

ENGLISH DISTRICT BOARD OF DIRECTORS MEETING

December 2-3, 2022

Meeting Locations:

DEC 2 - Lutheran Church of the Ascension, 4000 Roswell Road NE, Atlanta, GA, 30342

DEC 3 - Homewood Suites Atlanta Airport North, 3405 Bobby Brown Parkway, Atlanta, GA 30344

Attendance: Voting Members - Mr. Lucas Fitzgerald, Ms. Carol George, Ms. Gail Grieser, Mr. Thomas Habitz, Rev. Jamison Hardy (*Pres.*), Mr. Thomas Honebrink, Rev. Robert Kieselowsky, 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. Robert Rogers, Rev. Douglas Spittel, Mr. Jim Thielen. **Staff** - Mr. Albert Amling, Mr. Ronald Grimm, Rev. Daniel Lepley, Rev. Derek Mathers.

FRIDAY – DECEMBER 2, 2022

Call to Order: Chairman Terry Leu called the meeting to order at 10:00am.

1. Morning Devotions

Rev. Michael Morehouse, Vice-President of the Western Region, conducted morning devotions, leading the Board through the praying of the Litany and offering petitions for various concerns identified by Board members.

2. Roll Call and Determination of Quorum

Secretary Luke Zimmerman called the roll of Board members, noting that a quorum of voting members was present. Rev. Bart Day, Chief Executive Officer of Lutheran Church Extension Fund (LCEF), and Mr. Thomas Campbell, LCEF Senior Vice President of Real Estate Solutions, were welcomed as a guest for the member.

3. Approval of Meeting Agenda

Chairman Leu presented the agenda to the Board members for approval. Motion: *"To approve the agenda as presented/amended."* Motion carried.

4. Approval of August 2022 Meeting Minutes

Secretary Zimmerman presented draft minutes of the August 2022 Board of Directors meeting to the Board for approval. Motion: *"To approve the minutes as presented."* Motion carried.

5. Approval of October 2022 Meeting Minutes

Secretary Zimmerman presented draft minutes of the October 2022 Board of Directors meeting to the Board for approval. Motion: *"To approve the minutes as presented."* Motion carried.

6. Review of August 2022 Meeting

Chairman Leu initiated a review of the August 2022 meeting held in Dorr, MI. Board members offered various positive comments about the preparedness of members, particularly of new members on the Board, and the hospitality of the host congregation. Chairman Leu reminded Board members about the expectation that they would be contributors to the District. President Jamison Hardy noted the benefit of informing individuals and congregations of full Board membership participation as contributors.

7. District President's Report

President Jamison Hardy began his report to the Board by speaking about the selection of a president for Concordia University Wisconsin/Ann Arbor and the process being concluded. He thanked Board members for their prayers and comments during that time. He also informed the Board that the LCMS Council of Presidents has select him as its representative to the Concordia University System Board of Directors.

President Hardy highlighted some joys of his work, particularly seeing young men taking roles within the Church. At the same time, there have been numerous troubles that recently arose among congregations and church workers which draw his attention.

President Hardy reported about the action taken by the Board of Regents of Concordia University Texas attempting to remove itself from the governance structure of the Synod. This situation has drawn the attention of Synod leaders to respond. His analysis of the situation is that this is a subversive act which must not be tolerated by the Synod.

President Hardy updated the Board about the desire for Redeemer Lutheran School - Pittsburgh, PA to acquire another property for the high school. The property is currently held by the Archdiocese of Pittsburgh. There is the possibility that the District may need to be involved with the property transfer for taxation purposes.

President Hardy informed the Board about the Arizona Campus Christian Center legal situation. The District is in full active litigation over the property share of the CCC. The District is a co-litigant with the local PCUSA Presbytery against the United Methodist Church and Wesley Foundation ownership group. The matter will be decided by an Arizona judge, with an anticipated hearing in January 2023 and a ruling three to six months afterward.

President Hardy reported that Rev. Robert Zagore, who left the Synod Office of National Mission, has begun serving Celebration - St John, FL and will be called as the congregation's pastor in early 2023.

President Hardy informed the Board that Blessed Sacrament - Hayden, ID has started the process to purchase property for constructing a congregational building. Pastors in Idaho are helping to serve Apostles - Moses Lake, WA during the absence of Rev. Winston Greiser, who is fulfilling a military obligation. Holy Cross - Hazelwood, PA is in the process of requesting a seminary placement of a pastor. An LCEF loan has been secured for the purchase of a parsonage in the neighborhood.

