

Executive:

Chair	Regan Pfaff-MacDonald ✓
Vice-Chair	Al Shaw ✓
Past Chair	Kirk Wilson ✓
Secretary	Cecily Chiles ✓
Treasurer	Wayne Pease
Ministry	Pat Morrison ✓
	Kenji Marui

Committee Representatives:

AOTS	Al Grimwood
Christian Development	Shirley Willis
Communications	Christopher Cooke
Congregational Care & Growth	Bob Newman
Finance	Paul Cooper ✓
Region Rep	x
Outreach	Paul Cooper ✓
Ministry & Personnel	John Cooke ✓
Re-opening	Marion Staples ✓
Planning	Jim Wicks ✓
Property	John Cooke ✓
Proclamation and Special Events	Bev Walkling ✓
Trustees	Pete Melanson ✓
Worship	Val Adamson ✓ John Baxter ✓
Financial Review Team	Gord Walkling ✓

✓ = present

The Meeting was held via Zoom with 14 participants, as per adjournment and began at 7:05 pm. There was a quorum.

1. Devotion

John Cooke told a story of traveling with Doug and Marj Greenough.

2. Approval of Agenda

MOTION: to approve the agenda with adjustment to move Financial Review to New Business.

Kirk Wilson/ John Cooke Carried

3. Approval of Minutes

MOTION: to approve the Council meeting minutes from January 12, 2022.

Pete Melanson / Paul Cooper. Carried

4. Business Arising from the Minutes

Regarding the tabled motion at Council meeting January 12, 2022, for Council to support activities throughout 2022 to achieve a balanced budget in 2023 (moved by Paul Cooper seconder Pete Melanson) **Motion: that the tabled motion be lifted from the table so that it can be discussed.**

John Cooke / Marion Staples- Carried

Discussion: In Planning committee report below, a discussion was held surrounding the intent of this motion.

5. Correspondence

None

6. New Business

2021 Financial Review Team Report – Gord Walkling and Laura Black

It is the opinion of the reviewers that the bookkeeping and other financial procedures carried out by the Financial Team at Grace United Church in 2021 were appropriate and were being complied with. It is our opinion that there are reasonable safeguards in place in order to minimize the risk of significant error or fraud. The members of the Finance committee and Office Administrator who are directly involved with the routine activities and management of the system are commended for their excellent work.

Recommendations submitted to Council by Financial Review Team:

Recommendation 1: Approved Policy Statements for Special funds

The contents of Appendix 2 of the Grace Constitution include policy statements for a number of the Special Funds, sometimes referred to as the Segregated Funds. There are also quite a few special funds that do not have a policy document in this collection. It is important to create policy documents so that the purpose and parameters defining each fund are maintained. This results in better transparency and preserves a continuity of understanding for what the funds can and cannot be used.

The following Special Funds have approved policy statements for which the next step would be to get approval from Council, then by the Congregation, and then added to Appendix 2:

- Inspiration Fund, Ken Plumley Fund, Refugee Fund

The following Special Funds have draft policy statements that are in the process of being reviewed and then approved by the key stakeholders:

- Benevolent Fund, Youth Worship Fund, Inn of the Good Shepherd Fund

We recommend that Council expedite the remaining steps so that these documents become a part of Appendix 2.

Motion: a) Council expects all special funds to provide policy statements regarding their fund purpose, general oversight, and management of the fund to be approved by Council and updated as necessary upon Council request. b) add to the constitution document, Roles for Standing Committees to *Seek Council approval for the management practices of any fund administered by the Committee. Periodically review the management practices and recommend updates to Council according to generic standing rules for committees.*

Kirk Wilson / John Cooke - Carried

Discussion: Memorial fund policy is already in appendix 2, could be used as reference to other groups creating funds. Council can trigger a review of policy statements according to generic rules for standing committees.

Recommendation 2: Investment policy

Whereas Grace United has roughly \$180k invested that earned about 0.1% interest in 2021, and another roughly \$350k invested that earned about 0.3% interest in 2021, and whereas Grace United is looking for ways to reduce its projected 2022 deficit situation, and whereas such action is prudent and proper regardless of Grace's financial health status, and represents good stewardship of resources entrusted to its care, we recommend that an ad hoc committee be formed, representing Finance and Trustees and including any necessary additional investment-savvy individuals, to: a) create an Investment Policy for Grace United Church, and b) investigate and recommend the adoption of any suitable changes to the current investment structure of Grace's Special Funds. [A draft investment policy can be made available as an initial resource for this group's consideration.]

Motion: that Council form an ad hoc committee including representatives from Finance and Trustees to recommend an investment policy for Grace United Church.

