

St. Andrew's Council Meeting
Held by *Zoom*, North Bay, ON
Tuesday May 18th, 2021 at 6:30 p.m.

Welcome and Opening (6:35 p.m.)	Pat Kirton-Bailey opened our <i>Zoom</i> meeting and she welcomed everyone. She acknowledged our 5 guest observers.
Attendance	Stuart Bailey, Elizabeth Brownlee, Cathy Coleman, Marg Fleming, Karen Gooch (Secretary), Samantha Gravel (Treasurer), Peter Haddow, Pat Kirton-Bailey (Chair), Rev. Lillian Roberts (Interim Minister), Derek Stott, Beth Ward (Vice Chair), Natalie Wilson (12)
Regrets	Kimberly Robinson
Guests	Garth Goodhew (Trustee), Stew and Anne Bell, David Crites, Janet Mclean and Robert Morton
Worship	Lillian Roberts offered an opening reflection based on the familiar saying about flogging a dead horse. She talked about the many ways that churches continue to try and ride their “dead horses” by using creative excuses. We love our traditions, but this may mean we are not open to change and that we keep trying to do things the way we have always done them – without success. We need to start thinking about what we can do differently and what we need to let go of. Lillian closed the worship time by lighting a candle.
Agenda	<p>Motion 064/21 Elizabeth Brownlee/ Beth Ward moved that the agenda be accepted with two additional items under Business Arising – insurance and <i>GoFundMe</i>. Carried</p>
Minutes of Previous Meeting	<p>Motion 065/21 Karen Gooch/ Marg Fleming moved that the minutes from the April 20th, 2021 Council meeting be accepted as circulated. Carried</p>
Correspondence	<p>A letter dated May 18th, 2021 was received by email from Kim Delarosbel offering her resignation from Council. Karen Gooch read the letter to Council.</p> <p>Motion 066/21 Karen Gooch/ Marg Fleming moved that Council accept the resignation of Kim Delarosbel from Council with regret and thanks. Carried</p> <p><u>Action</u>: Elizabeth Brownlee will send a card to Kim to thank her for her Council work over the past few years.</p> <p>People spoke about how we will miss Kim for her energy and her attention to detail. Lillian Roberts has spoken to her and reminded Council that the Kim’s letter has offered us things that we need to pay attention to including our lack of follow-up. Kim will remain an active member of the Christian Development and Worship Team. Peter Haddow has agreed to act as co-chair of the Team and will report to Council on their behalf.</p> <p>Motion 067/21 Cathy Coleman/ Samantha Gravel moved that Peter Haddow be co-chair (with Ralph Johnston) of the Christian Development and Worship Team. Carried</p>

Business Arising

- Security Cameras
- Pat Kirton-Bailey is still trying to find someone to install the security camera system.
 - Beth Ward and Stuart Bailey will review the list of outstanding items in our policy and decide how these should be addressed.
Action: Beth Ward has been working on the required forms for the security policy.
 - To address one outstanding item, Stuart Bailey volunteered to act as our PIPA (Personal Information Protection Act) Officer, which would include the responsibility of sharing the security footage if required.

Motion 067/21

Cathy Coleman/ Elizabeth Brownlee moved that Stuart Bailey be appointed as our Personal Information Protection Act Officer and be given the authority to release security footage following any privacy protocols that are in place. **Carried**

Action: Stuart Bailey will work on a draft of a Personal Information Policy.

- Follow-up - Kim Delarosbel
- There was further discussion about issues raised in Kim Delarosbel's resignation letter:
- The Council Executive is recommending that an action line be added to items in the minutes which indicates who will provide any follow-up that is required. There needs to be more intentionality about how we follow up on things.
 - Kim provided us with a reminder about etiquette when using *Zoom*. We need to be paying attention to our reactions and about how we are with on another. Sometimes we forget this as we sit in the comfort of our own space.
- Action: The Council Touchstones that we prepared last year will be displayed and read aloud at the beginning of each meeting.

- Tracy Davis
- Kim Delarosbel has been working on a memory book to present to Tracy Davis, but she is still lacking input for it. There is no deadline yet, but this expression of gratitude needs to be completed. There may have been a rough ending with Tracy, but there are a lot of good memories of her time with us.
- Action: Members of Council should provide written memories and/or pictures for the book (however there are quite a few pictures already). Elizabeth Brownlee will help Kim complete the project by following up with people.

