

St. Hilda's Anglican Church
Information for Special Vestry Meeting on October 15, 2017

Objective: To obtain proper authorization to use parish funds to finance the first stage of the sanctuary repairs.

Background Information:

St. Hilda's Property Fund is an amalgamated fund of a number of former reserved funds. At the 2013 Vestry Meeting, the Building Fund, Capital Fund, and New Hall Fund were merged to become the Property Fund. At the time of amalgamation, it was decided that the balance of the funds given for a new Parish Hall (\$15,438) will continue to be tracked as an internally restricted amount within the Property Fund until such time when Vestry decided otherwise.

As of September 30, 2017, the Property Fund has a balance of \$72,848. Of this total fund balance, \$33,647 was non-cash capitalized cost of past building and equipment improvements. This leaves \$ 39,201 available for building remediation.

Church Committee is asking the Vestry to remove the restriction on the \$15,438 raised for the building of a new Parish Hall so that the whole Property Fund, net of non-cash capitalized cost, may be available for building remediation of the sanctuary.

Motion 1: To remove the restriction on \$15,438 in the Property Fund, originally raised for the building of a new Parish Hall.

Church Committee is also seeking permission from the Vestry to borrow from St. Hilda's Development Fund to pay for Stage 1 of the remediation of the sanctuary. The Development Fund was set up at the 2013 Vestry Meeting as an endowment fund to receive any unrestricted bequests given to the Parish. The Parish uses the income earned to

- i) provide seed money for new ministries, and
- ii) to reduce year-end operating deficit if there is one.

As of September 30, 2017, the fund balance was \$166,871 before the accrual of income earned in 2017 (which will be calculated at the year end). The pros and cons of borrowing money from the Development Fund are:

Pros: Immediate access of funds to expedite the stabilization of the the sanctuary at a low cost

Cons: Borrowing from the Development Fund will significantly reduce investment income that could be used to fund new ministries or to reduce a year-end operation deficit (\$3,692 used in 2015, and \$6,588 in 2016). To repay the Development Fund in the future, St. Hilda's will launch a capital campaign to fund the restoration of our sanctuary in 2018.

Motion 2: To allow Church Committee to borrow from the Development Fund up to \$150,000 with simple interest at prime to pay for the first stage of the remediation of the sanctuary.

Update from Bruce Morris, Project Manager:

The Building Committee had hoped to have some fairly definite alternatives, together with indications of cost, ready for our vestry meeting. The consultants are still considering how best to achieve remediation of the building, in light of our desire to enhance the stability and to maintain the architectural beauty of the sanctuary. They are not ready yet to present us with structural plans and therefore the costing of each alternative.

When a plan of approach for remediation is available, we will hold an information gathering at a later date to explain the alternatives to the congregation, along with the various costs associated with each option.

From the Wardens, the Treasurer, and the Rector:

Because the presentation of the structural plans with cost analysis is not available at this time, we decided to **change our plan to have a shorter Special Vestry Meeting (15-20 minutes)** this Sunday to discuss and vote on the two financial motions. There will be coffee and tea following the 10 am service but **no lunch will be provided.**

For **parishioners** attending the **10 am service**, please arrive early at church to register and sign in for the Special Vestry Meeting in the breezeway **before** worship. At the end of the service, you may pick up your refreshments in the kitchen and return to your seat for the vestry meeting.

For **parishioners** attending the **8 am service**, please return to the church at 11:30 am. Register and sign in for the meeting in the breezeway and find a seat in the Parish Hall.