

**Evangelical Lutheran Church in America
Southeastern Lutheran Holding Corporation
Board of Directors Meeting
January 11, 2020**

Call to Order

Board members are: Bishop Kevin Strickland, Imran Siddiqui, Pastor Randy Jones, Steve Gehret, and Stephen Schrader.

Election of Officers

President: _____

Vice President: _____

Secretary: _____

(The synod treasurer serves ex officio as treasurer of the Holding Corp.)

Approval of Minutes

Proposed Action: Approve the minutes of the meeting of the Board of Directors of the Southeastern Lutheran Holding Corporation held on January 19, 2019. (For reference, these minutes are attached to this exhibit.)

Financial Report (Synod Council exhibit D.1.a, pages 4 and 9)

	Operating Fund	Council Designated Accounts	Donor Designated Accounts	Southeastern Lutheran Holding Corporation
ASSETS:				
Cash & Cash Equivalents	193,504.68	119,862.98	197,364.91	630.22
Investments	-	283,910.09	272,284.20	42,076.77
Receivables	-	-	-	-
Land, Bldg, & Equip (net)	50,557.03	1,051,750.00	479,126.98	371,475.48
Prepaid Expenses	500.00	-	400.00	-
Due from Other Funds	-	-	-	-
Total Assets:	244,561.71	1,455,523.07	949,176.09	414,182.47

	Operating Fund	Council Designated Accounts	Donor Designated Accounts	Southeastern Lutheran Holding Corporation
FUNDING SOURCES:				
Mission Support	1,750,102.90	-	-	-
Grants & Donations	11,103.91	112,963.56	237,791.12	-
Tuition, Fees, & Rent	81,738.26	49,194.11	118,051.22	-
Interest & Dividends	1,996.62	7,062.63	7,322.25	978.94
Investment Gains (Losses)	-	2,902.38	3,471.17	464.25
Other Funding	895.92	3,570.52	1,247,917.11	-
Released from Designated Funds	-	1,944,671.72	711,764.88	-
Interfund Transfers In	9,287.10	1,742,523.45	17,276.78	-
Total Funding Sources	1,855,124.71	3,862,888.37	2,343,594.53	1,443.19

Property in Jackson, Mississippi

Proposed Resolution:

Accept the recommendation of the ELCA Southeastern Synod Council to use the amount of _____ from the sale of the property at 2025 Siwell Road in Jackson, MS for _____.

Background and Rationale:

1/19: The property at 2025 Siwell Road in Jackson MS has been sold with a closing date of 12/31. \$225-250K was received from the sale.

Dissolve the Southeastern Lutheran Holding Corporation

Proposed Action:

Assign two individuals to take responsibility for determining the process and ramifications for dissolving the Southeastern Lutheran Holding Corporation. Consultation with attorney Charles Bridgers is required. These individuals will report back to the Corporation with their findings and recommendation on _____.

Background and Rationale:

From Sandra Gustavson: There has been periodic desire by synod staff and the Synod Council to disband the Holding Corporation entirely, but we never wanted to proceed with that while the Holding Company still had title to real estate. With the sale of the MS property, that is now a realistic possibility, so the HC board may want to discuss whether that is something they want to do. The motivation for disbanding would be to free up all remaining HC funds for other purposes and simplify administration. The primary argument against it is that the HC can serve as a vehicle to receive gifts of property and thereby act as a liability shield for the synod itself. My own opinion is that the HC has become much more trouble than it is worth and disbanding it would be helpful at this point in the life of the synod. Before taking any steps in that direction, though, I would see if you could get Charles Bridgers to attend an HC board meeting to discuss the pros, cons, and process for disbanding. Charles recently helped In Spiritus disband the LSG Foundation and so will be very familiar with what is involved in such an undertaking.

OTHER BUSINESS (*if any*)

NEXT MEETING: _____

ADJOURNMENT

**Evangelical Lutheran Church in America
Southeastern Lutheran Holding Corporation
Board of Directors Meeting Minutes
January 18, 2019**

CALL TO ORDER

In attendance:
Rev. Julian Gordy, bishop
Mr. Imran Siddiqui, Synod Vice President
Rev. Randy Jones, Synod Secretary
Mr. Lee Smith, Synod Treasurer
Dr. Sandra Gustavson, Synod Fiscal Advisor

ELECTION OF OFFICERS

President: Mr. Imran Siddiqui Vice

President: Rev. Julian Gordy

Secretary: Rev. Randy Jones

(The synod treasurer serves ex officio as treasurer of the Holding Corp.)