- Insurance
- Garth Goodhew provided a brief update regarding our building insurance. We are still waiting to hear from HUB about details of the policy, including pricing for increasing our liability from \$2 to \$5 million, and our broker assured us that our current policy (which expires (May 31th, 2021) will remain in effect until things are finalized.

- GoFundMe
- Samantha Gravel confirmed that we have received all the money we are owed from our *GoFundMe* campaign.
- Action: Karen Gooch will work with Tracy Davis (the account administrator) to close the campaign.

New Business

Financial Report We discussed the following financial information:

- Current Finances - Samantha Gravel reported that our Office Administrator has been able to get all of the financial data entered into *ChurchWatch*. Samantha has received all of the deposit information for 2021 and she is working on producing a current statement. We have no outstanding bills to pay, however our cash flow is not keeping up with the expenses. Currently, we have about \$26,000 in the general bank account. Each month we pay \$8,000 in salaries and \$1,100 for insurance (which will be going up) plus our utilities and other expenses. We bring in \$6,500 through PAR each month and we receive on average about \$3,000 through regular donations, however this amount is unpredictable.
- CEBA Loan – We have borrowed \$60,000 through the federal government pandemic loan program. We will need to pay back \$40,000 of that loan by the end of 2022 if we want to take advantage of the offer to forgive \$20,000 of the loan. In order to do this, we need to put aside \$2,500 every month for the next 18 months. How are we going to accomplish this?
- Stewardship – We need to keep reminding people about the need to send in their donations while we are still closed, using the various methods we have available. We should be planning a fall stewardship campaign with the hope that the church will be open. The Regional Council has resources available to help with this.
- CSRC Money – On January 27th, 2021 the Canadian Shield Regional Council Executive passed a motion to offer St. Andrew's up to \$16,000 to help pay Lillian Roberts' salary. It is felt that we should now go ahead with a request for this money. Samantha will prepare a projection of our revenue and expenses to give to the CRSC along with our 2021 budget including an annotation about our plan to put aside money each month for our CEBA loan payment.

Motion 068/21

Elizabeth Brownlee/ Samantha Gravel moved that St. Andrew's request the \$16,000 that has been offered to us by the Canadian Shield Regional Council to help offset the cost of our Transitional Minister.

Carried

Belfry Project Reid Milne has informed us that the brickwork on the lower portion of the tower can start by late August 2021. Brolga Construction has provided a quote of \$20,000 for this work. Given our current financial situation, it was suggested that we access some of the money from our Manse Fund to pay for this. There is a \$25,000 GIC earning 1.6% interest in the fund, that matures on August 8th, 2021. (The total value of the Manse Fund is approximately \$127,409.) We were given permission from the Regional Council to access this money in a letter dated August 26th, 2020 and it is hoped that we can pay it back from money raised by our capital campaign for the project.

Action: Garth Goodhew will inform our other Trustees of this and ensure that nothing further is required by the Regional Council before we proceed.

Motion 069/21

Stuart Bailey/ Samantha Gravel moved that St. Andrew's cash in the \$25,000 GCI from the Manse Fund that matures on August 8th, 2021 in order to pay for the brickwork repairs that are part of the Belfry Project.

Carried

Committee Reports The following committees offered reports:

- Pastoral Care – Cathy Coleman has agreed to become the Chair of the Pastoral Care Committee.

Motion 070/21

Stuart Bailey/ Peter Haddow moved that Cathy Coleman be appointed as Chair of the Pastoral Care Committee. **Carried**

- Worship – Lillian Roberts outlined the themes for some of the worship services over the next 6 weeks:

- Pentecost - May 23rd
- Inclusivity – June 6th (There will be a number of guests.)
- Indigenous – June 20th
- Communion – June 27th

St. Andrew's is closed in July and will be joining Trinity for worship July 4th to August 4th.

