

St Andrew's River Heights United Church
255 Oak Street
Service Team Meeting - Tuesday January 23, 2018
Lounge @7:00 pm

Present: Karen Lumley, Paul Webster, Bill Craddock, Fred Cross, Peter Brehaut, Sharri Bertram, Jeff Kremer, and Kelvin Koots. **Regrets:** Cathy Kinsman, Anne Grewar.

Administration

1. **Call to Order:** 7:05 pm by Chair Paul Webster
2. **Devotion:** Paul Webster
3. **Approval of Agenda: Motion:** Jeff Kremer/Peter Brehaut to approve the agenda which was distributed prior to the meeting. **Carried**
4. **Approval of Minutes from December 19, 2017: Motion:** Fred Cross/Peter Brehaut to accept the December Service Team minutes as written. **Carried**
5. **Business Arising:** None.
6. **Correspondence:** Paul mentioned that we received one item of correspondence concerning College Sunday.

Items for Discussion

1. Treasurer's Report/Finance Interest Group Presentation/2018 Budget – Bill

Bill distributed and discussed the 2017 Year-End Financial Statements. The statements show that at year-end we had a surplus of \$1,529 which was \$19,236 better than our budgeted deficit of \$17,707. Part of the reason for this favourable outcome was that regular offerings were \$15,457 over budget. The proposed 2018 budget is a “break-even” budget with a zero deficit/surplus.

Bill started by discussing income in 2017 as well as in the proposed 2018 budget. Regular offerings are budgeted at \$278,300 for 2018. However, Bill noted that this number is somewhat tenuous because it assumes no members leaving the church or passing away, as well as no new members joining. Fundraising income was \$7,362 under budget in 2017, mostly due to the lack of a garage sale and quiz night which were both in the budget. Both of these fundraisers are again included in the 2018 budget.

There is a budgeted increase in rental income for 2018 due in part to the lease renegotiation with RHS Child Care. Bill noted that the budgeted \$7,000 increase is a conservative estimate although since the new contract will not come into effect until July, we will only get half that amount this year. It is also hoped that the Junior Musical Theatre Company may return to renting from us, and there may be a possibility of compensation from the Hungarian Interest Group. One of the biggest factors contributing to balancing the 2018 budget is that the Foundation has agreed to a grant of \$50,000 compared to \$35,000 in 2017.

Bill then discussed our expenses, of which the main component is staffing costs. The ministers' salaries have a mandated increase of 1.4%. In the 2018 budget, this increase has been applied to the salaries but not to the housing allowance, due to the fact that combined, the amount is still greater than the recommended combined amount. Salary increases of 1.4% have also been applied to non-ministerial staff. Staffing expenses were mostly on budget in 2017 with the exception of caretaking, which was over budget due to a change in caretaking staff.

Maintenance and repairs expenses in 2017 were \$19,573 which was significantly less than the year before at \$47,698. They are budgeted at \$20,000 for 2018. The 2018 budget has a decrease in the expense of service contracts because we have eliminated boiler checks for the months of May and June. Major repairs were \$3,183 in 2017 due to the necessary replacement of the glass between the narthex and the sanctuary.

Following this review of income and expenses, Bill discussed the allocated accounts, as well as bequests. He noted that there are two new funds in the "Bequests & Other Gifts" section of the 2017 financial statements: the Sally Dowler Memorial and the Eleanor Gibson Bequest. Bill noted that all of the bequests and memorial funds add up to \$505,621.50. In the 2018 budget, \$30,940 in income comes from the interest generated from these funds. Finally, Bill noted that our retained earnings are currently \$12,298 and will remain the same if we stay on budget for 2018.

Motion: Bill Craddock/Peter Brehaut that the Service Team approve the 2018 Budget as proposed by the Finance Interest Group. **Carried**

2. Annual General Meeting

Bill informed everyone that the Annual Report will include a Treasurer's Report but not a Finance Report. He noted that the financial situation remains the same as at last year's AGM in that the church remains in a position that is financially unsustainable.

3. Nominating Committee

Paul reported that the nominating process is underway.

Adjournment: 8:20 pm

Next Meeting:

Tuesday, February 20, 2018