



THE ANGLICAN SYNOD OF THE DIOCESE OF BRITISH COLUMBIA
Finance Committee Meeting

Thursday September 19, 2019 at the Diocesan meeting room, 1:00 pm

EX OFFICIO

The Bishop, the Rt. Rev. Dr. Logan McMenamie
The Dean, the Very Rev. Ansley Tucker
The Registrar, Nathan Lampard R
The Chancellor, Bob Gill
The Treasurer, Michael Murgatroyd
The Clerical Secretary, the Rev. Paul Schumacher
The Lay Secretary, Canon Judy Trueman

ELECTED FROM DIOCESAN COUNCIL

Lynn Schumacher
The Ven. Dawna Wall
Ed Norman

APPOINTED

The Rev. Canon Dr. John Steele
The Ven. Alastair McCollum
Joan Hoffman
Michael Wolff
The Rev. Sandra Hounsell-Drover

EXECUTIVE STAFF

Diocesan Finance Officer, Gail Gauthier
Executive Officer, Barry Foster

1. **Opening Prayers** were offered by John Steele.

2. **Regrets and Agenda Review**

The lay secretary confirmed regrets.
There were no items added to the agenda.

3. **Minutes of the Meeting of June 20, 2019**

MOVED BY: Ed Norman
SECONDED BY: Lynn Schumacher
That the minutes of June 20, 2019 be received as circulated.

THE MOTION WAS CARRIED

4. **Finance Report - monthly financial statements, overdrafts and assessments in arrears at June, July and August 2019**

Gail Gauthier spoke to the financial report, noting that the diocese is up to date on payroll source deductions for the parishes, itself, and other entities for which it provides payroll.

The previous asset manager is now contracting with the diocese on three projects (Mount Douglas Housing, St. Peter / St. Paul ministry centre and St. Dunstan annex renovation) until December 31. A task team will provide recommendations on asset management shortly. In the meantime, we have a new person in a contractor position assisting with the remaining duties.

Rogers Court (St. Peter / St. Paul ministry centre sponsor) has not paid the \$5,000 management fee for six months. Gail has not accrued the \$30,000 in income to the diocese at this time.

Transforming Futures (TF) is not anticipated to meet its budgeted net goal of \$127,500 (\$150,000 less 15% to be set aside for contribution to First Nations funding and National assessment) for 2019. Our vision animator and volunteer lay co-chair are meeting with parishes as well as planning get-togethers and speaking opportunities throughout the diocese.

At Synod 2018, it was approved to access \$50,000 from past reserves for vision grants in 2019 (and \$50,000 for grants in 2020). The budget for 2019 also included a possible additional \$50,000 if TF generated sufficient funds in the year. Gail has removed the additional \$50,000 under expenses for 2019.

The Vision Fund will still have a total of up to \$75,000 to disburse in 2019 - the \$50,000 approved from past reserves plus another \$25,000 that was left over from 2018 and approved by Financial Committee to be carried forward for future Vision work.

MOVED BY: Dawna Wall
SECONDED BY: Alastair McCollum

That the financial statements and reports for June, July and August 2019 be received.

THE MOTION WAS CARRIED

5. Cost of Living Increases

MOVED BY: Ansley Tucker
SECONDED BY: Joan Hoffman

That Finance Committee recommends to Diocesan Council a 2020 cost of living increase of 2.8% to clergy and lay staff, and that this issue be referred to the soon to be re-instated Personnel and Compensation Committee for future recommendation.

THE MOTION WAS CARRIED

6. Assessment Form Matter for 2020

Rectories are subject to property taxes and the cost is recovered from rental income. Due to a change in the municipal rules, St. Anne St. Edmund, Parksville is paying property taxes on a portion of the church property. The incumbent has asked if this could be deducted on the annual parish financial return.

At this time Finance Committee has decided to not include this as a deductible amount on the assessment form.

7. Consolidated Trust Fund (CTF) withdrawal - St. Peter St. Paul, Esquimalt.

Under the current Canon, St Peter St Paul, Esquimalt cannot access its rectory trusts to reduce its bank overdraft or Church Sites and Parsonages loan. Discussion took place on what could provide financial relief such as an interest rate reduction on the bank overdraft. Currently bank overdrafts through linked banking are charged a rate 2% above the rate earned on deposits with the bank.

MOVED BY: Michael Wolff
 SECONDED BY: Alastair McCollum

That Finance Committee recommends to Diocesan Council that starting January 1, 2020 the interest rate on St. Peter St. Paul, Esquimalt's bank overdraft be reduced to a rate equal to the rate earned on deposits through linked banking.