- M&P Committee – Natalie Wilson brought the recommendation that St. Andrew's re-appoint Rev. Lillian Roberts as our Transitional Minister. Her current appointment ends on June 30th, 2021 and she will be taking July and August off before returning September 1st, 2021

Motion 071/21

Natalie Wilson/ Peter Haddow moved that the St. Andrew's Council approve the re-appointment of Rev. Lillian Roberts as our Transitional Minister from September 1st, 2021 to June 30th, 2022 with the following terms and conditions:

75% time	3 weeks per month
Base Annual Salary (Sept-Dec)	\$45,137.00
Additional Salary (Sept-Dec)	\$9,027.00
Base Annual Salary (Jan-Jun) (2.2% col)	\$46,130.00
Additional Salary (Jan-Jun)	\$9,226.00
Total Prorated Salary	\$45,734.00
Continuing Education (10 months)	\$918.00
Telephone (monthly)	\$75.00

St. Andrew's to provide pulpit supply on the 4th week.

Vacation and continuing education time will be adjusted to reflect the 3/4 workload and length of the contract.

The contract be terminated with Regional Council approval with 30 days notice instead of 90 days. **Carried**

Transition Team Report Beth Ward offered a brief update about the activities of the Transition Team. The Transition Team has held 2 of our 4 Friday Zoom Drop-ins. There was a good turnout at both meetings and people were very open to sharing their ideas and their concerns. One idea was to hold a Zoom coffee time after worship to give people a chance just to visit. We will be doing this on May 30th at 11:30 a.m.

Appendix I

Financial Viability

We reviewed and discussed the Financial Viability Report that was circulated to Council members before this meeting (Appendix I). This report is based on the work of the Visioning Committee from 2019, but it has been updated with data from the past 18 months.

- Many of the indicators of poor financial health are part of the current reality at St. Andrew's. Some of these have been a problem for a number of years, but have been made worse by the pandemic. For example, we have relied on money from fundraising from events that are not possible at this time. We do not have a plan to deal with ongoing maintenance issues and as a result we have had to use up most of our investments to keep the building in a safe condition. There are 49 regular donors to the church who are over 80. These are donors we cannot rely on in the longer term.
- There is some good news. 40% of our donations come through PAR which provides a relatively stable source of income, although the amount of our PAR donations has dropped recently. Bequests and legacy giving have been a lifeline since we were able to use that money to ensure all the invoices for the belfry repairs have been paid when we have not been able to launch a full capital campaign.
- Moving forward, we should be encouraging intentional stewardship, looking for longer term rental income and considering alternative ways of fundraising. We also need to raise people's consciousness about the financial issues we are facing.
- We need to be realistic about what we can afford to spend on staffing. Currently, we are not paying Ministry Personnel pension benefits since Lillian is retired. We should be finding a way to encourage gifts of talent – especially for those who feel they cannot contribute financially. This, along with looking at what things we can let go of, can be a way of reducing staffing requirements.

Other Business

None

Adjournment

Peter Haddow offered a prayer and the meeting adjourned at 8:20 p.m.

Next Executive Meeting

Tuesday June 15th, 2021 at 6:30

Zoom

Next Council Meeting

Tuesday June 22th, 2021 at 6:30 p.m.

Zoom

Chairperson, Pat Kirton-Bailey

Secretary, Karen Gooch

Appendix I

Congregational Financial Viability

Introduction

The stewardship of financial resources is not only important but foundational to the ministry of a congregation. A clear vision for ministry can engender commitment and energy for new directions in ministry activity but if that is to be sustainable it need to be reflected in a renewed call to stewardship. In the current climate in which congregations find themselves questions of financial viability are concerning and to be taken seriously in looking to the future.



General Indicators of Financial Well-being

As a congregation projects its financial position into the future, there are some recognized indicators that sound warning signals. These indicators are:

1. A series of deficit budget years that indicate a trend in decreased givings and other sources of revenue.
2. An analysis of giving trends that indicates that more than 50% of the givings come from households over the age of 80. Reliance on a very small group of significant contributors to sustain the budget, particularly if these givers are aged.
3. High reliance on revenue from fundraising projects.
4. There is no plan for regular stewardship education and invitation.
5. Deferred maintenance of property as a way of managing finances.
6. Use of investments to offset operating budget deficits and/or maintenance including capital projects, with the result of decreasing investments and investment income.
7. Reluctance by the congregation to talk about money.

Indicators that sound alarm bells!

