

ANNUAL REPORT – 2010
PART I: FINANCE & ADMINISTRATION
Held on: Tuesday, March 1, 2011

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MISSION & AFFIRMING STATEMENTS *(see back of front cover)*

**Bloor Street United Church
Congregational Meeting AGENDA**

March 1, 2011

1. Opening Hymn and Prayer
2. Welcome and Regrets
3. Review of Minutes from previous Congregational Meetings
 - June 1, 2010 Programme AGM
 - November 28, 2010 meeting (Endowment transfer in 2011)
 - February 13, 2011 meeting (JNAC)
4. Investment Committee Report
5. Presentation of 2010 Audited Financial Statements and 2011 Budget
 - Motion to adopt the Audited Financial Statements for 2010
 - Motion to accept the 2010 Financial Report and the 2011 Budget
6. Motion to Appoint the Auditor
7. Presentation of the 2011 Restoration Fund Budget
 - Motion to accept the 2011 Restoration Fund Budget
8. Other Business and Announcements
9. Closing Hymn
10. Adjournment

CHURCH COUNCIL

Chair

Doug Welwood

Past Chair of Council

Nenke Jongkind

Secretary

Catherine Elsdon

Presbytery Representative

George Bartlett

Dan Benson

Michael Hilliard

Liz Tinker

Committee Chairs:

Christian Development &
Community Life

Bob Hilliard

Communications

Stephen Milton

Finance & Administration

Nenke Jongkind

Investment

Don Cooper

Ministry & Personnel

Lisa Walter

Volunteering Coordinators

Pat McPhee and

Mary Sanderson

Pastoral Care

Anne Farquharson

Property

Ron Kentner

Redevelopment

Michael Hilliard

Renewal

Don Payne

Social Justice

Liz Tinker

Stewardship

Tom McCauley

Worship

Heather Hilliard

Member at Large

Sandra Cruickshanks

Don Payne

BLOOR STREET UNITED CHURCH

Phone: (416) 924-7439

Fax: (416) 924-1889

MINISTERIAL TEAM

Rev. Martha ter Kuile Minister of Worship and Pastoral Care

ext. 44 martha@bloorstreetunited.org

Emily Gordon Children, Families & Outreach Ministries Coordinator

ext. 26 emily@bloorstreetunited.org

David Passmore Director of Music

ext. 30 david@bloorstreetunited.org

Rev. David Allan, Rev. Don Gillies, Very Rev. Bruce McLeod *Ministers Emeriti*

ADMINISTRATIVE TEAM *Office Hours 9:00 a.m. – 5:00 p.m.*

Tina Edwards Office Secretary (committee related matters & room bookings)

ext. 22 tina@bloorstreetunited.org

Susan Jennings Church Secretary (church bulletin & general office inquiries)

ext. 21 susan@bloorstreetunited.org

PASTORAL CARE

Anne Farquharson Pastoral Care Team Convenor,

Noreen Hunter-Riley Parish Nurse Candidate ext. 29, **Robert Thoen** Barista

MUSIC

Erin Bardua, Geoff Keating, Michelle Simmons, Damien Villeneuve /

Kieren MacMillan Soloists **Amy Rand** Silvester Kirby Organ Scholar

CARETAKING *Pager: (416) 857-7222*

Wayne Findleter (weekend days), **Karl Shuler** (Team Leader),

Richard Seiler (casual), **Gary Steeves** (weekday evenings),

Wilton Sychangco (casual)

CHURCH SCHOOL & YOUTH

Evangeline Albuerne, Marion Davies, Joan Irwin Sunday School Teachers

Sheryl Johnson Youth Coordinator

OUTREACH

Francisco Venegas Refugee Outreach Worker

ext. 32 francisco@bloorstreetunited.org

Jeremiah's Field (*A Loan Fund for Refugees*) jeremiahsfield@yahoo.ca

COMMUNICATIONS

Harold Durnford *Webmaster* webmaster@bloorstreetunited.org

Isabel Ward *Editor, Good News on Bloor* booksleuth28@gmail.com



300 Bloor Street West, Toronto, ON, M5S 1W3

P: 416-924-7439 / www.bloorstreetunited.org

**BLOOR STREET UNITED CHURCH
STAFF 2010**

Church School Teachers

Evangeline Albuerne,
Marion Davies,
Joan Irwin

Nanny

YouthonBloor Co-ordinator

*(Jan – June)
(Sept – Dec)*

Shannon Neufeldt
Sheryl Johnson

Ministers

Minister of Christian Development
& Community Life
Minister of Worship & Pastoral Care

(Jan – June)

(on leave through June)

Alydia Smith
Martha ter Kuile

Parish Nurse

(Jan – Aug)

Rakhil Yunus

Director of Music

David Passmore

Silvester-Kirby Organ Scholar

Amy Rand

Soloists

Erin Bardua
Geoff Keating
Kieren MacMillan (interim)
Michelle Simmons

Custodians

weekend days
weekdays
weekday evenings
casual

*(Feb – Sept)
(Apr – Nov)*

(Nov – Dec)