THE MOTION WAS CARRIED
 (Lynn Schumacher abstained from the motion)

8. Church Sites & Parsonages Loan - St. Paul, Nanaimo

This loan was last discussed in January 2019. Upon Finance Committee advice, Gail asked St. Paul to provide an action plan. A reply came in late June from Les Annesley, chair of the capital campaign. The diocese is being asked to consider reducing the interest rate or forgiveness of a portion of the debt, or a combination of both. Current loan balance is approximately \$433,000. St. Paul has taken steps to increase the rental of their facility to bring in additional income to be applied towards parish operations and debt repayment.

The diocese has four CS&P loans with three of them at 3% (St. Peter St. Paul, Esquimalt, St. Paul, Nanaimo and St. Anne/Edmund). The 4th is for St. Dunstan Annex and CCCES (school) will be paying rent to offset loan payments. We expect that loan to be at 4.0% to 4.25%, depending on bank rates when work completes near the end of September. St. Anne/Edmund's loan was for outstanding assessments.

MOVED BY: Ansley Tucker
 SECONDED BY: John Steele

That Finance Committee recommends to Diocesan Council a reduction on the loan interest rate on the St. Paul, Nanaimo, and St. Peter St. Paul, Esquimalt Church Sites & Parsonages loans from 3% per annum to 1% per annum retroactive to January 1, 2019.

THE MOTION WAS CARRIED
 (Lynn Schumacher abstained from the motion)

9. Thetis Island Investment Monies Discussion

This agenda item was tabled until our October meeting.

10. Asset Management - Report August 2019

A report on projects undertaken, or still underway, was made available to the meeting from Bob Brandle who is very ably acting as asset manager on a contractual basis. The diocese is grateful for Bob's work.

MOVED BY: Bob Gill

SECONDED BY: Ed Norman

That the report from Asset Management be received as distributed.

THE MOTION WAS CARRIED

11. Vision Fund

Joan Hoffman reported that over the summer, two decisions were made by the jury:

- a grant of up to \$7,500 to the UVic chaplaincy to support a 2020 pilgrimage to Israel and Palestine (ratified by Finance, and Diocesan Council in August, by e-vote)
- a grant of up to \$2,000 to St. George the Martyr, Cadboro Bay to fund videotaping of an 8-part series on environmental theology. Requests approval from Finance Committee.

MOVED BY: Joan Hoffman

SECONDED BY: Alastair McCollum

That Finance Committee recommends to Diocesan Council the approval of a vision fund grant of up to \$2,000 to St. George the Martyr, Cadboro Bay, to fund the videotaping of an 8-part series on environmental theology.

THE MOTION WAS CARRIED

To date \$43,500 in grants have been approved or recommended so far this year. The second and final intake deadline for 2019 is September 30. The jury will meet October 11 to review the submissions. Reports from grant recipients are being received by the jury. Joan has offered to share some at our next Finance Committee meeting. There was a suggestion that Vision projects should be on the diocesan website.

MOVED BY: Joan Hoffman

SECONDED BY: Dawna Wall

That the Vision Fund report be received as distributed.

THE MOTION WAS CARRIED

12. Other Business - There was none.

Adjournment. The meeting adjourned at 3:15 pm on a motion from Michael Wolff with the saying of The Grace.

NEXT FINANCE COMMITTEE MEETING
 Thursday October 17, 2019 1:00 pm
 In the Diocesan Meeting room

FOR DIOCESAN COUNCIL RATIFICATION

MOVED BY: Ed Norman

SECONDED BY: Lynn Schumacher

That the minutes of June 20, 2019 be received as circulated.

THE MOTION WAS CARRIED

MOVED BY: Dawna Wall

SECONDED BY: Alastair McCollum

That the financial statements and reports for June, July and August 2019 be received.

THE MOTION WAS CARRIED

MOVED BY: Ansley Tucker

SECONDED BY: Joan Hoffman

That Finance Committee recommends to Diocesan Council a 2020 cost of living increase of 2.8% to clergy and lay staff, and that this issue be referred to Human Resources and Compensation for future recommendation.

THE MOTION WAS CARRIED

MOVED BY: Michael Wolff

SECONDED BY: Alastair McCollum

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MOVED BY: Bob Gill

SECONDED BY: Ed Norman

That the report from Asset Management be received as distributed.

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MOVED BY: Joan Hoffman

SECONDED BY: Alastair McCollum

That Finance Committee recommends to Diocesan Council the approval of a vision fund grant of up to \$2,000 to St. George the Martyr, Cadboro Bay, to fund the videotaping of an 8-part series on environmental theology.

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SECONDED BY: Dawna Wall

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