APPROVAL OF MINUTES

Proposed Action: Approve the minutes of the meeting of the Board of Directors of the Southeastern Lutheran Holding Corporation held on January 27, 2018. (For reference, these minutes are attached to this exhibit.)

The minutes were approved.

FINANCIAL REPORT (Synod Council exhibit D.1.a, pages 4 and 9)

Southeastern Synod Statement of Financial Position as of December 31, 2018

	Operating Fund	Council Designated Accounts	Donor Designated Accounts	Southeastern Lutheran Holding Corporation	Lutheran Theological Center in Atlanta	Advocacy Program	Disaster Ministry	6 Endowment Funds (scheduled separately)	Grand Total
ASSETS :									
Cash & Cash Equivalents	279,329.84	145,130.42	218,495.84	4,699.28	16,637.58	63,689.50	112,794.90	73,040.34	913,817.70
Investments		254,276.35	214,115.37	131,954.74	-			1,996,189.09	2,596,535.55
Receivables			-					28,578.54	28,578.54
Land, Bldg, & Equip (net)	5,500.24	1,080,535.88	711,231.50	359,280.06		-	23,208.33	3,250.00	2,183,006.01
Prepaid Expenses	16,324.43	7,357.04	1,130.00	3,602.29	187.98			24.76	28,626.50
Due from Other Funds			-						
Total Assets	301,154.51	1,487,299.69	1,144,972.71	499,536.37	16,825.56	63,689.50	136,003.23	2,101,082.73	5,750,564.30
LIABILITIES:									
Accounts Payable	-		-						
Donor Pass-Thru Payables	-	-	32,453.41		-				32,453.41
Grants/ Scholarships Payable	-		-					7,166.00	7,166.00
Accrued Expenses Payable	84,817.72	(0.95)	-		-				84,816.77
Other Liabilities	5,000.00		-	1,000.00	-				6,000.00
Due to Other Funds	-		-			-			
Total Liabilities	89,817.72	(0.95)	32,453.41	1,000.00		-		7,166.00	130,436.18
NET ASSETS:									
Restricted Funds	-	413,757.29	742,859.95	-	29,914.01		59,293.11	46,403.67	1,292,228.03
Fund Balances:									
Not Designated	211,336.79		-	498,536.37		-			709,873.16
Council Designated		1,073,543.35		-				270,046.22	1,343,589.57
Donor Designated	-		369,659.35	-	(13,088.45)	63,689.50	76,710.12	1,777,466.84	2,274,437.36
Total Net Assets	211,336.79	1,487,300.64	1,112,519.30	498,536.37	16,825.56	63,689.50	136,003.23	2,093,916.73	5,620,128.12
Total Liabilities & Net Assets	301,154.51	1,487,299.69	1,144,972.71	499,536.37	16,825.56	63,689.50	136,003.23	2,101,082.73	5,750,564.30

ELCA - Southeastern Synod Statement of Activities, Year-to-Date through December 31, 2018