Wayne Findleter
Karl Shuler (Team Leader)
Gary Steeves
George (Bill) Ferguson
Shannon Ruaux
Richard Seiler
Wilton Sychangco

Secretaries

Office
Church

Tina Edwards
Susan Jennings

BLOOR STREET UNITED CHURCH
Minutes of the Congregational Meeting
June 1, 2010

Present:

Don Cooper, Bill Davis, Velma Davis, Art Dayfoot, Bessie Dayfoot, Catherine Elsdon, Ruth Evans, Anne Farquharson, Bob Farquharson, Robert Gordon, Randi Helmers, Heather Hilliard, Irene Hunter, Rossana Ibarra, Kent Jackson, Pat Janes, Diane Johnson, Dianne Johnson, Sue Kaiser, Sue Lam, Dawn Lee, Val Lem, Tom McCauley, Mary MacDonald, Pat McPhee, Diane Montgomery, Don Payne, Mary Sanderson, Ellen Schwartzel, Alex Stewart, Liz Tinker, Robert Thoen, Joanne Waddington, Lisa Walter, Doug Welwood

Ministerial and Staff: Joyce Kelly, David Passmore, Francisco Venegas

Nenke Jongkind (chair), Sandra Cruickshanks (secretary)

Regrets:

Val Carson Kilpatrick, Ann Cooper, Brian Fox, Marjorie Fox, Jim Hunter, Mary Katsuno, Bill Mowat, Kay Smythe, John Tinker, Mary Louise Work

Call to Order: 7:00 p.m.

The agenda for the meeting was included in the weekly print and on-line calendar May 16, 23 and 30. Additional printed information was made available at the meeting.

1. Worship

Led by Joyce Kelly and David Passmore

2. YouthonBloor and Sunday School stories

Nenke explained she had asked Bob Hilliard to see if he could have some members of YouthonBloor come to the meeting to talk about their experiences, in particular how they have benefited from Shannon's leadership. While none were able to attend, the following reflections were offered:

- Ruth told a story about her grandson's experiences with YouthonBloor and how he was always eager to come, crediting Shannon's creativity and leadership.
- Diane talked about the time YouthonBloor helped with the special event for Linda and Warren.
- Sue reflected on her experience with YouthonBloor helping with the gifts for the Christmas party.

4. Program Highlights

- Pat talked about the Book Club that has been taking place this year. The group has had the opportunity to read and discuss several current books. Liz thanked Bob Farquharson for his leadership of this group.
- The Bloor Street Café has been underway since March based on a suggestion from one of our new members Angie Hocking. It has been a tremendous success and volunteers are welcome.
- The Art Gallery Tours led by Stephen Milton have engaged many members with two tours of the religious art at the AGO.
- The program to match available used bikes with those who could use them. Two bikes have been “recycled” to new owners. Others are being prepared.
- The ToGoGo Grannies had another successful concert, bringing their fundraising total for African Grannies to more than \$80,000. The Grannies are now going to spend some time brainstorming about what activities they would like to do next, including putting more of a focus on educating themselves and others about issues in Africa. Liz offered to have the Social Justice Committee join in this brainstorming.
- An after school program for children of refugees has been successfully launched with more children attending each week. In addition a Friday conversation group has started for Spanish-speaking refugees and newcomers to help them improve their English language skills. In September a program will get underway to support refugee children with their language skills.
- Sue noted that an emerging issue for the Refugee Outreach Committee is reunification of families. There are various reasons why families do not leave their countries of origin together. She noted that the Committee would like to spend some time looking at how BSUC might respond to this responsibly and responsively.

Motion:

Moved by Liz, seconded by Tom to accept the Committee reports as presented in the report with the yellow cover, as amended to include Lisa’s name in the introductory paragraph of the M&P report.

Reports were passed with the amendment to the M&P report.

5. Minutes of Past Meetings

Minutes of February 23, 2010

Moved by Val, seconded by Sue to accept the minutes as presented.

Correction to section 4, the second sentence should read, “later in the year.”

Passed with amendment

Minutes of April

Moved by Heather, seconded by Bill to accept the minutes as presented.

Passed.

6. Report Back from Table conversations

- ROP is an outstanding project.
- Community Lunches have been a good idea.
- What can be done with our property which is looking very shabby? Can a long term plan be developed?
- Do we have enough current photos of our property and our activities at BSUC?
- Acoustics in the Chapel are not good.
- Can we hear more about bipartisan and peace initiatives?
- What about a "Learnathon" fundraiser or another activity that would catch people's attention?
- Social Justice has been moving towards broader interfaith dialogue (Peace Walk and Forensic Scriptures study) as well as increasing awareness and education about issues and positions taken by the United Church without taking action unless and until the entire congregation is engaged.
- BSUC works well from a community perspective. There are a variety of programs but we probably can't take on much more than we do today.
- The Thursday morning lectionary by Don Nicol is a popular session.
- There appears to be more children and families in church.
- The updated website has current information and has attracted newcomers.
- The pre-service coffee and refreshments are appreciated.
- Regular e-mails from the office with news, events, etc. are also appreciated.
- Concern about the church school following Alydia's departure.
- Can we include non-English speaking newcomers more effectively?
- It is possible to do some work on a renewed redevelopment vision?
- The Community Café is a great idea.
- That the Supply Minister have a children's focus.

