FAIRFAX NAZARENE

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The Mt. Carmel Proceeds

Setting the Record Straight

Presented to the District Advisory Board · Southwestern Ohio District Church of the Nazarene · November 6, 2026

> **OUR REQUEST**
>
> We are asking the District Advisory Board to release the full proceeds from the sale of the former Mt. Carmel Church of the Nazarene property at 475 Clough Pike to Fairfax Nazarene, to be used under the direct oversight of our church board in keeping with Manual ¶104.2, just as the proceeds of any other local church property sale would be.
>
> Out of gratitude for the District's support, and in recognition of the apportionments we have been unable to pay in recent years, Fairfax Nazarene will voluntarily direct **10% of the net proceeds** to the District.
>
> We are **not** asking for permission to use proceeds for operational expenses at this time. Every dollar described in this request falls within the purposes the Manual already authorizes.

CORRECTING THE 50% MISUNDERSTANDING

Our 2023 request never asked the District to divide the proceeds. It asked for permission to use up to half of the proceeds, if needed, for a purpose the Manual does not ordinarily allow, and the record says so in three places.

1. **Our Vision Overview (August 18, 2023)** asked that our board "be given authority to oversee the use of the proceeds of the sale," and "be given special latitude to use up to 50% of the proceeds for operational expenses."
2. **The DAB minutes (August 29, 2023)** recorded the request the same way, as special latitude "to use up to 50% of the proceeds for operational expenses."
3. **Our own safeguard** stated that only "should we fail in our endeavors" would the assets of Mt. Carmel go back to the District, which assumes the assets remained with the church in every other case.

The 50% figure was a ceiling on how the church could spend its own funds, not a share of the funds belonging to the District. We have since set that request aside entirely.

WE MERGED, AND THE DISTRICT RECOGNIZED IT

Mt. Carmel did not close. It became one church with Fairfax, and every level of district leadership acted on that understanding, including in the District Superintendent's official report to the District Assembly this past July.

Date	What happened
January 2022	Fairfax and Mt. Carmel begin operating as one congregation under one pastor and one unified board.
March 11, 2023	The Unified Church Board votes unanimously to merge under Manual ¶105.
2023	The District Superintendent advises that a congregational vote is unnecessary and directs us to combine accounts and operations.
August 29, 2023	The DAB votes unanimously "to approve the Merger of Fairfax and Mt. Carmel churches" and grants permission to sell the property.
July 2026	The District Superintendent's annual report, received by the District Assembly, reports that Fairfax and Mt. Carmel merged.
2023 to present	One board, one budget, one set of finances under Fairfax's EIN, and one worshiping congregation at Fairfax.

We followed the District's direction in good faith. If any administrative step under ¶105 remains incomplete, we are ready to complete it at the District's earliest convenience, because an unfinished form cannot turn a merged church into a closed one.

WHY THE PROCEEDS BELONG TO THE LOCAL CHURCH

Manual ¶104.2 places the proceeds of a property sale with **the local church that sold it**, to be used "only for the purchase or capital improvement of real estate, the planting of a new church, or to reduce other real estate indebtedness." The District's role under ¶104.2 is to approve any use outside those purposes, not to hold the funds.

A district rightly retains proceeds when a church closes or is disorganized. Mt. Carmel was neither.

The merged church also carried the full cost of the property from the merger through the closing, including insurance, maintenance, and utilities, and those carrying costs produced the debt we now ask to retire. We managed and paid for that property because we understood it to be ours, and we ask the Board to treat the proceeds the same way it treated the expenses.

WHAT THE FUNDS WILL DO

The proceeds will accomplish two things: eliminate the debt the merged church incurred carrying the Mt. Carmel property, and plant a new church in the Mt. Carmel area.

Our community is carrying a heavy load of anxiety, grief, depression, and broken relationships. Rather than launching another attractional service, we will plant this church organically, through small groups that meet people where they are hurting and draw them into a life of discipleship, and those groups will form the core from which one new congregation is gathered.

- **Healing Hearts:** biblical discipleship groups focused on specific emotional and mental struggles.
- **GriefShare and DivorceCare:** proven small-group care for people walking through loss.