8. LCEF Proposal - Canada Corporation Take Over

President Hardy introduced Rev. Bart Day, LCEF CEO, to present its proposal to take over the Canada Corporation from the District. Rev. Day answered several questions that were submitted by Board members prior to the meeting after reading information about the proposal:

- Synod approval of this action will be required to comply with Synod Bylaws.
- Amendment of the protocol agreement between LCMS and Lutheran Church–Canada (LCC) may also be required due to loaning funds to LCC congregations or LCC rostered church workers. However, this may be a deferred action due to ongoing legal matters involving the bankruptcy settlement for the Alberta-British Columbia District Church Extension Fund is completed.
- Members of the new Board will need to be members of LCMS congregations to comply with Synod Bylaws. Legal recommendation is that the majority of the Board should be Canadian citizens with residency in Canada, which is why that requirement has been inserted in the proposed bylaw revision.
- The Board chairmanship and vice-chairmanship being held *ex officio* by LCEF officers is to assert control and oversight of the Board. The President and Treasurer of the English District are proposed to no longer be Directors, but remain entitled to attend Board meetings.
- The proposed \$370,000 payment to the District received at \$37,000 annually for ten years to execute the takeover would be given in American dollars.
- Canadian citizens would not be able to invest in LCEF.

Rev. Day indicated that further written agreements will likely be needed to outline the non-lending services that would continue to be offered to LCMS congregations in Canada. This is particularly important because the current Canada Corporation is the method by which English District congregations contribute to the District and Synod. These written agreements would also be approved by the Synod Board of Directors.

Rev. Day answered further verbal questions offered by Board members:

- Charitable organization identification number would remain with the newly-revised organization.
- All services that LCEF provides to its customers would be offered in Canada through Canada Corporation. Marketing of services by LCC will not be offered until the bankruptcy settlement for the Alberta-British Columbia District Church Extension Fund is completed.
- Depending upon growth, a District Vice-President equivalent may be hired to work with Canadian congregations.

A question about the \$370,000 valuation for the Canada Corporation purchase was raised by a member. Explanation about how the valuation was determined was offered by President Hardy and Treasurer Sally Naglich. A key aspect to the valuation was the satisfaction of all liabilities held by Canada Corporation by LCEF.

Canada Corporation Chairman Jim Thielen commented that the result of the proposal would maintain services to Canadian congregations, while expanding what is offered to them. He shared his perspective that this outcome will be positive. Quality of skills for Board members of the organization will need to be assessed, so that they can meet the requirements of the newly organized Board.

To accomplish the proposed takeover, a resolution to execute the matter by the Board of Directors was offered [*cf. Attachment A*]. Motion: ***“To adopt the resolution as proposed.”*** During discussion of the resolution, it was stated that action by the Synod Board of Directors will be required to fully enact the takeover; until that is done, the matter would remain pending. Motion carried.

9. District Staff Reports

Rev. Derek Mathers, District Mission Executive, directed Board members to his written report.

Rev. Daniel Lepley, District LCEF Vice-President, directed Board members to his written report.

Mr. Albert Amling, District Education Executive, augmented his report by speaking about the negative effects of COVID on commissioned church workers. Those negative effects appear to be striking commissioned church workers harder than ordained church workers. DOXOLOGY respite conferences have begun to be organized for commissioned church workers; however, attendance at such conferences is difficult due to scheduling. This is particularly so for school teachers.

Mr. Ronald Grimm, District Planned Giving Coordinator, reported that his work has picked up significantly in the past quarter.

10. Recess & Lunch

Chairman Leu declared the meeting to be in recess for lunch at 12:00pm. Following lunch, Rev. David Miller, pastor of Ascension - Atlanta, GA, presented the Board members with details about the congregation's history and ministry. Board members also toured the congregation's facilities. The meeting reconvened at 1:40pm.

11. Afternoon Devotion

For afternoon devotions, Rev. Morehouse led Board members through Responsive Prayer I.

