Parish of Central Saanich Council Minutes – September 22, 2020
7:00 p.m. by Zoom

Follow-up Action Items arising from the meeting:

Name	Action Item	Target Date	Priority
Wardens	Strategize about AGM & Communications		
Council	Visioning and develop teams from the congregation		
	Look at getting ZOOM into the hands of parishioners		
	Succession Planning for vacancies prior to AGM		
	Brainstorm about what the AGM might/might not look like		

Participants: The Rev. Lon Towstego, Chair; The Rev. Matt Humphrey; Derek Osman; Lynda Clifford; Greg Robinson; Ian Stuart; Deb Butler; Terry Hartley; Karen McColm; Ken Pedlow; Don Wilson; Leslie Pedlow (Recording Secretary)

Regrets: Sandra Scarth, David Stewart

I **Open meeting with Prayer** – The meeting was called to order at 7:04 p.m. and Rev. Matt opened the meeting with Prayer.

II **Agenda:** Lon asked if there were any changes or additions to the Agenda. None were requested so the meeting proceeded.

III **Minutes:**
Council Meeting – June 16, 2020 – The Minutes were adopted by Electronic Vote

V **Reports**

1. Rector – Before speaking to his written report, Rev. Lon spoke to the sadness that the live stream of the Ordination had no audio. Lon assured the Council that it was a wonderful service and he thanked Brett for guiding those gathered at St. Mary's through what was occurring. Rev. Matt expressed his gratitude to the Parish for their ongoing support and acknowledged that the occasion was both heartwarming and bittersweet.
   Further to his written report, Lon also indicated that we must be prepared for whatever comes with regard to COVID-19 which could include the possibility of future closures. He asked if there were any questions. Derek acknowledged that he found the list of initiatives listed in the report somewhat overwhelming and wondered what time frame was being suggested? Do we have enough resources? Lon acknowledged the reality of Derek's comments. However, he clarified that he hoped that we would look at this as a brain-storming opportunity and challenged everyone to think about that as we will continue under COVID. Lon suggested that perhaps teams were needed. Lon asked that Visioning and Teams be placed into an action plan in the Minutes, as well as enhancing

parishioners use of ZOOM and brainstorm what the AGM might or might not look like.
Lon also thanked everyone for walking with him through the Episcopal Election.

2. Wardens:
St. Mary - Derek presented the St. Mary report. He indicated that the kitchen renovation should be completed around October 20th. He clarified his written comments regarding grants for computer upgrades from the Diocese. This is not an outright grant. The program is a cost-sharing initiative for up to $500. Derek drew attention to the concern about loss of funds from our Thrift Shop and Holly Fair events. Derek asked Leslie to briefly outline her plan to address the shortfall of Holly Fair monies which she did. Derek thanked Leslie for her creativity and for getting the discussion about deficit elimination started. He called for any questions. Greg inquired about the fundraising limit on the Thrifty Smile cards. He was advised that these were individual to each church based on the justification for the project that they had applied for and was usually based on whether or not they had reached their target in previous years. Finally, Derek volunteered that the revenue from facilities donations is unlikely to increase as Tai Chi for example is unlikely to return before year-end.

St. Stephen - Lynda presented the St. Stephen report and asked if there were any questions. Lynda added that so far the Preschool seems to be going well. Lon asked Don how the garlic sales went and Don reported that they went well and indicated that he would be at St. Stephen's again on Sunday, September 27th as well as at St. Mary's. Leslie indicated she would refresh the "Pre-Order" email blast and send it out.

It was **Moved** by Ian Stuart, **Seconded** by Lynda Clifford that the non-financial reports be received. **CARRIED**.

3. Financials:

a) Treasurer's Report – Derek gave highlights from his Treasurer's Report. He also acknowledged with thanks, the efforts of the Diocese on Wage Subsidies and the work that they are still doing in an effort to receive additional subsidy. Derek hopes Council is pleased with the impressive work that has been undertaken for both churches and the whole Parish in completing outlooks to year end. He thanked Leslie Pedlow and the St. Mary Operations Committee and Lynda Clifford for their work. Derek also indicated that the Outlook shows an overall projected parish deficit of $33,000. Council will need to discuss how we deal with a Parish Appeal to alleviate the deficit or separate church appeals coordinated with the clergy sermons on stewardship. There were no questions.

b) St. Mary Statements to August 31, 2020 – Derek drew attention to the Budget Review (page 8) of the package. The statement reflects only one

Thrift sale and nothing for the Holly Fair. Derek expressed an interesting observation that the amount budgeted for Holly Fair ($9,500) is about equal to the amount of the operating deficit to the end of August (-$9,555)

It was **Moved** by Derek Osman, **Seconded** by Ken Pedlow that the St. Mary Financial package to August 31, 2020 be adopted as presented. **CARRIED**.

c) St. Stephen Statements to August 31, 2020 - Derek, on behalf of Lynda presented the financial package. He drew attention to the Budget Review (page 6) which highlights the challenges. Any incomes less than 66.6% are in the danger zone. The current forecast indicates a year-end deficit of $22,000. This situation needs to be managed. It should be noted that the parish has not undertaken any staff layoffs during the COVID-19 period.

It was **Moved** by Derek Osman, **Seconded** by Greg Robinson that the St. Stephen Financial package to August 31, 2020 be adopted as presented. **CARRIED**.

d) Outlooks:

a) St. Mary – Derek again thanked Leslie and St. Mary's Operations Committee for their work in preparing and reviewing the budget outlook. He drew attention to the Executive Summary which notes the positive fact that there will be some Wage Subsidy forthcoming, we are still projecting a $9,500 deficit at year-end. There will still likely be a need for a Deficit Elimination campaign depending on the results of the Holly Fair appeal. He reaffirmed that we will have to factor in COVID as we look into 2021. Derek drew attention to page 5 of 5 and explained the set up of the spreadsheet. He called for any questions. Greg asked if we had just extrapolated the monthly figures and carried them through. Derek advised that we were far more careful in our methodology, taking past and present trends into consideration. Lon advised that both he and Matt were ready and willing to deal with Stewardship. Derek suggested that we need to use the Outlook in a creative way to communicate with the congregation.

b) St. Stephen – Again Derek highlighted the Executive Summary, especially with regard to impacts. The same methodology was used to prepare the forecast as was used at St. Mary. Even with wage subsidy and taking into account the Deficit Reserve Funds, there is still a projected deficit of $24,000. It is very clear that an appeal must be undertaken. Derek called for questions. Again Lon reiterated that from a clergy perspective, money is a spiritual issue. We mustn't be shy to talk about it.

c) Parish – Derek drew attention to the combined parish projection to

December 31, 2020 and gave a very quick run through of the figures which culminate in a projected parish deficit of $33,500. Overall he felt that this was a worthwhile exercise.

d) Mitigation Options: Deficit Elimination during these times – Derek asked how we were going to approach the process for Deficit Elimination Appeal – individual or combined. Either way, timing needed to be coordinated with messages from the pulpit. Ken congratulated Derek on putting together the whole parish picture. It is the first time in his memory that we have seen such a clear and coordinated view. Karen echoed Ken's comments but emphasized that we need to be careful not to leave the impression that this is an attempt to combine bank accounts. She felt individual but coordinated campaigns would be best. Derek was supportive of that but that timing was important. The Executive will look to coordinate the work and dates.
Ken emphasized that, under the circumstances of COVID-19 we really haven't done too badly. Derek noted that (re page 3 of St. Mary Aug. 31 Financial package) Total Offerings are 10% more than the same period last year!
Lon and Matt will look at the Anglican Church of Canada Stewardship material together and look at the readings that are set. They might need to be changed.
Lynda spoke with Sandra and she is willing to be the spokesperson for St. Stephen.
There was no motion on the Forecasts presented as it was deemed to be informational.

e) St. Stephen Cemetery Financial Reports to August 31, 2020 – The statements were presented to Council for information only.

It was **Moved** by Derek Osman, **Seconded** by Lynda Clifford that St. Stephen Cemetery Financial Statements to August 31, 2020 be received as presented. **CARRIED**.

Karen inquired about the $100 Reconciliation on the Profit and Loss statement. Derek indicated that he would research and discuss with her off line.

The Report on Revenue Sharing between the Cemetery and the Church was presented for information only and will be refined as time goes on.

VI New Business

a) Liaising with United Church Neighbours – Lon reported that he had an outdoor coffee meeting with Robert Gilbert, the new minister at Central Saanich United Church (Shady Creek). There was a consensus that both churches shared many issues. Robert indicated they would like to have a meeting with APCS leadership team and the United Church contemporaries. Lon emphasized that this was just a relationship building time. Matt may come along side. There were no comments.

b) Our Revised Vision under COVID-19 – This was discussed somewhat under the Rector's report. Lon is open to suggestions of how to proceed and the process. Ken said we have already been quite visionary in our adaptability throughout the pandemic. This is how we must continue to be going forward.

c) Succession Planning – Derek emphasized his passion for succession planning and spoke of the years of service that many of our leadership team have under their belts. This must be more than a quick thought in the lead up to an AGM. It was agreed that we need to revisit the "red binder" that was provided by Derek that included job descriptions and suggestions for people to fill positions. The Succession Planning Team needs to be reactivated! Council agreed that this was IMPORTANT!

Ken Pedlow made a motion to adjourn at 8:59 p.m.

VII **Next Meeting** – Tuesday, October 20 at 7:00pm via ZOOM

VIII **Closing with the Grace** We said the Grace together.

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Lon Towstego, Chair

Parish of Central Saanich Council Agenda – September 22, 2020
7:00 p.m. via Zoom

Regrets: David Stewart

I **Open meeting with Prayer**

II **Agenda:** Any changes?

III **Minutes:**
Council Meeting – June 16, 2020 – Minutes adopted by Electronic Vote

IV **Reports:**

1. Rector

2. Wardens - Derek/Ian
   - Lynda/Greg

3. Financials:

   a) Treasurer's Report

   b) St. Mary Statements to August 31, 2020 – Derek

   ✓ *Motion to adopt*

   c) St. Stephen Statements to August 31, 2020 - Lynda

   ✓ *Motion to adopt*

   d) Outlooks:
      a. St. Mary
      b. St. Stephen
      c. Parish
      d. Mitigation Options: Deficit Elimination during these times

   e) St. Stephen Cemetery Statements to August 31, 2020 - Derek

V **New Business:**

a) Liaising with United Church Neighbours - Lon
b) Our revised Vision under COVID-19
c) Succession Planning

VI **Next Meeting** – October 20, 2020

VII **Closing with Prayer and Grace**

Rector's Report to Leadership Team, for September 22, 2020

Multi level thinking and Visioning!

"In the midst of crises and tempests, the Lord calls to us and invites us to reawaken and activate this solidarity capable of giving solidity, support and meaning to these hours in which everything seems to be wrecked. May the creativity of the Holy Spirit encourage us to generate new forms of familiar hospitality, fruitful fraternity and universal solidarity." *Pope Francis*

Greetings to you, our Parish Leadership Team. Thank-you for all that you have each done and for your prayers as we have walked together the journey of 2020.

When I use the term, Multi-level thinking it is to challenge us even beyond critical thinking, the discipline or style or holding two quite different ideas or concepts equally and be able to argue within ourselves and respectfully with others either side of the conversation. Personal bias is always present and yet if we name that and act accordingly, we can still hear both sides of the conversation.

Multi-level thinking moves us from the “either or” thinking to considering multiple possibilities and holding them in equal tension and yet exploring and talking freely on these options and priorities without being stuck in one place and to keep us from dismissing out of hand some possibility. Some might call it “Brainstorming”.

I see it as guideline from God as to how we are called to move forward with Visioning for 2021 and forward. As we seek God’s guidance and look and listen for what God sees us doing, I invite you to prayerfully enter into this broad thinking. Visioning will ultimately involve all parishioners yet we as leaders need to begin and ultimately guide the process. A few priorities and thoughts that I have are:

- If we begin by assuming that COVID-19 is with us for all of 2021. We can have a “Plan B” and or “Plan C” in case that changes. We need the flexibility to shift priorities or emphasis as conditions change. “Blessed be the flexible for they shall not be bent out of shape.”
- Some priorities in no particular order are, **Stewardship** in all of its expressions, **Ministry with children, young people and families Christian education** for existing parishioners, **Invitational Christian Education** (ie Alpha Courses) aimed especially to people exploring questions of life and faith, **Living well in building relationships** with First Nation, Metis and Inuit Peoples in our area and wider community, **Outreach** to people marginalized though socio-economic and other factors, be deeply welcoming and inclusive, **developing and deepening technologies**, Zoom, Email, projected services and live streaming, as welll as **continuing to reach out to those without internet connection, what about holly Fairs, thrift sales and** other possibilities. These are starting points only. I know that you will have more to add. I was with a parish that through a process of visioning came up with 363 “ideas or dreams”.

  They then narrowed those down. Some were immediately attainable others were longer term wishes and dreams.

- Succession planning…per Derek's comments and others.
- Ministries like "Soups On" will either not happen or need a major re-rethink.
- We are at a vital crossroad in the future of the Christian Church. I see great opportunity and yet we need to walk carefully with full care and God's compassion for each of our parishioners, partners, and with the larger community.
- How can we be creative in terms of the process of Visioning? We in the parish have done numerous rounds of Visioning using various methodologies. How can we do this differently considering COVD-19?

"God split rocks open in the wilderness,
and gave them drink abundantly as from the deep.
16 He made streams come out of the rock,
and caused waters to flow down like rivers."

Psalm 78: 15-16

St. Mary Wardens' Report

1. **Kitchen Renovation & Hall Lighting Upgrade**
   The new lighting was installed in the kitchen courtesy of the Hall Lighting project, The cost was about $300 for the LED 4 lights that replaced the fluorescent bulb style. The lights for the Hall are on site, and installation of the special wiring is waiting for cooler weather. The cost of all the lights (including the kitchen) was $1,200, to be paid by contributions to the Thrifty's Smile Card. Thrifty's approved a grant of up to $2,500 in 2020, to be used for the lighting project. Remaining for the Lighting project is the special wiring, termination electrical boxes, and the light switches (dimmer switches for each of the 4 banks of lights), and of course the work and inspection of the electrician for any of the wiring that we may install to reduce costs. Ian Stuart is managing the Lighting project and estimates his budget to be within the $2,500 grant from Thrifty's.
   The status update and cost projection for the kitchen renovation is included in the minutes of the Sept. 3 meeting of the Committee, the minutes having also been adopted. The countertops are to be installed by October 20.

2. **Outlooks & Mitigation**
   In conjunction with preparing the July Outlook for St. Mary, the similar exercise was completed for St. Stephen. With this work in progress, the consolidated projection for the Parish was also done to get a perspective on the financial health of the parish.
   For St. Mary, one area of focus will need to be when and how will we successfully deliver the Deficit Elimination Appeal? What will be our target? Should we combine forces with St. Stephen? Who should we invite to be our spokesperson/spokespeople?

3. **Computer Issues:**
   a. Office 365: St. Mary, St. Stephen, and St. Stephen Cemetery were upgraded to Office 365 over the summer. However, It was announced last week that one aspect of the upgrade is no longer available and has been WITHDRAWN from the market. Another long night was spent making the necessary changes for each user to accommodate Microsoft's change. They now have a new option which needs some study time before committing another "night shift" to implement.
   b. Hardware upgrades: Apparently the tower computer in Lon's office needs to be replaced – it can run only Windows 7 (yes, not even Windows 10). Ian had an opportunity to purchase a low-cost option, but resources and priorities did not coincide with availability of passwords, etc. In any event, if any one is interested in purchasing Lenovo hardware (PC's laptops, etc.) at discounted prices, and are willing to deal directly with Lenovo, be aware that I have purchased a 1-year membership via TechSoup to purchase this hardware at discounted prices. When I have the catalogue in a week

or so, I will see how good of a deal it is for a new computer for Lon. St. Stephen also want a laptop, and the Cemetery is in need of a new tower computer.

4. **What About Next "Year?**
   Now is also the time to begin thinking about next year – the Budget will certainly be the focus for our next meeting. But we need also to be thinking about Succession Planning, including the composition of the Operations Committee, and representation on other committees and Council.
   Further, I think that we should challenge ourselves to review our Vision, and update it with what we think the impact will be from the continuous influence and presence of the COVID-19 upon us, our parishioners, and our community. I do not think that this pandemic will go away on December 25!

5. **Fall Cleanup**
   Knowing how we managed to use COVID protocols as an excuse to minimalize the "Spring Clean-up" around the church yard and building, I think we ought to try to be a bit more assertive with the Fall Cleanup. If we can get Ian out helping, we can also look to him when someone says that we are violating protocols – like, what are they!! John and Carl kept the lawn looking fantastic all summer, and how do we know? Because we saw them! So, who is going to be looking on one Saturday morning on a date that Leslie can work out?

