimbursement	4,233 84	4,233 84	0 00	100 0%

**Desert Hope Lutheran Church**  
**Profit & Loss Budget vs. Actual**  
**January through December 2014**

	Jan - Dec 14	Budget	\$ Over Budget	% of Budget
66018 - Health Ins Savings Acct Cont	6,000.00	6,000.00	0.00	100.0%
66019 - Car Allowance	4,400.00	4,400.00	0.00	100.0%
66020 - Cell Phone Allowance	600.00	600.00	0.00	100.0%
66026 - 403b Contribution	0.00			
66005 - Lead Pastor - Other	0.00			
<b>Total 66005 - Lead Pastor</b>	<b>108,833.76</b>	<b>108,833.84</b>	<b>-0.08</b>	<b>100.0%</b>
66006 - Ministry Coordinator	30,018.20	30,115.00	-96.80	99.7%
66007 - Director Worship/Music	23,683.08	23,760.00	-76.92	99.7%
66008 - Nursery Staff	616.00	2,600.00	-1,984.00	23.7%
66009 - Youth Pastor				
66021 - Salary	18,000.00	18,000.00	0.00	100.0%
66022 - Housing Allowance	24,000.00	24,000.00	0.00	100.0%
66023 - Car Allowance	3,000.00	3,000.00	0.00	100.0%
66024 - Cell Phone Allowance	600.00	600.00	0.00	100.0%
66025 - Health Insurance Reimbursement	5,400.00	5,400.00	0.00	100.0%
66009 - Youth Pastor - Other	0.00			
<b>Total 66009 - Youth Pastor</b>	<b>51,000.00</b>	<b>51,000.00</b>	<b>0.00</b>	<b>100.0%</b>
66010 - Restricted Fund Draw for Youth	-51,000.00	-51,000.00	0.00	100.0%
66013 - Guest Pastor	750.00	1,350.00	-600.00	55.6%
<b>Total 66000 - Payroll Expenses</b>	<b>183,901.04</b>	<b>186,658.84</b>	<b>-2,757.80</b>	<b>98.3%</b>
<b>Total Expense</b>	<b>320,640.18</b>	<b>280,000.00</b>	<b>-30,350.82</b>	<b>80.1%</b>
<b>Net Ordinary Income</b>	<b>7,948.07</b>	<b>0.00</b>	<b>7,948.07</b>	<b>100.0%</b>
<b>Net Income</b>	<b>7,948.07</b>	<b>0.00</b>	<b>7,948.07</b>	<b>100.0%</b>