12. District Constitution Committee Report

President Hardy submitted the Constitution Committee's report, which recommended approval of revisions made by Chapel of the Cross - St. Louis, MO to its governing documents. The report was appended with the Constitution Committee also recommending approval of revisions made by Faith - Tucson, AZ to its governing documents. Motion: *"To approve the governing documents made by Chapel of the Cross - St. Louis, MO and Faith - Tucson, AZ."* Motion carried.

13. Update on Relations with Lutheran Church Canada

President Hardy provided a brief summary of recent meeting held in late November 2022 between leaders of LCMS and LCC. When a report by the leaders of both synods is published, Board members will be notified.

14. Gold Canyon Mission Presentation

President Hardy began a discussion about a new mission plant in the Gold Canyon region of Arizona. A proposal about purchasing a property for mission planting in conjunction with Lutheran Church Extension Fund was introduced. Rev. Day and Mr. Campbell from LCEF spoke to the Board about the proposal. Within that presentation, Board members were informed about LCEF's involvement with the LCMS about developing funding models to support mission planting, including finding new sources of income.

The proposal was made about purchasing 6772 S. Kings Ranch Road, Gold Canyon, AZ 85118. The property would be utilized for space to host a congregation (Shepherd of the Canyon Lutheran Church), as well as having office/meeting space to be used for training mission church planters. Board

members offered comments and questions about various aspects of the mission planting concept and the training center, as well as funding sources. The lengthy discussion about this particular purchase opportunity tended negative. However, Board members' opinions about the concept of purchasing properties for planting of mission congregations were positive.

Motion: *"To reject the proposed purchase of 6772 S. Kings Ranch Road, Gold Canyon, AZ 85118."* Motion carried.

15. Canada Corporation Report

Mr. Jim Thielen, Canada Corporation Chairman, directed the Board's attention to his written report. He highlighted a loss of asset value due to a decline in exchange rates between the United States and Canada. The Canada Corporation is not currently pursuing lending opportunities with Ontario province congregations because of the on-going discussions with LCEF. The annual general meeting of the Canada Corporation was held on September 17, 2022 in Kitchener, Ontario.

16. District Treasurer's Report

Treasurer Sally Naglich presented the Board with the Statements of Financial Position as of October 31, 2022, and 2021, and the Statements of Activities for the nine months ended October 31, 2022. Highlighted in the report for Board members were income received from sales of disbanded congregations, as well as loss of assets in net investment return.

Treasurer Naglich reviewed net assets with donor restrictions with the Board. The Board Designated Fund balances are reviewed by the Board of Directors annually prior to the end of the fiscal year. As part of the Board's review, several motions were enacted concerning designation of funds. Motion: *"To maintain the communicant member fee and to designate the remaining conference expense amounts for the purpose of conferences/conventions."* Motion carried. Motion: *"To release from designation the remaining funds previously designated for the Chicago Lutheran History project."* Motion carried.

Treasurer Naglich also provided a summary of Board of Director meeting costs from January 2015 to present, which had been requested by a member.

Treasurer Naglich reported on the statuses of three dissolved congregation property sales that had been approved by the Board and the assets that had been distributed according to the formula previously adopted by the Board [*cf. AUG 2022 Meeting Minutes - Item 19*]. Board members were also informed about how some unrestricted funds from the dissolved congregation property sales had been distributed.

Motion: *"To accept the Treasurer's Report."* Motion carried.

X. Executive Session 1

The Board entered executive session at 4:05pm. The Board exited executive session at 4:20pm.

17. Ministry Plan for FYE January 31, 2024

President Hardy reviewed the assumptions used to develop the Proposed Ministry Plan for Fiscal Year Ending January 31, 2024. Following that review, he presented the proposed plan to the Board for discussion and approval. Due to the Board's earlier action declining the property purchase in Gold Canyon, AZ [cf. DEC 2022 Meeting Minutes - Item 14], the proposed Mission Grant line item was reduced by \$125,000, which had been part of the initial proposal. The Board's consensus concerning meetings was that all four meetings during the fiscal year should be in person, causing a \$12,000 increased budgetary expenditure for the Board of Directors line item.

Motion: *"To approve the amended Proposed Ministry Plan for Fiscal Year Ending January 31, 2024."*
Motion carried [cf. Attachment B].

18. Housing Allowance Designation Approval

Treasurer Naglich presented the 2023 housing allowance designation for two District employees for approval by the Board.