- **3Waters:** a counseling partnership that gives our groups a place to refer people who need professional Christian care.

We have met with the leaders of Healing Hearts and 3Waters, and all parties have agreed on the concept and the goals of the partnership.

FOUR-YEAR USE OF PROCEEDS

Over four years we plan to draw $276,250 from the proceeds while spending $424,500 on purposes that ¶104.2 already authorizes. Congregational giving and grants cover the difference, along with all of Fairfax's operating costs, including pastoral salary.

Fiscal year	Drawn from proceeds	Debt elimination	Mt. Carmel-area plant	Fairfax capital repairs	Total ¶104.2 spending
2026–27	$81,250	$72,000	$35,500	$25,000	$132,500
2027–28	$81,250	—	$72,500	$20,000	$92,500
2028–29	$65,000	—	$82,000	$20,000	$102,000
2029–30	$48,750	—	$85,500	$12,000	$97,500
Total	**$276,250**	**$72,000**	**$275,500**	**$77,000**	**$424,500**

Figures assume conservative net proceeds of $325,000 after the District's 10%; the remaining $48,750 will be held in reserve for the new work. Plant costs include rent, equipment, utilities, part-time staff, and ministry expenses. A detailed four-year budget is available on request.

OUR COMMITMENT TO TRANSPARENCY

We are asking for the same control any local church has over its own proceeds, and we are glad to exercise it in full view of the District.

1. The proceeds will be held in a designated, restricted account, separate from general operating funds.
2. Our Treasurer will provide the District with a complete accounting of the carrying costs paid on the Mt. Carmel property.
3. We will give the District Superintendent an annual report on the use of the proceeds.
4. As we committed in 2023, if the new work fails, any remaining proceeds will return to the District.

PROPOSED MOTION

> *That the District Advisory Board release the full proceeds from the sale of the former Mt. Carmel Church of the Nazarene property at 475 Clough Pike to Fairfax Church of the Nazarene, for use under Manual ¶104.2, less 10% voluntarily directed by Fairfax Nazarene to the District.*

We are grateful for the work of this Board and for the partnership we share in ministry, and we ask that you act on this request so we can retire our debt and begin the new work God has placed before us.

Respectfully,

Rev. Steven W. Merritt
Lead Pastor, Fairfax Nazarene

FISCAL YEAR 2026-2027	Jan-May		
Projected Sale:	$ 325,000.00		
Percentage of property sale used	25%		
INCOME			
25% of Property Sale	$ 81,250.00		
Combined FFX and new ministry giving	$ 35,000.00		
Grants/Third-Party Gifts	$ -		
TOTAL		**$ 116,250.00**	
EXPENSES			**Operational Total**
Mount Carmel debt elimination	$ (72,000.00)		
UTILITIES			
FFX Campus (Operational)	$ (4,000.00)		$ 4,000.00
New Ministry in Mt. Carmel Area (MCA)	$ (2,500.00)		
SUBTOTAL	**$ (6,500.00)**	**$ 109,750.00**	
PROPERTY/EQUIPMENT			
FFX- property maint., equip. replacment	$ (25,000.00)		
MCA - Rent/lease, equipment	$ (20,000.00)		
FFX - Parsonage	$ -		
SUBTOTAL	**$ (45,000.00)**	**$ 64,750.00**	
PASTORAL STAFF (Operational)			
FFX Campus Pastor- FT	$ (20,000.00)		
MCA Campus - PT	$ (5,500.00)		
Children's Pastor - PT	$ -		
Youth Pastor - PT	$ -		
Assoc. Pastor - PT stipend	-		
SUBTOTAL	**$ (25,500.00)**	**$ 39,250.00**	$ 25,500.00
NON-PASTORAL STAFF (Operational)			
Compassionate Ministry Director - PT (MC)	$ -		
Compassionate Ministry Director - PT (MV)	$ -		
SUBTOTAL	**$ -**	**$ 39,250.00**	$ -
MINISTRY EXPENSES (Outreach)			
FFX Outreach	$ (1,000.00)		
FFX Discipleship	$ (400.00)		
FFX Children/Youth	$ (400.00)		
FFX Other	$ (500.00)		
FFX Compassionate Ministry (MV)	$ (500.00)		
SUBTOTAL	**$ (2,800.00)**	**$ 36,450.00**	
MCA Outreach	$ (5,000.00)		
MCA Discipleship	$ (500.00)		
MCA Compassionate Ministry	$ (2,000.00)		
SUBTOTAL	**$ (7,500.00)**	**$ 28,950.00**	
TOTAL ALL EXPENSES		**$ (87,300.00)**	
Projected Balance Income and Expenses		**$ 28,950.00**	
TOTAL OPERATIONAL EXPENSES			$ 29,500.00

