

THE TRUSTEES OF THE ANNUAL CONFERENCE

The Board of Trustees continues to work on the proper disposition of properties of discontinued and abandoned churches. It is extremely time consuming to research and act on these properties, but the efforts of the Board continue to show results.

The Board is working on the establishment of a cemetery endowment for the Asbury Clark Cemetery consistent with the resolution of the 1988 Annual Conference. The Board of Trustees is also considering the care of other cemeteries of discontinued and abandoned local churches.

The Board of Trustees took the action of transferring the responsibility for the administration of funds from the Estate of William N. Bobo, Jr. to the Annual Conference Ministry Advisory Team (See attached Resolution and letter to the Conference Treasurer and Bobo Fund Report.).

Attached to this report and incorporated by reference herein is an accounting of the funds of the Board of Trustees for this past year, along with a listing of all real property being overseen by the Board of Trustees, as required by ¶ 2512.6 of the 2008 *Book of Discipline*.

Much work remains to be done. The Board of Trustees looks forward to its continued service on behalf of the Conference.

John Quackenbush, Chairman

Detail Accounting for the Trustees of the Annual Conference December 31, 2008

Main Account

Beginning Balance 165,919.68

Income

Sale of property (Asbury Clark) 487,600.00
Total Income 487,600.00

Expenses

Property Insurance
Spring Branch 197.55
Arrington Memorial 1,341.00
Legal Expenses
Asbury Clark 6,856.61
Other 11,532.82
Miscellaneous
Asbury Clark Cemetery Expenses 1,200.00
Other 850.00
Appraisal Expense (Arrington Memorial) 239.57
Funds for Proposed Cemetery Fund for Asbury Clark 100,000.00
Meeting Expense (Travel) 1,632.12
Total Expenses 123,849.67

Ending Balance 529,670.01

Portion of balance from sale of property
(Should be reduced by legal and other expenses related to the sale)

Previous 69,172.66
Asbury Clark 379,543.39

Available Balance 80,953.96

Asbury Clark Cemetery Fund

Initial payment 100,000.00
Interest 1,582.65

Total 101,582.65

Real Properties Currently Being Overseen by the Board of Trustees:

Asbury Clark UMC cemetery (Anderson District)

Spring Branch UMC property (Marion District)

This property is for sale.

Sims Chapel UMC property proceeds (Spartanburg District)

This property has been sold. The Trustees are holding the proceeds pending distribution.

Arrington Memorial UMC (Greenville District)

Memorandum of Agreement to Greenville District Trustees for a Hispanic outreach ministry church.

Rocky Swamp Church Property (Orangeburg District)

(As set forth previously in the report, the Board of Trustees has an ongoing effort to determine the status of a number of other properties throughout the various districts of the South Carolina Conference.)

September 29, 2008

The Reverend James H. Knowles-Tuell
Treasurer of the South Carolina Conference
4908 Colonial Drive
Columbia, SC 29203

RE: Funds from the Estate of William Norman Bobo, Jr.

Dear Jim:

On September 19, 2008, the Conference Board of Trustees (the "Board") held its annual meeting. One of the items considered by the Board was the resolution of the 2008 Annual Conference (the "Bobo Resolution") directing the establishment of an endowment from the proceeds received from the Estate of William Norman Bobo, Jr. ("Bobo Estate"). The Board interprets that resolution as placing the responsibility for administering ("direction and oversight of the fund" as stated in the Bobo Resolution) the proceeds and the income derived therefrom in the Annual Conference Ministry Advisory Team ("MAT").

In that regard, the Board has adopted its own resolution tendering the proceeds received *from* the Bobo Estate (including interest income but less expenses) to you to hold as the Custodian for the MAT. The purpose of the Board's resolution is to clarify what it believes was the direction of the 2008 Annual Conference.

As you know, as the Conference Treasurer, you currently have custody of the funds for the Board pursuant to Standing Rule 33. Thus, the instructions of the Board, as set forth in its resolution, put you and the Annual Conference on notice of for whom you are now acting as the Custodian.

Although not expressly set forth in the Bobo Resolution of the 2008 Annual Conference, the Board understands that the MAT has responsibility for establishing the endowment directed by the 2008 Annual Conference and maintaining accountability of the funds from the Bobo Estate with **you** as the Custodian. By the action of the 2008 Annual Conference, the members of the MAT have in essence become the trustees (and thus the fiduciaries) of the funds from the Bobo Estate.