Motion: *"Pursuant to IRS Code Title 26, Subtitle A, Chapter 1, Subchapter B, Part III, Section 107, the following amounts are requested to be designated as Housing Allowances for the respective employees for the 2023 calendar year: Rev. Dr. Jamison Hardy - \$40,000; Albert Amling - 70%"* Motion carried.

19. District Endowment Fund Report

Chairman Leu presented the Endowment Fund Board of Managers Report to the Board. The report provided data on the value of the Endowment Fund as of October 31, 2022, and data on the value of the fund at the end of 2018, 2019, 2020, and 2021. Board members asked about the formula used to distribute grants from the Endowment Fund, categories of church workers receiving church worker debt reduction grants, and recipients of scholarship grants by church worker category.

20. Proposed Overture: Quadrennial Convention Cycle

Chairman Leu introduced a proposed overture for adoption by the Board for submission to the 2023 LCMS Convention: *"To Recommend Moving to a Four-Year Convention Cycle"* [cf. Attachment C].
Motion: *"To adopt the overture 'To Recommend Moving to a Four-Year Convention Cycle.'" The necessity to add a first resolved clause to the overture was noted. Motion to amend by adding: "Resolved, That the Synod adopt a four-year convention cycle; and be it further..."* The amendment was approved. Motion: *"To adopt the amended overture."* Motion carried.

21. District Treasurer Selection Process

In response to questions raised at the August 2022 meeting [cf. AUG 2022 Meeting Minutes - Item 14], Secretary Zimmerman provided Board members with analysis of how other LCMS Districts select their Treasurer. Initial discussion about the matter led to the Board's seeming consensus to retain Board appointment of the District Treasurer. Following discussion, Chairman Leu appointed a Task Force consisting of Lucas Fitzgerald, Thomas Honebrink, and Secretary Zimmerman. The task force was directed to bring a proposed action to the Board's meeting in February 2023.

SATURDAY – DECEMBER 3, 2022

Call to Order: Chairman Terry Leu called the meeting to order at 9:00am.

22. Morning Devotions

Rev. Michael Morehouse led a brief morning devotion and prayer.

23. Adoption of 2022-2025 Triennium End Statements

Chairman Leu brought up the matter of the End Statements for the 2022-2025 triennium, which the Board had worked on at its August 2022 meeting [*cf. AUG 2022 Meeting Minutes - Item 28*]. During discussion, Board members proposed several edits that were agreed upon [*cf. Attachment D*]. Motion: *"To approve the End Statements as revised."* Motion carried.

24. District President Residency Restrictions

In response to questions raised at the August 2022 meeting about residency restrictions for District Presidents [*cf. AUG 2022 Meeting Minutes - Item 13*], Secretary Zimmerman provided Board members with results of research into the feasibility of establishing such restrictions within the English District. Motion: *"To accept the Secretary's report and to take no action in establishing a residency restriction."* Motion carried.

25. Review of BOD Flow Chart

Chairman Leu led the Board members through a review of the Flow Chart for Major, Repetitive English District Board of Directors Activity. Board members noted that the activities set for the Fall Quarter meeting had been accomplished.

26. Indiana Circuit Regional Alignment

Rev. David Petersen brought forward the Indiana Circuit's disagreement with the alignment of the circuit within the Midwestern Region. Secretary Zimmerman informed the Board that the process of aligning the regions of the District is outlined in District Bylaw 3.3. That process was followed when alignment of the District regions took place in 2019 in preparation for the 2021-2024 triennium; this was adjusted to 2022-2025 due to the deferral of the convention cycle during the COVID crisis. Realignment of regions for the 2025-2028 triennium will need to be done in 2023. Suggestion was made for the Indiana Circuit's proposal to be aligned within the Lake Erie Region be presented at the February 2023 Board meeting in preparation for the future realignment action.

27. Adjournment

Motion: *"To adjourn the meeting."* Motion carried. Rev. Morehouse offered a closing prayer.

