

St. Basil's Church
Finance Council Meeting
January 23, 2018

Those Present:

Fr. James Raphel
Peter Charbonneau
Michelle Gleeson
Elizabeth Elliot
Mary-Lou Daze Hakansson
Jim Shields
Qing Yang
Jason Fekete
Rod Noakes

1) The meeting started at 7:00 pm.

Michelle Gleeson was introduced as the new chair of the Finance Council. Peter Charbonneau as past chair will continue on Finance Council with his previous work of preparing and presenting comments on the Financial Reports of the parish. Peter will also continue as the chairman of the St. Basil's Renovation Committee. Michelle thanked Peter for his extensive past and current contributions.

2) The minutes of the December 14th Finance Committee meeting had been approved by e mail and have been posted to the parish web site.

3) Review/Update on action items from previous meeting

3a) Recovery of Al-Dabie Rent Deposit

The rent tribunal has found that the refund of the security deposit should be made to the parish. The amount is \$1442.20.

4) Standing Agenda Items

4a) Financial 2017 Year-End Situation

The results from 2017 are significantly behind those of 2016 with an operating deficit of \$10,000, collection revenues being down about \$6000.

Although collections of \$ 206,000 compare unfavourably with a previous average of \$220,000 during the 3 previous years, over \$100,000 was raised during each of the past two years for the Restored Foundations of the Future of St. Basil's.

During 2017 \$65,000 was spent on various projects on which HST was paid. \$2500 of this HST was not recoverable. As a result of the denial of an exemption of

Diocesan Taxes for monies raised for the Restored Foundations an additional \$24,000 was paid to the Diocese in December.

As a result of the age of the boiler and some ruptures of the heating pipes in December an RFP (Request for Proposal) is being prepared for a new heating system. With a surplus of \$22,000 in the Restored Foundations Campaign and existing reserves there is about \$75,000, which it is hoped will cover the cost.

Balance Sheet

St. Basil's currently has a surplus of \$851, 000. With reallocation the surplus is close to \$925, 000.

Collections from the capital campaign total \$104,300 with \$90,500 in exempt Projects Revenue and \$13, 800 in Building Fund Revenue.

Capital Project Summary

Capital costs for the year are \$65,000 including \$40,000 for replacement of roof membranes, \$7000 for other roof related repairs, \$1640 for electrical engineering, and \$17,000 in costs for December (all bills to follow when available).

The members of the council further discussed the minutiae of the comments to the financial data supplied by Peter.

Peter will make a presentation on the budget year-end to parishioners at the masses this weekend.

4b Final 2018 Budget Approval

Information was received from the Diocese regarding the salary increases for diocesan employees to give some guideline as to what the parish employees (the pastor, administrative staff and janitorial staff) should receive.

Parish Council Chair Ellis Lynn concurred with Elizabeth asking the individual ministries to report their expenses.

The diocesan tax will be in the area of \$30,000.

There is about \$3500 HST on operating expenses and \$3500 on the bell tower and electrical work.

Parishioners will be requested to consider their contributions to the church are made when they go on vacation and to ask parishioners to donate \$2.00 more each week to help balance the budget.

(The proposed budget was later approved in camera pending discussion of staff salary increases.)

4c) Property Report

1 – College of Consultors . By letter dated Dec 21,2017, the College denied St. Basil’s requests for a tax exemption for the upgrading of the exit and emergency lighting, replacement of the beam in the rectory on the grounds that they were not capital repairs. The diocese is setting up a meeting with us to discuss the process.

2 – Bell Tower – The rust proof painting of the steel frame and re-welding has been completed. The installation of the exterior boarding has been started. The completion date is set for the end of January.

3 – Roof Membrane – This was an emergency repair completed in the spring of 2017.

4 – Boiler/Heating System – Due to the age of the boiler investigations have started to find a replacement. Some of the heating pipes that are encased in concrete are leaking. The experts advise that it would be extremely expensive to dig them out and repair them. As a result we are preparing an RFP for a new heating system.

5- Rectory Beam Replacement – Qing prepare a new design and the work was performed in December. It was completed at a cost of \$3,000.00

6- Snow Roof Protection – This was built and installed in December at a cost of \$1265.00.

7- Electrical and drywall repair behind the altar. The electrical work and drywall repair including painting was completed in January 2018. The new floor is being installed in February.

8 – Panel and Feeder Upgrades. This work is about 50% completed. Upon completion our electrical engineer will inspect it.

9 – Further Electrical Upgrades. This work includes bringing up to code the emergency and exit lighting, replacing the wiring and installing LED lighting. It will not be started until number 8 is completed.

4.d Capital Fund Raising Project

The fundraising goal of \$470,000 has been surpassed to a total of almost \$530,000.

Two major construction projects are underway; the electrical and the bell tower repairs and the remainder of the projects have been approved by the Archdiocese (some pending cost quotations).

Two issues have been unanticipated HST costs of \$11,000 and a denial of diocesan tax exemptions resulting in a liability of \$25,000.

This has resulted in an increase of the original estimate to \$506,000.

Funds of \$75,000 from the existing reserve for boiler replacement and the surplus funds from the campaign will be available to replace the heating system. The amount required will be determined after investigation of the costs.

4.e. Governance Review of Protocols 2,3, and 16.

Protocol 2 Financial Council- in accordance

Protocol 3 Bank Accounts – in accordance

Protocol 16 Fund Raising- in accordance

4.f. Update on Refugee Sponsorship Programme

The family being sponsored by St. Basil's will not be arriving until the summer of this year or thereafter. In view of this there is not action to be taken at this time.

5. New Agenda Items

Discussion of Finance Council vis a vis Imagine St. Basil's

In accordance with the report recommending cross-communication, Imagine St. Basil's Finance Council has had a member of Pastoral Council attend Finance Meetings. Currently the Chair of Pastoral Council attends. Pastoral Council will provide an agenda and meeting dates to Finance Council so that the Chair can attend.

RFPs and other work solicitations made by the Premises Committee reflect the requirement of Imagine St. Basil's for a green church.

6. In Camera Session

It was decided that any staff pay level increase should reflect the diocesan guidelines. This outstanding item was discussed and the budget for 2018 was approved as a final item in view of this decision.

The meeting ended at 9:15 p.m.

Next meetings are:

Monday February 26 at 7:00 p.m;

Tuesday April 24 at 7:00 p.m and

Tuesday June 19 at 6:00 p.m.(joint meeting with Pastoral Council).