If you or the other recipients of this letter believe that the Board has incorrectly interpreted the direction of the 2008 Annual Conference, please let me know. If there is a disagreement about the interpretation of the Bobo Resolution, then it may be necessary for the Board to meet with the MAT to resolve the issues and perhaps to obtain a clarifying resolution from the 2009 Annual Conference.

In passing its own resolution, the Board was mindful of the desire of the Annual Conference to put the funds from the Bobo Estate to good use in ministry. The Board did not want to delay the establishment of an endowment for that purpose for another year in order to obtain a clarifying resolution when the Board believed that it understood the direction of the Annual Conference.

As part of winding up the responsibilities of the Board for the funds of the Bobo Estate, please provide me with a complete accounting for the proceeds, interest income, and expenses related to the collection and administration of the proceeds. I intend to include this accounting in my report to the 2009 Annual Conference. Please provide a copy of this accounting to Rev. Timothy J. Rogers and R. Jeffords Barham, Esquire, who act as liaisons to the Board of Trustees. I would appreciate your doing this not later than October 17, 2008.

Thank you for your assistance. The Board has appreciated your help with maintaining accountability of the funds and with investing them since the receipt of them by the Board.

Sincerely,
John H. Quackenbush Chairperson, Board of Trustees
South Carolina Conference of The United Methodist Church

Address: 435 Highway 417, Moore, SC 29369

cc: Bishop Mary Virginia Taylor, Presiding Bishop

The Reverend Quay W. Adams, President of the Cabinet

The Reverend Timothy J. Rogers, Secretary of the South Carolina Conference

**A RESOLUTION OF THE BOARD OF TRUSTEES
OF THE SOUTH CAROLINA CONFERENCE PERTAINING TO THE TRANSFER OF
RESPONSIBILITY FOR THE ADMINISTRATION OF FUNDS FROM
THE ESTATE OF WILLIAM NORMAN BOBO, JR. AS DIRECTED BY
THE ANNUAL CONFERENCE**

Resolved, That the Board of Trustees of the South Carolina Conference of The United Methodist Church tenders to the Conference Treasurer the entire proceeds received from the Estate of William Norman Bobo, Jr., including the interest income on the proceeds, less those expenses relating to the collection and administration of the proceeds, to hold as the Custodian for the Annual Conference Ministry Advisory Team (Standing Rule 46), pursuant to the resolution adopted by the South Carolina Conference on June 2, 2008, during its annual session, and reflected in the "Report of the Committee to Determine the Use of Funds from the Estate of William Norman Bobo, Jr.," a copy of which is attached to this Resolution as the "Enclosure."

Adopted
September 19, 2008
at Columbia, South Carolina

John H. Quackenbush, Chairperson, Board of Trustees
South Carolina Conference of The United Methodist Church

**REPORT OF THE COMMITTEE TO DETERMINE THE USE OF FUNDS FROM
THE ESTATE OF WILLIAM NORMAN BOBO, JR.**

The 2007 South Carolina Annual Conference created a committee to determine the use of funds from the estate of William Norman Bobo, Jr., and directed the committee to report to the 2008 Annual Conference. That committee was called by Bishop Taylor to meet on May 7, 2008. After discussion of the needs of the conference and the intent of the grantor as understood by the family representative, the committee makes the following recommendations:

- 1) That the funds received from the estate (valued at \$558,347.65 on December 31, 2007) be used to create an endowment for the purpose of funding clergy leadership and lay leadership within the conference;
- 2) That 25% of the income each year be added to the principal amount of the endowment, with the remainder being available for leadership development;
- 3) That 100% of the funds available from the endowment be used for programming rather than structure or bureaucracy;
- 4) That the Ministry Advisory Team be given the direction and oversight of the fund.

Respectfully submitted,

Mary Virginia Taylor, Chairperson
Quay Adams Sam Johnson
Jane McGahee John Quackenbush
Willie Teague Earline Ulmer

Enclosure

**FINAL ACCOUNTING OF BOBO ESTATE FUNDS
BY THE CONFERENCE BOARD OF TRUSTEES**

2006

Income		
Distributions from estate		104,462.18
		434,885.47
Interest		2,578.83
		<u>927.45</u>
	Total Income	542,853.93
Expenses		
Legal		645.46
		3,473.75
		234.00
Other		<u>674.59</u>
	Total Expenses	<u>5,027.80</u>
Year-end Balance		537,826.13

	2007	
Interest		<u>20,233.14</u>
Year-end Balance		558,059.27
	2008	
Interest		13,865.88
		1,649.99
		<u>6,873.85</u>
	Total Income	22,389.72
Expenses		<u>76.80</u>
Current Balance		580,372.19
(as of 9/30/08)		