Submitted,

Rev. Luke Zimmerman
Secretary, English District-LCMS

ATTACHMENT A

To Enact an Agreement with Lutheran Church Extension Fund concerning the Canada Corporation

Having reviewed the Information/Questions Regarding Contemplated LCEF Lending Operations in Canada conducted through Can Corp (the "**Information**") attached hereto and provided to the Board of Directors (the "**Board**") of the English District of the Lutheran Church- Missouri Synod (the "**District**") by Lutheran Church Extension Fund-Missouri Synod ("**LCEF**") and following a full and complete discussion of the Information, the Board resolves as follows:

1. The District approves all of the acts contemplated by the Information including, but not limited to, the Transition and the Financial/Operational changes.
2. The President and the Business Manager of the District (each acting alone) are authorized to negotiate any and all documents and the terms thereof necessary to carry out the transactions contemplated by the Information and the President is authorized, on behalf of the District, to execute such documents as he determines to be necessary to document those transactions and commit the District to the accomplishment of those transactions.
3. To the extent that CanCorp performs non-lending services to permit the District to support the work of its congregations in Canada, the District agrees that it will assure that its requests to CanCorp to perform any such services and all services so provided will be in full compliance with the laws of both the United States and Canada.

CERTIFICATION

The undersigned being the duly elected, qualified and acting _____ of the English District of The Lutheran Church-Missouri Synod, certifies that the foregoing "**Resolution**" is as of this ____ day of _____, 2022 a true, correct and complete copy of said Resolution which is now in full force and effect.

By: _____

Printed Name: _____

Title: _____

Information Regarding Contemplated LCEF Lending Operations in Canada Conducted Through CanCorp

1. Introduction.

At the request of both the English District and Lutheran Church Canada (“LCC”), LCEF has explored the possibility of lending to Canadian congregations, para-church organizations and church workers in the English District, the SELC District and the LCC. LCEF has concluded that lending to English District and SELC District entities is within LCEF’s purposes, as stated in Section 3.6.4 of the LCMS Bylaws and, if the LCMS Board should act to expand the current Operating Agreement between LCMS and LCC, lending to LCC entities would also be within those purposes. LCEF has further concluded that such lending activities in Canada could best be carried out through a Canadian corporation named “English District of the Lutheran Church-Missouri Synod in Canada” (“CanCorp”) which was formed by the English District and is currently used by the English District to support its work with its congregations in Canada.

2. Current Structure of CanCorp.

Currently, the members of CanCorp are those congregations of the English District in Canada who desire membership with each such congregation being represented by five delegates. The voting Board of Directors of CanCorp consists of eight members, the President and the Treasurer of the English District who serve ex-officio, and six directors elected by the membership.

3. Proposed Revised Structure of CanCorp.

It is contemplated that LCEF will replace the Canadian congregations of the English District as the sole member of CanCorp and that, as the sole member it will have the power to elect the Board of Directors. The Board of Directors will be reduced in size to five members, the President and CEO of LCEF serving ex-officio, the CFO of LCEF serving ex-officio, and the remaining three directors being elected by LCEF from among the members of English District and SELC congregations in Canada. Such changes in membership and in the Board are hereafter referred to as the “Transition”.

In order to accomplish the Transition, the current Board would approve an amendment to the existing Articles (Letters Patent) and a revision to the Bylaws, each in a form substantially similar to the attached drafts, the members of the current Board would then elect LCEF as the sole member of CanCorp, and then each current Director would tender his/her resignation and LCEF would elect three new directors (which could include one or more of the individuals currently serving as a Director). To assure that the English District continues to have input into the activities of CanCorp, the President of the English District or his designee would also be granted the right to attend all regular meetings of the CanCorp Board with voice but not vote.

It is anticipated the new name for CanCorp will be “The Lutheran Church Extension Fund Canada Corporation.” At this point the proposed name is not used in the attached Articles and Bylaws, as its use is still being explored.

4. LCMS Board of Directors Approval.

Action will be required from the LCMS Board of Directors. As part of the LCMS Board of Directors approval, the legal structure (revised Articles of Incorporation, Bylaws, Letters Patent) will be vetted by the Commission on Constitutional Matters and Synod legal counsel to assure order and alignment to Synod Bylaws and the LCMS BOD Policy Manual.