Bill announced that there will be a special goodbye for Alydia on June 13 following church.

7. Supply Ministry Planning

The group has not yet met but the plan is to have someone in place in September.

8. JNAC Update

Ellen Schwartzel provided an update on the work of the Committee to date. She offered an explanation of the work of the committee in the context of the United Church. The JNAC process is designed to encourage the congregation to explore its strengths and weaknesses, vision for the future, identify the financial status, hopes for the future, etc.

Alcris Limongi will be joining the group established in April. Randi Helmers will also be assisting. Presbytery representatives are Susan Smith and John Smith. The Committee will be meeting the members and groups in the congregation as well as the ministers. The Committee is hoping to wrap up its work in October or November in order to have the information for a search committee.

9. New Council Members

Pat started the report of the Volunteer Co-ordinators with thanks to the many teams of people who contribute to the life and work of the church: weekly counters, Good News on Bloor, coffee servers, Community Café volunteers, etc. Council members and committee chairs who are leaving their roles were thanked for their leadership: Diane Johnson, Pat Clarke, Bob Hilliard, Brian Fox, Sandra Cruickshanks, Doug Welwood, Nenke Jongkind.

The recommendations for BSUC leadership were included in the report. In addition to the listing in the report, Dan Benson and George Bartlett will be added to the list as two additional Presbytery Representatives. Tom McCauley will assume the chair of Stewardship.

Doug Welwood will assume the role of Chair. Mary noted Doug has identified a potential conflict of interest with respect to redevelopment matters. He has discussed this with Council and Council has adopted a process to ensure Doug is supported should this issue arise.

Moved by Mary, seconded by Pat to accept the recommendation of the Volunteer Co-ordinators as noted in the yellow-covered meeting report.

10. Announcements

- Laurie Gordon announced that another Gala dinner is planned for November 6. Talented volunteers are welcome to join the planning.
- Nenke offered warm thanks to Joyce for her work among us in the past year.
- Nenke offered thanks, supported by all in attendance at the meeting, to Susan for her help with the preparation of last minute copies of the Congregational meeting program document.
- Diane asked for help from the congregation for book donations as several boxes of books for the upcoming sale have been stolen in the last couple of weeks. Newer fiction paperbacks will be welcomed.
- Doug reported that the Property Committee, working with Karl, is looking into enhancement to our current security system.

11. Closing

Lead by Joyce and David

Meeting close: 9:00 p.m.

Submitted by: Sandra Cruickshanks

BLOOR STREET UNITED CHURCH
Minutes of the Congregational Meeting
November 28, 2010

The meeting was held in the sanctuary following the worship service. Rev. Martha ter Kuile was in attendance.

Doug called the meeting to order at 11:59 a.m.

1. Don Cooper moved that the payment from the Endowment Fund to BSUC (Bloor Street United Church) remain unchanged at \$137,200 in 2011. Liz Tinker seconded.

Don offered an explanation of the financial considerations affecting the Endowment Fund this year (see APPENDIX A – a notice of this meeting and explanation of the motion that was printed in the bulletin and circulated electronically to the congregation). Don noted that relatively speaking, the returns on the Fund are good given the current economic situation.

Don opened up the floor for questions:

Bill Davis raised the issue that he felt the motion does not take into consideration a surplus situation in the church budget, in which case he felt the congregation should draw less from the Endowment Fund.

Bob Hilliard inquired about the fees associated with the firm, Nexus, that manages the fund now. Don responded that the fee is just over three quarters of one percent and after the fund reaches three million dollars the fee drops in percentage. Returns are quoted net of fees in Appendix A.

Jim Hunter noted that a motion is made every year to the congregation for consideration of the amount to be withdrawn, so a revision of the Rules to accommodate Bill Davis' concern may not be necessary.

Nenke Jongkind clarified that the church does anticipate a deficit in 2010 and a tight budget for next year.

Doug noted that this motion is required according to the Endowment Fund Rules.

The motion was passed unanimously.

APPENDIX A

Notice of Special Congregational Meeting - November 28

An endowment fund generally serves two objectives. Sometimes the objectives can be met readily; sometimes compromises are advisable. The objectives are to provide a sustainable and predictable flow of income to the beneficiary while remaining faithful to the intent of the funders/donors by preserving the long-term real purchasing power of the fund.

The Endowment Fund of Bloor Street United Church operates under a set of Rules which have evolved over the past 43 years, the most recent version of which was approved by the Congregation early in 2006.