Paul Cooper / Al Shaw – carried

Discussion: Next steps: Follow-up next meeting, how to populate the ad hoc committee. Address recommendation part b) investigate and recommend the adoption of any suitable changes to the current investment structure of Grace's Special Funds. Add to future Council agendas, reports from all existing ad hoc committees.

Recommendation 3:

Whereas the role and responsibilities of the Church Treasurer (and their assistants or associates) are critical to the life and work of the church, and are both intricate and numerous in nature, we recommend that an ad hoc group be assigned to create a Church Treasurer's Operating Manual, describing the 'what' and 'how' of the routine daily, weekly, monthly, and annual duties, carried out by the Treasurer and their assistants and associates.

Motion: refer recommendation 3 to Finance Committee for action and report back to Council with status in 9 months.

John Cooke / Kirk Wilson – carried

Recommendation 4:

Though outside the scope of this Financial Review, as a logical corollary to the last recommendation, Council may wish to consider taking steps to create similar documentation for other key roles that are assumed by volunteers, for example the Church Roll Clerk.

7. Pastoral Team Reports and Teaching**PAT'S MINISTERIAL REPORT**

- Today I finished the four-week study group with eight colleagues from across the trio-region focusing on Resonance and its practical application to congregational ministry. The conversations were rich for all and helped us to imagine paths forward for our congregations. The group has asked that we continue to meet to allow for further contextualization. This notion of resonance is convincing for those who are reading and casting forward. I look forward to similar discussion groups here at Grace upon my return from sabbatical.
- I met yesterday with a group of ministers across Sarnia who are interested in dialogue around addressing homelessness in Sarnia. The initial meeting was intended to measure support for further conversations. Kenji was also wanting to attend but was on holidays, so I will catch him up upon return and handing the baton to him as I will be away until Summer. There may be an invitation extended to Outreach and/or the larger congregation once the group gets things moving forward.
- Beginning to wrap things up before Feb 21 when I start sabbatical (returning July 4). Kenji is off this week so I'm also going solo on worship this week.

8. Key Ministry Committee Reports**Worship**

- License Renewal: Annually, the church must renew its license for the use of much of the music that is played during worship services. Since the move to on-line and streaming services, the license requirements have changed, and rates have increased due to the broader use of the music. The committee supported the renewal of the license, with a review of the average attendance, and a move to one tier lower in the fee structure.
- Committee Composition and Roles: With Val Adamson's retirement from the committee, John Baxter has volunteered to become the Council representative. Members of the committee are currently contacting members of the Grace congregation to invite them to join the committee. Finally, Val has agreed to continue to support communion preparation while a replacement for leadership role is identified.
- Music Ministry: Glenn and Beth Parsons continue to provide recorded music for Grace during our time of on-line worship. Glenn is working with the choir to prepare another anthem for the Lenten season.
Val Adamson

Christian Development

No report

Congregational Care & Growth

- Bob Newman has resigned from this committee.
- Working on a review and updating of the Wedding policy. Update to reflect that we are now an affirming congregation.
- Look at Benevolent fund and discuss a policy statement for the fund.
Bev Walkling

Outreach

- Thanks to those members of the congregation who donated food items for the Inn this month. A total of 50 pounds was taken to the Inn.
- Thanks also to those who volunteered for the Inn meal. We served 54 clients on January 26.
- Planning for 2022 soup luncheons - both virtual and hopefully live events later in the year.
Paul Cooper

Proclamation and Special Events

- Pizza kits sales went well. \$455 raised.
- Looking for new members to help spearhead special events and fundraising ideas.
- Approved the inspiration policy.
Bev Walkling

9. Governance and Support Committee Reports:**Re-opening**

- a) User Groups: Committee recommends that User Groups be permitted to restart on Feb 7/22 subject to:
- In person meetings limited to 10 max
 - Vaccination requirements remain in effect
 - Contact Tracing procedures continue as a precaution due to covid-19 risks
 - The requirements will be reviewed again on Feb 17/22
- b) Worship: The video switcher is required to facilitate in-person/online worship services. The device is out for repair and return is currently unknown.
Committee recommends that:
- Worship Services/AGM remain online only until Feb 21st at the earliest, reflecting uncertainty about the video switcher and caution due to covid-19 risks
 - Pat, CD & Worship review the previous safety plans and recommend appropriate changes when in-person worship services resume.
 - The Committee will meet again on Feb 17/22 to review the status and, if possible, consider restarting in-person/online worship services after Feb 21.
- Marion Staples

Motion: that Council approve the Safety Plan that was circulated with the agenda, subject to revision to address washroom access for user groups in the Chapel (Safety Plan Rev. 11).

