

ENGLISH DISTRICT BOARD OF DIRECTORS MEETING

October 11, 2022

Location: Meeting was held via teleconference originating from the District Office [33100 Freedom Road, Farmington, MI 48336].

Attendance: Voting Members - Mr. Lucas Fitzgerald, Ms. Carol George, Mr. Thomas Habitz, Rev. Jamison Hardy (Pres.), Mr. Thomas Honebrink, Mr. Rod Lane, Mr. Terry Leu, Rev. David Petersen, Mrs. Kristin Wellik, Rev. Luke Zimmerman. **Non-Voting Members** - Rev. Jeffrey Miskus, Rev. Michael Morehouse, Mrs. Sally Naglich, Rev. Douglas Spittel, Mr. Jim Thielen. **Staff** - Mr. Albert Amling, Mr. Ronald Grimm, Rev. Derek Mathers.

Call to Order: Chairman Terry Leu called the meeting to order at 3:02pm.

1. Opening Prayer

District President Jamison Hardy offered an opening prayer asking for blessing and guidance for the meeting.

2. Roll Call

Secretary Luke Zimmerman called the roll of members, noting that a quorum of voting members were present.

3. Approval of Sale of Former Trinity - San Dimas, CA Property

Secretary Zimmerman introduced the resolution: "To Authorize the Sale of the Former Trinity - San Dimas, CA Property" that had been distributed electronically to Board members. After the resolution was introduced, a motion was made amend the resolution: "***Resolved, That the District President, or the District Treasurer at his direction, be authorized to execute a sales agreement ~~for~~ and the sale of the former Trinity - San Dimas, CA property [922 N. San Dimas Avenue, San Dimas, CA, 91773-1452] currently held by the English District.***" The language of the amendment was adopted by consent.

Board members were informed about the legal requirement of an explicit resolution approving the sale of the property in order for the sale to take place. A board member inquired about the future participation of the congregation's former membership. Another board member asked about the sales price of the property; the sales price was reported at \$1.9 million.

After discussion, the motion was put to a vote: "***To adopt the resolution: 'To Authorize the Sale of the Former Trinity - San Dimas, CA Property' as amended.***" Motion carried. [See Attachment A.]

4. Announcements

Chairman Leu asked that Board members submit their reservations for the December 2023 Board meeting in Atlanta, GA as soon as possible.

President Hardy asked for members' prayers as he begins his campus visit and interviews with Concordia University Wisconsin Ann Arbor as part of the university's presidential search process.

5. Adjournment

Motion: *"To adjourn the meeting."* Motion carried. Chairman Leu adjourned the meeting at 3:15pm.

Submitted,

Rev. Luke Zimmerman
Secretary, English District–LCMS

ATTACHMENT A

To Authorize the Sale of the Former Trinity - San Dimas, CA Property

Rationale

Trinity Lutheran Church – San Dimas, CA, an LCMS congregation holding membership within the English District, is disbanding and has ceded its property [922 N. San Dimas Avenue, San Dimas, CA, 91773-1452] to the English District.

This information has been reported by District President Jamison Hardy to the Board of Directors at several meetings of the Board, as documented in excerpts from meeting minutes below:

May 2022 Meeting Minutes - Item 4:

President Hardy announced to the Board that Trinity – San Dimas, CA will vote on June 5 to become a legacy congregation. He also reported that Our Savior – St. George, UT is also evaluating the possibility of disbanding and the necessary processes. The disbanding of these congregations would result in the ceding of their properties to the District.

June 2022 Meeting Minutes - Item 9:

President Hardy reported to the Board about three congregations (Trinity – San Dimas, CA; Good Shepherd – Akron, OH; Our Savior – St. George, UT) that are closing and ceding their properties to the District. He asked the Board to be able to use up to \$500,000 from the funds to be received from these three congregational closings for mission starts and congregational replanting. Discussion was held about the desire of these closing congregations to establish legacies. Motion: *“To authorize the District President to utilize up to \$500,000 from proceeds gained by the pending sale of properties of closing English District congregations for the purposes of mission starts and congregational replanting. Any expenditures must be issued within the Fiscal Year Ending January 31, 2023.”* Motion carried.

August 2022 Draft Meeting Minutes - Item 19:

President Hardy updated the Board concerning sales of church properties:

- A potential sale of the Akron, OH property has fallen through; the property remains on the market.
- Our Savior – St. George, UT is closing in early September; the property will be sold.
- Trinity – San Dimas, CA has been closed; its property is on the market.

President Hardy asked for the Board to adopt a formula to designate funds raised by the impending sale of the properties in Akron, OH; St. George, UT; and San Dimas, CA that were ceded to the District. Motion: *“That the Board authorizes the District President and District Staff to implement the following formula to designate funds raised by the sale of properties in Akron, OH; St. George, UT; and San Dimas, CA that were ceded to the District: 10% to be given to the Synod, 60% to be invested in the District Endowment Fund, 30% to be received as undesignated net assets of the District.”* Board members raised questions about how the percentages identified in the resolution were determined. Others asked about how potential operational funds would be utilized. Board members were informed that this resolution would supersede the June 2022 decision of designating up to \$500,000 from proceeds for mission starts and congregational replanting within the Fiscal Year Ending January 31, 2023 [cf. Item #9 of June 2022 minutes]. However, President Hardy stated that he would attempt to honor the Board’s desire expressed in its June 2022 decision as much as possible. Board members also suggested the need to establish a policy about gifts received. Following comprehensive discussion, the motion carried.

The power to sell properties held by the District does not rest in the Office of the President, but has been delegated to the Board of Directors, as stated in EN Bylaw 8.1:

8.1 The District shall have legal powers as follows:

- (a) To purchase, acquire, hold, administer, sell, transfer, mortgage and convey property of every description, both personal and real, in the interest of the District.
- (b) To accept, hold, administer, sell, transfer and convey legacies, gifts, donations, commercial papers and legal documents of every description in the performance of its work.
- (c) To delegate to the Board of Directors who shall exercise the aforementioned powers. No individual or officer of the District shall have the power to usurp this authority.

This requires the Board of Directors to take explicit action to authorize the District President to conduct the sale of the former Trinity – San Dimas, CA property that the District owns.

The Board of Directors has been duly informed that the Trinity – San Dimas, CA property had been ceded to the District, is aware that the property was being marketed for sale, and has adopted a formula to govern the use of funds to be received from the sale of the property. However, the Board of Directors has not enacted a resolution to authorize the District President to conduct the sale.

Additionally, the sales contract contains a requirement: *“If the seller is a corporation, a duly executed corporate resolution authorizing the execution of this Agreement and the sale of the Property will be required to be delivered to the escrow holder/title company.”*

To that end, the following resolution is being presented for action by the Board of Directors:

Resolution

Resolved, That the District President, or the District Treasurer at his direction, be authorized to execute a sales agreement and the sale of the former Trinity – San Dimas, CA property [922 N. San Dimas Avenue, San Dimas, CA, 91773-1452] currently held by the English District.