With respect to disbursements, the Rules state that the annual payment to Church Council will be the greater of [1] actual interest and dividend income earned in the prior year or 5% of the market value of the fund, the market value being determined by averaging the fund at the end of the 12 previous calendar quarters. A three year averaging formula is introduced to provide a stabilizing element.

Application of the formula enabled the fund to provide a distribution to the Church of \$127,150 in 2005, \$131,000 in 2006 and \$137,200 in 2007. These payments represented between 15 - 20% of the operating budget of Bloor Street United Church during those years.

More recently, the volatility in financial markets has made it difficult to meet the formula for the 5% payment threshold. The value of the fund declined 8.8% in 2008. Though markets have recovered and the fund more than made up the 2008 decline in the following year and though the fund appears likely to earn 7 - 8% this year, the average three year return at the end of 2010 will be 4.4% at best, before inflation or about 3% "real".

The Investment Committee expects that returns in financial markets over the next five years will be lower than the returns which were recorded through the 1990s and during the period 2002-2007. One obvious reason is that interest rates are at lows not

seen since the early 1950s. Government of Canada bonds yielded 4.5 - 5.0% when the current investment policy and Endowment Fund Rules were prepared five years ago. Interest rates on such bonds are now 2.75 - 3.25%. The burden of debt weighing on governments and consumers is likely to restrain economic growth over the next few years.

It is arguable that our "Rules" should be modified to call for a lower annual rate of distribution from the Endowment. However, there are significant budgetary exigencies which must be recognized. The solution recommended by the Investment Committee to the congregation is essentially that the payment remains unchanged at \$137,200 in 2011.

Over time we have some confidence that additional planned gifts will enable the fund to continue growing and that the actual distribution percentage will decline gradually while the dollar payout remains constant.

The proposal by the Investment Committee to maintain the distribution at \$137,200 is supported by Council but must be approved by two thirds of the votes cast at a Special Congregational Meeting in order to be effected.

Members of the investment Committee will be present at the meeting to be held on Sunday, November 28 to answer any questions which members of the congregation may have about the proposal.

Donald Cooper
Chair of Investment Committee

BLOOR STREET UNITED CHURCH
Minutes of the Congregational Meeting

February 13, 2011

Present: Susan Smith – Presbytery Representative

Members of the JNAC Committee: Daniel Benson, Robert Farquharson, Randi Helmers, Bonnie Reid, Ellen Schwartzel

Doug Welwood, Catherine Elsdon, Martha ter Kuile, Nancy Williamson, Bridget Hough, Dawn Lee, Donald Cooper, Ron Kentner, Mary Sanderson, Pat McPhee, Liz Tinker, John Tinker, Velma Davis, Bill Davis, Patricia Clarke, Peter Lewis, Christine Mosser, Arthur Smith, Edna & Peter Barg, Sue Kaiser, Bessie Dayfoot, Church Baker, Harold Durnford, Marjorie Fox, Brian Fox, Nenke Jongkind, Stephen Milton, Lisa Walter, Sandra Bartonek, Conrad Hazen, Hazel Gardner, Laurie Gordon, Alice Bentley, Karl Jaffary, Bob Hilliard, Jean Hilliard, Bill Mowat, Mary-Louise Work, Valerie Carson Kilpatrick, John Patterson, David Passmore, Heather Hilliard, Marie Marsellus, Don Grant, Robert Thoen, Donald Payne, Diane Johnson, John Spears, Ellen Spears, Kay Smythe-Davies, Pam Bradshaw, Shirley Farlinger, David Joyce, Alberto Arzola, Garnet Ward, Isabel Ward, Randi Helmers, Joanne Waddington, Ralph Gordon, Mary Macdonald, Angie Hocking, Jeff Hocking, Anne Hogg, Dianne A. Johnson, Joan Irwin, Mary Katsuno, Aaron Zhang

1. Welcome and Opening Prayer
Doug Welwood opened the meeting at 11:57 a.m. Martha led a prayer.
2. Permission for Adherents to Vote
Motion: That adherents of Bloor Street United Church be permitted to vote at this meeting.
Moved by Nenke Jongkind. Seconded by Heather Hilliard. Passed.
3. Introduction of Joint Needs Assessment Committee (JNAC)
Doug introduced members of the Committee (see above)
4. Presentation of JNAC Report and Q&A
Ellen Schwartzel, JNAC Chair, gave an overview of the JNAC report. In particular, she outlined the values and challenges of Bloor Street, as well as the Committee final recommendations.

Questions and Comments:

Liz Tinker clarified that one person would be most welcome to apply for both positions if they had both skill sets.

Pat Clarke: Is there any suggestion that these employees would preach? Ellen suggested that preaching was not in the job description, so it would be occasional if at all.

Bill Davis: Recognized the Committee for their work but declared his decision to abstain. He feels that the report is cautionary and fiscally conservative — more about maintenance than visioning. He suggested that moving from two full time ministers diminishes our ability to vision.

Mary Katsuno: How will these new staff reach out to the community, particularly the university body? Ellen said that nothing specific was included in the report, but it is not excluded.