## Desert Hope Lutheran Church

## Balance Sheet

As of December 31, 2014

01/07/15

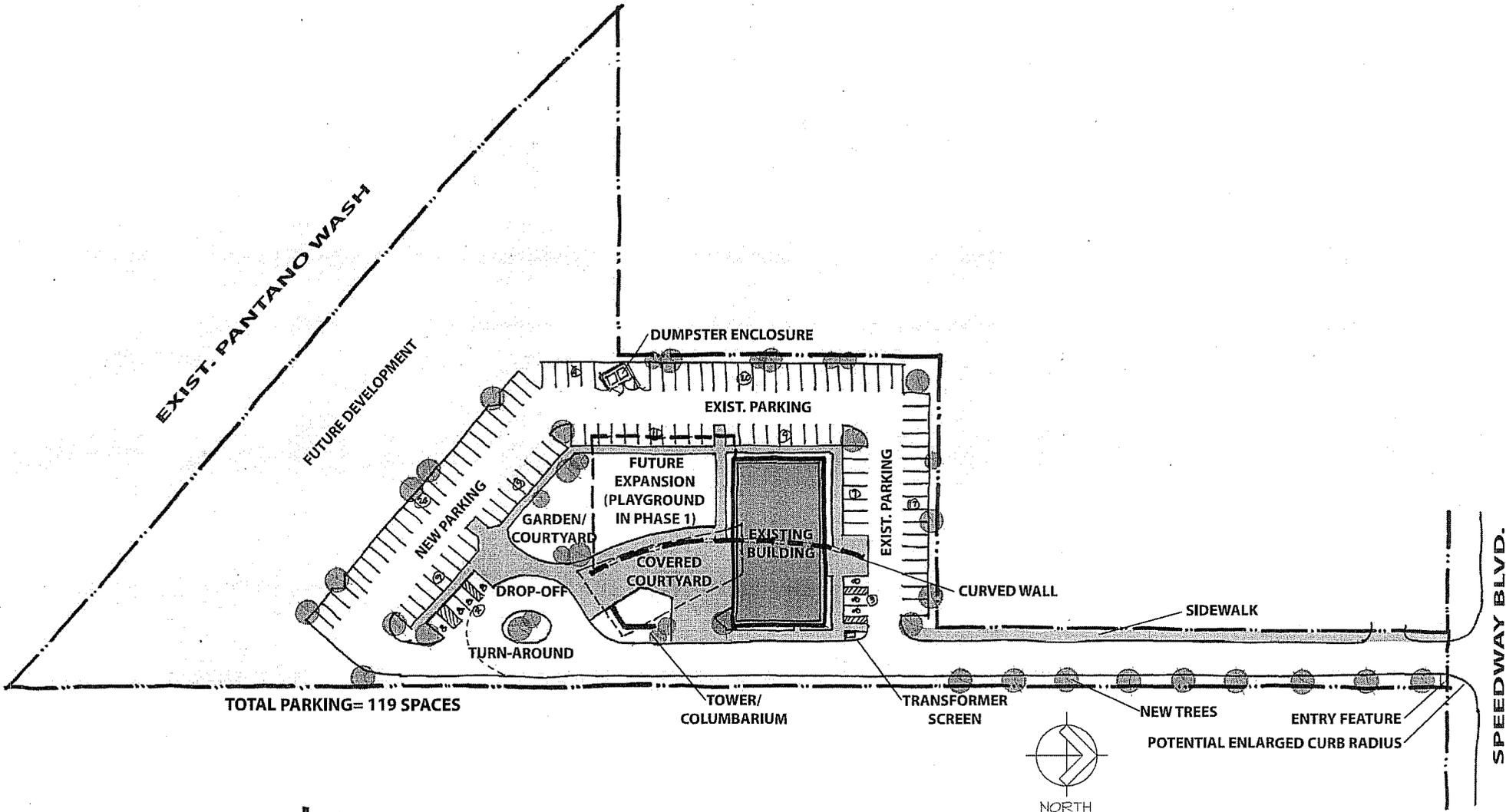
Accrual Basis

	Dec 31, 14
<b>ASSETS</b>	
Current Assets	
Checking/Savings	
10000 · Compass Bank	100,767.92
10050 · Compass Bank Money Market	90,306.29
10700 · Petty Cash	200.00
Total Checking/Savings	191,274.21
Other Current Assets	
12200 · Gridley Rent Offset	10,681.26
Total Other Current Assets	10,681.26
Total Current Assets	201,955.47
Other Assets	
10500 · Edward D. Jones	204,753.86
18700 · Security Deposits Asset	3,460.73
Total Other Assets	208,214.59
<b>TOTAL ASSETS</b>	<b>410,170.06</b>
<b>LIABILITIES &amp; EQUITY</b>	
Equity	
31300 · Restricted Net Assets	
31302 · Building Fund	129,600.52
31303 · Facilities Reserve	118,480.97
31304 · Auxano Funds	3,223.97
Total 31300 · Restricted Net Assets	251,305.46
31500 · Temp. Restricted Net Assets	
31502 · Benevolence Liability	13,331.38
31600 · Restricted Funds	
31503 · Hope School	6,619.56
31504 · Baby Hats	50.00
31517 · Agua Prieta	50.00
31527 · Pastor Discretionary	1,127.71
31528 · Grief Share	157.80
31531 · Lunch Bunch	75.00
31533 · Flower Fund	139.58
31540 · Memorial Luncheons	172.49
31546 · Youth Pastor	12,235.21
33000 · Cont Ed Carryforward - Lead	1,533.51
33001 · Cont Ed Carryforward - Youth	1,000.00
34543 · Book Reimbursements	177.64
34547 · Music Program	100.00
34552 · School Supplies	220.00
34559 · Choir	149.81
34563 · Hume Lake Summer Camp	-125.00
34564 · Haiti Mission Trip 2015	-500.00
34565 · Karissa Trip	75.00
Total 31600 · Restricted Funds	23,258.31
Total 31500 · Temp. Restricted Net Assets	36,589.69
32000 · Unrestricted Net Assets	114,326.84
Net Income	7,948.07
Total Equity	410,170.06
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>410,170.06</b>