LCEFs legal counsel, Spencer Fane, has engaged the Canadian law firm of Miller Thomson to provide advice and consultation on issues of Canadian law. A few issues that are being addressed to assure legal alignment with the LCMS: (i) Members of Board Must Hold Membership in an LCMS Congregation. This is required per Synod bylaws, (ii) LCEF as Sole Member. This is required per the LCMS BOD Policy Manual, (iii) Subordination to Synod Governing Document Requirements. The proposed articles and bylaws must be subject to the constitution, bylaws, and resolutions of the Synod in convention. This will be done to the extent “permissible under the Act and all other applicable laws of Canada”, (iv) Dissolution Requirement. Synod bylaws require that in the event of dissolution the assets of the corporation be distributed to LCEF. It is legally impossible for the governing documents of a Canadian charity to meet the Dissolution Requirement. LCEF is requesting this requirement be waived pursuant to the Synod Bylaws. A decision has not yet been made on where the funds would be directed, likely the LCMS English District congregations, who meet the Canadian charity requirements, (v) Property of the Synod. The LCMS BOD Policy Manual require that the Bylaws of the proposed new corporation provide “its assets are property of the Synod” as defined in the LCMS Bylaws. That Bylaw already notes that property of the Synod does not include “an asset held by LCEF.” We believe this is not applicable in this situation as sole member, LCEF will control CanCorp and, therefore, the assets of CanCorp, will, practically, be assets held by LCEF.

5. Financial/Operational Changes.

At the time of the Transition, LCEF contemplates that CanCorp will (i) satisfy all outstanding investment obligations and (ii) satisfy other liabilities reflected on the balance sheet so that at the time of Transition all liabilities have been satisfied. All or a portion of this repayment may be accomplished using the proceeds of a loan from LCEF, which would be funded at the time of the Transition or earlier if needed to simplify the Transition.

Following the Transition, LCEF would, by loan, make additional funds available for the purpose of permitting CanCorp to make ongoing loans. The new CanCorp Board would adopt lending policies patterned after the lending policies of LCEF, which would establish the

guidelines for loans offered by CanCorp in Canada. The loans would be documented, closed, and serviced by LCEF staff in St. Louis. It is currently anticipated that the interest rate on loans from LCEF to CanCorp will not be significantly less than the interest rate charged by CanCorp on loans to its borrowers. As a result, CanCorp is not expected to have any significant net income.

In order to establish the obligations of LCEF, English District and CanCorp in the Transition, it is anticipated that the three entities will enter into an agreement by which they will agree to take the steps necessary to achieve the Transition.

6. Non-Lending Services Provided by CanCorp to the English District and its Canadian Congregations.

In addition to the functions of CanCorp as a Canadian lender, CanCorp also serves as the recipient of all gifts made to the English District and LCMS by Canadian citizens and corporate entities. In order for a Canadian citizen or entity to receive a tax benefit for a gift made to charity, the gift must be made to a charity recognized by Canada Revenue. Neither the English District nor LCEF is a recognized Canadian charity and, therefore, gifts from Canadian citizens and entities intended to support the work of the English District and the LCMS are made to CanCorp which, as a recognized Canadian charity, can provide a proper receipt for the gift and must then see to the proper use of the gift. The funds received by CanCorp are held in a separate account maintained by CanCorp from which the English District directs the payment of expenses in Canada for the support of its Canadian congregations. The largest of these expenses is the support of the Mission Executive engaged as a consultant in Canada to support the Canadian congregations. Through this process, not only can a donor receive a proper charitable acknowledgement from a Canadian charity, but the foreign exchange and other costs associated with moving funds across the US/Canadian Border are also avoided since the funds remain in Canada. The other use of these funds is to make contributions to the LCMS to fulfill the obligations of the English District congregations in Canada to support the LCMS. This is currently accomplished through a quarterly payment from CanCorp to LCMS, which may not meet the requirements of Canadian tax law. However, LCEF is working with Canadian counsel and believes it has identified a way to permit CanCorp to make the payments while meeting the requirements of Canadian tax law.

If the Transition occurs, LCEF is willing to permit CanCorp to continue to provide the functions necessary to support the English District and its congregations in Canada as long as all activities are performed in compliance with all Canadian and U.S. law. To accomplish this, it is anticipated that CanCorp will continue to maintain a bank account for the receipt of funds from Canadian donors and the disbursement of those funds for appropriate purposes in Canada and, to the extent permissible to the LCMS and, if both necessary and possible, to the English District. LCEF working through CanCorp and professionals engaged to advise CanCorp would also (i) assure the filing of a Form T-3010 by CanCorp which would include all activities of CanCorp, including the activities related to the English District, (ii) explore and assist in the development

of a process by which gifts can be made to LCMS and, if possible and necessary, also the English District and (iii) explore and work to resolve issues related to the need to make grants and comply with the Canadian “distribution quota”. In order for CanCorp to continue to provide these services, a written agreement between the English District and CanCorp and perhaps between the English District and LCEF will need to be drafted and signed to establish the services to be performed and who/how those services will be performed. In addition, the agreements will need to identify the costs associated with those services and how the English District will provide for reimbursement of those costs to LCEF/CanCorp.