Marie Marsellus: Requested that if we bring on a person for 30 hours per week, the congregation must be careful not to over extend them.

Ruth Evans echoed Bill Davis' concerns. She verified that the hours allocated per position could be increased if necessary. She expressed her concern that it is not ethical to offer a 10-hour per week position without benefits. The Committee expressed the hope that one person could fill both positions, in which case they would receive benefits.

Liz Tinker: Acknowledged that the JNAC report presents a workable model used in other congregations. She also expressed her opinion that it is not inherently exploitative to offer a part-time position without benefits.

Mary-Louise Work asked what the significance is of a “contract” position? Susan Smith clarified that a contract position would be reviewed annually and is not a call. Lisa Walter, Chair of M&P, clarified that M&P will need to finalize a review of Martha's job description.

Bob Hilliard reminded the congregation that in addition to these new positions we already have a parish nurse and refugee outreach worker, who contribute to pastoral care and community building.

Val Carson Kilpatrick: Reiterated the concerns about benefits for part-time employees already expressed by Ruth.

5. Motion Concerning the JNAC Report

Susan Smith, Presbytery Representative, took over as chair of the meeting. Doug Welwood read out the motion concerning the JNAC report:

On behalf of the Church Council of Bloor Street United Church, I move adoption of the recommendations stated on page nine of the Bloor Street United Church Joint Needs Assessment Committee Report and Recommendations February 2011, namely:

1. That Council and congregation of Bloor Street United Church ask Toronto Southeast Presbytery to declare vacancies for two part-time contract positions with the following job titles:
 - Pastoral Care Coordinator
 - Community Builder
2. That Council ask M&P Committee to amend the job description and job title for the Minister of Worship and Christian Development (the position which the Reverend Martha ter Kuile continues to hold) to give this position a strengthened leadership and coordinating role, and specifically to coordinate and guide the work of the above two new positions. We are suggesting the title of 'Coordinating Minister.'
3. That the JNAC be disbanded and a Joint Search Committee be formed to assess candidates for these two positions.
4. That the Congregation give Council the authority to identify the members of the Search Committee.

Furthermore, I move that in communication with Toronto Southeast Presbytery note be made of the openness of the Joint Needs Assessment Committee to the possibility of a single individual meeting the needs of both positions described in the first recommendation above.

Moved by Doug Welwood. Seconded by Dan Benson.

Discussion:

Lisa Walter recognized the members and work of the JNAC Committee. She expressed her opinion that the difference between contract and call positions is major in terms of their relationship with the church. She also agreed that job descriptions, particularly Martha's, should be worked out in advance. She highlighted that models of ministry is more than a staffing arrangement — it is a concrete expression of faith. She believes that BSUC is blessed with many gifts and we should be doing more not less. Unlike our building, our staffing arrangements are not in a state of emergency. The JNAC says we need to work out our vision and our administration arrangement and Lisa believes that this work must be done first before we reconsider our staff model. She believes that this report should be tabled.

Hazel Gardner believes that it is unfair to hire a person without benefits. She asked: how does someone become fully committed to the church in 10 hours a week? Ellen clarified that they would be very open to one person applying for both positions.

David Passmore noted that we have had part-time staff in the past.

Sue Kaiser pointed out that we have an opportunity here to employ someone and there may be many reasons why a part-time position would meet their needs.

John Spears requested that the wording of item 2 of the motion be reconsidered so that “Worship and Christian Development” not be removed from Martha’s title.

The Committee made a ‘friendly amendment’ to item 2, removing the sentence, “We are suggesting the title of ‘Coordinating Minister’”.

Moved by Doug Welwood. Seconded by Dan Benson. Passed.

Vote on motion as amended.

Opposed: 4. Abstentions: 5. Passed.

Bill Davis requested that his abstention be noted.

6. Motion to Establish a Joint Search

That a Joint Search Committee be established with the following participants: Alberto Arzola, George Bartlett, Anne Farquharson, Sue Kaiser, Christine Mosser, Mary Louise Work, Art Smith (Chair); as well as representation from the Toronto Southeast Presbytery. Further, that the Joint Search Committee be given power to add to its members as it considers appropriate.

Moved by Pat McPhee. Seconded by Mary Sanderson. Passed.

7. Closing prayer led by Martha.

8. Adjournment: the meeting concluded at 1:10 p.m.

**FINANCE AND ADMINISTRATION COMMITTEE
REPORT TO CONGREGATIONAL MEETING**

for the Year Ended December 31, 2010

This is our strongest mission statement and once a year we take the time to look at the financial results of our congregation in the year just past, 2010, and an overview of our proposed and projected income and expenses for the coming year, 2011.

Thank you Doug Welwood for your work as Chair of Finance and Administration. Doug continues to support and mentor me as I try to do this work as well as he did.