FISCAL YEAR 2027-2028	Jun- May		
Projected Sale:	$ 325,000.00		
Percentage of property sale used	25%		
INCOME			
25% of Property Sale	$ 81,250.00		
Combined FFX and new ministry giving	$ 80,000.00		
Grants/Third-Party Gifts	$ 20,000.00		
TOTAL		**$ 181,250.00**	
EXPENSES			**Operational Total**
UTILITIES			
FFX Campus (Operational)	$ (12,500.00)		$ 12,500.00
New Ministry in Mt. Carmel Area (MCA)	$ (5,500.00)		$ 5,500.00
SUBTOTAL	**$ (18,000.00)**	**$ 163,250.00**	
PROPERTY/EQUIPMENT			
FFX- property maint., equip. replacment	$ (20,000.00)		
MCA - Rent/lease, equipment	$ (36,000.00)		
FFX - Parsonage	$ -		
SUBTOTAL	**$ (56,000.00)**	**$ 107,250.00**	
PASTORAL STAFF (Operational)			
FFX Campus Pastor- FT	$ (55,000.00)		
MCA Campus - PT	$ (20,000.00)		
Children's Pastor - PT	$ -		
Youth Pastor - PT	$ -		
LEAD Pastor - PT stipend	$ -		
Assoc. Pastor - PT stipend	$ -		
SUBTOTAL	**$ (75,000.00)**	**$ 32,250.00**	$ 75,000.00
NON-PASTORAL STAFF (Operational)			
Compassionate Ministry Director - PT (MC)	$ -		
Compassionate Ministry Director - PT (MV)	$ -		
SUBTOTAL	**$ -**	**$ 32,250.00**	$ -
MINISTRY EXPENSES (Outreach)			
FFX Outreach	$ (3,000.00)		
FFX Discipleship	$ (1,000.00)		
FFX Children/Youth	$ (3,000.00)		
FFX Other	$ (3,000.00)		
FFX Compassionate Ministry (MV)	$ (1,200.00)		
SUBTOTAL	**$ (11,200.00)**	**$ 21,050.00**	
MCA Outreach	$ (6,000.00)		
MCA Discipleship	$ (1,000.00)		
MCA Compassionate Ministry	$ (4,000.00)		
SUBTOTAL	**$ (11,000.00)**	**$ 10,050.00**	
TOTAL ALL EXPENSES		**$ (171,200.00)**	
Projected Balance Income and Expenses		**$ 10,050.00**	
TOTAL OPERATIONAL EXPENSES			$ 93,000.00