6. **HOLLY FAIR & THRIFT SALE NEWS**

   The Holly Fair is the most significant revenue generator of our outreach initiatives. Our fundraising sales team met recently to discuss the viability of holding the Holly Fair in 2020. While it may seem too early to make that sort of decision, it was important to have a determination so that we can avoid people making numerous batches of jam and other preserves this summer that we would be unable to sell at the Holly Fair 2021. It is a Ministry of Health regulation that we can only sell preserves within twelve months of being dated.

   There was a quick and unanimous decision that the Holly Fair should be cancelled for 2020 for the following reasons:

   - The number of people needed to volunteer at the sale (It has taken a minimum of 40 people to service this event and if we are still limited to 50 people in a space it wouldn't be workable.)
   - The likelihood that we would be unable to sell food items which would lead to severe financial losses in the Baking & Gourmet Pantry sections
   - The direction from Parish Council that we should not approach local businesses for donations which would mean the end of our Silent Auction (meaning the loss of another stall)
   - No coffee or lunch service

- The exercise of contact tracing could be onerous.

There were several ideas of how we might reduce the financial impact of not having the sale but agreed we should wait until September.

We then broadened our discussion to other means of hosting sales or similar type events, either in person, outdoors or on-line. There was a consensus that we should not be considering any form of fundraising sale until perhaps June of 2021 unless there was a considerable change in Ministry of Health or Diocesan Guidelines.

There was some discussion about having jams or jellies for sale by donation outside in the parking lot after church on some Sundays. We will take a wait and see position.

7. FACILITIES USE

As noted in the Budget Outlook document, Covid-19 has, and will continue to have, a significant impact on donations for church and hall use. In May alone we had one wedding and three Memorial Services "postponed". All may or may not happen in 2021. It is unlikely that any concerts, like Christmas in Wales, will proceed under the current restrictions.

We have received a note from the Saanichton Village Association reaching out with regard to the cancellation of their usual winter events. They would welcome input into ways that the SVA and surrounding community could work together in order to support the Peninsula Lions Food Bank.

The contract with Tai Chi expires on December 31, 2020. We will need to be in touch with them soon to determine if they want to continue a contractual arrangement with us. These types of decisions are made for them by their head office in Toronto, adding to a delay in timing and getting on the agenda for their meetings.

The positive side is that we have been able to use the hall space to store materials until the kitchen renovation is complete and has given us a buffer in order to install the lighting in the Hall. However, we cannot really encourage Tai Chi to make a quick decision because we don't feel we are in a position to welcome them back (until the lighting project is completed). All of the work should be completed by the end of October so that we are able to approach Tai Chi from a position of strength when negotiating with them.

8. Live-Streaming

We are providing for the live streaming of Matt Humphrey to the priesthood.

St. Stephen Wardens report for September 2020

As the summer slipped away into Smokey skies and the air feels like fall, we look back on activities that we have been involved in.

Early summer found our tractor with a new operator as Diana was recuperating from her hip replacement. We have been very thankful for his help over the summer.

The Cemetery board has hired Howie Kolson as the custodian for the cemetery, he will continue doing the maintenance until the end of the year, and then he will oversee the person who takes that over, as well seeing those wishing to reserve plots and arranging the necessary at the time of burials and other associates tasks.

We have received a painting done by Harry Stanbridge who painted the screen in the hall. It will be hung in the hall, but help is needed to get that done.

When we were permitted to worship together again the team who had been doing online worship now were recording the Sunday service to be viewed online. Unfortunately recording at St. Stephen was found to be a huge challenge so all of these service came from St Mary. We were again very grateful to Ian and his team for the work they do and Ian has been the Risk Management person for the parish and spent a lot of time with us working out seating in the hall.

After we began our indoor services in mid July, we began a Meet and Greet group on Wednesday morning for an hour, alternating between the two churches, numbers changed weekly but we enjoyed chatting, sharing ideas and getting to know each other. Those who attended were thankful for the opportunity to come together. A number of people who came were folks who did not feel comfortable being inside on Sunday, so it did give them a chance to catch up,

Keeping with the outside area, Gary Stubbs has been busy, power washing the bell tower at the hall. And he has been painting too, black trim most recently and it does look great!! Many thanks Gary. A new member from the congregation is Juan, who has been with us since the early New Year. He has offered to help Garry in and around the grounds, and of course we are always happy to have more help.

The preschool has been working hard to prepare the playground for their opening at mid September. There was a lot of clean up done by parents and they took much of the garden waste away. New wood chips have been put down and it is ready for opening. They do not plan to have the drop in on Mondays as they have previously done. Most of their time will be spent outside. If you happen to be in the hall, you will see changes as they are not using much of their equipment as in the past. They will of course be using the washrooms and when the weather demands they will be inside some of the time.
Prior to their clean up, there was a need to replace fencing along the "ditch" side of the playground. It was felt that this was a safety issue and would not pass an inspection. Due to lack of maintaining the hedge, it has grown through the fence and forced the posts to give way and rot. So major repair was done and the hedge cut back, this needs to be maintained in years to come to prevent a similar thing happening. In preparation for this work we had a discussion with the property owner on the other side of the hedge, and he offered some suggestions for the area beyond the playground. With further discussions with Don, Howie, and Peter, we hope to possibly do some more clean up of brush and create an area that will be able to be cut by the tractor along with other areas. Possibly working on this when there is a need for a machine to be used in the Pet Memorial pathway area, and hoping we might get some volunteer work done too. There will be a cost to this, however we need to take care of the property we have been entrusted with. The blackberry's are great but they grow and take over very quickly!!

The fall brings Ordination and we plan to view together at St Mary on Sept 20th. We also plan to come together for Communion on Saturday the 26th Synod at St Stephen and then back to St Mary for the election later in the morning. Knowing that we can not all join at the cathedral it seemed a way to show our support to Matt and Gail at their ordination and for all candidates and the diocese at the Synod.

Derek has been working with Bob throughout the summer on financials and computer changes. He has also been working to help us see how our finances have been affected by COVID closures.

We have become very close to our maximum attendees on Sundays!
We have welcomed visitors from other parishes and some new people having recently moved into the area.

Charlotte and Bob have resigned from the veggie garden plots.

Garlic is now for sale!! Proceeds are to support Uganda Missions.

Respectfully Lynda and Greg

Parish Treasurer's Report September 2020

1. **Impact of COVID-19 upon Financial Obligations:**

   To assist the Diocese in applying for some financial relief from the Federal Government, parishes were requested to provide the financial impact comparison of 2019 to 2020, for each month of the Wage Subsidy program. We have continued to provide Balance Sheet and Profit & Loss summary and detailed information to the Diocese by the fifteenth of each month, for both churches and for the Cemetery.

   We received the initial award from the Wage Subsidy program
   It was quite significant for both churches, being a total of $17,491 for the Parish at the end of months May and June. Despite several revisions to the way the grants were calculated, Gail Gauthier is of the opinion (as of August 6) that the program "has been extended 6 more periods with a new calculation method. Instead of "all or nothing" if we don't hit a specific revenue drop, it will provide for a partial subsidy for revenue declines between 0 and 49%. I therefore expect a partial wage subsidy for periods 5-10." So, there is reason for optimism that some smaller grants may be forthcoming.

2. **Financial Outlook**

   Using the July 31 actual Profit & Loss reporting, both churches then projected their financial status by December 31. This was the first year that this exercise has been done – to the credit of Leslie Pedlow (and the Operations Committee), and Lynda Clifford. Given both churches were projecting deficits at year-end, then mitigation strategies were identified. Then a consolidate Outlook was developed, to show the financial health of the Parish. After using the outstanding balances in the deficit reserve accounts, there still remains a consolidated deficit of -$33,582.
   One of the mitigation options for each church is to run a Deficit Elimination Appeal. If this becomes the decision, then strong consideration should be given to plan for a consolidated Parish Appeal, or at least to plan for the individual church Appeals to be run at the same time. Then they could also be timed with a special sermon on stewardship and to support the special Deficit Elimination Appeals.

3. **Standardization of Chart of Accounts – Financial Systems: Bob Quicke**:

   Bob has continued to conduct a parallel test of the proposed chart of accounts for St. Stephen. He has reconciled variances between the two versions through to August. He is considering the option of running parallel until year-end and starting the new year on the new chart of accounts.

If we have another month where the two systems reconcile, the decision may be to upgrade the QuickBooks system to the 2020 version before year-end. Then, both churches will be using the same version of the software.

4. **Annual Financial Review of Systems**:

We are fortunate to have Don Wilson agree to provide the necessary oversight to conduct the annual financial review of the St. Stephen financial systems (automated and manual). He has proposed a scenario where a standardized approach is used, including some data sampling using Excel. With this approach, Don feels that more people could assist with the financial review by following the guides. This all sounds like an exciting step forward that Don will be introducing at St. Stephen – thanks Don. Don may begin his review of the system in a few weeks.

5. **Thrifty's Smile Card projects:**

St Mary accumulated $4,772 of Smile Card grant funds over two years to support the renovation of the kitchen. The countertops should be replaced by October 20, 2020 and that should conclude the kitchen renovations. Smile Card funds ae now being collected to upgrade the lighting in the Hall to LED lights that can also be dimmed.

6. **Hardware Purchases**

If you are interested in purchasing a computer, laptop, etc. then here is an option that may save you some money. We have a "Lenovo for Nonprofits – Access to Discounted Rates". You can purchase products from Lenovo with a credit card (up to 5 products per order).To browse Lenovo's catalog of discounted products, use Browse Lenovo's catalog of discounted products. Once you log in to the site, with the Lenovo account, the product will be automatically discounted. Just let me know that you are interested – I just want to hear back that you are satisfied, or not.

Respectfully,
Derek Osman

Anglican Parish of Central Saanich
St. Mary's Church St. Stephen's Church

Faith - Family - Friendship

St. Mary's Anglican Church
1973 Cultra Avenue
Saanichton, BC V8M 1L7
250-652-1611
stmarys.saanichton@shaw.ca

September 8, 2020

By Email

Attention: St. Mary's Operations Committee and Parish of Central Saanich Council

August 31, 2020 – St. Mary's, Saanichton

Attached are the financial statements as of August 31, 2020 for the St. Mary Church in the Parish of Central Saanich. This financial package for St. Mary Church includes the following financial statements:

1. **Balance Sheet:** The Assets, Liabilities, & Equity, as reported on page 3, are collectively less than for the same month last year (by a modest $2,746 or 1.5%). This is primarily because of the conclusion of the RAPID 2 Syrian Refugee accounting in 2019 – in 2019 the Rapid2 Refugee account still had a balance of $12,848 - but is zero now. The Equity positions remained relatively the same, except that at the end of August 2020, the Net Income shows an improvement of $10,418 for a surplus of $8,945[1].
2. **Profit & Loss:** Shows a deficit of -$9,555. Operations are being facilitated by the operating loan of $18,500 from the Memorial Account. However, the deficit is $10,418 (or 52.2%) less than the deficit at the end of August last year. One factor key to this improvement is the contribution from the Federal Government Wage Subsidy that the Diocese was successful in securing for us. The amount of the subsidy for June was $4,166 (for a 2-month total of $8,913). This Subsidy grant is 10.4% of the Total Income. Gail Gauthier, Finance Director of the Synod Office is optimistic that we, through the Diocese, will receive additional funding from the Federal Government but the amounts and timing of receipts are still unknown.
3. **Statement of Changes in Equity:** This report documents the revenue generated by the major interests of the church. In that context, it identifies where additional funds were generated via transfers from within the church, versus new income. It is important to track when funds have been generated from within the church (i.e. transferred) versus revenues from outside of the church. The Current Special

[1] This surplus of $8,945 was calculated including the operating loan of $18,500 as income, as per the QuickBooks system. The correct Net Income is -$9,555 as stated in the 2. Profit & Loss section.

Ministries (Events) functional area has created Net Income of $2,652, reducing the overall Net Income to -$7,746. (the Net Income for the General area was -$9,555)

The success of the Thrifty's Smile Card transferred another $2,340 towards the Kitchen Renovation program, yielding a total of $4,772. Now that the funding is in place, work on this project began in earnest in July. Thrifty's has approved up to $2,500 to be used in 2020 to upgrade the lighting in Cooper Hall.
The end-of-month Equity position was reduced to $116,537 from $123,365 at the beginning of the year. As the GIC investments are re-invested (at all-time low investment rates) only the principle was invested, with the interest earned being transferred to the Operating Account. Having to reinvest when interest rates are less than 1% is a good justification to use a "laddering strategy" to build in flexibility.

4. **Deferred Special Ministries (Memorial Account):** The Memorial Account (page 6) documents the use of funds needed to support more complex projects. The portfolio of investments ($130,000 of GIC's) are recorded within the Deferred Special Ministries. There is one GIC (with a re-investment value of $75,000) that matured in August, and with interest rates at less than 1%, the fund was divided into two units, each having a different yield and maturity date. The intention is to reinvest both at higher yields in about one year.

   There is now only 1 In-Trust Account, the **Ron Smith Legacy:** The balance remains at $5,087. This fund is to be authorized for expenditure by the Rector and Wardens to assist those living in the community in conditions similar to those that challenged Ron Smith. Clarification is being sought with the family for appropriate uses of these funds by the Rector & Wardens.

5. **Current Special Ministries (Church or Parish Events)**: Shows the financial contribution of each of the significant Parish Events. This account provides incremental funding for the General account throughout the year, but so far, there has only been one Thrift Sale. The recycle containers were taken to the redemption centre by Ken Pedlow who has taken on this special ministry. At the end of the year, a decision will be made as to how best to use the $920 contributed. There has been no activity with these initiatives since the declaration of the COVID-19 pandemic . The major Events were reviewed to ensure that they adhere to the minimum Diocesan criteria and protocol for safety and support under the COVID-19 criteria. It has been decided that these Events will be deferred for this year – a decision that will impact many parishioners, many in the community, and certainly the net income position of St. Mary by the end of the year.
6. **Budget Review:** Documents the Operating Account income and disbursements, as measured against the Budget year-to-date. There is a deficit of -$9,555.
   Revenue is at 48.4% of Budget, instead of the target of 66.7%. That percentage is inclusive of the unbudgeted $8,913 received from the Federal Government Wage Subsidy program. Regular Offerings are at $66,971 (or 63.6% of Budget). COVID has restricted the Open Offering to 8.7% of Budget, but the offerings from Easter

(and a bit of carry-over from last Christmas) is at a surprising 30.6%. **The Total Offerings are $6,560 (or 10.6%) more than for the same period last year. Expenses** are at a positive 53.8% of Budget, instead of the target of 66.7%.

7. **Concerns & Considerations:** Our guests (like Tai Chi) are slow to develop their plans to use **o**ur facilities with adherence to COVID protocols. They are not likely to return to our facilities until year-end, or perhaps later. We need to revisit our Vision and adjust it for what we think the continued impact of COVID-19 will be, and then realign our plans accordingly.

Please do not hesitate to contact me if you have any questions pertaining to these reports.