John Cooke / Marion Staples - Carried

Discussion: **Many thanks to Lori Armstrong** for all her work on keeping the Safety Plan current, continually reviewing county and provincial guidelines.

Planning

- a) Constitution Update
- Looking toward approval of constitution at the annual meeting Feb. 20. On Feb. 4 email "blast" 2 constitution documents will be circulated to the congregation, one track changes and one "clean".
- Motion: that Council Issue a notice of motion to amend the Constitution at the annual meeting on Feb. 20, 2022, accepting the revisions in Grace United Church Constitution Revision 8.1, dated February 3, 2022, as circulated with the 2021 Annual Report.**
- Jim Wicks / Kirk Wilson - Carried**

- b) At January 2021 Council meeting, Paul Cooper brought forward a motion to address the deficit prediction for 2022 and beyond. The motion was tabled until February meeting. John Cooke, Paul Cooper, and Jim Wicks met to address what to bring to February Council meeting to address tabled motion.

This report is the result of those discussions.

Current Financial Situation and Case for Action

- Financials for 2021 ended up with a balanced budget and no deficit.
- Congregational givings were, once again, very generous despite COVID, but the 2021 budget balance was primarily achieved by two one-of incomes:
 1. COVID grant from the Canadian Government
 2. North parking lot rentals
- The 2022 budget, if approved, will result in a 43.9 k\$ deficit
- It is assumed that the deficit will occur in 2022 and 2023 unless:
 1. Income increases ... or
 2. Cost reduces ... or
 3. A combination of both
- This situation must be addressed in early 2022

INCOME	ACTUALS								
	2015	2016	2017	2018	2019	2020	2021	2022 Budget	% of Income
Givings and M&S Total	394.0	322.7	369.0	384.3	357.6	336.1	344.1	357.6	91.76%
Rental Total	13.9	13.0	18.6	19.1	21.7	13.1	22.5	25.0	6.41%
Other Income Total	14.5	13.2	12.1	11.7	10.5	4.3	25.8	7.1	1.82%
Grand Total - INCOME	422.4	348.9	399.7	415.1	389.8	353.5	392.4	389.7	
COSTS	ACTUALS								
	2015	2016	2017	2018	2019	2020	2021	2022 Budget	% of Cost
Ministry and Personnel Total	322.0	300.1	300.9	315.3	297.4	247.2	306.2	335.0	77.25%
Trustees and Property Total	38.0	41.4	42.0	39.5	39.3	36.6	33.7	40.9	9.42%
Mission and Service Total	29.8	29.6	27.8	27.3	27.4	25.4	25.0	25.8	5.95%
Regional Assessment Total	13.4	13.4	14.0	13.4	15.0	14.7	14.7	16.5	3.80%
Committee Total	13.9	15.7	15.5	15.3	16.1	12.9	12.9	15.5	3.57%
Grand Total - COSTS	417.1	400.2	400.2	410.8	395.2	336.8	392.5	433.7	
(Income - Cost)	5.3	-51.3	-0.5	4.3	-5.4	16.7	-0.1	-43.9	
(Income - Cost) - % of Income	1.3%	-14.7%	-0.1%	1.0%	-1.4%	4.7%	0.0%	-11.3%	

Proposed Approach to Address Predicted Deficit in 2022 and Beyond

- Challenge is to deal with the current deficit without losing sight of the longer term vision of the church
- To address this, two distinct, but related, efforts were identified
 1. Short term deficit reduction for 2022 and 2023
 2. Long term re-imagining of Grace Church

1. Short-term Deficit Reduction for 2022 and 2023

- Will be worked by an ad-hoc committee of Council with some urgency through 2022
- Will define parameters to manage "discretionary" expenditures in the short term
- Will clarify approach should reserve funds be insufficient
- Will include identifying significant opportunities for additional income and cost reduction
- Will define and communicate to Council clear objectives and timelines and report progress monthly in 2022

2. Long-term Re-imagining of Grace Church

- Will be worked by the Planning Committee as their primary mandate in parallel with the short-term initiative
- Will use of the HALO project input/data plus incorporating the outcome of the three year Resonance effort
- WILL REQUIRE and utilize significant input from the younger demographic of the church

- Will consider use of Legacy Fund to fund identified expenditures in items like, but not limited to, facilities or equipment for our new future
- Will examine the future expected givings given the realities of the current and future demographics
- Will be expected to last well into 2023 and beyond to ensure ongoing efforts from the Resonance effort are considered and there is sufficient time to engage the congregation as a whole

Request to Council

- Support the Planning Committee’s two-pronged approach to deal with projected deficit
 1. Short Term Deficit Reduction Committee for 2022 and 2023
 2. Planning Committee continue visioning effort for the long term
- Support the striking of an ad hoc “Short Term Deficit Reduction Committee”
- Define the ownership and the expected timelines for the Short Term Deficit Reduction Committee
- Support the Planning Committee’s planned approach to the longer-term re-imagining of the future of Grace United Church

Motion: That council establish an ad hoc committee STINC* with representatives from Finance, Trustees, Planning and Council Executive and power to add congregation members.