Three summary tables and the detailed budget tables by Committee accompany this report. The three summary tables:

- Compare Bloor Street's 2009 results with those for 2010
- Compare Bloor Street's 2010 results with the planned budget for 2010
- Propose the 2011 Budget providing comparisons with the 2010 results and Bloor Street's financial history since 2006

2010 Financial Results

This has been another good year at Bloor Street United Church. Yes, I can say that despite the fact that expenses exceeded revenues in 2010, resulting in an operating deficit of \$25,000.

The differences from budget for 2010 include:

1. A question was raised in respect to the GST in late 2009. We discovered that we had been unnecessarily collecting and remitting GST from the people who used our premises. Upon further examination we had also incorrectly applied a formula for input tax credits. We could correct the last submission to CRA for the last 2009 GST collected and decided that we also needed to voluntarily disclose our error over the years and remit a first estimate of what we owed. These two items resulted in an expense of \$34,089. Had this not come to light, 2010 would have had a small surplus of about \$8,000. At the time of writing we have not heard back from the CRA on our voluntary disclosure, so final resolution of this matter is, as yet, uncertain.
2. A second difference from budget was that income from room rentals and the parking lot, although budgeted slightly below the actual amounts received in 2009, proved optimistic, with each falling short of budget.

3. A third negative divergence from budget was an over-run in custodial salaries, and consequently in Property expenses relative to budget.
4. The fourth divergence from budget was a savings relative to budget in M&P as the net effect of Alydia's departure, the ending of the Parish Nursing contract and the commencement, with some delay, of the Children, Families and Outreach Ministry Coordinator's contract.

Other highlights from 2010 include:

- ❖ Membership Givings increased by \$5,451 from 2009 to \$249,811, and almost met our budget target (fell short by \$2,602)
- ❖ The Gala Dinner met its \$8,000 net revenue target
- ❖ The budget deficit was kept to \$25,000 in 2010, and, therefore, is covered by the \$27,466 in cumulative surpluses built up to the end of 2009

2011 Budget

With respect to 2011, the proposed budget is tight but do-able. A few highlights:

- The proposed 2011 budget is balanced
- Membership Givings to Local targets a 2% increase (from \$243,350 to \$248,220) based on the results of the Fall Stewardship Campaign
- Staffing assumptions are consistent with the JNAC recommendations
- The custodial salaries budget has been rebuilt from the 'bottom up' to ensure its feasibility and steps have been taken to improve monitoring and management of this element of the budget
- The custodial salaries budget incorporates an upward adjustment in custodial wage rates based on the recommendations of M&P
- The projected income from rentals takes into account the experience of recent years and the anticipated impact of HST changes

So despite changes and challenges, we strive to manage our money well.

Administration

I want to acknowledge the hard work Heather Young of Young & Associates have done. Heather teaches Finance for the Arts at Humber College, and has written the text book for the course. She is a rare find amongst her ilk in that she is familiar with fund accounting and our auditor, Dan Shereck is most impressed with her capacity.

And there have been some changes:

1. This year we have revamped and simplified our chart of accounts in consultation with all the stakeholders. It has not been a simple task, but it is ready in time for the 2011 entries.
2. We have also worked with committee chairs to check that they get the information they need to monitor their budgets and funds within their portfolio.
3. We have worked at lightening the load for Susan Jennings with accounts payables. Susan handles invoice backup accumulation and coding, and now the bookkeeping staff post and prepare the cheques, arrange for signatories and file backup provided.
4. With all staff now on ADP payroll we no longer have three different payroll cycles with which to contend.
5. The bookkeeping office still needs some work but now has reasonable work spaces and chairs for two people to work there.
6. Tina Edwards continues to do the work on deposits.
7. Plans include a monthly review by administrative staff and bookkeeping staff to review all bookkeeping entries to ensure that all are correct before statements are sent to all committee chairs.

Undoubtedly there will be more work for this year to expedite matters for everyone concerned and we, the Finance and Administration Committee, will continue to work diligently on all matters requiring our attention.

*Submitted by: Nenke Jongkind. Chair of Finance and Administration
on behalf of Karl Jaffary, John Patterson, Andrew Spears, and Heather Young*

**BLOOR STREET UNITED CHURCH FINANCIAL REVIEW
OF 2010 BUDGET TO 2010 PROJECTED ACTUALS**

	BUDGET 2010	PROJECTED ACTUALS 2010 (1)	DIFFERENCE BUDGET - PRJ ACTUALS
Membership Givings	252,413	249,811	(2,602)
Mission & Service Givings	93,000	90,501	(2,499)
Endowment Fund Transfer Payment	137,200	137,200	-
Rentals	282,927	264,428	(18,499)
Fundraising	8,000	11,195	3,195
Committee Revenue	14,365	12,814	(1,551)
Miscellaneous Revenue	2,581	6,882	4,301
TOTAL OPERATING REVENUE	790,486	772,831	(17,655)
Worship & Pastoral Care	9,950	9,084	(866)
Music	13,805	8,881	(4,924)
Social Justice	24,650	21,747	(2,903)
Mission & Service Remitted	93,000	90,501	(2,499)
Christian Development & Community Life	10,655	12,470	1,815
Communications	4,262	3,125	(1,137)
Council	20,537	49,228	28,691
Ministry & Personnel	326,469	289,641	(36,828)
Stewardship	682	2,937	2,255
Property	246,557	264,211	17,654
Finance & Admin	39,785	45,648	5,863
TOTAL OPERATING EXPENSES	790,352	797,475	7,123
OPERATING SURPLUS OR (DEFICIT)	134	(24,643)	(24,777)
Special Fundraising	10,000	9,060	(940)
Special Projects	(10,000)	(9,060)	940
NET NON-RECURRING ITEMS	-	-	-
NET REVENUE & EXPENSES	134	(24,643)	(24,777)