Attachments:

Respectfully,

Derek Osman
Church Warden

St. Mary Church

Balance Sheet - August 31 2020

Assets			**Liabilities & Equity**		
	2020	**2019**	**Liabilities**	**2020**	**2019**
Bank	$32,410	$17,078	Accounts Payable	$0	$0
Memorial Account Invest	$130,000	$130,704	Deferred Sp. Ministries - Memorial	$24,782	$25,887
Memorial Operating	$20,598	$37,800	Memorial - RAPID2 Refugee	$0	$12,848
			Memorial - Deficit Reserves	$4,500	$10,864
			Outreach - General Use	$1,708	$1,040
			Outreach - St. Matthews Library	$1,287	$1
Accounts Receivable (GST)	$316	$489	Current Special Ministries - CE	$7,713	$5,205
			Total Liabilities	**$39,990**	**$55,846**
			Equity		
			Retained Earnings	$8,411	$8,087
			Opening Balance Equity - General	$246	$246
			Retained Earnings - General	$3,812	$3,812
			Retained Earnings - Church Events	$6,516	$6,516
			Retained Earnings - Memorial Acct	$115,404	$113,037
			Net Income	$8,945	-$1,473
			Total Equity	**$143,334**	**$130,225**
Total Assets	**$183,324**	**$186,070**	**Total Liabilities & Equity**	**$183,324**	**$186,070**

Profit & Loss

St. Mary Profit & Loss To August 31 2020	Jan. - Aug 20	Jan. - Aug 19
Income		
4000 · INCOME - General		
4110 · Offering-Open Offering	$152	$977
4120 · Offering-Weekly	$66,971	$59,670
4130 · Offering - Festivals		
4131 · Offering -Festival-Easter	$1,290	$1,231
4133 · Offering-Festival-	$25	$0
Total 4130 · Offering - Festivals	$1,315	$1,231
Total 4100 · Offering Income	**$68,438**	**$61,878**
4300 · General Income		
4310 · General Income-	$200	$850
4320 · General Income - Specific	$480	$0
4330 · General Income-Facilities	$4,400	$8,861
4360 · General Income-	$3,163	$142
4370 · General Income - Wage	$8,913	$0
Total 4300 · General Income	**$17,156**	**$9,852**
4400 · Transfers IN-General	$0	$4,625
4440 · Transfers IN-Memorial	$18,500	$18,500
Total 4400 · Transfers IN-General	$18,500	$23,125
Total 4000 · INCOME - General	$104,094	$94,855
Less Operating Loan	-$18,500	-$18,500
Total Income	**$85,594**	**$76,355**
Expense		
5000 · EXPENDITURES - General		
5100 · Wages & Benefits - General		
5110 · Salary/Benefits - Rector	$32,326	$32,203
5120 · Salary/Benefits-Music	$7,048	$7,320
5130 · Salary/Benefits-	$17,815	$16,915
5140 · Relief Clergy	$0	$675
5150 · Relief Musician	$200	$450
Salary/Benefits - Ass't. Curate	$8,457	$0
Total 5100 · Wages & Benefits -	$65,846	$57,563
5300 · Expenditures - Admin -		
5310 - Website Maintenance	$65	$80
5320 - Postage	$92	$92
5330 · Stationery	$218	$515
5332 - Computer Expenses	$67	
5340 · Photocopier - General	$1,481	$2,414
5350 · Insurance	$3,621	$3,462
5360 · Diocesan Assessment	$13,002	$13,916
5370 - Advertising	$155	$279
Total 5300 · Expenditures - Admin -	$18,701	$20,758
5400 · Expenditures-Ministries-		
5410 · Music	$499	$814
5420 · Sanctuary	$22	$241
5430 · Christian Education	$63	$65
5440 · Conferences	$0	$255
Total 5400 · Expenditures-Ministries-	$585	$1,376
5500 · Expenditures-Maintenance-	$426	$5,320
5520 · Cleaning-General		
5521 · Cleaning-Contract	$2,275	$2,665
5522 · Cleaning-Supplies	$221	$230
5520 · Cleaning-General	$2,496	$2,895
5530 - Grounds & Equipment	$78	$145
Total - Expenditure - Maintenance - Gen.	$3,000	$8,360
5600 · Expenditures-Utilities-	$373	$458
5620 · Hydro	$4,000	$4,639
5640 · Telephone	$383	$335
5650 · Internet	$1,679	$1,511
5660 · Garbage Disposal	$230	$445
Total 5600 · Expenditures-Utilities-	$6,665	$7,388
5800 · Miscellaneous Expenses-	$70	$440
GST Paid (2.5%) Non-Refundable	$283	$444
Total 5000 · EXPENDITURES -	$95,149	$96,329
Total Expense	**$95,149**	**$96,329**
Net Income	**-$9,555**	**-$19,973**

St Mary's
Statement of Changes in Equity - August 31, 2020

	General	Deferred Special Ministries (Memorial)	Current Special Ministries (Events)	Total 2020
Equity, Beginning of Year	$3,812	$113,037	$6,516	$123,365
Income	$85,594	$1,794	$4,571	$91,959
Expenses	$95,149	$2,637	$1,919	$99,705
Net Income	-$9,555	-$843	$2,652	-$7,746
Equity, End of Month	-$5,743	$112,194	$9,168	$115,619
Transfers Year-to-Date:				
From Memorial (Jan.11)	$18,500	-$18,500		$0
Thrifty's to Kitchen Renos (Feb.27)		-$2,340		-$2,340
Thrifty's to Kitchen Renos (Feb.27)		$2,340		$2,340
Transfer from Investment Income (May 1)		$1,099		$1,099
Interest from Investments to Operating Account		-$1,099		-$1,099
Transfer from Investment Income (May 31)		$456		$456
Investment Interest to Operating		-$456		-$456
Interest from Investments to Operating Account		-$1,169		-$1,169
Interest from GIC's		-$260		-$260
Total:	**$18,500**	**-$19,929**	**$0**	-$1,429

Note1. The Operating Loan of $18,500 was removed from Income because it is a transfer to be paid back within the year.

St. Mary's
Deferred Special Ministries - Other Funds' Activity - August 31, 2020
Memorial Account

	Balance Jan 1, 2020	Revenue	Expenses	Transfers IN (OUT)	Balance Aug31, 2020
General	$25,321				
Transfer to Operating Fund (Jan 11)	$19,719			-$18,500	$1,219
Transfer from Invest. Income (May 1)				$1,099	$2,318
Transfer of Invest Interest to Operating				-$1,099	$1,219
Transfer from Invest. Income (May 3)				$456	$1,675
Transfer of Invest Interest to Operating				-$456	$1,219
Interest on Principle for GIC reinvested		$98			$1,317
Transfer interest to Operating Account				-$1,169	$148
Interest from GIC's				-$260	-$112
	$19,719	$98	$0	-$19,929	-$112
Total General:					
Deficit Elimination: Carry Fwd (2018)	$4,500				$4,500
Deposit Deficit Elimination Reserve		$0			$0
Total Deficit Eliminaton:	$4,500	$0	$0	$0	$4,500
Thrifty Foods & Fairway's	$1,852				
Receipts from Thrifty's (Jan 14)		$373			$2,225
Final Receipts from Thrifty's Grant (Feb)		$115			$2,340
Funds Transfer to Kitchen Renos				-$2,340	-$0
Deposit Thrifty's (June)		$204			$204
Deposit Thrifty's (July)		$312			$516
Deposit Thrifty's (August)		$266			$782
Total Thrifty & Fairway:	$1,852	$1,270	$0	-$2,340	$782
Bequests & Donations	$10,000				
Bequests & Donations [2]	$10,000	$0	$0	$0	$10,000
Memorial Bursary	$3,203				$3,203
Gift for 2021 recipient (F. Perkins)			-$21		-$21
2020 Bursary Award (Elsa d'Anjou)			-$1,000		-$1,000
Total Bursary:	$3,203	$0	-$1,021	$0	$2,182
Guild	$3,261				
Total Guild	$3,261	$0	$0	$0	$3,261
Kitchen Renos	$2,432				$2,432
Transfer From Thrifty's (Feb.)		$0	$0	$2,340	$4,772
Cheque to David Stewart for 2 Range Hood Fans			-$416		$4,356
Recovery (GIK) for Range Hoods		$426			$4,782
Total Kitchen Renos	$2,432	$426	-$416	$2,340	$4,782
Hall Lighting	$0				$0
Cheque to Ian Stuart for new LED lighting fixtures			-$1,200		-$1,200
Total Lighting Costs:	$0	$0	-$1,200	$0	-$1,200
Sub-Total:	$44,967	$1,794	-$2,637	-$19,929	$24,195
In-Trust Funds:					
Ron Smith Legacy [1]	$5,087				$5,087
	$5,087	$0	$0	$0	$5,087
Memorial Acct Funds Other:	-$6,500				
St.Mary's Memorial Operations					-$6,500
Total Memorial Funds Other	-$6,500	$0	$0	$0	-$6,500
Total In-Trust:	-$1,413	$0	$0	$0	-$1,413
Memorial Account Funds	$43,554	$1,794	-$2,637	-$19,929	$22,782
INVESTMENTS:					
1-5 Yr GIC Compound @1.9%	$20,000				$20,000
"Better Than Cash" @ 1.2% [2]	$10,000				$10,000
1-5 YR GIC Compd	$25,000				$25,000
"Better Than Cash" @ 0.8%	$25,000				$25,000
3YR Rising Rate GIC @ 0.8%	$50,000				$50,000
Total Investments:	$130,000	$0	$0	$0	$130,000
	$173,554	$1,794	-$2,637	-$19,929	$152,782

Note 1. Ron Smith Legacy: Discretionary funds to be authiorized for expenditure by Incumbent and Wardens to asist those living in the community in circumstances similar to those that challenged Ron Smith.

2. Are the same funds that are invested as GIC for $10,000.

St. Mary Church

Current Special Ministries (Other Funds' Activity) - August 31, 2020

Long Term Liabilities: Parish Events Fund

	Balance Jan 1.	Revenue	Expenses	Transfers IN (OUT)	Balance August 31
Altar	$1,495	$0	-$491	$0	$1,004
Flower	$1,768	$352	-$84		$2,035
Holly Fair	$1,517	$391			$1,908
General	$6	$12	$0	$0	$18
Parish Sale	$134	$2,075	-$727		$1,482
Social	$142	$821	-$616	$0	$346
Recycle Refunds	$0	$920			$920
	$5,061	**$4,571**	**-$1,919**	**$0**	**$7,713**
Net Income		**$2.652**			
Transfer Notes:					

2020 OUTREACH FUNDS – YTD August 31/2020

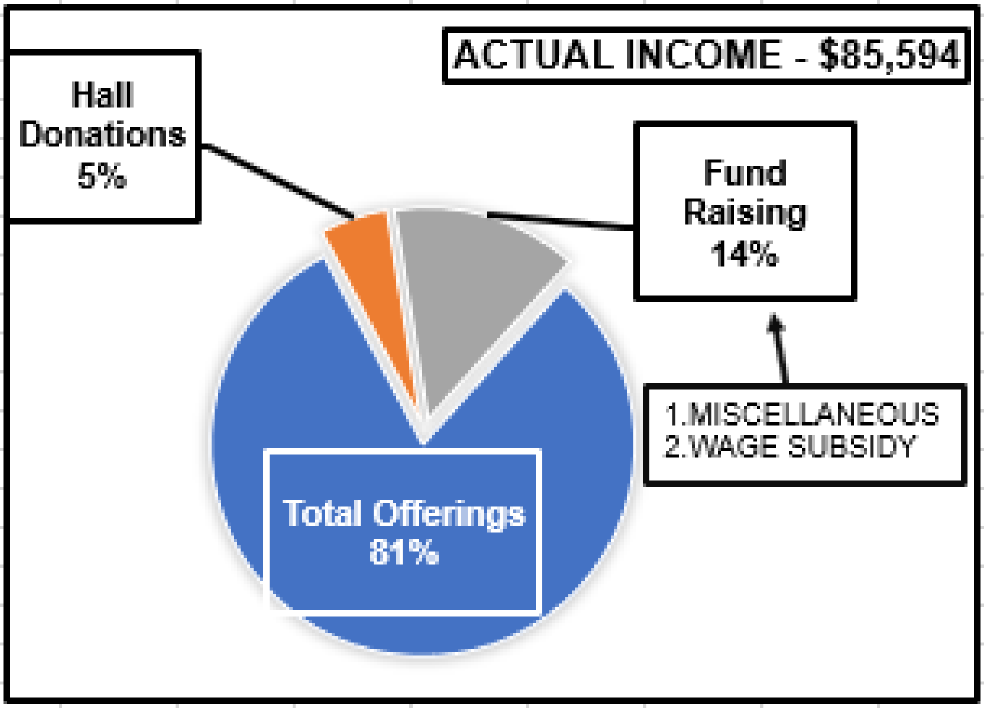
Client	Open. Bal. Jan. 1/20	Donations	Transfers In/Out	Disbursed	Balance Aug.31, 2020	Type
Rector's Discretionary Fund	115	375	0	-455	35.00	Parish
ORRCA Dental Clinic	0	300			300.00	Parish
General Use	0	655	0	0	655.00	Parish
Saan. Pen. Hospital	0	10	0	0	10.00	Parish
SICCT	0	10	0	0	10.00	Parish
PWRDF	0	225	0	0	225.00	O'seas
Christmas Hampers		50		-50	0.00	Parish
Anglican Appeal	0	285	0	0	285.00	O'seas
Lions Food Bank	0	435	0	-315	120.00	Parish
Prayer Shawl Ministry	68.11	0	0	0	68.11	Parish
St. Matthew's Library	361.02	926	0	0	1,287.02	O'seas
Totals:	**$544.13**	**$3,271**	**$0**	**-$820**	**$2,995.13**	
All Nations Memorial Bursary	$3,203.27	$0		-$20.84	$3,182.43	Parish

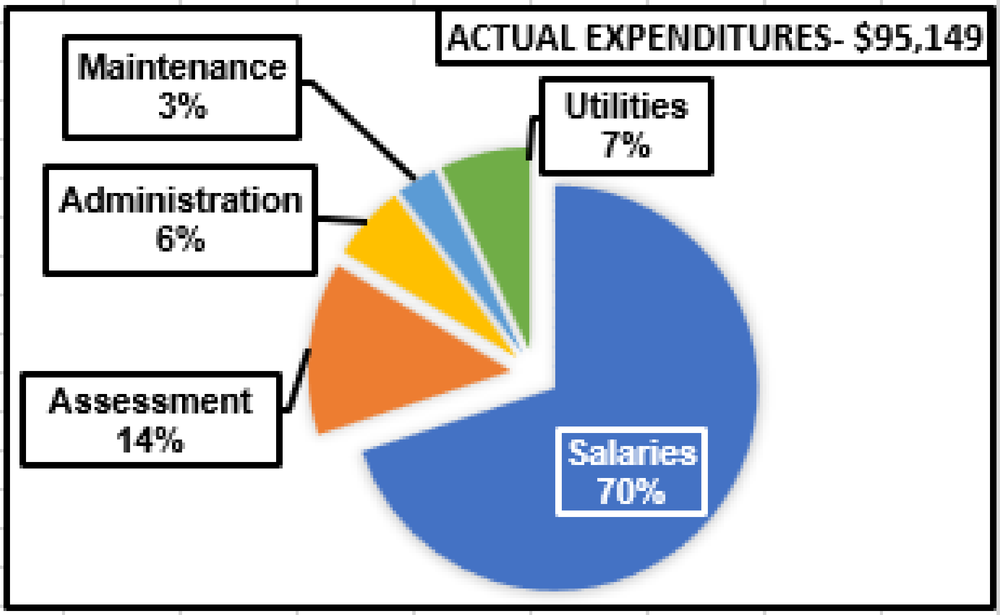
Notes:

1. A candidate will be selected for consideration to receive the All Nations Memorial Bursary to be awarded this year (and receive the funds next year), It is expected that last year's candidate will qualify to receive the Bursary funds this fall.

St. MARY'S BUDGET REVIEW

ITEM	2020 BUDGET	To 31-Aug	%AGE 66.7%	RMKS 2020 Budget to 2020 Actuals
INCOME				
REGULAR OFFERINGS	$105,340	$66,971	63.6%	
OPEN OFFERING	$1,750	$152	8.7%	
FESTIVAL	$4,300	$1,315	30.6%	
HALL /FACILITIES USE DONATIONS	$16,000	$4,400	27.5%	
H/M/D	$800	$200	25.0%	
SPECIFIC DONATION	$0	$480	0.0%	
MISCELLANEOUS	$225	$3,163	1405.6%	Interest income from GIC Investments
WAGE SUBSIDY	$0	$8,913	0.0%	Wage Subsidy from Fed. Gov't (Diocese)
TX FROM HOLLY FAIR	$9,500		0.0%	
PARISH THRIFT SALES	$7,000		0.0%	
DEFICIT ELIMINATION APPEAL - 2020	$8,870	$0	0.0%	
DEFICIT RESERVE	$4,500	$0	0.0%	
TX FROM MEMORIAL	$18,500	$18,500	0.0%	
TOTAL RECEIPTS		$104,094		
LESS: OPERATING LOAN FROM MEMORIAL		-$18,500		
TOTAL REVENUE	**$176,785**	**$85,594**	48.4%	
DISBURSEMENTS				
STIPEND/BENEFITS - RECTOR	$48,675	$32,326	66.4%	
RELIEF CLERGY	$800	$0	0.0%	
ASSIST CURATE	$12,921	$8,457	65.5%	
MUSIC DIRECTOR	$11,995	$7,048	58.8%	
RELIEF MUSICIAN	$615	$200	32.5%	
ADMIN. ASST/BOOKKEEPER	$26,752	$17,815	66.6%	
DIOCESAN ASSESSMENT	$19,761	$13,002	65.8%	
CHRISTIAN EDUCATION	$650	$63	9.7%	
CLERGY CONFERENCES	$700	$0	0.0%	
MUSIC MINISTRY	$1,800	$499	27.7%	
SANCTUARY SUPPLIES	$400	$22	5.6%	
ADVERTISING	$350	$155	44.2%	
INSURANCE	$3,850	$3,621	94.1%	
PHOTOCOPY	$3,630	$1,481	40.8%	
POSTAGE	$300	$92	30.7%	
STATIONERY	$1,160	$218	18.8%	
COMPUTER EXPENSES	$0	$67	0.0%	Upgrade to QuickBooks 2020
MAINTENANCE - GENERAL	$4,000	$426	10.7%	
MAINTENANCE - CLEANING CONTRACT	$4,820	$2,275	47.2%	
MAINTENANCE - CLEANING SUPPLIES	$408	$221	54.1%	
MAINTENANCE - GARDENING	$350	$78	22.2%	
GARBAGE	$470	$230	48.9%	
HYDRO	$7,500	$4,000	53.3%	
WEBSITE SUPPORT (Ascend & Tithe.ly)	$300	$65	21.7%	
INTERNET	$2,700	$1,679	62.2%	
TELEPHONE	$600	$383	63.9%	
WATER/SEWER	$778	$373	47.9%	
MISCELLANEOUS	$1,000	$70	7.0%	
BANK CHARGES & RECONCILIATIONS	$0	$0	0.0%	
GST Paid (2.5%) non-Refundable	$1,000	$283	28.3%	
TRANSFER TO MEMORIAL ACCOUNT	$18,500	$0	0.0%	
DEFICIT ELIMINATION RESERVE	$0	$0		
TOTAL EXPENDITURES	**$176,785**	**$95,149**	53.8%	
OPERATING SURPLUS/DEFICIT	**$0**	**-$9,555**	0.0%	


ACTUAL INCOME - $85,594
Hall Donations 5%
Fund Raising 14%
1.MISCELLANEOUS
2.WAGE SUBSIDY
Total Offerings 81%


ACTUAL EXPENDITURES- $95,149
Maintenance 3%
Utilities 7%
Administration 6%
Assessment 14%
Salaries 70%

Anglican Parish of Central Saanich
St. Mary's Church St. Stephen's Church
Faith - Family - Friendship

St. Stephen Anglican Church
7921 St. Stephen Road
Saanichton, BC V8M 2C3
250-652-4311

September 12, 2020

By Email

Attention: Parish of Central Saanich Council

Attached are **the financial statements as of August 31, 2020** for the St. Stephen Church in the Parish of Central Saanich.

