

SEVENTH DAY BAPTIST BOARD OF CHRISTIAN EDUCATION BOARD OF DIRECTORS MINUTES

June 29, 2014

The triannual meeting of the Board of Directors of the Seventh Day Baptist Board of Christian Education convened at 9:10 a.m. at the Van Horn Building in Alfred Station, NY. Directors unable to be physically present participated via conference call. Directors participating were Executive Director Andrew Camenga, Charlotte Chroniger, Elianna Chroniger, Peggy Chroniger, Allen Hauber, Nathanael Lawton, Sandy Layton, and Pastor William Shobe.

Vice President Peggy Chroniger called the meeting to order. Charlotte Chroniger opened with prayer.

Committee Reports

Children's Committee – Charlotte Chroniger reported about the staff and activities planned for Children's Conference.

Youth Committee – Pastor William Shobe reported the schedule of Evening Activities for the youth during Conference week.

Young Adult Committee – Executive Director Andrew Camenga reported that the Young Adults have scheduled their Coffee House with the Conference President.

Sabbath School Committee – Peggy Chroniger reported that the committee has selected the Sabbath School Teacher of the Year and that a presentation will be made at Conference. The committee is working with the Executive Director to complete a few projects before the dissolution occurs.

Facilities and Finance – The committee reported that the furnace and water heater were replaced at the Board office.

No correspondence needing the director's attention has been received.

Executive Director – Executive Director Andrew Camenga's written report provided program, policy, and personnel updates.

Transition Committee – The activity of the transition committee was included in the report of the Executive Director.

New Business

Dissolution and Asset Transfer – A motion was made to adopt a resolution approving a plan of dissolution and asset transfer. Upon a second and following discussion, a roll call vote was taken. Every director present voted in favor of adoption. The motion carried unanimously. The text of the resolution follows:

[note: The resolution refers to an attached Exhibit A: the Plan of Dissolution and Distribution of Assets. This document is attached to and should be considered part of these minutes.]

RESOLUTION APPROVING PLAN OF DISSOLUTION AND ASSET TRANSFER

WHEREAS, the Corporation has assets consisting of real property, buildings, equipment, furniture, historical records, investments and cash and such assets include certain temporarily restricted assets that are legally required to be used for a particular purpose; and

WHEREAS, the Corporation has liabilities; and

WHEREAS, the Corporation shall sell the buildings and real property, equipment, furniture and other tangible personal property for fair market value and upon terms that are fair and reasonable to the Corporation, provided that certain historical records and other tangible personal property important to the Corporation's purposes shall be distributed to the Seventh Day Baptist General Conference USA and Canada, Ltd. (the "Distributee"), which is of substantially similar purpose as the Corporation and which qualifies as an exempt organization pursuant to § 501(c)(3) of the Internal Revenue Code of 1986, as amended, and has agreed to only use the temporarily restricted assets in accordance with the terms of the gift instrument restricting each such asset; and

WHEREAS, the sale of the Corporation's buildings and real property shall be authorized by a majority of the Corporation's Board of Directors pursuant to Section 509(b) of the New York Not-for-Profit Corporation Law which requires the sale of real property to be approved by a majority of a corporation's board of directors; and

WHEREAS, it is in the best interest of the Corporation to dissolve under the New York Not-for-Profit Corporation Law.

NOW, THEREFORE, it is hereby

RESOLVED, that the Plan of Dissolution and Distribution of Assets, a form of which is attached hereto as Exhibit A, is approved in all respects and is adopted as the Plan of Dissolution of the Corporation;

RESOLVED, that the proper officers of the Corporation are instructed and authorized to obtain the consent of the members of the Corporation;

RESOLVED, that the proper officers of the Corporation are instructed and authorized to make any necessary changes to the Plan of Dissolution and Distribution of Assets and to execute and deliver any and all documents necessary to effectuate the dissolution of the Corporation, including the filing of a Certificate of Dissolution in accordance with Section 1003 of the Not-for-Profit Corporation Law; and

RESOLVED, that the proper officers of the Corporation are hereby authorized to take any further action and execute and deliver any agreements, instruments and documents, in the name of the Corporation, as in their judgment shall be necessary, proper or advisable in order to carry out the intent and accomplish the purposes of the resolutions adopted hereby.

Informal Discussion – A time of questions and discussion regarding the upcoming dissolution followed. No formal action arose from the discussion.

NEXT SCHEDULED MEETING

The next triannual meeting is scheduled for October 26, 2014 at 9:00 a.m.

Pastor Bill Shobe closed the meeting with prayer.

