

ATTENDANCE

Present

Ordered	Curtis Marwood, Philip Newman, Cheryl-Ann Stadelbauer-Sampa, Paul Rodey, Doug Wright, Cathy Larmond, Mark Marshall, Jeff Crittenden
Lay	Bill Butt, Bev Slater, Charles McMillan, Glenda McMillan, Joyce Payne, Ken Hunking, Connie Ellis, Tanya Cameron
Regrets	John Brown, Mark Ferrier, Sandra Stock, Judith Fayter, Mary Anne Silverthorn, Chuck Scott, Eun Joo Park
Guests	John Sanders

OPENING – Jeffrey Crittenden

In the name of Jesus Christ, the one true head of the church, and by the authority given to me by the 90th Annual Meeting of London Conference, I declare this meeting of the Executive of London Conference duly constituted for any business that may properly come before it. The bounds of the meeting shall be this conference call.

BUSINESS ARISING FROM MINUTES

- Motion** **It was moved, seconded and carried to accept the following agenda for this meeting:**
- 1. Discussion of Iona College action per the April 15, 2015 minutes of the London Conference Executive;**
 - 2. Receive Correspondence from Rev. Philip Newman**
 - 3. Organize plans for the June and September Meetings of the London Conference Executive**
 - 4. Make John Sanders, legal counsel for London Conference, a corresponding member of for this meeting**

Background Material – Iona College

(Activity since the April 15, 2015 London Conference Executive Meeting)

At the April 15, 2015 meeting of the London Conference Executive, the Executive decided to sever ties with Iona and to seek to recoup the money invested by our Presbyteries in trusts. Without having had a chance to act immediately on this motion, the following events happened within days following the April 15, 2015 meeting:

- 1) The Executive Secretary received an email contact from the Board Chair of Iona College indicating she had been ill and that was the reason the by-laws were delayed;

- 2) Telephone conversation between our consultant, David Martin, and Board Member, Kendal McKinney which according to David's description was confrontational in tone;
- 3) Email correspondence from a friend in Windsor asking if the Executive Secretary was aware that Iona College was showing their property to an individual whom this friend would expect to be a highly motivated buyer.

At that point, the Executive Secretary contacted legal counsel at the General Council. General Council legal counsel are not able to represent a church court or congregation on a legal matter so after some discussion it was agreed that it was time to review this with a lawyer.

The Executive Secretary prepared a package of Iona College documentation and had it delivered Monday, April 27 to legal counsel John Sanders. John is a Board member at Pearce Williams United Church Christian Centre, has worked with United Church congregations on matters and is assisting us in the Fairfield Museum property. Corporate law is another element of his practice.

In reviewing the Iona material, John noted some details about the trust funds. While it is important to address the spending of principal, he is concerned that if we cut off the tie with Iona we may cut off any opportunity to recoup this loss. Because Iona has not updated their by-laws, their current directors have the authority to sell property without our approval.

That said, their current by-laws require that all Board directors be approved by London Conference and none have been so in essence the only authorized directors are the Chair, Treasurer and Secretary of Essex Presbytery (who are not aware of this).

The decision(s) for London Conference Executive to make:

- a) **Do we proceed with severing the tie recognizing that this may well mean we lose any possibility of reclaiming lost funds?**
While the mispending of principal would be taken seriously by the Public Guardian and Trustee, the future of the funds in this situation is not clear.
- b) **Do we rethink severing the tie in order to work with the Board to help assess the situation and future of Iona and to seek an arrangement that protects the principal if the property is sold?**
And, further to b)
- c) **Do we also consider helping populate the Board to deal with these matters?**

John has agreed to join our conference call to review options with us. In light of the new information his advice offers, an Executive meeting was arranged before action was taken on the April motion to determine if this continues to be the route the London Conference Executive wishes to pursue.

CURRENT DISCUSSION

John Sanders updated the London Conference Executive on several areas of concern related to Iona College and the relationship with The United Church:

1. The history of Iona's incorporation and how requirements of the by-laws were developed at that time. He identified how the main purposes of the Incorporation have substantially changed from the original purpose but current by-laws do not reflect this.
2. The criteria for board appointments and membership have not been followed.
3. At this point board decision-making has not followed The United Church of Canada mindset. This situation can't help but bring to mind other possibilities and that under present circumstances it is possible that Iona's current board could have its own agenda.
4. There is a significant concern that there is no mechanism for legal control over Iona's activities. This is based partly on the current corporate structure and on the paucity of documentation regarding intentions and formal decisions that surrounded movement of large sums of capital in this corporation and the original concept of the real estate holdings.

Who owns Iona College property? The Iona College property is owned in the name of the corporation and there is no continuing hold of any kind by the University of Windsor. There is no automatic justification to place a lien on the property and it is required to get a judge's opinion first prior to placing a lien. Should the Executive determine that a lien is necessary, the quickest method is to start litigation and set out why that property should be under investigation. It is a drastic measure of considerable cost and court time; however, the misuse of trust fund monies by Iona College would likely be enough to satisfy a court.