1. Inability to meet payroll
2. Inability to pay denominational fees
3. Inability to provide accurate financial reporting to the congregation
4. Inability to pay bills, deferring payments
5. Seeking mortgage on property to pay operating expenses

What is the purpose of a financial viability study?

A financial viability review is a snapshot into the financial trends in a congregation's life. It serves to:

1. To review the financial position of the congregation
2. To better plan for the future
3. To inspire attention to intentional stewardship programming and invitation.
4. To make plans for and make ministry decisions that can be supported by the resources of the congregation.

Transition and a Look at St. Andrew's Financial Viability Indicators

As St. Andrew's look towards its future, one the questions that transition was to explore was the financial viability of the congregation.

Questions of financial sustainability have surfaced due to:

1. Reserve funds having been needed to pay for the Belfry Restoration. Though the long-term plan is to fundraise to offset the expenditure of existing reserve funds, at present between 2020 and 2021 over \$300,000 of previously held assets have been spent.
2. Decreased rental revenue due to pandemic closures. Over the 16 months of the pandemic rental opportunities have been fewer leading to less revenue generation through rentals. The year over year difference between 2019 (20,741) and 2020 (\$7,162.00) was \$13,579.

3. Decreased income from fundraising events, with the most noticeable absence being the Turkeyfest which in 2019 raised around \$8000.

4. Decreased givings income \$157,500 in 2020 compared to \$207,000 in 2019. Though it is to noted that there were additional givings directed towards the Belfry Campaign.

The challenge is to access to what degree these shifts in revenue are due to the pandemic restrictions and whether it can be anticipated that revenue sources might bounce back once the pandemic is over and regular activities begin to resume.

The Financial Picture of St. Andrew's United Church

In regards to a series of deficit operating budget years

Year	Revenues (General Fund)	Amount given through envelopes (all funds)	Amount given through PAR (all funds)	Expenses (General Fund)	Do expenses exceed revenues? (General Fund)	Bank balance at end of year (all funds)
2020	\$ 186,161	157,527	Includes both	\$ 196,473	Yes 10,312	
2019	\$ 246,973	\$ 124,658	\$ 91,206	\$ 235,675	No 11,298	\$ 133,295
2018	247,105	165,339	92,702	249,296	Yes (2,191)	119,915
2017	248,992	166,653	88,809	254,474	Yes (5,482)	143,459
2016	235,774	140,182	82,428	249,055	Yes (13,311)	49,437
2015	248,348	157,081	81,936	253,326	Yes (4,978)	54,910
2014	230,952	137,873	82,908	245,112	Yes (14,160)	63,950
2013	239,753	150,857	86,823	237,640	No 2,113	70,187
2012	252,103	154,267	86,748	227,180	No 24,923	80,710

Notes: Amount given through envelope & PAR

Includes all amounts given to all funds, including General Fund, M & S, Loaves and Fishes, and Building Restoration Fund.

Special Fund Raising Campaigns for major building repairs are included for:

2018 \$26,790

2017 \$26,143

2020 Designated Belfry Campaign Donations are NOT included

Bank Balance at End of Year

Includes money relating to all funds, including General Fund, M & S, Loaves and Fishes, Memorial Fund, Planned Gifts Fund and Building Restoration Fund.

Excludes investments: GIC of \$126,909 held from sale of manse, Capital Fund and other investments.

Revenues, Expenses and Do Expenses Exceed Revenues

Only General Fund is reported.

Excluded are M&S, Loaves & Fishes, Planned Gifts (undesignated bequests), Building Restoration Fund, Capital Fund, and Choir Fund.

Giving Pattern Analysis

Number of Identifiable Givers (local operating + local special/building)

2020	2019	2018	2017	2016	2015	2014	2013	2012
222?	221	252	258	249	253	241	252	262

Age Demographics of Identifiable Givers (2018 analysis)

0 - 20 years	0
21 - 30 years	0
31 - 40 years	4
41 - 50 years	15
51 - 60 years	30
61 - 70 years	65
71 - 80 years	52
81 + years	49

Giving Zone Analysis

Annual giving	Number of contributors								
	2020	2019	2018	2017	2016	2015	2014	2013	2012
\$0-100		51	76	71	67	53	52	70	57
\$101-500		58	57	68	71	86	72	65	76
\$501-1,000		38	43	39	43	45	50	43	51
\$1,001-2,000		39	36	39	33	35	37	37	40
\$2,001-5,000		29	32	33	30	27	24	28	30
\$5,001 +		6	8	8	5	7	6	9	8

Things to Celebrate:

Percentage of Givings that come through PAR

The givings through the pandemic have been somewhat stabilized because of the number of contributors who are on Pre-authorized Remittance. In 2020 about 40% came through PAR.