7. Financial Consideration

If the Transition occurs, LCEF will pay the English District \$37,000 a year, for 10 years, for a total of \$370,000. These annual payments will be independent of the English District annual Earning Distribution, which may not occur in a year where LCEF does not have sufficient operating income to fund the distribution to its member districts.

ATTACHMENT B

Approved Ministry Plan for Fiscal Year Ending January 31, 2024

English District LCMS
Ministry Plan

Description	1/31/2020 Actual	1/31/2021 Actual	1/31/2022 Approved	1/31/2022 Actual	1/31/2023 Approved	1/31/2023 Forecasted	1/31/2024 Approved	
Income								
1 Support Congregations - Unrestricted	785,616.16	781,372.66	835,000.00	805,691.89	840,000.00	796,156.02	810,000.00	1
2 Support Congregations - Restricted	113,337.09	71,120.01	40,000.00	102,579.98	40,000.00	40,509.63	55,000.00	
3 Gifts/Bequests Indiv./Agcy - Unrestr.	51,312.24	18,170.88	25,000.00	86,633.38	25,000.00	29,113.32	40,000.00	3
4 Gifts/Bequests Indiv./Agcy - Restr.	79,227.31	138,791.60	100,000.00	107,372.01	190,552.00	212,822.81	142,880.00	
5 Loan Interest	10,456.42	19,079.59	15,000.00	39,243.78	35,575.00	52,721.00	134,508.00	
6 Investment Income - Unrestricted	241,753.40	311,213.78	125,000.00	210,519.88	175,000.00	(93,553.81)	225,000.00	5
7 Investment Income - Restricted	33,364.99	42,987.28	12,000.00	30,690.53	24,000.00	(41,346.12)	20,000.00	5
8 Publications	12,843.40	13,298.85	12,600.00	12,013.95	12,150.00	11,877.00	11,650.00	
9 Convention/Conference Assessments	87,305.00	756.00	98,000.00	353.95	117,125.00	107,203.83	141,000.00	
10 Other/PPP	39,592.91	1,416.72	1,200.00	667.60	11,400.00	5,558.97	1,400.00	
11 Reimbursements/LCEF/CCEF/Other	251,195.00	167,756.60	12,750.00	14,575.94	14,400.00	22,627.17	20,000.00	
12 Dissolution/Sale of Asets	328,000.00	177,000.00	-	52,260.24	-	2,664,840.00	-	
13 Total Support/Revenue	2,034,003.92	1,742,963.97	1,276,550.00	1,462,603.13	1,485,202.00	3,808,529.81	1,601,438.00	
Expenses								
14 Synod	180,500.00	200,500.00	180,500.00	180,500.00	180,500.00	316,984.00	193,000.00	12
Missions								
17 Grants	142,334.65	266,597.52	172,000.00	249,542.88	201,500.00	278,084.11	248,000.00	9
18 Campus	81,834.72	72,429.78	84,800.00	81,000.00	81,000.00	81,000.00	81,000.00	
19 Human Care	5,500.00	5,500.00	6,000.00	5,950.00	6,000.00	6,000.00	5,500.00	
20 Schools	-	1,500.00	5,500.00	-	2,500.00	2,500.00	1,000.00	
21 Scholarships	34,600.00	33,715.00	35,000.00	33,780.00	40,000.00	40,000.00	40,000.00	
Ministry/Program								
22 Pres/Ecclesial	9,429.84	110,963.75	12,600.00	8,167.27	12,800.00	20,199.49	12,900.00	
Missions								
25 Congregational Services	14,239.31	927.42	1,450.00	156.33	11,450.00	10,284.42	2,450.00	
26 Schools	2,995.70	5,417.14	7,450.00	1,306.29	7,300.00	8,057.90	8,400.00	
27 Board of Directors	30,581.07	11,372.02	31,700.00	21,859.02	31,700.00	39,783.71	48,700.00	11
28 Conferences/Conventions	107,212.57	4,762.22	107,625.00	353.95	117,125.00	107,203.83	146,000.00	
29 Publications/Public Relations	21,797.52	14,625.41	20,900.00	16,791.98	19,150.00	14,603.36	15,000.00	
30 Fundraising	2,732.63	2,121.29	6,000.00	8,718.66	12,000.00	9,383.10	8,000.00	
31 Salaries/Benefits	634,029.32	623,788.64	569,874.28	516,023.65	608,884.46	562,463.06	585,060.39	6,7
32 Travel	76,391.66	26,777.89	63,350.00	60,445.34	63,100.00	70,196.88	67,100.00	
Administration								
34 President	3,494.72	3,498.30	2,450.00	3,208.92	2,600.00	3,831.84	3,875.00	
35 Missions	1,078.39	1,011.15	2,000.00	1,152.71	1,675.00	799.20	1,100.00	
Congregational Services								
37 Schools	935.52	1,053.53	1,500.00	1,170.16	1,200.00	1,708.84	1,810.00	
38 General/Finance	26,308.56	(3,846.31)	10,850.00	11,692.59	29,725.00	50,534.51	57,000.00	
39 Insurance/Prof. Services/Consulting	72,842.09	170,625.76	150,080.69	173,926.92	176,607.73	162,056.91	163,839.87	8
40 Equipment/Building	48,782.04	51,692.77	57,350.00	41,355.35	57,750.00	58,114.92	57,000.00	
41 Depreciation	22,153.15	18,239.39	22,154.00	20,510.11	17,745.00	24,837.72	20,328.00	
42 Loss on Sale of Asset	4,260.00	-	-	-	-	-	-	
43 Total Expenditures	1,524,033.46	1,623,272.67	1,551,133.97	1,437,612.13	1,682,312.19	1,868,627.80	1,767,063.26	
44								
45 Change in Net Assets	509,970.46	119,691.30	(274,583.97)	24,991.00	(197,110.19)	1,939,902.01	(165,625.26)	
46						Board Designated		
47			9,625.00		-	Conf assessment		2
48			71,667.00		72,000.00	Pres Salary/Ben.		2
						Endow. Grants	100,000.00	2
49			50,000.00		-	LCMS Fdtn	50,000.00	2
50			10,000.00		15,000.00	Chicago Grants	10,000.00	2
51			<u>(133,291.97)</u>		<u>(110,110.19)</u>		<u>(5,625.26)</u>	