# Desert Hope

## Benevolence Fund Summary 2014

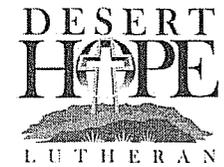
	Council Approved Allocation								
	Local					National	International		
	Local	Young Life	Pastor Discretionary	4 Tucson	Gospel Rescue Mission	LCMC	Aqua Prieta	Madagascar	
Benevolence per Financials									
2014 Percent Allocated	100%	10%	10%	15%	10%	10%	10%	20%	15%
Balance 12/31/13	17,967	5,891	-	6,044	899	899	898	1,797	1,539
Benevolence to 3/31/14	8,185	819	819	1,228	819	819	819	1,637	1,228
Distributed to 3/31/14	6,434	-	-	409	899	899	898	1,797	1,532
Balance 3/31/14	19,717	6,710	819	6,863	818	818	819	1,637	1,234
Benevolence to 6/30/14	8,072	807	807	1,211	807	807	807	1,614	1,211
Distributed to 6/30/14	13,472	1,500	3,000	3,246	818	818	819	1,637	1,634
Balance 6/30/14	14,317	6,017	(1,374)	4,827	807	807	807	1,614	812
Benevolence to 9/30/14	7,673	767	767	1,151	767	767	767	1,535	1,151
Distributed to 9/30/14	8,593	2,000	-	1,223	807	807	807	1,614	1,335
Balance 9/30/14	13,397	4,784	(607)	4,755	768	768	767	1,535	628
Benevolence to 12/31/14	8,840	884	884	1,326	884	884	884	1,768	1,326
Distributed to 12/31/14	8,906	4,000	-	1,068	768	768	767	1,535	-
Balance 12/31/14	13,331	1,668	277	5,013	884	884	884	1,768	1,954



*cdg*  
ARCHITECTS

Phase 1 Site Plan  
Desert Hope Lutheran Church

11/16/14



**Desert Hope Special Congregational Meeting Minutes**

Gridley Middle School Multi-purpose Space

350 S. Harrison Road

November 2, 2014

**Total attendees:** 126 people from the congregation.

**Call to Order:** Terry Bredehoft called the meeting to order at 10:31 am - opening prayer by Keith Kuehn.

Terry confirmed that we had a visual quorum.

Purpose of the meeting is to hear the Mission Center Property Evaluation Report and to consider a motion from the Building Development Team presented by Doug Skow.

**Motion DH2014-33: Action:** Motion to move forward on the purchase of 7474 E Speedway property (see attached motion) by Doug Skow and seconded by Glenn Weber.

Question and answer session.

**Motion DH2014-34: Action:** Motion to Call the Question by Patti Thibaut and seconded by Keith Kuehn.

Vote for approval by physical count: 103 for, 5 against, 5 abstain.

Terry discussed the next steps.

**Motion DH2014-35: Action:** Motion to adjourn the meeting by Ray Pulsifer and seconded by Patti Thibaut.

Pr Jim closed in prayer.

Adjourned at 11:00.



Daniel L. Meeboer - Secretary