Legacy Gifts in 2020

St. Andrew's was the beneficiary of two legacy gifts in 2020 which greatly helped with the restoration project costs.

Financial Viability Planning

Intentional Stewardship Plan

- a. there is a need to do education and have people consider their giving and whether they might grow into a higher zone of giving.
- b. there is a need to grow the giving base. Expenditures are increasing but the giving base is decreasing and given the demographics is likely to see further decrease in the current identifiable givers.
- c. St. Andrew's has been blessed by a number of legacy gifts in the past years and education and information about how others might consider this form of legacy giving could be useful.

Other Income Generation

Rental Income – in the past few years St. Andrew's has benefited from the film industry doing location shooting in North Bay. These rental agreements have been helpful in balancing the budget. It is likely that there will continue to be restoration needs for the building and the exploration of how the building might be a resource for generating income is likely to assist in long term financial sustainability.

Fundraising Projects – the year and a half of pandemic restrictions seriously limited traditional fundraising projects. This actually provides a window of opportunity for the congregation to assess its human resources to continue particular fundraising traditions and the opportunity to explore new ones.

The **Belfry Campaign** is a specific fundraising initiative focused on attracting contributions that will offset the expenditure from designated funds in order to cover the costs of the restoration project.

Building Restoration Term Plan

The congregation could be encouraged to build into the annual budget a plan for ongoing building restoration work. A five-year plan that anticipates major work that will be required would be helpful in building strategies for financial planning to invest in capital work.

Government Loan Repayment

St. Andrew's took advantage of the government pandemic loan program. In total \$60,000 was received as a loan, with the provision that \$20,000 of that is forgivable if there is payment of \$40,000 of the loan by December 31, 2022. There need to be intentional planning for retiring that debt.

Personnel Costs

As the congregation moves to assessing its ministry personnel staffing needs, it will need to consider its financial capacity to support ministry staffing decisions.

In the 2021 projected budget, personnel costs account for 62% of the budget. This staffing model includes one full time ministry personnel, the part-time minister of music, part-time office administrator, part-time custodial staff. The budget year also foresees that for the first half of 2021 there will be reduced costs for custodial services due to the pandemic restrictions and building remaining primarily closed; and reduced costs for office administrator since the position was vacant for the first four months of 2021 with expenditure for a short-term temporary staff.

Consequently, even at the staffing complement of one full time ministry personnel, the part-time minister of music, part-time office administrator (15 hours), part-time custodial staff (13 hours) in non-pandemic year the costs would be somewhat higher. The 2021 budget also takes into account that the ministry personnel and the office administrator are "retired" and thus there is no employer costs for the United Church pension plan a saving of 9% benefits on those payroll positions.

The question of financial capacity to grow the ministry personnel staffing model is one that will need to be considered.

Cost of one ministry personnel staff

Category F (highest category) Cost of Living Group 2 full time salary 2021

	Ordained/Diaconal	Designated Lay Minister
Salary	\$60,183	\$58,671
Con Ed	1,474	1,474
Phone/ Internet	1,200	1,200

Travel reimbursed @ .41 per km.

Employer Costs for benefits and pension for an active ministry personnel

Employer Benefits (2021)

UCC Pension	9%
CPP	5.45%
EI	2.21%
Group Insurance	6.51%
Restorative Care	1.35%
Total	24.52 %

Future Viability

The question of whether St. Andrew's is financially viable long terms will be influenced by the following decisions:

1. Capacity to restore reserves through fundraising to offset the Belfry Project expenditures;
2. Willingness to take on intentional stewardship education and engagement, including legacy giving;
3. Capacity to manage liabilities in a timely and responsible manner, such as the Government Pandemic Loan;
4. Realistic management of sustainable staffing level