I. The Balance Sheet:

The deficit is -$22,279. This is still $8,273 more of a deficit than at the end of August of 2019. Contributing to this 2020 deficit was:

1. the transfer of $6,882, to eliminate the deficit in 2019, that was recorded in 2020. And,
2. the recording of Reconciliations of $1,339 in 2020 to correct a posting error in May 2019.

The total that should have been recorded against 2019 is at least $8,221, which would have reduced the deficit at the end of August to -$14,058. To add a little perspective, despite a deficit of -$14,006 at this time last year, by year-end, the surplus was $5,682. Plus, the pandemic has certainly eroded planned revenue for this year.

Note that now the Long Term Committed Church Funds (e.g. Church Restoration) and the Ministry Committed Funds (e.g. General Outreach and St. Matthew's Theo Library) are being carried on the Balance Sheet as Liabilities – and no longer on the Profit and Loss Report. The Long Term Committed Funds total $203,518, and the total Ministry Committed Funds are reported as $8,108. This change was effective January 2020. This change is represented with the three schedules that are now associated with the Balance Sheet, and appear on page 4 of this report.

II. The Profit & Loss Report:

There is reason to associate the impact of COVID-19 with the poorer financial performance of St. Stephen. Some indicators of this world-wide influence upon St. Stephen include the following:

1. If the effect of the Designated Outreach and Non-outreach is removed from the 2019 Total Income, then the Total Income for 2020 is behind the August 2019 YTD results by only $2,807. However, St. Stephen had the unplanned benefit of the Wage Subsidy from the Federal Government in May and June. The Diocese was instrumental in securing this Wage Subsidy in the amount of $8,911, and are optimistic that more may be received.

2. While last month the Offering Income was slightly ahead of July YTD last year, the August results have fallen behind the end of August YTD of 2019 by over $2,000.

3. Operating Expenses are more than they were a year ago, but approximately the same amount as the increase associated with the Curate. But the Curate has helped by avoiding Clergy relief expenses. Finally, an amount to balance the books in 2019 ($5,682) was charged to 2020 instead of 2019.

4. No staff or clergy have been laid off or terminated due to COVID-19 – their salary and benefits continue to be paid.

5. The increased expenses for 2020 plus the reduced revenues for the same period resulted in a deficit of -$22,279 to the end of August, $8,212 more than in 2019.

III. The Financial Performance (Budget Review) Report:

This report shows the accumulated Revenue and Disbursements to the end of August. The annual Budget for the same line items is stated so that the actual financial results can be shown as a percentage of the annual budget. The target percentage (Revenue and Disbursements) for the end of August is 66.7%. So, quickly the reader can see that the total Revenue is at 38.0% when it should be nearing the target of 66.6% at the end of August. But, the Revenue is 52.8% of Budget when the Designated Outreach and Non-Outreach is discounted. This weakness in revenue generation is despite the windfall Wage Subsidy from the Federal Government of $8,911. However, the Total Expenditures are at 69.7% when the Budget is discounted for the Designated Outreach and Non-Outreach. This percentage is higher than the target of 66.6%. This yields a deficit of -$22,277.

However, this presentation also highlights the impact of the relationship of the Cemetery. The Cemetery is absorbing $4,000 of the Expenditures and contributes $750 to the Revenue.

It should also be noted that $5,682 has been transferred to the Deficit Reserve at the beginning of the year. The balance in the Deficit Reserve (refer to the Balance Sheet Liability Schedule: Deferred Special Projects) is $15,431. This will significantly reduce or eliminate the deficit that remains at the end of the year.

Please do not hesitate to contact me if you have any questions pertaining to these reports.

Derek Osman for Lynda Clifford

Attachments

St. Stephen Church
Balance Sheet - August 31, 2020

Assets	2020	2019	Liabilities & Equity	2020	2019
Petty Cash	$169	$92	**Long Term Liabilities:**		
Bank	$58,572	$154,148	**Deferrred Special Projects**	$203,518	$204,132
Designated	-$2,099	$7,603	**Total LONG-TERM Liabilities**	**$203,518**	**$204,132**
Total Chequing/Saving	$5,011	-$1			
Outreach	$3,076	$1,905	**Current Liabilities:**		
Coast Capital Operating	**$64,560**	**$163,655**	Accounts Payable	$1,305	$138
Accounts Receivable (GST)	$1,386	$28			
			Total MINISTRY Committed Funds	**$0**	**$0**
Other Current Assets:			**Current Special Ministries**	**$5,598**	**$5,657**
GST (2.5%) Recoverable	$2,335	$1,599	**Outreach Projects**	**$2,510**	**$1,213**
Prepaid Insurance	$0	$2,086	**Total Current Liabilities**	**$9,414**	**$7,009**
Investments:					
Diocesan Investment (CTF)	$100,000	$0	**Total Liabilities**	**$212,932**	**$211,141**
Royal Bank - GIC #1 Invested	$0	$100,188			
GIC #3 (Coast Capital)	$50,000	$0	**Equity**		
GIC #4 (Coast Capital)	$50,000	$0	Opening Balance Equity	$40,713	$42,361
Total Investments	**$200,000**	**$100,188**	Retained Earnings	$37,083	$28,152
			Net Income	-$22,279	-$14,006
Total Other Current Assets	**$268,449**	**$267,648**	**Total Equity**	**$55,517**	**$56,507**
TOTAL ASSETS	**$268,449**	**$267,648**	**Total LIABILITIES & EQUITY**	**$268,449**	**$267,648**

Balance Sheet Liability Schedule: Deferred Special Projects		
Church Restoration		$100,556
Sound System		-$1,432
Teaching Centre Fund		$5,989
Grounds Maintenance Fund		$28,298
Memorial Hall Fund		
Chairs	$944	
Furnace	-$3,345	
Deficit Reserve Fund	$15,431	
General Memorial Funds	$45,895	
Memorial Hall Fund Total		$58,925
Lych-gate		$2,844
King Project		$5,738
Garden Project		$215
Pet Memorial Garden		$2,384
Long-Term Commit Funds		**$203,518**

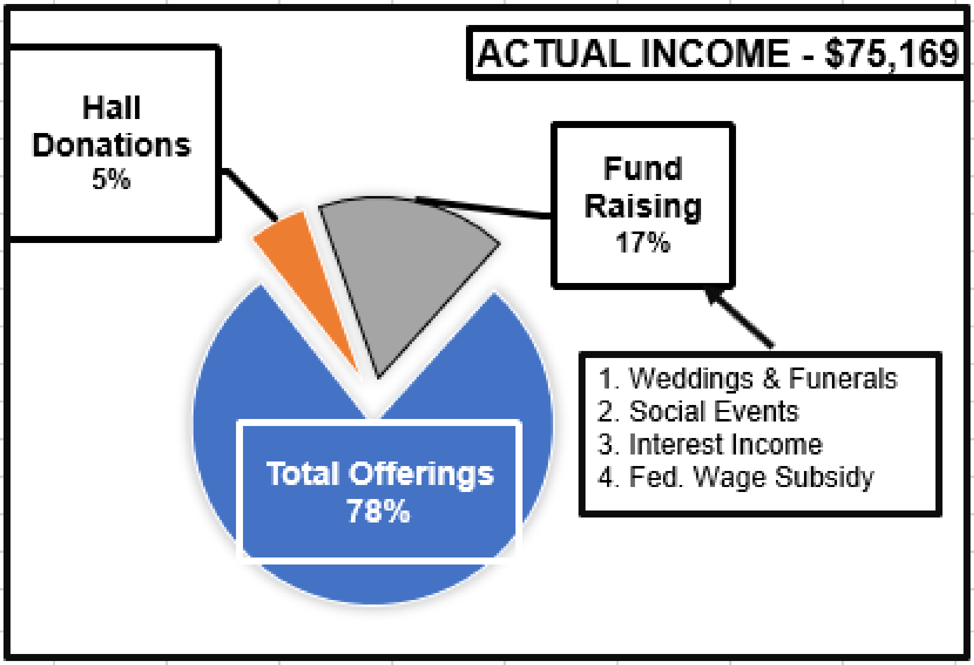
Balance Sheet Liability Schedule: Current Special Ministries	
Altar Flowers / Guild	$93
Prayer Shawls	$134
Rector's Discretionary Fund	$0
Soup's On	$3,123
Summer Camp	$1,629
Sunday School Donations	$20
Transforming Futures	$600
Committed Short-Term Funds - Other	$0
Total Committed Short-Term Funds	**$5,598**

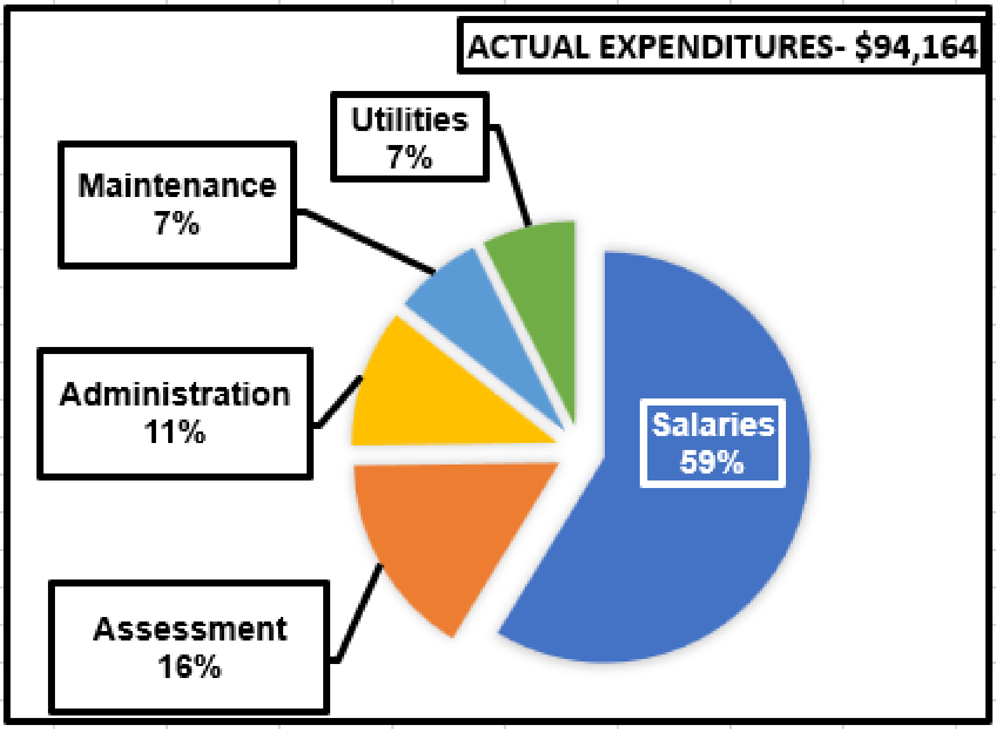
Balance Sheet Liability Schedule: Outreach Projects	
Blessing Of The Animals	45
Blue Bus - YFC Victoria	$50
Gendemi Mission	-$50
General Outreach	$960
Precious Jewels	$160
PWRDF	$40
Sidney Food Bank - Lions Club	$115
South Island Centgre for Counsel	$70
St. Matthew's Theo Library	$1,090
Street Hope Ministry	$30
Committed Outreach Funds - Other	$0
Total Outreach Projects	**$2,510**

St. Stephen Church			
PROFIT & LOSS TO August 31	Jan - Aug 2020	Jan - Aug 2019	
Income			
4000 · INCOME - General			
4100 · Offering Income			
4110 · Offering-Open Offering	$435	$4,397	
4120 · Offering-Weekly	$54,386	$57,025	
4125 - Interest	$873	$1,761	
Total 4130 · Offering - Festivals	$2,650	$0	
Total 4100 · Offering Income	$58,344	$63,183	
4300 · General Income			
4310 · General Income-Bapt./Wed/F	$250	$500	
4320 · General Income-Specific Do	$2,134	$60	
4330 · General Income-Facilities U	$3,350	$5,900	
4335 - Other Rentals/ Donations	-$200	$3,800	
4370 - Youth Support	$0	$0	
4080 - Social Events	$430	$433	
4090 - Transfer from Cemetery	$750	$4,100	
4093 - Federal Wage Subsidy	$8,311	$0	
Total 4300 · General Income - Operat	$75,169	$77,976	
4300 · Outreach Income			
Total 4300 · Outreach Income	$0	$14,604	
4400 · Non-Outreach Income	$0	$12,532	
Total 4400 · Non-Outreach Income	$0	$27,136	
Total Income	**$75,169**	**$105,112**	
Total Operating Income (less O/R & Non-O/R)			$63,37
Expense			
Reconciliation Discrepancies	$1,339	$3,280	
Total 5300 · Outreach Expenses	$0	$15,556	
5383 · Rector's Discretionary Fund	$0	$2,030	
Total 5379 · Non-Outreach Expense	$0	$12,163	
6265 · General Office Expense			
6020 · Advertising	$130	$352	
6090 · Bookkeeping	$97	$3,476	
6110 · Church Supplies	$379	$314	
6260 · Newsletter	$44	$123	
6270 · Office Supplies	$810	$851	
6275 · Photocopier	$2,184	$3,301	
6277 · Office Computers	$279	$49	
6700 · Social Events	$82	$373	
Total 6265 · General Office Expense	$4,005	$8,839	
6600 · General Maintenance Expense			
6620 · Repairs & Maintenance	$1,664	$2,305	
6625 · Grounds Keeping	$1,393	$1,066	
6640 · Security	$1,021	$350	
Total 6600 · General Maintenance Ex	$4,078	$3,721	
6120 · Cleaning - Hall	$2,488	$2,696	
Total 6610 · Cleaning and Janitorial E	$2,488	$2,696	
6717 · Utilities			
Total 6720 · Electricity - Hall	$2,074	$2,462	
6725 · Electricity - Church	$1,182	$1,462	
6730 · Garbage & Recycling	$541	$609	
Total 6735 · Heating Oil - Hall	$2,053	$2,428	
Total 6740 · Telephone	$174	$200	
Total 6745 · Internet Service	$912	$914	
Total 6717 · Utilities	$6,938	$8,074	
6800 · General Expenses			
6000 · Operating Expenses			
6040 · Assessment	$15,150	$14,692	
6140 · Clergy Conferences	$0	$244	
6250 · Insurance	$4,343	$2,770	
Total 6335 · Stipend/Benefit	$32,326	$32,203	
Total 6360 - Curate Support	$8,791	$0	
Total 6390 · Secretary	$11,235	$11,240	
6500 · Musicians	$2,625	$4,050	
6511 - Music Supplies	$294	$241	
6520 · Clergy Relief	$0	$600	
6710 · Sunday School	$0	$61	
6713 - Youth Expense	$0	$55	
6710 - Sunday School	$0	$0	
Total 6000 · Operating Expenses	$74,764	$66,653	
6810 · GST (2.5%) -Non Recovered	$553	$604	
Total 6800 · General Expenses	$75,317	$66,759	
5300 & 5379 Outreach& Non-Outrea	$0	$29,749	
Total Adjusted Expenses		$96,508	
6900 - Church & Cemetery Transfers		-$4,000	
Tot 6911 - Cemetery Share Secretary Be	-$4,000	-$4,000	
6910 - Cemetery Credits (Donor Cash)	$1,600	$0	
6955 - Transfers (Profit to Deficit)	$5,682	$0	
Total Expenses	$97,447	$89,430	
Adjustment for grouping expense typ	$90,487	$119,179	
NET INCOME (LOSS)	**-$22,279**	**-$14,067**	