Respectfully submitted,

Sandy Layton
Secretary

Exhibit A (of the resolution adopting this plan)
PLAN OF DISSOLUTION
AND DISTRIBUTION OF ASSETS
OF
THE SEVENTH DAY BAPTIST BOARD OF CHRISTIAN EDUCATION, INC.
A New York Not-for-Profit Corporation

The Board of Directors (the "Board") of The Seventh Day Baptist Board of Christian Education, Inc. (the "Corporation"), by unanimous written consent, after duly considering the advisability of voluntarily dissolving the Corporation and it being the unanimous opinion of the Board that it is advisable and in the best interests of the Corporation to effect such a dissolution, and the Board having adopted, by unanimous written consent, a plan for a voluntary dissolution of the Corporation, does hereby resolve that the Corporation be dissolved in accordance with the following plan (the "Plan"):

1. The Corporation is a Type B Not-For-Profit Corporation formed on June 12, 1940.
2. Upon resolution of the Board adopting this Plan, the Board shall submit the Plan to a vote of the members of the Corporation for approval.
3. The dissolution of the Corporation must be approved by the Department of Education and such approval shall be attached to the Certificate of Dissolution of the Corporation. No other approval of the dissolution of the Corporation is required by any governmental agency or officer.
4. The Corporation has assets consisting of real property, buildings, equipment, furniture, historical records, investments and cash. The Corporation shall sell the buildings and real property, equipment, furniture and other tangible personal property for fair market value and upon terms that are fair and reasonable to the Corporation, provided that certain historical records and other tangible personal property important to the Corporation's purposes shall be distributed according to this Plan. Upon the Corporation's dissolution, the proceeds from the sale of its assets, investments, cash and all of its other remaining assets shall be distributed to the Seventh Day Baptist General Conference USA and Canada, Ltd. (the "Distributee") pursuant to the Assignment of Assets and Assumption of Liabilities Agreement (the "Assignment Agreement") attached as Exhibit A hereto, pursuant to which the Distributee shall agree to use the assets it receives from the Corporation to promote the Corporation's educational purposes. The assets of the Corporation are as follows:

	<u>Fair Market Value</u>
Cash and equivalents	\$26,860.19
Investments	\$130,986.21
Land, Buildings and Equipment	<u>\$87,436.00</u>
Total	\$245,282.40

5. As illustrated by the fair market value of the Corporation's assets set forth above, the Corporation's buildings and real property do not constitute all or substantially all of the Corporation's assets. Any sale of the Corporation's buildings and real property in accordance with this Plan shall be authorized by a majority of the Corporation's Board of Directors pursuant to Section 509(b) of the New York Not-for-Profit Corporation Law which requires the sale of real property to be approved by a majority of a corporation's board of directors.
6. In addition to the contractual requirements of the Assignment Agreement, the Corporation has temporarily restricted assets that are legally required to be used for a particular purpose. These assets consist of the following funds: the Nurture Series Fund, the Muriel Osborne Teacher Training Fund, Year End Retreat and the Rex Zwiebel Lecture Series (the "Temporarily Restricted

Funds"). In the event the Temporarily Restricted Funds are not expended prior to the dissolution of the Corporation in accordance with the restrictions placed on them by the donors of such funds, each of the Temporarily Restricted Funds shall be transferred to the Distributee subject to the restrictions set forth in the gift instrument for each fund. Pursuant to the Assignment, the Distributee shall only use the Temporarily Restricted Funds in accordance with the terms of the gift instrument for each such fund.

7. All assets owned by the Corporation subject to any unpaid liabilities of the Corporation shall be distributed to the Distributee which is formed for purposes substantially similar to the Corporation's purposes and which qualifies as an exempt organization pursuant to § 501(c)(3) of the Internal Revenue Code of 1986, as amended. Further, all assets of the Corporation, if any, that shall exist or arise after the Asset Purchase Agreement or the dissolution of the Corporation, shall be the sole and absolute property of the Distributee.

8. The Corporation has liabilities of \$5,000 and a description of those liabilities is as follows:

Reserve for Expenses of Dissolution	<u>\$5,000</u>
Total	<u>\$ 5,000</u>

9. Within two hundred seventy days after the date that an Order Approving the Plan of Dissolution and Distribution of Assets is signed by the Court, the Corporation shall carry out this Plan.

10. The proper officers of the Corporation shall execute and file a Certificate of Dissolution, in accordance with Section 1003 of the Not-for-Profit Corporation Law.

The assignment agreement is incorporated into the minutes posted in the Board of Christian Education office.

It is not included here because the text of the final copy has not yet been set.