FISCAL YEAR 2028-2029	Jun-May		
Projected Sale:	$ 325,000.00		
Percentage of property sale used	20%		
INCOME			
20% of Property Sale	$ 65,000.00		
Combined FFX and new ministry giving	$ 95,000.00		
Grants/Third-Party Gifts	$ 30,000.00		
TOTAL		**$ 190,000.00**	
EXPENSES			**Operational Total**
UTILITIES			
FFX Campus (Operational)	$ (16,000.00)		$ 16,000.00
New Ministry in Mt. Carmel Area (MCA)	$ (6,000.00)		$ 6,000.00
SUBTOTAL	**$ (22,000.00)**	**$ 168,000.00**	
PROPERTY/EQUIPMENT			
FFX- property maint., equip. replacment	$ (20,000.00)		
MCA - Rent/lease, equipment	$ (40,000.00)		
FFX - Parsonage	$ -		
SUBTOTAL	**$ (60,000.00)**	**$ 108,000.00**	
PASTORAL STAFF (Operational)			
FFX Campus Pastor- FT	$ (58,000.00)		
MCA Campus - PT	$ (25,000.00)		
Children's Pastor - PT	$ -		
Youth Pastor - PT	$ -		
Assoc. Pastor - PT stipend	$ -		
SUBTOTAL	**$ (83,000.00)**	**$ 25,000.00**	$ 83,000.00
NON-PASTORAL STAFF (Operational)			
Compassionate Ministry Director - PT (MC)	$ -		
Compassionate Ministry Director - PT (MV)	$ -		
SUBTOTAL	**$ -**	**$ 25,000.00**	$ -
MINISTRY EXPENSES (Outreach)			
FFX Outreach	$ (3,000.00)		
FFX Discipleship	$ (1,000.00)		
FFX Children/Youth	$ (3,000.00)		
FFX Other	$ (3,000.00)		
FFX Compassionate Ministry (MV)	$ (1,200.00)		
SUBTOTAL	**$ (11,200.00)**	**$ 13,800.00**	
MCA Outreach	$ (6,000.00)		
MCA Discipleship	$ (1,000.00)		
MCA Compassionate Ministry	$ (4,000.00)		
SUBTOTAL	**$ (11,000.00)**	**$ 2,800.00**	
TOTAL ALL EXPENSES		**$ (187,200.00)**	
Projected Balance Income and Expenses		**$ 2,800.00**	
TOTAL OPERATIONAL EXPENSES			$ 105,000.00

FISCAL YEAR 2029-2030	Jun- May		
Projected Sale:	$ 325,000.00		
Percentage of property sale used	15%		
INCOME			
15% of Property Sale	$ 48,750.00		
Combined FFX and new ministry giving	$ 110,000.00		
Grants/Third-Party Gifts	$ 30,000.00		
TOTAL		**$ 188,750.00**	
EXPENSES			**Operational Total**
UTILITIES			
FFX Campus (Operational)	$ (19,000.00)		$ 19,000.00
New Ministry in Mt. Carmel Area (MCA)	$ (6,500.00)		$ 6,500.00
SUBTOTAL	**$ (25,500.00)**	**$ 163,250.00**	
PROPERTY/EQUIPMENT			
FFX- property maint., equip. replacment	$ (12,000.00)		
MCA - Rent/lease, equipment	$ (40,000.00)		
FFX - Parsonage	$ -		
SUBTOTAL	**$ (52,000.00)**	**$ 111,250.00**	
PASTORAL STAFF (Operational)			
FFX Campus Pastor- FT	$ (60,000.00)		
MCA Campus - PT	$ (28,000.00)		
Children's Pastor - PT	$ -		
Youth Pastor - PT	$ -		
Assoc. Pastor - PT stipend	$ -		
SUBTOTAL	**$ (88,000.00)**	**$ 23,250.00**	$ 88,000.00
NON-PASTORAL STAFF (Operational)			
Compassionate Ministry Director - PT (MC)	$ -		
Compassionate Ministry Director - PT (MV)	$ -		
SUBTOTAL	**$ -**	**$ 23,250.00**	$ -
MINISTRY EXPENSES (Outreach)			
FFX Outreach	$ (3,000.00)		
FFX Discipleship	$ (1,000.00)		
FFX Children/Youth	$ (3,000.00)		
FFX Other	$ (3,000.00)		
FFX Compassionate Ministry (MV)	$ (1,200.00)		
SUBTOTAL	**$ (11,200.00)**	**$ 12,050.00**	
MCA Outreach	$ (6,000.00)		
MCA Discipleship	$ (1,000.00)		
MCA Compassionate Ministry	$ (4,000.00)		
SUBTOTAL	**$ (11,000.00)**	**$ 1,050.00**	
TOTAL ALL EXPENSES		**$ (187,700.00)**	
Projected Balance Income and Expenses		**$ 1,050.00**	
TOTAL OPERATIONAL EXPENSES			$ 113,500.00