ATTACHMENT C

To Recommend Moving to a Four-Year Convention Cycle

Whereas, Both decreases in the size of many Lutheran Church–Missouri Synod congregations and the uncertain economic climate of our times have placed an increased financial burden on many of those who are assessed a portion of the cost of the Synod convention; and

Whereas, We are all charged to be good stewards of our time and treasure; and

Whereas, The urgency of matters coming before a district or Synod convention does not demand a three-year cycle; and

Whereas, Significant savings of time and money would be made possible by moving to a four-year cycle; therefore be it

Resolved, That the Synod adopt a four-year convention cycle; and be it further

Resolved, That the President of the Synod, district presidents, and circuit visitors and their respective staffs utilize the extra year to accomplish visitation and the implementation of both district and Synod resolutions in a more reasonable and equitable fashion; and be it further

Resolved, That this become effective upon completion of the 2023 Synod Convention and shall affect every Synod and district convention thereafter; and be it further

Resolved, That bylaw provisions shall be determined for adoption at the 2023 Synod convention for immediate implementation of election cycles, terms of office, staggering of terms, and any other necessary issues that arise prior to the 2027 Synod convention; and be it finally

Resolved, That the Commission on Handbook shall make changes necessary for a four-year convention cycle.

ATTACHMENT D

END STATEMENTS: 2022–2025 TRIENNIUM *(adopted DEC 2022)*

“God is able to make all grace abound to you, so that having all sufficiency in all things at all times, you may abound in every good work.” (2 Corinthians 9:8)

ALL GRACE

Empowering and enabling the sharing of God’s grace and love to all in existing congregations and schools and new starts.

ALL SUFFICIENCY

- Providing resources to Church workers that promote joy and foster positive mental, physical, spiritual, and financial health.
- Encouraging congregations to identify and recruit well-qualified seminary and professional church worker candidates.

ALL THINGS

Recognizing and responding to the ever-changing ministry needs of district congregations and schools.