Seventh Day Baptist Board of Christian Education Report of the Executive Director (February 23—June 28, 2014)

Program, Policy, Personnel, Executive Highlights

- The Evangelism seminar has been presented in several churches. Based on oral and/or written feedback following each presentation, the workshop continues to be improved.
- Sabbath Recorder articles for April, May (PreCon Forms), and June, July/August, and September submitted, along with a Children's Page for the April and June editions.
- The kindle and large-print editions of the March-May 2014 and June-August 2014 Helping Hand were released. The June–August 2014 and September–November 2014 Helping Hands were delivered to the printers.
- Rev. Steve Osborn has agreed to serve as editor of the Helping Hand for the December 2014—November 2015 volume. He has agreed to carry additional responsibility and remuneration has been adjusted accordingly. We are revising the contract, SOP, and job description. Once the revisions are complete, the contract will be signed.
- Subscriptions to the free Daily Bible Meditation email list continue to grow. We last reported 48 subscribers as of July 1, 2013. The email list as of June 28, 2014 is 80.
- Based on advice from General Council, BCE authorized offering a settlement to the Jamaica SDB Conference with respect to overdue Helping Hand bills. The SDB Center is pursuing a resolution to this sensitive matter.
- Statement of Belief Q&A is posted on website.
- Dissolution and Transfer process:
 - Retained services of Frank Patyi, Esq. of Bond, Schoeneck, & King, for the dissolution process and sale of real property.
 - Provided documentation as requested and answered questions. Communicated with lawyers to ensure progress was occurring.
 - Lawyers provided drafts of the Plan of Dissolution and Distribution of Assets, Assignment Agreement, Petition for Approval of the Plan of Dissolution and Distribution of Assets, and Unanimous Written Consent of the Board of Directors approving the Plan of Dissolution on June 27.
 - Reviewed provided documents and requested changes necessary to accurately reflect our relationship with the Conference. Changes are reflected in the documents provided to the directors.
 - The Assignment Agreement has been submitted to the chair of General Council for their review.
 - Obtained a commercial appraisal of the BCE building.
 - Listed the property with the Lang Real Estate Agency.
 - Consolidation of investment accounts: All funds in the Edward Jones and Ameriprise Investment accounts have been transferred to Steuben Trust.
 - Provided bylaw proposal and a list of possible names for the new CE group to the General Council chair and Conference Executive Director.
- Have begun creating a task list of my work. This list will be provided to General Council and the new CE group no later than the end of August.

- Conference Preparation continues. The various board committees are planning for or tracking the progress of planning for Youth and Young Adult PreCon, Children and Youth Conferences, Kids Kampfire, and Youth Evening Activities. Implementation of the Child Protection policy will continued to be handled by the BCE office. We have agreed to organize the Sabbath School program at Conference for President Steven James.
 - David Fox has agreed to organize Sabbath School classes for the adults.
- Worked with Conference President to schedule our report to Conference and annual Corporation Meeting.
- Scripture Memory verse selection for the 2014–2015 Conference year is complete.
- The Youth PreCon site for 2015 will be Jersey Oaks Camp.
- Luan Ellis continues to serve as the volunteer Assistant to the Executive Director. Nelson Snyder has volunteered again to mow our lawn this year.

Executive Travel / Meetings

- | | | |
|--------------------|---------------------|-------------------------|
| • February 23 | Alfred Station, NY | BCE Directors Meeting |
| • March 8 | Alfred Station, NY | Evangelism Workshop |
| • March 10-14 | vacation | |
| • March 18 | Verona, NY | CANOPY |
| • April 5 | Portland, OR | Evangelism Workshop |
| • April 26 | Shepherd's Fold, TN | Evangelism Workshop |
| • April 28 - May 3 | Camp Harley Sutton | Be Witnesses Conference |
| • May 20 | Verona, NY | CANOPY |
| • June 7 | Ashaway, RI | Evangelism Workshop |
| • June 16-26 | Camp Harley Sutton | SCSC Training |
| • June 29 | Alfred Station, NY | BCE Directors Meeting |

Planned:

- | | | |
|--------------------|--------------|---------------------------------|
| • July 23-27 | WI/MN | PreCon visits & Conference Prep |
| • July 27-August 3 | St. Paul, MN | General Conference |
| • August 4-8 | vacation | |

The Seventh Day Baptist Board of Christian Education, Inc.
Balance Sheet (Subject to Revision)