(1) Projected Actuals: These figures were submitted to the auditor. As of this writing, the audit has not been completed. Therefore, these figures are subject to change. The Finance & Administration Committee does not anticipate that significant changes will arise from the audit process.

**BLOOR STREET UNITED CHURCH FINANCIAL STATEMENTS
REVIEW OF 2009 ACTUALS TO 2010 ACTUALS**

	ACTUALS 2009 (1)	PROJECTED ACTUALS 2010 (2)	DIFFERENCE 2009 - 2010
OPERATING REVENUE			
Membership Givings	244,360	249,811	5,451
Mission & Service Givings	93,140	90,501	(2,639)
Endowment Fund Transfer Payment	137,200	137,200	-
Rentals	262,014	264,428	2,414
Fundraising	4,906	11,195	6,289
Committee Revenue	11,139	12,814	1,675
Miscellaneous Revenue	7,750	6,882	(867)
TOTAL OPERATING REVENUE	760,509	772,831	12,322
OPERATING EXPENSE			
Worship & Pastoral Care	7,958	9,084	1,127
Music	7,752	8,881	1,128
Social Justice	21,309	21,747	438
Mission & Service Payment	93,140	90,501	(2,639)
Christian Development & Community Life	9,912	12,470	2,559
Communications	2,966	3,125	159
Council	13,651	49,228	35,577
Ministry & Personnel	289,964	289,641	(323)
Stewardship	1,727	2,937	1,210
Property	259,005	264,211	5,207
Finance & Admin	40,123	45,648	5,525
Renewal	33	-	(33)
TOTAL OPERATING EXPENSES	747,540	797,475	49,934
OPERATING SURPLUS OR (DEFICIT)	12,969	(24,643)	(37,612)
Special Fundraising	27,248	9,060	(18,188)
Special Projects	(27,248)	(9,060)	18,188
NET NON-RECURRING ITEMS	-	-	-
NET REVENUE & EXPENSES	12,969	(24,643)	(37,612)

(1) The 2009 Actuals are slightly restated from last year's Annual Report. They conform to the final audited statements as approved by Council. (2) Projected Actuals: These figures were submitted to the auditor. As of this writing, the audit has not been completed. Therefore, these figures are subject to change. The Finance & Administration Committee does not anticipate that significant changes will arise from the audit process.

[See Summary Sheet](#)

See Schedule 2

Pastoral Care
See Schedule 3

Music
See Schedule 4

Social Justice
See Schedule 5

CD / CL
See Schedule 6

Communications / Renewal
See Schedule 7/8

Council
See Schedule 9

Ministry & Personnel
See Schedule 10

Stewardship / Fundraising
See Schedule 11/12

Property
See Schedule 13

Finance & Admin
See Schedule 14

REPORT OF THE INVESTMENT COMMITTEE
For the Year to December 31, 2010

The investment Committee is responsible for managing the Endowment Fund of Bloor Street United Church as well as several special purpose funds. In 2010, the Endowment paid \$ 137,200 towards the operating budget of the Church. The payment was 20% of the total operating revenues [excluding offerings for the Mission and Service Fund of the United Church of Canada].

In 2010, payments from the Craddock Fund and the Silvester Kirby Organ Scholarship Fund and Special Music Fund amounted to \$ 6,017. There were no payments from the Carol Morris Fund or Mrs. George C. Pidgeon Fund.

Capital Changes

In 2010 we received with gratitude planned gifts from Muriel Smith by way of a life insurance policy for \$ 3,564 and a planned gift from the Estate of Ruth Mechanicus in the amount of \$ 37,500. We deeply appreciate a gift received from Hugh Morris in the amount of \$ 2,000 to the Carol Morris Fund.

The executors of the Estate of Carol Morris have agreed to transfer funds held in the Carol Morris Fund to the general Endowment Fund. The Carol Morris Fund had been set up in the early 1990s, funded originally with a \$ 10,000 bequest from Mrs. Morris' Estate and with an additional \$ 11,000 of gifts received over subsequent years given in her memory. The fund had not been drawn upon since 2005 and as income was reinvested the fund had grown to \$ 33,663 by the end of 2010. After reviewing the Will the executors of the Estate agreed that the bequest was not dedicated to any special purpose and should, therefore, be added to the Endowment Fund to support the annual operating budget of the Church.