***Suggested name for this ad hoc committee STINC (STINC = Short-term Income Negotiation Committee)**

John Cooke / Marion Staples – carried

Discussion:

Members of ad hoc committee: Finance, Trustees, council executive, Planning representatives should sit on the committee. Open to all members of the congregation if they are interested in participating in this effort.

Planning should not be the driver of the ad hoc committee; Planning should maintain a long-term focus.

Annual meeting, when Paul presents to 2022 budget, he will present the deficit and that council has struck this ad hoc committee. Invite members of congregation to join the ad hoc committee.

Paul Cooper / Pete Melanson – agreed to withdraw the motion from the January 12, 2022, council meeting that “Council to support activities throughout 2022 to achieve a balanced budget in 2023”.

Finance report from Paul Cooper

GRACE FUNDS SUMMARY – 2021 (Rev 0)

FUND	Jan 01, 2021	Dec 31, 2021	2021 Fund Activity		MAJOR ITEMS
			IN	OUT	
					Greater than \$1000
Reserve	77,477	77,661	60,260 60,075		CEBA grant
Legacy Fund	376,482	365,342	970 12,112		Chapel Roof
L4L	11,430	11,680	250 0		Awaiting school restart
Youth Worship	4,192	4,180	0 12		
Communications Initiative Fund	18,280	9,882	14,450 22,948		Streaming Facilities
Youth Initiatives	3,274	3,335	200 138		
Affirming Committee	147	147	0 0		

Inn of the Good Shepherd	2,172	1,464	3,025 3,733		Donations in/to Inn
Benevolent Fund	1,037	1,447	1,475 1,065		
Memorial Fund	16,637	10,308	1,040 7,368		Streaming Facilities
Canada Day Fund	0	800	1,800 1,000		
Capital Replacement	11,242	6,769	6,296	10,769	Security upgrade, Soffit repairs, Stove fire system upgrade
Ken Plumley	2,851	3,451	1,600	1,000	2 Plumley scholarships
Inspiration	15,926	8,726	0	7,200	Streaming Facilities
Lay Leadership Development	7,001	7,001	0	0	
TOTALS	548,335	512,193	91,366 127,420		
Refugee Committee* (for LRC)	54,454	51,400	14,774 17,828		Rent, Utilities, Expenses
Sarnia Community Foundation	52,000	54,000	2000	0	See Finance Report

Nominating Committee

Full slate of council executive members are nominated for Council 2022.
Kirk Wilson

Communications

No report

Property

1. Tree trimming project completed January 24 and February 1, 2022.
2. Curtis is painting the 4 washrooms (~50% completed)
3. Reviewing Narthex lighting as the fixtures are in poor condition
4. We continue to seek another member for the committee

John Cooke

Trustees

No report

Ministry & Personnel

No report

AOTS

No report.

Region updates

No report.

Concluding remarks

Annual Meeting, looking for secretary to fill the role to record the minutes.

Many thanks to Kirk Wilson and Val Adamson for bringing your experience and wisdom to Council.

Thanks to Regan for solid leadership on council. Deepest appreciations to all members who serve on Council.

Welcome to Al Shaw as incoming chair.

10. Adjournment, Meeting closed at 8:55 pm

11. Closing Prayer lead by Pat Morrison

Next regular meeting: March 2, 2022. 7 pm

2022 Devotion Responsibility:

JANUARY –CC&G
FEBRUARY –AOTS
MARCH – Property
APRIL – Planning
MAY – Trustees
JUNE – Worship
JULY - na
AUGUST - na
SEPTEMBER – na
OCTOBER – Finance

2022 Sunday Lock-up Responsibility:

JANUARY – Worship
FEBRUARY – CD
MARCH – CC&G
APRIL – AOTS
MAY – Communications
JUNE – Finance
JULY – Outreach
AUGUST – M&P
SEPTEMBER – Property
OCTOBER – Planning

NOVEMBER – Outreach
DECEMBER – M&P

NOVEMBER – Trustees
DECEMBER – Worship

Regan Pfaff-MacDonald, Council Chair

Cecily Chiles, Acting Council Secretary