06/29/14
Cash Basis

As of June 29, 2014

	Jun 29, 14	Dec 31, 13
ASSETS		
Current Assets		
Checking/Savings		
MF Custodial	18,834.92	18,834.92
Steuben Checking	47,966.05	5,198.89
Steuben Savings	2,845.44	2,807.42
PayPal	19.48	18.96
Investments		
Ameriprise Bonds	0.00	35,630.30
Edward Jones	0.00	18,820.05
MF Investment	53,396.25	53,396.25
MOST - MF Custodial Fund	20,721.20	20,721.20
Total Investments	74,117.45	128,567.80
Total Checking/Savings	143,783.34	155,427.99
Other Current Assets		
Undeposited Funds	10.00	0.00
Total Other Current Assets	10.00	0.00
Total Current Assets	143,793.34	155,427.99
Fixed Assets		
Building	77,000.00	77,000.00
Furniture and Equipment	6,436.00	6,436.00
Land	4,000.00	4,000.00
Total Fixed Assets	87,436.00	87,436.00
TOTAL ASSETS	231,229.34	242,863.99
LIABILITIES & EQUITY		
Equity		
Grants		
MF		
Year End Retreat Travel	0.00	1,937.04
Total MF	0.00	1,937.04
MOST	20,721.20	20,721.20
Nurture Series	4,690.45	4,690.45
Rex Zwiebel Lecture Series	100.00	100.00
Young Adult	83.17	83.17
Total Grants	25,594.82	27,531.86
Reserves		
Building Repairs	2,527.66	4,012.66
Capital Investments	89,463.01	89,026.55
Nurture Series	20,118.99	20,118.99
Office Equipment	4,697.67	4,697.67
Publishing	625.73	625.73
Total Reserves	117,433.06	118,481.60
Operating Funds		
General Fund	10,353.40	24,338.42
PreCon Fund	1,610.88	1,610.88
Conference Activities		
Young Adult Fund	150.14	150.14
Youth Fund	771.40	771.40
Total Conference Activities	921.54	921.54
Total Operating Funds	12,885.82	26,870.84
Property	87,436.00	87,436.00
Net Income	-12,120.36	-17,456.31
Total Equity	231,229.34	242,863.99
TOTAL LIABILITIES & EQUITY	231,229.34	242,863.99

The Seventh Day Baptist Board of Christian Education, Inc.
Income and Expense (Subject to Revision)

06/29/14

Cash Basis

January 1 through June 29, 2014

	Jan 1 - Jun 29, 14	Jan 1 - Jun 29, 13
Ordinary Income/Expense		
Income		
Designated DB	975.00	950.00
Undesignated DB	18,991.33	17,589.91
Interest		
Edward Jones	209.92	339.11
Ameriprise Bonds	268.98	888.69
Steuben Savings	0.10	0.15
MF Endowments	287.01	285.69
MF Custodial Accounts	576.88	574.24
Total Interest	1,342.89	2,087.88
Sales		
HH		
HH Paper	7,247.02	10,599.86
HH E-book	83.42	65.94
Total HH	7,330.44	10,665.80
Total Sales	7,330.44	10,665.80
MF Grant	8,997.84	4,232.58
Total Income	37,637.50	35,526.17
Gross Profit	37,637.50	35,526.17
Expense		
Executive Director		
Salary	13,291.63	13,291.63
Housing	6,875.00	6,875.00
Medical Insurance	959.86	1,967.38
Total Executive Director	21,126.49	22,134.01
Administrative Support		
Legal Fees	4,820.00	0.00
AED (FICA-Wcomp-Dis)	88.70	452.77
Board Library	22.13	0.00
Board Travel	86.49	633.23
Executive Director Travel	1,055.41	858.83
Office Equipment	173.46	0.00
Office Supplies	522.57	486.11
Postage	159.95	347.95
Telephone and DSL	720.28	620.41
Total Administrative Support	7,648.99	3,399.30
Facilities		
Utilities	842.80	868.50
Lawn Care / Snowplowing	420.00	490.00
Insurance	820.02	882.41
Building Repairs	2,290.85	0.00
Total Facilities	4,373.67	2,240.91
Children Committee		
Children Conference	0.00	250.00
Total Children Committee	0.00	250.00
Youth Committee		
Youth Conference	0.00	23.98
Total Youth Committee	0.00	23.98

The Seventh Day Baptist Board of Christian Education, Inc.
Income and Expense (Subject to Revision)

06/29/14
Cash Basis

January 1 through June 29, 2014

	Jan 1 - Jun 29, 14	Jan 1 - Jun 29, 13
Sabbath School Committee		
HH		
CUS Meeting Expenses	1,025.69	800.52
Uniform Lesson Series	1,000.00	0.00
Printing and Mailing	6,757.48	11,903.91
Manuscripts	3,110.00	2,990.00
General Editor	2,500.00	5,000.00
Total HH	14,393.17	20,694.43
Total Sabbath School Committee	14,393.17	20,694.43
Total Expense	47,542.32	48,742.63
Net Ordinary Income	-9,904.82	-13,216.46
Other Income/Expense		
Other Income		
CALLED Income	160.00	80.00
MOST Income	0.00	323.40
PreCon Income		
Young Adult	0.00	800.00
Youth	0.00	130.00
Total PreCon Income	0.00	930.00
Miscellaneous Income	0.00	136.15
Total Other Income	160.00	1,469.55
Other Expense		
Background Checks	241.70	38.90
Every Member Mailing	0.00	367.29
Miscellaneous Expense	1,938.60	33.02
Nurture Series Expense	195.24	0.00
Total Other Expense	2,375.54	439.21
Net Other Income	-2,215.54	1,030.34
Net Income	-12,120.36	-12,186.12