

KINCARDINE UNITED CHURCH 2018 BUDGET CONGREGATIONAL MEETING
SUNDAY, DECEMBER 17, 2017

The congregation of Kincardine United Church was called to meet in the sanctuary on Sunday, December 17, 2017, following the morning worship service, to approve the 2018 budget. Approximately 60 persons were in attendance.

1. Call to Order and Constitution of the Meeting

Marion Boyd called the meeting to order at 11:35 AM, stating that notice of the meeting had been duly given for the sole purpose of reviewing and approving the 2017 budget.

2. Opening Prayer

Gord Dunbar opened the meeting with a prayer.

3. Behavioural Covenant

Those present read the Kincardine United Church Behavioural Covenant.

4. Enabling Motions

Charles Clark presented the enabling motions.

Moved by: Charles Clark

Seconded by: Bernd Portz

- a) That all adherents be made Corresponding Members with privileges to vote.
- b) That Marion Boyd chair the 2018 budget meeting.
- c) That Rod Coates act as recording secretary for the 2018 budget meeting
- d) That the meeting Agenda be accepted as printed.

CARRIED

5. 2017 Financial Report and Budget for 2018

Donna Mowry referenced the last page of the proposed 2018 budget, which showed the total budget of \$259,701 for 2017 compared with \$264,200 for 2018. She said that the \$4,498 increase over last year represented a 1.7% increase, which is just about the cost of living for 2017.

Donna said that the total budget for Administration was just over \$96,000 in 2017, and is now just over \$68,000 for 2018. She said that the decrease was mainly due to elimination of the \$25,000 line of credit loan (with Nesbitt Burns), which does not exist in 2018. The Search Committee \$2,000 budget is also not required in 2018.

Continuing with other budget highlights, Donna noted that the 2018 M&P budget is \$4500 more than last year and that other committee increases are offset by the Administration budget reduction.

Referring to the first page summary, Donna stated that:

- Staff salaries are 65% of the budget
- Administration is 26% of the budget, representing operating expenses of the church.
- 91% of the budget is the cost of running the church (salaries and operating expenses)

- The narrative budget, created by Liz Dillman, lists categories of Care, Outreach, Worship, Learning, and Resource.
- Under the M&P budget, the minister's salary in 2017 was \$33,720 but in 2018 is \$68,382 since it represents a full year's salary.

Moved by: Donna Mowry

Seconded by: Liz Dillman

That the 2018 budget be approved as presented.

CARRIED

Marion Boyd noted that it is important to consider this budget seriously since it reflects our church's work and mission in the community. Marion requested that Gord Dunbar and David Hamilton, the staff members present, excuse themselves at this point of the meeting so that any salary questions could be addressed.

Barry Schmidt stated that he felt one item was missing, which was budgeted revenue. Barry said that revenue as of the end of November was \$172,000, and that by adding normal December extra donations it extrapolated to a year-end figure of \$198,000; this revenue pattern, if continued into 2018, would result in a deficit projection of \$68,000. Barry said that continuing deficits are a serious problem. He said that we sold investments to offset the deficit in 2017, and if this is a continuing trend the investments will be significantly depleted. He recommended that we remove the items of Choir Workshop and Intern Minister to reduce our costs for 2018.

Moved by: Barrie Schmidt

Seconded by: Joan Gillespie

That we remove the Choir Workshop and Intern Minister items from the 2018 budget.

DEFEATED

Donna Mowry said that the stewardship campaign would increase revenue for 2018 and hopefully address some of the revenue shortfall. Rod Coates noted that PAR (Pre-Authorized Remittance) changes resulting from the stewardship campaign to date have resulted in a projected General Fund increase of \$5,000 for 2018.

Randy Norris noted that people underspent "remarkably" in 2017, so there is some offset of the deficit due to the reduced committee spending.

Bernd Portz asked why the 2018 mileage rate has increased to \$5,000. Marion Boyd said that Don Harry never submitted mileage claims and Gord Dunbar's contract includes compensation for mileage. Donna Mowry said that Gord is already conducting additional pastoral visiting, including hospital visits to London and Guelph.

Randy Norris noted that a large component of the payroll expenses were mandatory payroll deductions.

Rad Michielson & Dotty McClelland both noted that offsetting revenue and costs were to be expected from choir registration for the September choir workshop. Rad Michielson explained some of the benefits of the choir workshop and how it added to the choir's ability to express itself.

Liz Dillman said that there would be offsetting revenue for a grant for the intern minister. Marion Body noted that the 2016 JNAC approved the inclusion of an intern minister, and that – if an intern minister were available - the cost would be an 8-month commitment over 2018 and 2019.

Donna Mowry asked Mary Phillips to comment on the staff salaries. Mary Phillips summarized the information as follows:

- 1.4% increase for the Minister of Word & Sacrament based on national UCC guidelines
- 1.4% for the minister of music based on RCCO (Royal College of Church Organist) guidelines
- Office coordinator & custodian salaries based on the Grey-Bruce living wage for 2017, which increased significantly. It would have resulted in 9% increase, so M&P recommended 4.5% this year and will recommend a 4.5% increase again next year.

Ron Harris said that we need to think about the future. He said that we cashed in a \$25,000 investment to pay off our line of credit loan. He said that if this trend continues for 5 years there will be no investments left. Ron said that we will shortly need a new roof, and hopefully this money will come from somewhere, but we need to think about that.

Marion Boyd thanked Ron for his comments, noting that we are in a similar situation to other churches in the presbytery. She said that Council requested Bruce Presbytery to release the manse funds for this purpose, and that Council is thinking that we need to have a capital fund in addition to the operating fund. She said that Barrie & Ron are only identifying what our financial situation is.

Stu Mowry said he shared Barrie & Ron's concerns, as a trustee, and that we need to have money in place in the General Fund and make sure that we provide a focus for this, recognizing that we have donations for wish list items but also need to face reality.

Charles Clark said that he had participated in needs and search committees of Kincardine United, although he is not yet a member. He said he was concerned about a church that is afraid to move ahead, that money is there and he expects that there will be new people attending as a result of the new minister. Charles said we should enter into prayer more often and enter into the hope that we will move ahead.

Randy Norris said that it's a matter of "bums on seats", and related a conversation he had about signage as a way to attract more people into the church. He said there are more important things to worry about first – i.e., keeping the rain out with a new roof.

Marion Boyd said that the trustees who spoke are exercising their fiduciary responsibility by identifying financial concerns. She went on to say that Council believes that there is a new vitality in the congregation, that fixing the roof should be considered as an investment, and that no decision has been made to address this funding.

Following the approval of the budget, Marion Boyd requested that Gord Dunbar and David Hamilton, be invited to return to the meeting.

6. 2018 Mission & Service Target

Mary Phillips presented the M&S target for 2018.

Moved by: Mary Phillips

Seconded by: Krista Ritchie

That the 2018 M&S objective be \$28,500.

CARRIED

7. Recommendation for the Date, Place & Format for 2017 Annual Meeting

Marion Boyd said the 2017 Annual Meeting was set for April 15th, 2018, but we have a new minister with a vacation on that date. Marion said that we wish to move the meeting by one week to April 22nd.

Moved by Donna Mowry

Seconded by Rad Michielson

That the annual meeting be held April 22nd, 2018.

CARRIED

8. Other Business

No other business was raised.

9. Adjournment and Prayers

There being no further business, Marion Boyd declared the meeting closed at 12:30 PM.

Gord Dunbar closed the meeting with prayer.

Signature of Chair

Signature of Secretary