St. Stephen Church Budget Review

ITEM	2020 BUDGET	To Aug 31/20	%AGE 66.6%	RMKS 2020 Budget to 2020 Actuals
INCOME				
REGULAR OFFERINGS	$119,600	$54,986	46.0%	
OPEN OFFERING	$2,000	$435	21.7%	
FESTIVAL	$0	$2,650	0.0%	
HALL /FACILITIES USE	$9,500	$3,950	41.6%	
OTHER HALL DONATIONS	$2,000	-$200	-10.0%	
WEDDINGS AND FUNERALS	$2,000	$250	12.5%	
SOCIAL EVENTS	$700	$430	61.4%	
INTEREST INCOME	$4,175	$873	20.9%	
DONATIONS	$0	$2,134	0.0%	
FEDERAL WAGE SUBSIDY	$0	$8,911	0.0%	
TRANSFER FROM CEMETERY-PLOT RESERVATIO	$2,500	$750	30.0%	
Diocesan Direct Deposits		$0		
DESIGNATED OUTREACH INCOME	$39,079	$0	0.0%	Change made to eliminate in 2020
DESIGNATED NON-OUTREACH INCOME	$16,036	$0	0.0%	Change made to eliminate in 2020
TOTAL REVENUE	**$197,590**	**$75,169**	38.0%	52.8% of Budget (less Desig.O/R & non-O/R)
DISBURSEMENTS				
STIPEND/BENEFITS - RECTOR	$48,675	$32,326	66.4%	
RELIEF CLERGY	$650	$0	0.0%	
ASSIST CURATE	$12,921	$8,791	68.0%	
MUSICIANS	$0	$2,625	0.0%	
RELIEF MUSICIAN	$0	$0	0.0%	
ADMIN. ASST/BOOKKEEPER	$14,020	$11,235	80.1%	
DIOCESAN ASSESSMENT	$23,000	$15,150	65.9%	
BOOKKEEPING	$0	$97	0.0%	
CHRISTIAN EDUCATION	$500	$0	0.0%	
CLERGY CONFERENCES	$700	$0	0.0%	
MUSIC MINISTRY	$7,800	$294	3.8%	
SANCTUARY SUPPLIES	$1,500	$379	25.3%	
ADVERTISING	$400	$130	32.5%	
INSURANCE	$5,000	$4,343	86.9%	
PHOTOCOPY	$4,000	$2,184	54.6%	
POSTAGE	$0	$44	0.0%	
STATIONERY (POSTAGE, STATIONARY)	$1,500	$810	54.0%	
OFFICE COMPUTERS	$500	$279	55.8%	
SOCIAL EVENTS	$700	$82	11.7%	
MAINTENANCE - GENERAL	$5,000	$1,664	33.3%	
SECURITY	$500	$1,021	204.2%	
MAINTENANCE - CLEANING CONTRACT	$4,700	$2,488	52.9%	
MAINTENANCE - CLEANING SUPPLIES	$0	$0	0.0%	
MAINTENANCE - GARDENING	$5,000	$1,393	27.9%	
GARBAGE	$1,000	$541	54.1%	
HYDRO	$5,000	$3,256	65.1%	
HEATING OIL - HALL	$3,000	$2,053	68.4%	
WEBSITE SUPPORT (Ascend & Tithe.ly)	$0	$0	0.0%	
INTERNET	$500	$912	182.4%	
TELEPHONE	$600	$174	29.1%	
YOUTH MINISTRY	$200	$0	0.0%	
SUNDAY SCHOOL	$1,000	$0	0.0%	
BANK CHARGES & RECONCILIATIONS	$0	$1,339	0.0%	
GST Paid (2.5%) non-Refundable	$1,000	$553	55.3%	
TRANSFER TO MEMORIAL ACCOUNT	$0	$0	0.0%	
DEFICIT ELIMINATION RESERVE	$0	$0	0.0%	
TOTAL EXPENDITURES	**$149,366**	**$94,164**	63.0%	
OUTREACH & NON-OUTREACH	**$57,847**	**$0**		Change made to eliminate in 2020
CEMETERY SHARE OF EXPENSES	**-$6,000**	**-$4,000**		
CEMETERY CREDITS (DONOR CASH)		**$1,600**		
TRANSFER (TO DEFICIT RESERVES)	**-$3,623**	**$5,682**		
TOTAL EXPENDITURES:	**$197,590**	**$97,446**		69.7% of Budget (less Desig.O/R & non-O/R)
OPERATING SURPLUS/DEFICIT	**$0**	**-$22,277**	-134.7%	


ACTUAL INCOME - $75,169
Hall Donations 5%
Fund Raising 17%
1. Weddings & Funerals
2. Social Events
3. Interest Income
4. Fed. Wage Subsidy
Total Offerings 78%


ACTUAL EXPENDITURES- $94,164
Utilities 7%
Maintenance 7%
Administration 11%
Salaries 59%
Assessment 16%

ST. MARY FINANCIAL OUTLOOK

July 31, 2020 to Year-end

Abstract

This brief provides an Outlook on the Financial health of St. Mary Church (in the Parish of Central Saanich) using the base reported numbers of July 31, 2020 and projecting the revenue and disbursements to December31, 2020.The financial outlook was developed by Leslie Pedlow and Derek Osman. August 25, 2020

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Anglican Parish of Central Saanich

St. Mary's Church St. Stephen's Church

Faith - Family - Friendship

August 24, 2020

Executive Summary:

At the 2020 Annual General Meeting, the balance budget of $176,785 was approved. As of July 31, the financial statements reported Total Revenue of $74,920 and Total Expenditures of $85,481, resulting in a deficit of $10,561.

The projected impact of COVID-19 upon the financial results at year-end (December 31) beyond July 31 is an accumulative $25,100. Contributing to this are the following:

1. Loss of Donations while the facilities were closed, and reduced levels of donations after the facilities were re-opened yielded a loss of $11,600 throughout the year.
2. Cancellation of two of the three planned Parish Thrift Sales, yielding a projected loss of $5,500, and
3. Cancellation of the Holly Fair – the main revenue generator event of the year. This cancellation has yielded a loss of $8,000.

The annual Deficit Elimination Appeal for 2020 has yet to be planned. For 2019, there was no Appeal held. For 2020, this Appeal was budgeted to generate $8,870. But with limited use of the facilities due to the protocols of COVID-19, the key limitation being 50 people in the Hall, the traditional Appeal will not be viable.

As a result of COVID-19 the Federal Government initiated a Wage Subsidy program. With the assistance of the Synod Office, St. Mary received $8,913.

The Outlook at year-end is projected to be a deficit of -$9,360.

Mitigation:

The Synod office is studying the options to secure additional funds from the Federal Government, presumably from the Wage Subsidy program.

St. Mary can secure additional donations from the church members through an internal Deficit Elimination Appeal or through donations towards the Holly Fair or Thrift Sales in exchange for contributing in another way.

Withdraw from the Deficit Reserve fund, but it had already been budgeted to withdraw the remaining funds ($4,500) from this account.

St. Mary Financial Outlook to Dec. 31, 2020 – Detail Review

The Budget for 2020 was to generate a revenue of $176,785 to match the budgeted Expenses of $176,785.

The COVID-19 pandemic significantly changed the presentation of our Sunday services and other programs when the doors to our facilities remained locked for a period of 3 – 4 months.

The financial impact is that the projected revenue (using July 31 as the base) is $151,541. Some of the contributors to this loss of revenue (relative to the Budget), include the following:

1. Hall/Facilities Use Donations – not available for use for about 10 months = loss of $11,600 in annual revenue.
2. Cancellation of 2 of the 3 Parish Thrift Sales (projected loss = $5,500).
3. Cancellation of the Holly Fair ($8,000); and
4. Deficit Elimination Appeal for 2020 not yet planned - $8,870.

These four Events account for an erosion of $33,970 in projected revenue. Fortunately, St. Mary benefited from the receipt of $8,913 from the Federal Government's Wage Subsidy program. Thus, the <u>Outlook for revenue is $132,741</u>. The components of the Outlook Revenue are depicted by the graph on page 4.

The Disbursements were budgeted to be $176,785. We have been successful in managing a reduction in those costs. The Outlook for Expenses is now $146,601 – a reduction of $30,184. This is depicted on page 4.

With an Outlook of Revenue now being $151,541 and Disbursements of $146,601, the deficit is $13,860 (after we have paid back the operating loan of $18,500). To this deficit, we would apply the Deficit Reserve of $4,500 to further reduce the <u>projected deficit to $9,360.</u>

Please refer to attached spreadsheet for details on page 5.

It is indicated that a major reason for the projected deficit is the cancellation of a few of our "revenue generating" Events. In this case we have cancelled 2 Parish Thrift Sales, the Holly Fair, and the use of the Hall by Tai Chi. Our longer-term objective for the revenue from these Events is that it goes to support Community Needs – and not to support deficits that we experience. Unfortunately, we still rely upon them to satisfy a deficit.

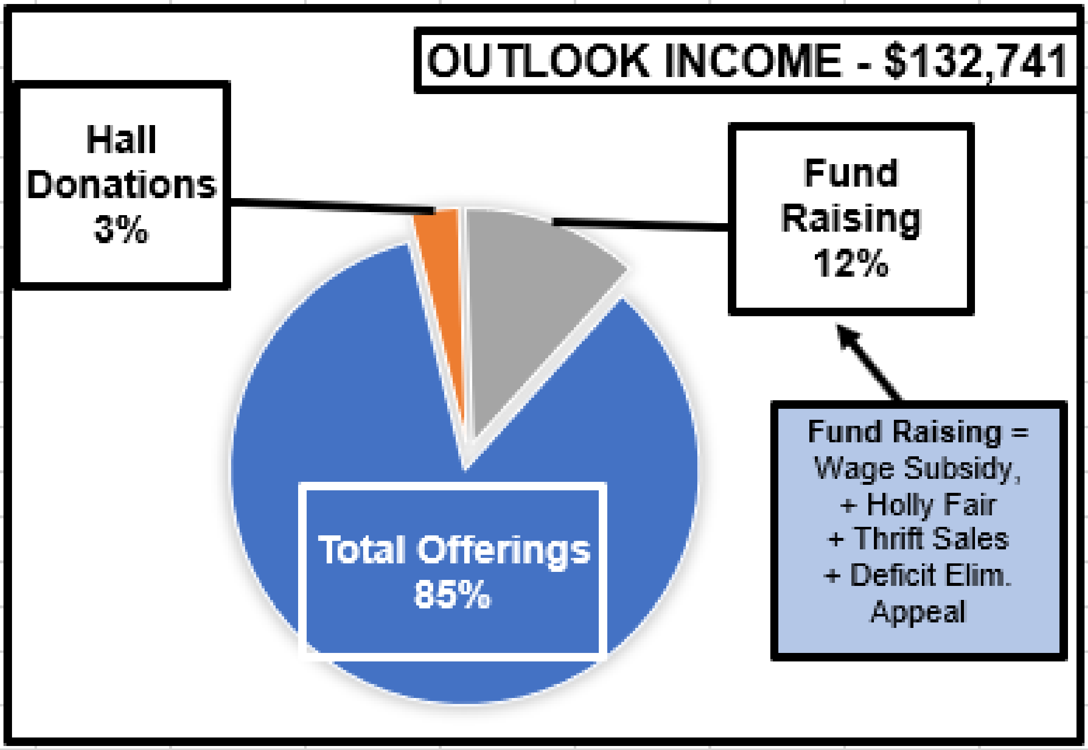
Your thoughts about how we can resolve the projected deficit at year-end are welcome.

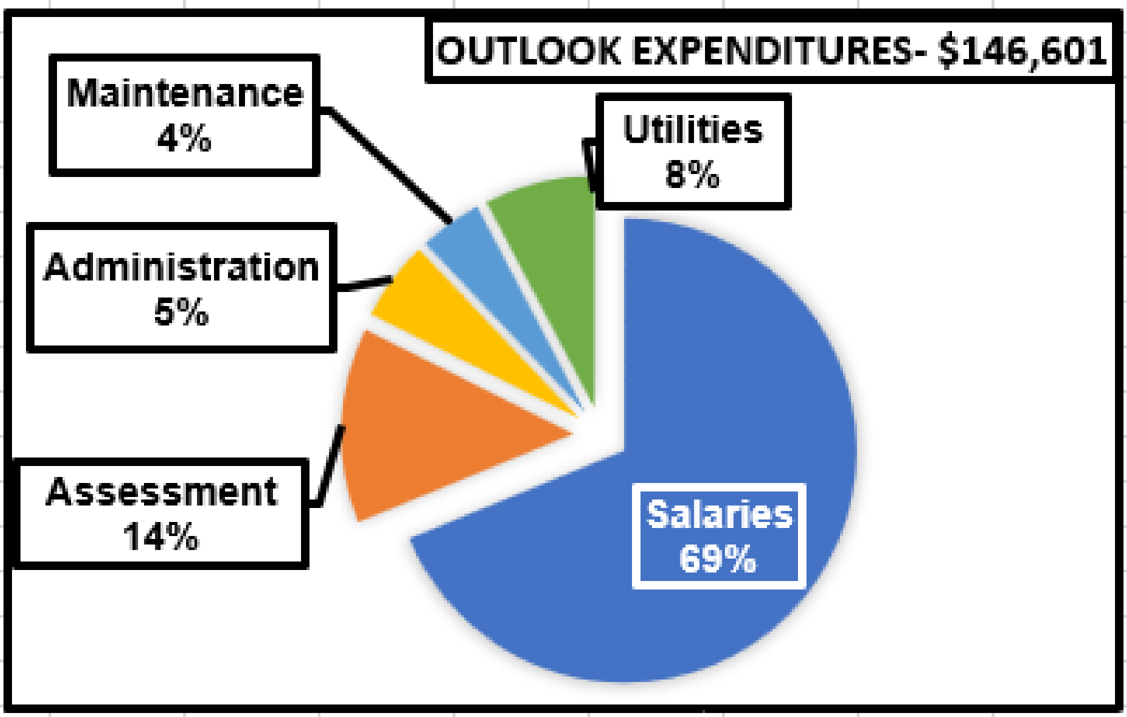
Here are some options for you to consider as well:

- Launch the Annual Deficit Elimination Appeal for 2020, having the target of at least $9,360, unless more than one option is selected

- Launch a creative way to drive some funds creation for the cancelled Events – perhaps what you feel the Event would have contributed if it had not been cancelled - with the target of at least the Budgeted amount. This option may be readily acceptable to some parishioners – particularly those who have volunteered for the past 4 to 5 years!

If more than the amount necessary to satisfy the deficit is collected, then it shall be retained in the Deficit Reserve account.