Do London Conference and The United Church of Canada have anything to do with that trust money anymore? It is not clear if there are "strings attached" or Iona College has an absolutely defined right.

Who brings the legal action? The United Church of Canada or the Public Trustee but in this situation it is most likely to be The United Church of Canada. A strategic move could be to start a process with the hope of encouraging compliance with bylaws required of The United Church of Canada.

What are the options? John outlined legal recourse we can follow but cautioned that travelling down that path closes all other doors. To select the best option, the following questions should be discussed by the members of the London Conference Executive: Is there another way to have this conversation that looks more honestly at a kind of partnership going forward where we might resolve issues of sufficient concern while avoiding litigation? Are we prepared to make a commitment of volunteer and staff time to figure this out if Iona has a true desire to maintain a connection to The United Church of Canada?

What about the current Board of Directors? As of the current bylaws and recent events, there is a danger that they could sell the building immediately. Therefore it will be necessary to repopulate the board to enact positive change and foster relationship with The United Church of Canada. The current by-laws still speak of at least 50% of the Board members be United Church of Canada members. The concern is that London Conference could add to the Board but this attempt may be challenged by the current Board members. Selecting this option requires a special meeting of Iona College, then the further steps to make amendments and updates to the by-laws and Letters Patent.

What about the sale of the building? If Iona members do arrange to sell the building AND if London Conference Executive heard about the sale AND with enough time before the closing date the sale could be blocked. This is enacted via the raising of trust concerns, legitimacy of the board decisions and other items; however, it requires advance knowledge of a pending sale. It is much more difficult to unwind a property-sale transaction if title to the property has already changed hands. It becomes an expensive legal challenge.

DISCUSSION OF OPTIONS

Cheryl-Ann confirmed that John Sanders has been retained to act as legal counsel for London Conference in this matter. John confirmed considerable time and expense could occur and reminded us that litigation should always be a final option.

If London Conference Executive decided to sever ties with Iona College, do we open ourselves to the two presbyteries that have provided trust funds for Iona to then come back to London Conference to complain about the loss of funds? London Conference will not reimburse them the monies.

Ken Hunking left the meeting.

Iona College's current revenues stem from registration fees for English language preparation courses, rentals, and other limited offerings.

Cheryl-Ann suggested that the London Conference Executive empower herself, Incorporated Ministries consultant David Martin and two other members of the London Conference Executive to meet with Iona College's Board of Directors with the goal of drafting current Iona College bylaws, reviewing current conditions, and having an open conversation about the trust money mismanagement. The expectation is that this meeting with Iona College would occur prior to the June 2015 London Conference Executive meeting.

This is the way to test the relationship to determine motivation of Iona College; how committed are they to remain part of The United Church of Canada? This option requires sharing of information beforehand considered basic to any meaningful discussion including receiving a register of current Iona College Board Members. There is a chance of successful updating of by-laws and Letters Patent if appointments to the Board are regularized; even under the present

constitution it would change the complexion right away. An attempt must be made to ensure that the people present at this meeting and participating in any discussion and motions are eligible to be there via their confirmed membership.

Cheryl-Ann read a list of current Board members as of 2014 (Appendix 1); Essex Presbytery ex-officio members (Presbytery Chair, Treasurer, and Secretary) were not aware of their requirements as members of the Board of Directors of Iona College.

Motion It was moved, seconded and carried to reconsider the April 15, 2015 Iona College motion to sever ties with The United Church of Canada. 3 opposed.

Motion It was moved, seconded and carried that the Executive Secretary of London Conference, Incorporated Ministries consultant David Martin and two other members of the London Conference Executive meet with the named Iona College Board of Directors of record provided for in their current corporate documentation and those named in the by-laws (including membership if provided for) by the date this meeting, to:

1. work together to become compliant with Incorporated Ministry requirements of The United Church of Canada, including:
 - a. drafting updated and compliant by-laws
 - b. review conditions of maintaining Incorporated Ministry status
 - c. have an open and honest conversation about the trust monies from Middlesex and Essex Presbyteries

prior to the next London Conference Executive meeting in June, 2015. The meeting necessitates further investigation of the Board composition as the current Letters Patent provides for 21 director slots. The invitation to this meeting will be extended to current members (may include existing people) and ex-officio Essex Presbytery members of Board of Directors of Iona College. 1 opposed.

John Sanders left meeting.

Motion It was moved, seconded and carried to name Cathy Larmond and Jeff Crittenden as the two members of London Conference Executive to attend this meeting.

GENERAL COUNCIL COMMISSIONERS 2015

Motion It was moved, seconded and carried to receive with regret Philip Newman's resignation as a commissioner.

FUTURE EXECUTIVE MEETINGS

It was agreed to move the next meeting of London Conference Executive to Tuesday, June 16.
Location to be determined.

The potential date for the September Executive meeting were confirmed.

There will be a London Conference Executive conference call on June 24th to discuss potential circulation of names for an admissions candidate.

Motion **It was moved, seconded and carried to adjourn.**

Jeffrey Crittenden, President

Cheryl-Ann Stadelbauer-Sampa, Executive Secretary