	Operating Fund	Council Designated Accounts	Donor Designated Accounts	Southeastern Lutheran Holding Corporation	Lutheran Theological Center in Atlanta	Advocacy Program	Disaster Ministry	6Endowment Funds (scheduled separately)	Grand Total
FUNDING SOURCES:									
Mission Support	1,917,406.09			-	-	-		-	1,917,406.09
Grants & Donations	10,496.35	132,747.36	168,609.75	-	147,294.75	46,900.00	32,744.75	-	538,792.96
Tuition, Fees, & Rent	72,465.83	37,453.45	121,414.07	6,000.00	6,030.00	-		-	243,363.35
Interest & Dividends	1,912.94	7,153.65	8,055.22	2,778.08	258.28	676.36	1,983.38	50,082.64	72,900.55
Investment Gains (Losses)	-	927.82	(1,300.06)	(236.77)	-	-		(155,064.32)	(155,673.33)
Other Funding	0.82		200.00		-	-		-	200.82
Released from Designated Funds	-	290,573.35	551,043.56	-	3,668.51	-	32,224.92	118,613.00	996,123.34
Interfund Transfers In	4,895.00	109,383.18	7,009.50	-		-		-	121,287.68
Total Funding Sources	2,007,177.03	578,238.81	855,032.04	8,541.31	157,251.54	47,576.36	66,953.05	13,631.32	3,734,401.46
EXPENSES:									
ELCA Churchwide & Regional Ministries	968,290.08			-				-	968,290.08
Supporting Congregations	5,233.95	72,488.37	4,327.44	-			2,000.00	43,152.00	127,201.76
Engaging Leaders	83,483.56	7,879.57	9,469.16					5,000.00	105,832.29
Preparing Future Leaders	46,548.12	7,783.67	17,892.91	-	151,843.78			36,998.00	261,066.48
Starting New Congregations	1,977.66	139,231.60		-				-	141,209.26
Youth & Young Adults	41,797.33		101,437.30	-				4,789.00	148,023.63
Disaster Response	-			-			34,743.42	-	34,743.42
Social Justice	-	14,344.43	300.00	-	-	29,313.07	-	-	43,957.50
Working with Partners	5,133.37	69.30	47,314.77	-		1,000.00	3,500.00	-	57,017.44
Subtotal, Ministry Expenses	1,152,464.07	241,796.94	180,741.58	-	151,843.78	30,313.07	40,243.42	89,939.00	1,887,341.86
Management & Administration:									
Communication & Info Tech	26,549.24	5,521.70		-	30.36	366.63	386.74	-	32,854.67
Office & Other Property	34,348.30	17,338.12		17,999.73	641.26	458.48		-	70,785.89
Accounting, Legal, Audit	9,870.83	30.00		30.00		-		-	9,930.83
Other Admin Expenses	8,601.62	2,361.27		-	3,107.49	-	-	-	14,070.38
Subtotal, Management & Admin	79,369.99	25,251.09		18,029.73	3,779.11	825.11	386.74	-	127,641.77
To Be Allocated to Ministries:									
Staff Compensation	552,063.49	16,073.04		-	-		-	-	568,136.53
Travel & Staff Expenses	66,170.95			-				-	66,170.95
Other	8,673.19	15,588.90	476.74	307.69				-	25,046.52
Subtotal, To be Allocated to Ministries	626,907.63	31,661.94	476.74	307.69	-	-	-	-	659,354.00
Intrafund Transfers to Designated Accts	-	285,684.22	290,862.06	-	15,000.00	-	20,310.97	-	611,857.25
Interfund Transfers Out	70,572.18	7,009.50	15,000.00	-	-	-		28,706.00	121,287.68
Total Expenses	1,929,313.87	591,403.69	487,080.38	18,337.42	170,622.89	31,138.18	60,941.13	118,645.00	3,407,482.56
NET of FUNDING minus EXPENSES	77,863.16	(13,164.88)	367,951.66	(9,796.11)	(13,371.35)	16,438.18	6,011.92	(105,013.68)	326,918.90

FINANCIAL SUPPORT FOR SYNOD'S MOVE TO ST. JOHN'S

At its meeting on September 22, 2017, the Holding Corporation Board approved action HC2017.09.02 which is: "Resolved, that \$70,000 be disbursed, when requested, to the synod for the purpose of reducing the mortgage on the new synod offices." This disbursement is likely to occur soon, to partially fund the final payment to Gay Construction at the conclusion of the building project at St. John's.

PROPERTY IN JACKSON, MISSISSIPPI *(Guest: DEM Wayne Fell)*

The property at 2025 Siwell Road in Jackson MS is still on the market. It was appraised for \$385,000, which was set as the initial asking price. In October 2018 the price was lowered to \$349,000. Two groups have offered \$250,000. The age and condition of the roof are concerns.

Mr. Wayne Fell reported that the building needs a roof which will cost in excess of \$20,000. Also, having a tenant in the building is a negative.

The board directed Mr. Fell to replace the roof on the building.

Dr. Gustavson will draft a letter to send to the tenant to give them 30 days to pay the back rent.

OTHER BUSINESS

There was no other business.

NEXT MEETING: JANUARY 2020 IN CONJUNCTION WITH THE SYNOD COUNCIL MEETING.

ADJOURNMENT