OUTLOOK INCOME - $132,741
Hall Donations 3%
Fund Raising 12%
Fund Raising = Wage Subsidy, + Holly Fair + Thrift Sales + Deficit Elim. Appeal
Total Offerings 85%


OUTLOOK EXPENDITURES- $146,601
Maintenance 4%
Utilities 8%
Administration 5%
Assessment 14%
Salaries 69%

ITEM	To July 31/20	%AGE 58.3%	Total Outlook	2020 Budget	Variance tlook to Bud	RMKS 2020 Budget to 2020 Actuals
INCOME						
REGULAR OFFERINGS	$57,020	54.1%	$107,520	$105,340	$2,180	
OPEN OFFERING	$149	8.5%	$249	$1,750	-$1,501	Below Budget due to Facilities Closure 4 mos.
FESTIVAL	$1,315	30.6%	$4,015	$4,300	-$285	Special Easter Offering nominal receipts
HALL /FACILITIES USE DONATIONS	$4,400	27.5%	$4,400	$16,000	-$11,600	Not avail. for revenue generation for 4-5 months
H/M/D	$200	25.0%	$400	$800	-$400	3 Memorials, 1 wedding deferred due to Covid-19
MISCELLANEOUS	$2,922	1298.7%	$4,293	$225	$4,068	Interest income from maturing GIC Investments
WAGE SUBSIDY	$8,913	0.0%	$8,913	$0	$8,913	Wage Subsidy from Fed. Gov't (Diocese)
TX FROM HOLLY FAIR		0.0%	$1,500	$9,500	-$8,000	Holly Fair cancelled due to Covid-19
PARISH THRIFT SALES		0.0%	$1,450	$7,000	-$5,550	Only 1 of 3 Thrift Sales hosted due to Covid-19
DEFICIT ELIMINATION APPEAL - 2020	$0	0.0%	$0	$8,870	-$8,870	Appeal budgeted, but not yet planned.
DEFICIT RESERVE	$0	0.0%	$0	$4,500	-$4,500	Transferred but treated as a negative Expence
TX FROM MEMORIAL	$18,500	0.0%	$18,500	$18,500	$0	As planned
TOTAL RECEIPTS	$93,420		$151,241	$176,785	-$25,544	
LESS: OPERATING LOAN FROM MEMORIAL	-$18,500		-$18,500	-$18,500	$0	
TOTAL REVENUE	**$74,920**	42.4%	$132,741	$158,285	-$25,544	
DISBURSEMENTS						
STIPEND/BENEFITS - RECTOR	$29,281	60.2%	$50,316	$48,675	$1,641	Full time pastor, shared with St. Stphen
RELIEF CLERGY	$0	0.0%	$0	$800	-$800	Relief not needed due to avail of Curate
ASSIST CURATE	$6,941	53.7%	$11,539	$12,921	-$1,382	
MUSIC DIRECTOR	$6,491	54.1%	$10,291	$11,995	-$1,704	
RELIEF MUSICIAN	$100	16.3%	$300	$615	-$315	Need to adjust to accommodate o/s vacation
ADMIN. ASST/BOOKKEEPER	$16,302	60.9%	$26,752	$26,752	-$0	Vacation utilization
DIOCESAN ASSESSMENT	$11,355	57.5%	$19,590	$19,761	-$171	
CHRISTIAN EDUCATION	$63	9.7%	$128	$650	-$522	2 - McCausalands Set up Worship Account
CLERGY CONFERENCES	$0	0.0%	$0	$700	-$700	Bishop directive to cancel conference this year
MUSIC MINISTRY	$762	42.4%	$499	$1,800	-$1,301	Tuning piano still to do
SANCTUARY SUPPLIES	$22	5.5%	$87	$400	-$313	above the usual GIK's
ADVERTISING	$155	44.2%	$155	$350	-$195	No further action
INSURANCE	$3,621	94.1%	$3,621	$3,850	-$229	Diocese best efforts
PHOTOCOPY	$1,481	40.8%	$3,481	$3,630	-$149	fewer copies of bullrtins, ConneXion, etc.
POSTAGE	$0	0.0%	$200	$300	-$100	More being mailed due to Covid-19
STATIONERY	$218	18.8%	$458	$1,160	-$702	Fewer bulletins with on-line services
COMPUTER EXPENSES	$67	0.0%	$1,067	$0	$1,067	Ugprade to QuickBooks 2020 , grant for 2 new PC's
MAINTENANCE - GENERAL	$187	4.7%	$937	$4,000	-$3,063	
MAINTENANCE - CLEANING CONTRACT	$1,875	38.9%	$3,715	$4,820	-$1,105	Less despite floor re-done
MAINTENANCE - CLEANING SUPPLIES	$221	54.1%	$1,221	$408	$813	
MAINTENANCE - GARDENING	$78	22.2%	$428	$350	$78	
GARBAGE	$230	48.9%	$470	$470	$0	
HYDRO	$3,462	46.2%	$6,162	$7,500	-$1,338	System efficiencies gained, plus facilities closed
WEBSITE SUPPORT (Ascend & Tithe.ly)	$65	21.7%	$575	$300	$275	
INTERNET	$1,469	54.4%	$2,519	$2,700	-$181	
TELEPHONE	$335	55.9%	$585	$600	-$15	
WATER/SEWER	$373	47.9%	$773	$778	-$5	
MISCELLANEOUS	$70	7.0%	$350	$1,000	-$650	
BANK CHARGES & RECONCILIATIONS	$0	0.0%	$0	$0	$0	
GST Paid (2.5%) non-Refundable	$257	25.7%	$382	$1,000	-$618	Fewer items purchased & thus less GST paid
TRANSFER TO MEMORIAL ACCOUNT	$0	0.0%	$0	$18,500	-$18,500	
TOTAL EXPENDITURES	$85,481	985.7%	**$146,601**	**$176,785**	**-$30,184**	
OPERATING SURPLUS/DEFICIT	-$10,561	-57.1%	-$13,860	$0	$4,640	
DEFICIT RESERVE	$0		-$4,500	$0	-$4,500	As planned, but treated as a negative Expence
ACCOUNTING SURPLUS/DEFICIT			-$9,360		$9,140	

ST. STEPHEN FINANCIAL OUTLOOK

July 31, 2020 to Year-end

Abstract

This brief provides an Outlook on the Financial health of St. Stephen Church (in the Parish of Central Saanich) using the base reported numbers of July 31, 2020 and projecting the revenue and disbursements to December31, 2020.The financial outlook was developed by Lynda Clifford and Derek Osman. September 10, 2020

Derek Osman

Derek.osman@shaw.ca

Anglican Parish of Central Saanich
St. Mary's Church St. Stephen's Church

Faith - Family - Friendship

September 10, 2020

Executive Summary:

At the 2020 Annual General Meeting, the deficit budget of $201,213 was approved (the deficit was -$3,623). As of July 31, the financial statements reported Total Revenue of $68,856 and Total Expenditures of $87,692, resulting in a deficit of -$18,836.

Some decisions made in 2019 had the effect of increasing the expenses in 2020. Some of these decisions that have a collective impact of $19,492 upon the 2020 Outlook include the following:

- The hiring of a Curate. While this avoided the costs normally experienced with Relief Clergy, it has added $12,471 to the St. Stephen 2020 Outlook.
- An amount needed to reconcile the books in 2019 was recorded against 2020 instead of 2019. This has inflated the Outlook for 2020 by $1,339.
- The transfer of $5,682 to eliminate the deficit in 2019 was recorded against the operations of 2020.

The projected impact of COVID-19 upon the financial results at year-end (December 31) beyond July 31 is an accumulative $32,713. Contributing to this are the following:

1. Loss of Donations while the facilities were closed, and reduced levels of donations after the facilities were re-opened yielded a projected loss of $5,391 throughout the year.
2. Projected loss of donations for Offerings in the amount of $35,899.
3. Fortunately, St. Stephen received a Wage Subsidy from the Federal Government for $8,577 to help offset some of the losses associates with the COVID pandemic.

The annual Deficit Elimination Appeal for 2020 has yet to be planned, and was not budgeted to occur. For 2019, there was no Appeal held.

Mitigation:

The Synod office is studying the options to secure additional funds / grants from the Federal Government, presumably from the Wage Subsidy program.

Perhaps a Parish-focussed Deficit Appeal ought to be considered.

St. Stephen can secure additional donations from the church members through an internal Deficit Elimination Appeal.

Withdraw from the Deficit Reserve fund, the entire amount of $15,431.

St. Stephen Financial Outlook to Dec. 31, 2020 – Detail Review

The Budget for 2020 was to generate a revenue of $197,590 to match the budgeted Expenses of $197,590. However, contributing to the expenses was a credit from the Cemetery of $6,000. Also contributing to the expenses was the intent to transfer $3,623 from the Deficit Reserve account to balance the books.

The COVID-19 pandemic significantly changed the presentation of our Sunday services and other programs when the doors to our facilities remained locked for a period of 3 – 4 months.

The financial impact is that the projected revenue (using July 31 as the base) is $116,357. This is the equivalent of a **loss in Revenue** of $25,564, or 18.0% of Budget. Some of the contributors to this loss of revenue (relative to the Budget), include the following:

1. Hall/Facilities Use Donations – not available for use for about 10 months = loss of $6,128 in annual revenue. (Hall Facilities Use, Other Hall Donations, Weddings and Funerals, Social Events).
2. Projected loss in Offerings of $35,899, in part due to the closure of facilities.

These items account for an erosion of $42,027 in projected revenue, or 29.6% of Budget. Fortunately, St. Stephen benefited from the receipt of $8,577 from the Federal Government's Wage Subsidy program. Thus, the Outlook for revenue is $116,357, or $25,564 (18.0%) less than Budget. The significant components of the Outlook Revenue are depicted by the graph on page 4.

The other significant variance of Outlook to Budget is that Outreach and Non-Outreach Income were Budgeted at a total of $55,115 but were not included in the Outlook because they are now held on the Balance Sheet versus the P&L Statement. They were not included in the above variance to Budge calculations. Budget was assumed to be $141,921.

The Disbursements were budgeted to be $197,590, or $139,743 without the Outreach and Non-Outreach expenses. The Outlook for Expenses is now $156,010 – an increase of $16,267 (11.6%) over Budget. The major components are depicted on page 4.

With an Outlook of Revenue now being $116,357 and Disbursements of $156,010, the deficit is -$39,653. To this deficit, we would apply the Deficit Reserve of $15,431 to further reduce the projected deficit to -$24,222.

Please refer to attached spreadsheet for details on page 5.

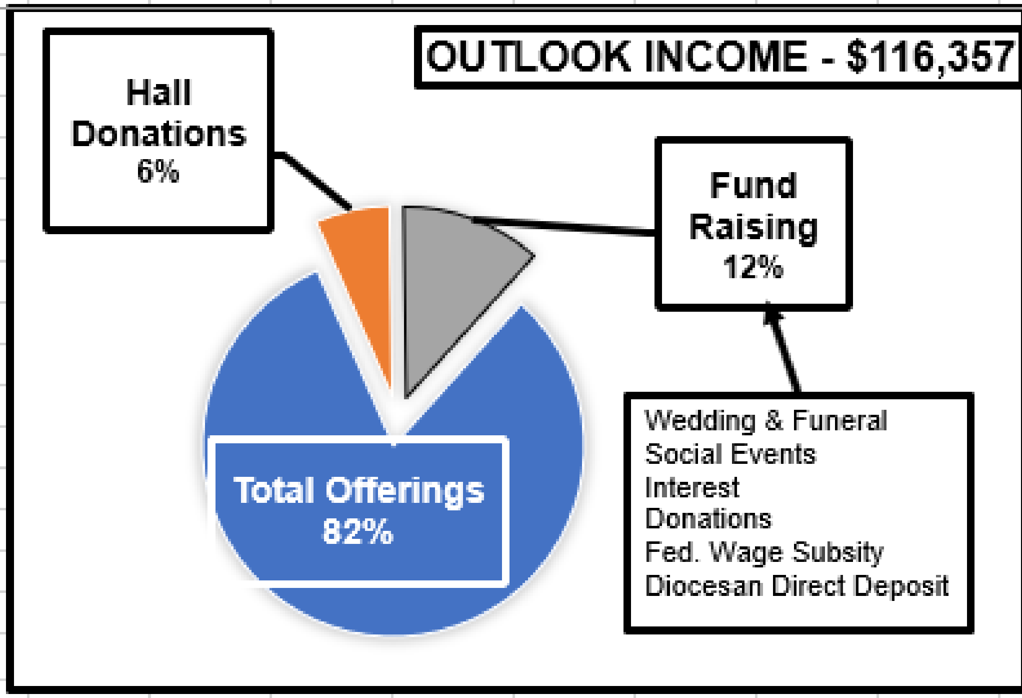
If the 2 transactions totalling $7,021 that are associated with 2019 had been reported in 2019, the deficit in 2020 would have been further reduced to a projected -$17,201; still a very challenging amount to absorb.

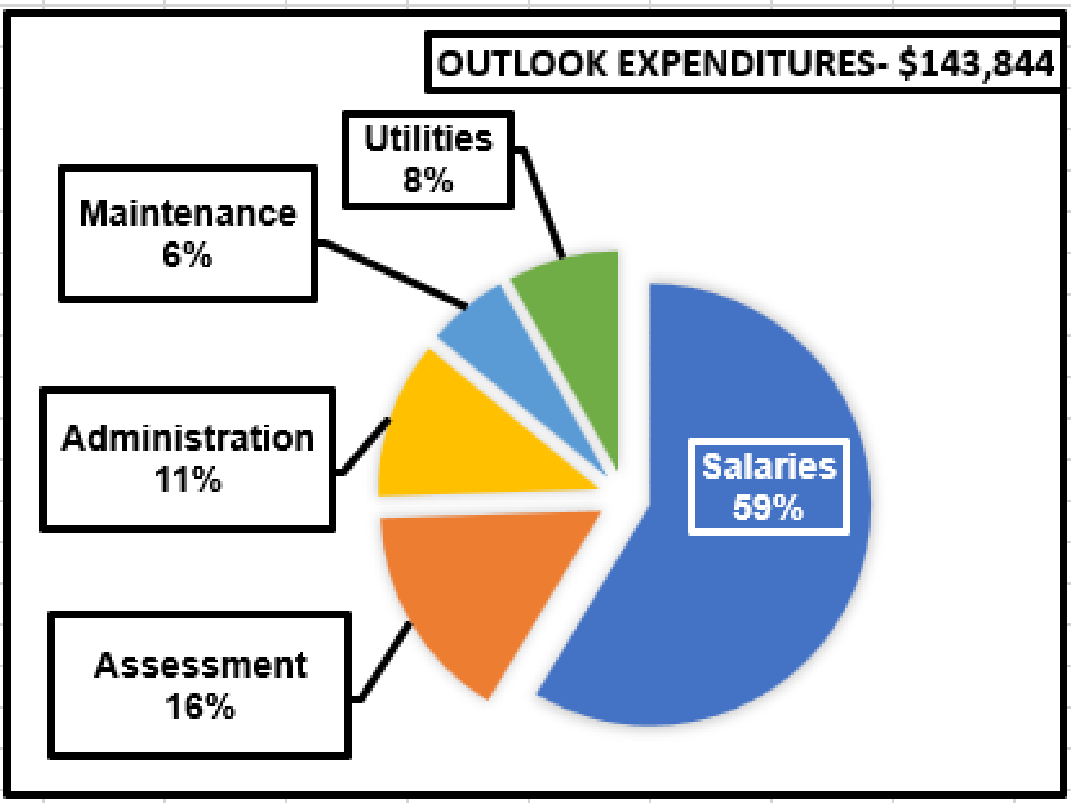
Your thoughts about how we can resolve the projected deficit at year-end are welcome.

Here are some options for you to consider as well:

- Launch the Annual Deficit Elimination Appeal for 2020, having the target of at least $20,000, unless more than one option is selected

If more than the amount necessary to satisfy the deficit is collected, then it shall be retained in the Deficit Reserve account.


