

Overture: **TO REQUEST LUTHERAN CHURCH-CANADA TO PROVIDE INTERIM ECCLESIASTICAL SUPERVISION FOR MEMBERS OF SYNOD IN ALBERTA AND BRITISH COLUMBIA**

Preamble

The Board of Directors and officers of the Alberta-British Columbia (ABC) District have devoted considerable time to managing the corporate affairs of the District due to the insolvency of the District and its Church Extension Fund (CEF). Since the District corporation was granted protection under the “Companies’ Creditors Arrangement Act” (CCAA) on January 23, 2015, additional effort was required to prepare for Court hearings, to engage a Corporate Restructuring Officer (CRO), to assemble committees addressing restructuring and creditors’ issues, to outline a claims process for depositors seeking to recover their funds, and to provide ongoing communications to members of District congregations. The ABC District as a corporation now functions under the supervision of a Court-appointed Monitor and the CRO. The District Board of Directors and officers continue to respond as required by these Court-supervised entities. As of the time of the 2015 District convention, the duration of the CCAA process and the ultimate future of the District corporation are not known.

Lutheran Church-Canada (LCC) has no legal authority to impose control over the ABC District as a corporation. Since the District corporation is now subject to a Court-supervised process, its current function and longer-term future must unfold in compliance with that process. At the same time, the Synod as an ecclesiastical and spiritual family must address the well-being of its pastors, deacons and congregations in Alberta and British Columbia, and supports extraordinary measures to do so.

Spiritual and fraternal difficulties arising from the financial emergency in the District go beyond money and legalities. Some symptoms of this family crisis include:

- Loss of confidence resulting in an unprecedented drop in mission offerings for District-related work;
- Reluctance of some very able candidates to accept nomination for the District presidency and other leadership positions;
- Significant confusion and even bitterness toward “the church” in general because of financial troubles besetting member families;
- Financial and related problems extending to the Edmonton Seminary, Lutheran Foundation, Lutheran Historical Institute, Canadian Lutheran World Relief, and other agencies resulting from the crisis within the District;
- Need for focused pastoral guidance and comfort from the church-at-large, even though the corporate side of the District’s challenges remain unresolved for the time being.

Synodical By-laws of LCC note that “in ecclesiastical matters, the Synod is not merely an advisory body in relation to a district” (*Synodical Bylaw 3.07a, 2014 LCC Handbook, Page 35*). The LCC Handbook distinguishes between districts as corporations and districts as part of the ecclesiastical (spiritual) family known as “Synod.” As mentioned, the ABC District corporation is now subject to a Court-administered process. That corporation legally requires a Board of Directors to be elected at this convention. Since the district president is “the chief executive officer of the district” (*Synodical Bylaw 3.71a, 2014 LCC Handbook, Page 37*), he must address the corporate needs of the district’s identity, especially at this time of legal and financial challenges.

The Lutheran Church-Canada Board of Directors has urged the ABC District Board of Directors to move that this convention request a separation – for the time being – between the corporate and

ecclesiastical (spiritual) functions of the district president. This will enable the District president and the District Board of Directors to respond properly to the legal and financial challenges which remain unresolved. The ecclesiastical (spiritual) functions traditionally associated with the district president would be temporarily assigned to interim pastoral leadership to be appointed by the Synod. The following overture addresses this need.

Whereas, the District obtained an Order from the Court of Queen's Bench of Alberta under the Companies' Creditors Arrangement Act, granting a stay in any proceedings and enforcement processes against it by its creditors (CCAA proceedings); and

Whereas, the Court also appointed a Chief Restructuring Officer (CRO) with certain powers, obligations and functions under the CCAA proceeding;

Whereas, the ability of the Board of Directors and officers to manage the business and affairs of the District has been significantly impacted by the Court proceedings and the aforementioned appointments; and

Whereas, the focus of the CCAA proceedings is to preserve and maximize the commercial business and assets of the District during the stay period; and

Whereas, the District, in addition to its corporate capacities and responsibilities under our Laws, is committed to advancing the faith-objectives of Lutheran Church-Canada (LCC) within the provinces of Alberta and British Columbia, and thus carries out various ecclesiastical functions on behalf of LCC within these two provinces as set out in the LCC Constitution; and

Whereas, this Convention recognizes the new imperative imposed on the Board of Directors and officers of the District as a result of the CCAA proceedings; and

Whereas, this Convention also recognizes the need to prevent further damage to the ecclesiastical makeup and spiritual relationships within the LCC Synod during the stay period, and to preserve LCC's ability to carry out its ecclesiastical functions in relation to its members (congregations, pastors and deacons) within the provinces of Alberta and British Columbia who have accepted the principles, doctrine and faith standards of LCC as set out in the LCC Constitution and Synodical By-laws during that period;

Therefore be it

RESOLVED, that the District request the Lutheran Church-Canada Board of Directors and its President to appoint an interim pastoral leader to carry out the ecclesiastical functions normally performed by the District and its officers* until such time as the LCC Board of Directors and President are satisfied that the financial circumstances leading to the District seeking CCAA protection have been adequately resolved.

* Such functions to include responsibility for those matters set out in the Lutheran Church-Canada Constitution, Article XII, Paragraphs 7, 8, 9.c and d. (*2014 LCC Handbook, Page 11*).