OUTLOOK INCOME - $116,357
Hall Donations 6%
Fund Raising 12%
Wedding & Funeral
Social Events
Interest
Donations
Fed. Wage Subsity
Diocesan Direct Deposit
Total Offerings 82%


OUTLOOK EXPENDITURES- $143,844
Utilities 8%
Maintenance 6%
Administration 11%
Assessment 16%
Salaries 59%

St. Stephen Church 2020 Outlook Review

ITEM BUD	To Jul 31/20	%AGE 58.3%	Total Outlook	2020 Budget	Variance Out to Bud	RMKS 2020 Budget to 2020 Outlook
INCOME						
REGULAR OFFERINGS	$49,592	41.5%	$85,015	$119,600	-$34,585	Electronic Plate has sustained
OPEN OFFERING	$400	20.0%	$686	$2,000	-$1,314	COVID connstraints
FESTIVAL	$2,650	0.0%	$7,650	$0	$7,650	Thanksgiving&Christmas -need to get Massage & envel out
HALL /FACILITIES USE	$3,950	41.6%	$7,192	$9,500	-$2,308	Revised agreement - reduced by $38/week @ 4 weeks/mo.
OTHER HALL DONATIONS	$0	0.0%	$0	$2,000	-$2,000	
WEDDINGS AND FUNERALS	$250	12.5%	$450	$2,000	-$1,550	COVID had dekated 3 burials & 1 wedding
SOCIAL EVENTS	$430	61.4%	$430	$700	-$270	
INTEREST INCOME	$873	20.9%	$1,873	$4,175	-$2,302	Diocesan Investment (CTF)
DONATIONS	$2,134	0.0%	$2,234	$0	$2,234	
FEDERAL WAGE SUBSIDY	$8,577	0.0%	$8,577	$0	$8,577	
TRANSFER FROM CEMETERY-PLOT RESERV.	$0	0.0%	$2,250	$2,500	-$250	
DIOCESAN DIRECT DEPOSIT	$0		$0		$0	Need to confirm the Outlook
DESIGNATED OUTREACH INCOME	$0	0.0%	$0	$39,079	-$39,079	
DESIGNATED NON-OUTREACH INCOME	$0	0.0%	$0	$16,036	-$16,036	
TOTAL REVENUE	**$68,856**	34.8%	**$116,357**	**$197,590**	**-$81,233**	
DISBURSEMENTS						
STIPEND/BENEFITS - RECTOR	$29,281	60.2%	$50,196	$48,675	$1,521	
RELIEF CLERGY	$0	0.0%	$0	$650	-$650	
ASSIST CURATE	$7,275	56.3%	$12,471	$12,921	-$450	Diocesan financial support provided into 2021
MUSICIANS	$2,125	28.7%	$3,893	$7,400	-$3,507	
RELIEF MUSICIAN	$0	0.0%	$0	$0	$0	
ADMIN. ASST/BOOKKEEPER	$9,792	69.8%	$16,786	$14,020	$2,766	
DIOCESAN ASSESSMENT	$13,256	57.6%	$22,725	$23,000	-$275	
BOOKKEEPING	$97	0.0%	$166	$0	$166	
CHRISTIAN EDUCATION	$0	0.0%	$0	$500	-$500	
CLERGY CONFERENCES	$0	0.0%	$0	$700	-$700	
MUSIC MINISTRY	$294	73.5%	$504	$400	$104	
SANCTUARY SUPPLIES	$379	25.3%	$650	$1,500	-$850	
ADVERTISING	$130	32.5%	$223	$400	-$177	
INSURANCE	$4,343	86.9%	$7,445	$5,000	$2,445	
PHOTOCOPY	$2,184	54.6%	$3,744	$4,000	-$256	COVID reduced copy needs
POSTAGE	$44	0.0%	$44	$0	$44	
STATIONERY (POSTAGE, STATIONARY)	$810	54.0%	$1,389	$1,500	-$111	
OFFICE COMPUTERS	$279	55.8%	$478	$500	-$22	
SOCIAL EVENTS	$82	11.7%	$82	$700	-$618	
MAINTENANCE - GENERAL	$573	11.5%	$982	$5,000	-$4,018	
SECURITY	$1,021	204.2%	$1,750	$500	$1,250	
MAINTENANCE - CLEANING CONTRACT	$2,088	44.4%	$3,579	$4,700	-$1,121	
MAINTENANCE - CLEANING SUPPLIES	$0	0.0%	$0	$0	$0	
MAINTENANCE - GARDENING	$1,250	25.0%	$2,143	$5,000	-$2,857	
GARBAGE	$474	47.4%	$813	$1,000	-$187	
HYDRO	$3,256	65.1%	$5,582	$5,000	$582	
HEATING OIL - HALL	$2,053	68.4%	$3,553	$3,000	$553	
WEBSITE SUPPORT (Ascend & Tithe.ly)	$0	0.0%	$0	$0	$0	
INTERNET	$806	161.2%	$1,382	$500	$882	
TELEPHONE	$153	25.5%	$262	$600	-$338	
YOUTH MINISTRY	$0	0.0%	$0	$200	-$200	
SUNDAY SCHOOL	$0	0.0%	$0	$1,000	-$1,000	
BANK CHARGES & RECONCILIATIONS	$1,339	0.0%	$1,339	$0	$1,339	Reconciliation from 2019
GST Paid (2.5%) non-Refundable	$525	52.5%	$900	$1,000	-$100	
TRANSFER TO MEMORIAL ACCOUNT	$0	0.0%	$0	$0	$0	
DEFICIT ELIMINATION RESERVE	$0	0.0%	$0	$0	$0	
TOTAL EXPENDITURES	**$83,909**	56.2%	**$143,844**	**$149,366**	**-$5,522**	
OUTREACH & NON-OUTREACH	**$0**		**$0**	**$57,847**	**-$57,847**	
CEMETERY SHARE OF EXPENSES	**-$3,500**		**-$6,000**	**-$6,000**	**$0**	
CEMETERY CREDITS (DONOR CA	**$1,600**		**$2,743**	**$0**	**$2,743**	
TRANSFER (TO DEFICIT RESERVE	**$5,682**		**$5,682**	**-$3,623**	**$9,305**	Transfer of $5,682 was made in 2020, but effect in 2019
TOTAL EXPENDITURES:	**$87,691**		**$156,010**	**$197,590**	**-$41,580**	
OPERATING SURPLUS/DEFICIT	**-$18,835**	-145.5%	**-$39,653**	**$0**	**-$39,653**	
DEFICIT RESERVE FUND			**$15,431**	**$0**	**$15,431**	Fully utilize the Reserve to balance the books
ACCOUNTING SURPLUS / DEFICIT			**-$24,222**		**-$24,222**	

THE PARISH OF CENTRAL SAANICH FINANCIAL OUTLOOK

July 31, 2020 to Year-end

Abstract

This brief provides an Outlook on the Financial health of the Parish of Central Saanich (the Churches of St. Mary and St. Stephen) using the base reported numbers of July 31, 2020 and projecting the revenue and disbursements to December31, 2020.The financial outlook was developed by consolidating the Outlook projections developed by each church (Leslie Pedlow, Lynda Clifford, and Derek Osman). September 10, 2020

Derek Osman

Derek.osman@shaw.ca

Anglican Parish of Central Saanich
St. Mary's Church St. Stephen's Church

Faith - Family - Friendship

September 10, 2020

I. Executive Summary:

At the 2020 Annual General Meeting, the budgets for each church were approved.

- For St. Mary, the approved Budget was $176,785. As of July 31, the financial statements reported Total Revenue of $74,920 and Total Expenditures of $85,481, resulting in a deficit of -$10,561.
- For St. Stephen the Budget was $197,590. However, as that amount included the "Designated Outreach and Non-Outreach", the Revenue Budget without the Designated amounts was $142,475 and the Disbursements approved without the Designated amounts of $57,847 were $139,743. As of July 31, the financial statements reported Total Revenue of $68,856 and Total Expenditures of $83,909. After some adjustments and transfers with the Cemetery, the reported deficit was -$18,835.
- The consolidated YTD Revenue to the end July was $143,776, and the YTD Disbursements were $169,390. The adjusted deficit for the Parish on July 31 was -$29,396. This included transactions necessary to close the accounting books at the end of 2019.

The projected Outlook to December 31, 2020 used the reported July 31 Revenue and Disbursements (from the Profit and Loss Reports generated by the QuickBooks system) as the starting point. Projections to year-end were then made with an awareness of where expenses could be trimmed. This resulted in the following:

- The Revenue for St. Mary is projected to be $132,741. This is $25,544 (or 16.2%) less than Budget. The Outlook for the Expenses is $146,601, which is $30,184 (or 17.1%) less than Budget. After an adjustment, the Outlook for St. Mary is a deficit of -$9,360.
- The Revenue for St. Stephen is projected to be $116,357. This is $26,118 (or 18.3%) less than Budget. Before considering the share from the Cemetery, the Outlook for the Expenses is $143,844. This is $5,522 (or 3.7%) less than the Budget. After considering expense sharing with the Cemetery, and offsetting deficit reserves, the Outlook for St. Stephen is a deficit of -$24,222.
- The Outlook for the consolidated Revenue for the churches in the Parish is $249,098 (70.0% of Budget), and the consolidated expenditures are projected to be $290,445 (89.1% of Budget). After proposed adjustments, the financial Outlook for the Parish is a deficit of -$33,582.

These financial numbers are drawn from the spreadsheet on page 5.

II. Impact of COVID-19

A. Upon St. Mary:

The projected impact of COVID-19 upon the financial results of St. Mary at year-end (December 31) beyond July 31 is an accumulative $25,100. Contributing to this are the following:

1. Loss of Donations while the facilities were closed, and reduced levels of donations after the facilities were re-opened yielded a loss of $11,600 throughout the year.
2. Cancellation of two of the three planned Parish Thrift Sales, yielding a projected loss of $5,500, and
3. Cancellation of the Holly Fair – the main revenue generator event of the year. This cancellation has yielded a loss of $8,000.

The annual Deficit Elimination Appeal for 2020 has yet to be planned. For 2019, there was no Appeal held. For 2020, this Appeal was budgeted to generate $8,870. But with limited use of the facilities due to the protocols of COVID-19, the key limitation being 50 people in the Hall, the traditional Appeal will not be viable.

As a result of COVID-19 the Federal Government initiated a Wage Subsidy program. With the assistance of the Synod Office, St. Mary received $8,913.

The Outlook at year-end is projected to be a deficit of -$9,360.

B. Upon St. Stephen:

The projected impact of COVID-19 upon the financial results at year-end (December 31) beyond July 31 is an accumulative $32,713. Contributing to this are the following:

1. Loss of Donations while the facilities were closed, and reduced levels of donations after the facilities were re-opened yielded a projected loss of $5,391 throughout the year.
2. Projected loss of donations for Offerings in the amount of $35,899.
3. Fortunately, St. Stephen received a Wage Subsidy from the Federal Government for $8,577 to help offset some of the losses associates with the COVID-19 pandemic.

The annual Deficit Elimination Appeal for 2020 has yet to be planned and was not budgeted to occur. For 2019, there was no Appeal held.

III. Mitigation:

The Synod office is studying the options to secure additional funds from the Federal Government, presumably from the Wage Subsidy program.

St. Mary can secure additional donations from the church members through an internal Deficit Elimination Appeal or through donations towards the Holly Fair or Thrift Sales in exchange for contributing in another way.

Withdraw from the Deficit Reserve fund.

- St. Mary has already, as budgeted, withdrawn the remaining funds ($4,500) from this account to reduce the deficit from -$13,860 to -$9,360.

- St. Stephen has already, as budgeted, withdrawn the remaining funds ($15,431) from this account to reduce the deficit from -$39,653 to -$24,222.

Each of St. Mary and St. Stephen has completed an Outlook from July 31. Within those Outlooks, a Detailed Review is documented.

Your thoughts about how we can resolve the projected deficit at year-end are welcome.

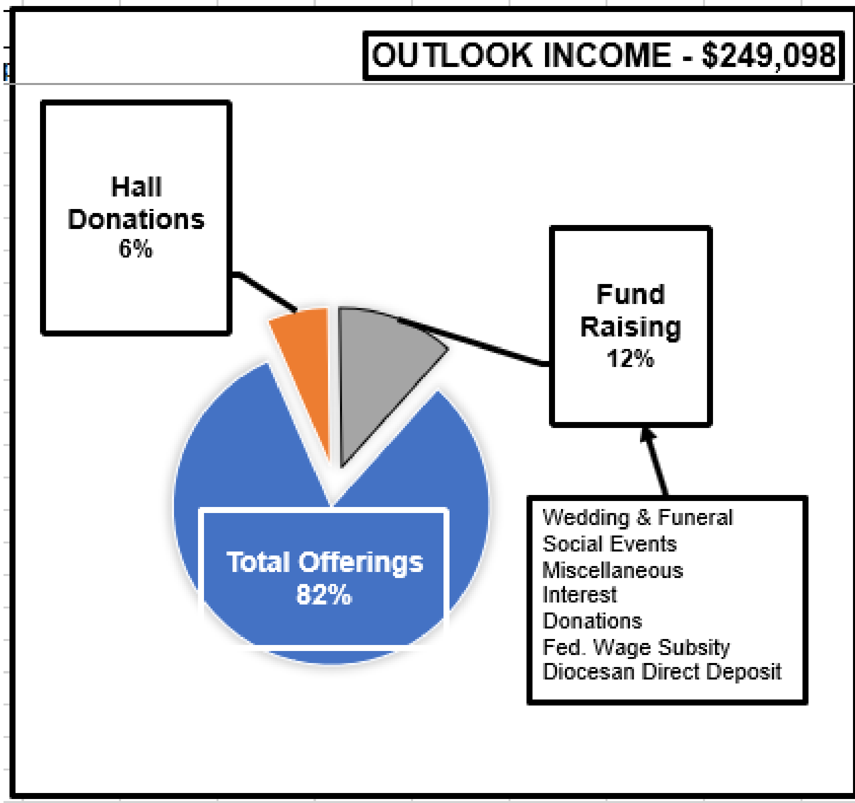
Here are some options for you to consider as well:

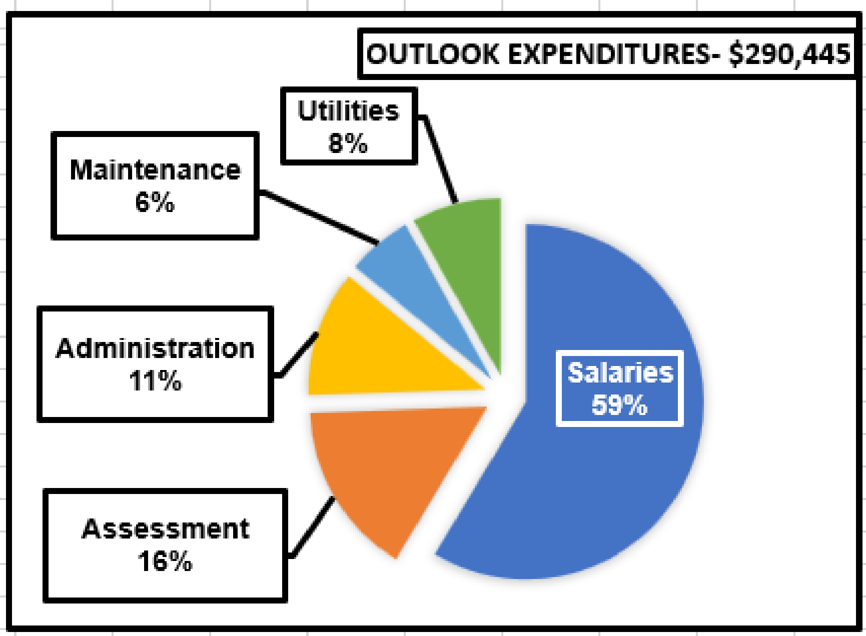
- Launch the Annual Deficit Elimination Appeal for 2020, having the target of at least $9,360, unless more than one option is selected

- Launch a creative way to drive some funds creation for the cancelled Events – perhaps what you feel the Event would have contributed if it had not been cancelled - with the target of at least the Budgeted amount. This option may be readily acceptable to some parishioners – particularly those who have volunteered for the past 4 to 5 years and would rather donate what they would have spent on baking ingredients or craft supplies and/or donated at the Holly Fair. Plus, in consideration of the time they would expect to invest prior to, during, and after the Fair, their donations could be substantial if they knew that their donation was going towards the Deficit. This would be called the "Holly Fair Appeal" and be run about 3 – 4 weeks before the traditional Deficit Elimination Appeal.

- Launch the annual Deficit Elimination Appeal for 2020,
  - Depending upon the success of the Holly Fair Appeal, the target for the Deficit Elimination Appeal for St. Mary would be about $10,000.
  - The target for the Deficit Elimination Appeal for St. Stephen would be about $25,000.

- Consideration should be given for coordinating the Deficit Elimination Appeals for the two churches to be at the same time – almost to give the appearance of a Parish Deficit Elimination Appeal to the community.





Parish of Central Saanich July 2020 Outlook Review 02-Sep-20

ITEM	St. Stephen			St. Mary			Parish of Central Saanich			
	To 31-Jul	Total Outlook	2020 Budget	To 31-Jul	Total Outlook	2020 Budget	To 31-Jul	Total Outlook	2020 Budget	% Of Bud.
REGULAR OFFERINGS	$49,592	$85,015	$119,600	$57,020	$107,520	$105,340	$106,612	$192,535	$224,940	85.6%
OPEN OFFERING	$400	$686	$2,000	$149	$249	$1,750	$549	$935	$3,750	24.9%
FESTIVAL	$2,650	$7,650	$0	$1,315	$4,015	$4,300	$3,965	$11,665	$4,300	271.3%
HALL /FACILITIES USE	$3,950	$7,192	$9,500	$4,400	$4,400	$16,000	$8,350	$11,592	$25,500	45.5%
OTHER HALL DONATIONS	$0	$0	$2,000	$200	$0	$800	$200	$0	$2,800	0.0%
WEDDINGS AND FUNERALS	$250	$450	$2,000	$2,922	$400	$225	$3,172	$850	$2,225	38.2%
SOCIAL EVENTS	$430	$430	$700	$0	$0	$0	$430	$430	$700	61.4%
MISCELLANEOUS	$0	$0	$0	$2,922	$4,293	$225	$2,922	$4,293	$225	1908.0%
INTEREST INCOME	$873	$1,873	$4,175	$0	$0	$0	$873	$1,873	$4,175	44.9%
DONATIONS	$2,134	$2,234	$0	$0	$0	$0	$2,134	$2,234	$0	0.0%
FEDERAL WAGE SUBSIDY	$8,577	$8,577	$0	$8,913	$8,913	$0	$17,491	$17,491	$0	0.0%
TX FROM HOLLY FAIR				$0	$1,500	$9,500	$0	$1,500	$9,500	15.8%
PARISH THRIFT SALES				$0	$1,450	$7,000	$0	$1,450	$7,000	20.7%
DEFICIT ELIMIINATION APPEAL 2020				$0	$0	$8,870	$0	$0	$8,870	0.0%
DEFICIT RESERVE				$0	$0	$4,500	$0	$0	$4,500	0.0%
TX FROM MEMORIAL				$18,500	$18,500	$18,500	$18,500	$18,500	$18,500	100.0%
TOTAL RECEIPTS				$93,420	$151,241	$176,785	$93,420	$151,241	$176,785	85.6%
TRANSFER FROM CEMETERY	$0	$2,250	$2,500	$0	$0	$4,500	$0	$2,250	$7,000	32.1%
DIOCESAN DIRECT DEPOSIT	$0	$0	Need to confir	$0	$0	$18,500	$0	$0	$18,500	0.0%
DESIGNATED OUTREACH INC	$0	$0	$39,079	$0	$18,500	$176,785	$0	$18,500	$215,864	8.6%
DESIGNATED NON-OUTREACH	$0	$0	$16,036	$0	$151,241	-$18,500	$0	$151,241	-$2,464	-6138.0%
TOTAL REVENUE	**$68,856**	**$116,357**	**$197,590**	$74,920	$132,741	$158,285	**$143,776**	**$249,098**	**$355,875**	70.0%
DISBURSEMENTS										
STIPEND/BENEFITS - RECTOR	$29,281	$50,196	$48,675	$29,281	$50,316	$48,675	$58,562	$100,512	$97,350	103.2%
RELIEF CLERGY	$0	$0	$650	$0	$0	$800	$0	$0	$1,450	0.0%
ASSIST CURATE	$7,275	$12,471	$12,921	$6,941	$11,539	$12,921	$14,216	$24,010	$25,842	92.9%
MUSICIANS	$2,125	$3,893	$7,400	$6,491	$10,291	$11,995	$8,616	$14,184	$19,395	73.1%
RELIEF MUSICIAN	$0	$0	$0	$100	$300	$615	$100	$300	$615	48.8%
ADMIN. ASST/BOOKKEEPER	$9,792	$16,786	$14,020	$16,302	$26,752	$26,752	$26,094	$43,538	$40,772	106.8%
DIOCESAN ASSESSMENT	$13,256	$22,725	$23,000	$11,355	$19,590	$19,761	$24,611	$42,315	$42,761	99.0%
BOOKKEEPING	$97	$166	$0	$0	$0	$0	$97	$166	$0	0.0%
CHRISTIAN EDUCATION	$0	$0	$500	$63	$128	$650	$63	$128	$1,150	11.1%
CLERGY CONFERENCES	$0	$0	$700	$0	$0	$700	$0	$0	$1,400	0.0%
MUSIC MINISTRY	$294	$504	$400	$762	$499	$1,800	$1,056	$1,003	$2,200	45.6%
SANCTUARY SUPPLIES	$379	$650	$1,500	$22	$87	$400	$401	$737	$1,900	38.8%
ADVERTISING	$130	$223	$400	$155	$155	$350	$285	$378	$750	50.3%
INSURANCE	$4,343	$7,445	$5,000	$3,621	$3,621	$3,850	$7,964	$11,066	$8,850	125.0%
PHOTOCOPY	$2,184	$3,744	$4,000	$1,481	$3,481	$3,630	$3,665	$7,225	$7,630	94.7%
POSTAGE	$44	$44	$0	$0	$200	$300	$44	$244	$300	81.3%
STATIONERY (POSTAGE, STAT	$810	$1,389	$1,500	$218	$458	$1,160	$1,028	$1,847	$2,660	69.4%
OFFICE COMPUTERS	$279	$478	$500	$67	$1,067	$0	$346	$1,545	$500	309.0%
SOCIAL EVENTS	$82	$82	$700	$0	$0	$0	$82	$82	$700	11.7%
MAINTENANCE - GENERAL	$573	$982	$5,000	$187	$937	$4,000	$760	$1,919	$9,000	21.3%
SECURITY	$1,021	$1,750	$500	$0	$0	$0	$1,021	$1,750	$500	350.1%
MAINTENANCE - CLEANING C	$2,088	$3,579	$4,700	$1,875	$3,715	$4,820	$3,963	$7,294	$9,520	76.6%
MAINTENANCE - CLEANING S	$0	$0	$0	$221	$1,221	$408	$221	$1,221	$408	299.2%
MAINTENANCE - GARDENING	$1,250	$2,143	$5,000	$78	$428	$350	$1,328	$2,571	$5,350	48.0%
GARBAGE	$474	$813	$1,000	$230	$470	$470	$704	$1,283	$1,470	87.2%
HYDRO	$3,256	$5,582	$5,000	$3,462	$6,162	$7,500	$6,718	$11,744	$12,500	94.0%
HEATING OIL - HALL	$2,053	$3,553	$3,000	$0	$0	$0	$2,053	$3,553	$3,000	118.4%
WEBSITE SUPPORT (Ascend &	$0	$0	$0	$65	$575	$300	$65	$575	$300	191.7%
INTERNET	$806	$1,382	$500	$1,469	$2,519	$2,700	$2,275	$3,901	$3,200	121.9%
TELEPHONE	$153	$262	$600	$335	$585	$600	$488	$848	$1,200	70.6%
WATER / SEWER				$373	$773	$778	$373	$773	$778	99.4%
MISCELLANEOUS				$70	$350	$1,000	$70	$350	$1,000	35.0%
YOUTH MINISTRY	$0	$0	$200	$0	$0	$0	$0	$0	$200	0.0%
SUNDAY SCHOOL	$0	$0	$1,000	$0	$0	$0	$0	$0	$1,000	0.0%
BANK CHARGES & RECONCILI	$1,339	$1,339	$0	$0	$0	$0	$1,339	$1,339	$0	0.0%
GST Paid (2.5%) non-Refundable	$525	$900	$1,000	$257	$382	$1,000	$782	$1,282	$2,000	64.1%
TRANSFER TO MEMORIAL AC	$0	$0	$0	$0	$0	$18,500	$0	$0	$18,500	0.0%
DEFICIT ELIMINATION RESERV	$0	$0	$0	$0	$0	$0	$0	$0	$0	0.0%
TOTAL EXPENDITURES	**$83,909**	**$143,844**	**$149,366**	**$85,481**	**$146,601**	**$176,785**	**$169,390**	**$290,445**	**$326,151**	89.1%
OUTREACH & NON-OU	**$0**	**$0**	**$57,847**	**$0**	**$0**	**$0**	**$0**	**$0**	**$57,847**	0.0%
CEMETERY SHARE OF	**-$3,500**	**-$6,000**	**-$6,000**	**$0**	**$0**	**$0**	**-$3,500**	**-$6,000**	**-$6,000**	100.0%
CEMETERY CREDITS (	**$1,600**	**$2,743**	**$0**	**$0**	**$0**	**$0**	**$1,600**	**$2,743**	**$0**	0.0%
TRANSFER (TO DEFIC	**$5,682**	**$5,682**	**-$3,623**	**$0**	**$0**	**$0**	**$5,682**	**$5,682**	**-$3,623**	-156.8%
TOTAL EXPENDITURE	**$87,691**	**$156,010**	**$197,590**	**$0**	**$0**	**$0**	**$87,691**	**$156,010**	**$197,590**	79.0%
RATING SURPLUS/DEF	**-$18,835**	**-$39,653**	**$0**	**-$10,561**	**-$13,860**	**$0**	**-$29,396**	**-$53,513**	**$0**	0.0%
DEFICIT RESERVE FUND		**$15,431**	**$0**	**$0**	**-$4,500**	**$0**	**$0**	**$10,931**	**$0**	0.0%
ACCOUNTING SURPLUS / DEFI	**-$24,222**			**$0**	**-$9,360**	**$0**	**$0**	**-$33,582**	**$0**	0.0%

Anglican Parish of Central Saanich
St. Mary's Church St. Stephen's Church
Faith - Family - Friendship

St. Stephen Anglican Cemetery
7921 St. Stephen Road
Saanichton, BC V8M 2C3
250-652-4311

September 15, 2020

By Email

Attention: Parish of Central Saanich Council – **August 31, 2020** – **St. Stephen, Saanichton**

Attached are **the financial statements as of August 31, 2020** for the St. Stephen Cemetery in the Parish of Central Saanich.

1. **Balance Sheet:** This financial package includes a comparison of the financial statements as of August 31, 2020 with those for the same period in 2019. Our Assets, Liabilities, & Equity are collectively $387 (or 0.2%) less than for the same period last year.
    a. The bank balance increased by $50,000 when a GIC (GIC-701) matured (02-20) and the funds were deposited into the bank account, as pre-arranged. On August 31, the Bank Balance was $52,084 more than August 2019.
    b. The Unrestricted Net Assets have decreased by $6,268 (or 38.9%). This is equivalent to the deficit of 2019. Management oversight must be involved when withdrawals are made from this account.
    c. The Net Income has changed by $5,227, from a YTD deficit of -$2,616 a year ago to a YTD surplus of $2,611 this year.

2. **Profit & Loss:** This report also compares the performance of 2020 to 2019. At the end of August there was a Total Income of $11,582, and Total Expense of $8,971, yielding a Net Income of $2,611 YTD. This compares to a deficit of -$2,616 for the same period last year. Despite the COVID-19 pandemic there was a Burial Plot Reservation made. However, key to the achievement of the surplus was donations of $3,987 and interest income of $5,081.(for a total of $9,068, or 78.3% of the Net Income)

    The Cemetery has shared $800 in expenses with the Church and has incurred $2,200 in Secretary costs and $1,000 in Bookkeeping costs. The Cemetery has also shared 50% of the receipts from the Plot Reservation and transferred $750 to the Church. The total costs borne by the Cemetery on behalf of the Church are $4,750.

3. **Concerns & Considerations:**

   a. A Custodian (Howie Kolson) was hired, and he starts his employment on October 5th.

   b. It is important that a review be completed this year, with recommendations adopted for the sharing of revenues and expenditures/costs between the St. Stephen Church (perhaps Parish) and the St. Stephen Cemetery. In 2020, St. Stephen Church has benefited by $4,750 from the arrangement with the Cemetery. This favorable treatment to the church is happening when the church is also receiving an unbudgeted receipt of $8,577 from the Federal Government Wage Subsidy program. The Cemetery does not benefit from the Wage Subsidy program. An “opinion document” on the subject has been prepared for discussion by the Cemetery Board.

   c. On August 31, the Bank Balance was $52,084 more than August 2019. This is because a $50,000 GIC matured and was deposited into the chequing account. Some or all of the $50,000 should be deposited back into a GIC, despite the low interest of 0.8%. Some value ought to be gained from it.

   d. The Unrestricted Net Assets have decreased by $6,268.56 (or 38.9%). This is the amount of the closing entry effective December 31, 2019 and is the amount of the deficit at year-end 2019. The Unrestricted Net Assets account was created when the QuickBooks was initiated in 2008 and became the repository of the surplus or eliminated the deficit to balance the books for the Cemetery at year-end. The current balance in the account is $9,863.91. It acts like the Deficit Reserve Fund does for the St. Stephen Church. Management oversight must increase to approve transactions against this account.

Please do not hesitate to contact me if you have any questions pertaining to these reports.

Derek Osman

Attachments

St. Stephen's Cemetery
Balance Sheet Prev Year Comparison
August 31, 2020

Assets			**Liabilities & Equity**		
	2020	**2019**		**2020**	**2019**
Bank:			Accounts Payable		
Coast Capital Chequing	$59,211	$7,127	Accounts Payable	$155	-$500
Total Chequing /Savings	**$59,211**	**$7,127**			
Accounts Receivable	$20	$1,500	**Total Liabilities**	**$155**	**-$500**
Other Current Assets:			**Equity**		
Investments:			Opening Bal Equity	$230,321	$230,321
Coast Capital GIC - 4/22	$20,000	$20,000	Unrestricted Net Assets	$9,864	$16,132
Coast Capital GIC - 8/22	$20,000	$20,000	Net Income	$2,611	-$2,616
Coast Capital GIC - 9/23 [1]	$10,000	$10,931			
Coast Capital GIC - 2/20 [2]	$0	$50,000	**Total Equity**	**$242,796**	**$243,838**
Diocese of BC Investment	$93,718	$93,718			
Total Investments	**$143,718**	**$194,649**			
HST - G Refundable	$2	$61			
Capital Assets	$40,000	$40,000			
Total Other Current Assets	**$183,720**	**$234,711**			
Total Assets	**$242,951**	**$243,338**	**Total Liabilities & Equity**	**$242,951**	**$243,338**

Notes:
1. The $931 thought to have been generated when the investment matured was actually taken into Interest Income in 2017.
2. This GIC was rolled over by the credit union to the chequing account upon the maturity date.

St. Stephen's Cemetery
Profit & Loss
January through August 31, 2020

Income	Jan - Aug 20	Jan - Aug 19
4100 - Burial Plot Reservations	$1,500	$1,500
4120 - Cremation Plot Reservations	$0	$3,500
4130 - Plot Opening / Closing Fees	$1,000	$2,750
4430 - Donations - General	$4,002	$875
4440 - Interest	$5,081	$1,645
Total Income	**$11,582**	**$10,270**
Expense		
Reconciliation Discrepancies	$100	-$1
5335 - Office Supplies	$0	$24
5435 - Electricity - share	$200	$200
5437 - Heating - share	$200	$200
5610 - Bookkeeping	$1,000	$1,359
5650 - Plot Opening / Closing Costs	$100	$600
5765 - Maintenance	$4,019	$4,386
5800 - Secretary	$2,200	$2,200
5830 - Telephone - share	$200	$200
5840 - Internet - share	$200	$200
5900 - Plot share Transferred to StS	$750	$3,500
5950 - GST (2.5%) Non-Recovered	$2	$16
Total Expense	**$8,971**	**$12,885**
Net Income	**$2,611**	**-$2,615**

Opinion On Shared Revenues and Expenses Between St. Stephen Church and St. Stephen Cemetery.

The current methodology for sharing some revenues and costs was developed about 10 years ago. The documentation for the rationale has not been located , and therefore the application of it is not well understood. The essence of the application is:

a) For Revenue, 50% of all Reservations (whether full plot or cremation) is shared by the Cemetery to the Church.
b) For Shared Expenses:
   - The Church allocates a fixed amount to the Cemetery monthly for utilities. The amount allocated to the Cemetery this year is $75/ month for each of the four utilities being Electricity, Heating, Telephone, and Internet.
   - The Church allocates fees for Bookkeeping and for Secretarial services
   - In the past, the Church processed donations made to the Cemetery, including the tax receipts as it was erroneously thought that the Cemetery could not issue tax receipts. The Cemetery has assumed this responsibility.

To the end of July 2020, the Cemetery has shared $700 in expenses with the Church and has incurred $1,925 in Secretary costs and $875 in Bookkeeping costs. The Cemetery has also shared 50% of the receipts from the Plot Reservations and transferred $750 to the Church. The total costs borne by the Cemetery on behalf of the Church are $4,250.

Purpose: The Cemetery Board wishes to have a review conducted to assess the appropriateness of the current sharing of the revenues and the costs being shared between the St. Stephen Church and the St. Stephen Cemetery. The method chosen to distribute the costs and revenues must be respectful of the operations of each party, be easily understood and applied, and be flexible to changes in the impacts upon each other's business such that the model can withstand a period of at least 5 years. It is intended to foster harmonious relations versus establish adversarial relations.

To achieve the objectives set forth above, it must be understood that the Cemetery Board owns the arrangement, including how the revenue and costs are shared.

1. That is to say that the Cemetery Board is responsible for determining how much, and on what basis any revenue will be shared with the Church, after it has determined that all fiduciary responsibilities have and will be met. Not to be offensive, but the Church should not continue to assume that 50% of all Reservations will be shared with them.

2. The Cemetery will manage all on-going maintenance costs associated with the upkeep of the Cemetery in accordance with the provisions of the Canon 6.5 and Regulation 6.5.01 – Management of Cemeteries. The management of these costs is first priority.

3. Shared costs will be done on a general business-accepted basis, such as the ratio of square footage used on average through an average month. This would seem reasonable for Utility expenses

4. For costs that are labour intensive, such as Secretary and Bookkeeper expenses, then the charges will be based upon the hours expended for that activity times an agreed-upon rate. The calculated charges will be signed off by the supervisor / manager before being processed. It may be appropriate for the Custodian to sign off on these charges before being processed. The person doing the work will document the nature of the work or the specifics of the job task and obtain approval from the Custodian before beginning the work for which charges are expected to be reimbursed. Alternatively, for routine activities, an agreed number of hours (and rate) could be applied for each specific activity, up to approved or budgeted levels.

5. For all other expenses or revenues, approval from the Custodian must be gained prior to commencing any activity towards gaining revenue or expecting reimbursement from efforts expensed. As always, professional judgement will always prevail.

Respectfully,

David Stewart and Derek Osman