There were no new loans from the Endowment Fund to Bloor Street United Church in 2010. As of the year end, the interest free loan, which has been extended to cover consulting costs in connection with redevelopment, costs totaling \$20,576. Under the terms of the loan agreement between Church Council and the Endowment Fund Investment Committee, the principal will be repaid from initial proceeds of any redevelopment of the church property.

Investment Performance

In 2010 the return [interest plus dividends plus market appreciation] on the consolidated endowment was 8.12 % after expenses and fees of .84 %. These expenses and fees are very competitive in the marketplace.

Our external manager [Nexus Investment Management] lagged the "benchmark" return in 2010 for the first time in three years. To a significant extent that was because the largest gains in the TSX Composite index were concentrated in market sectors [particularly gold

and base metal producers] which are cyclical and inherently more speculative. Over periods of three years and longer, our manager has consistently added significant value to the benchmark return and has done so with a relatively low risk investment approach. Your Investment Committee is pleased to report that Nexus Investment Management continues to provide both excellent service and good investment returns

Long term returns and payout formula

The formula governing annual distributions of money from the Endowment Fund to the Church is defined by the Rules which were revised and approved most recently by the Congregation in 2004. The formula calls for annual distributions to the Church of 5% of the average assets over the previous 12 quarters [3 years]. The purpose of averaging is to reduce variability in the annual payout to the church which could arise from market volatility. A long term record of the various factors bearing on the distribution formula is presented in Tables 3 and 4 attached to this report. The most recent factors are noted in the table below

	Portfolio Return	Inflation	“Real”
	Net of Fees & Expenses	[CPI]	Return
2008	[8.77%]	1.20%	[9.97%]
2009	15.51%	1.30%	14.21%
2010	8.12%	2.40%	5.72%
3 year average	4.44%	1.63%	2.81%

A congregational meeting in November 2010 approved the recommendation of the Investment Committee that the Rules governing distribution be modified for 2011 and that the distribution from the Endowment Fund be maintained at \$ 137,200 in 2011. That will be 4.80% of the three year average assets after the inclusion of the Carol Morris Fund - close to the actual return of 4.44% over the past three years. Unfortunately this does not provide any inflation protection since 2007. The inflation rate over the past three years has been 1.63%. Therefore, the "real" return on the Endowment has been 2.81%.

Looking ahead, we anticipate that investment returns (net of expenses, fees and inflation) are unlikely to average 5% over the next several years. A primary reason is the current low level of interest rates which have steadily declined over the past two decades. In addition, some forecasters expect that economic growth in the developed economies will lag the record of the post 1945 era. The reason is the large debt loads taken on by governments and consumers coupled by the reduced population growth of most western countries. Slower growth in corporate dividends and the effects of the long decline in interest rates have combined to reduce the flow of dividends and interest to the Endowment [including special purpose funds] from \$ 121,000 in 2006 to \$ 94,000 in 2010. This has made the Endowment more reliant on realized capital gains to maintain the annual distribution of \$ 137,200 on the Endowment plus \$ 3000-6000 on the special purpose funds. Table 6 attached shows the extent to which we have relied on distributions from realized capital gains in recent years. We maintain this record in order to preserve the original value of bequests and other planned gifts which are made with the intention of providing income to the Church in perpetuity.

The Endowment Fund at Bloor Street United Church is unusual if not unique when compared to many other similar funds, in maintaining its “in perpetuity” commitment. This commitment provides assurance to all who choose to make gifts to the Endowment Fund, either during their life time or through their wills, that their gifts will be used to provide income to the Church and not spent.

The ongoing payout from the Endowment should be in the range of 4.00-4.40 % [of three year average assets] in order to meet the objective of maintaining real value. Presuming a constant distribution of \$ 137,200 from the Endowment, the fund would have to average \$3,118,181 to \$3,430,000 for the objective to be realized. The most recent 12 quarter [3 year average] is \$2,856,113.

The Endowment Fund can grow through two manners. The first is lifetime gifts (from income or appreciated assets) or through bequests documented in wills.

Proxy voting

The Investment Committee had determined that it will exercise directly proxies for the equities which are held in the account managed by Nexus. Voting will be based upon our assessment of the impact upon shareholder value, the long term interests of the corporation and the broader interests of a civil society. Canadian corporate law offers shareholders the choice of voting for or abstaining from voting for individual director nominees. On occasion we may withhold our vote from a specific Board nominee based upon specific criteria such as attendance at meetings, independence or length of service.

We are delighted to report that Heather Young has agreed to stand as a candidate for another five year term.

Committee membership

Heather Young	to 2011
Michael Hilliard [Secretary]	to 2012
Jim Hunter	to 2013
Don Cooper [Chair]	to 2014
Tom McCauley [Treasurer]	to 2015

I would like to thank the members of the Committee for their continuing commitment as good stewards of the Bloor Street United Church Endowment Fund.

Submitted by: Donald M. Cooper

Table 1 Consolidated statement of Endowment and Special Purpose funds

	Endowment *	Craddock	Special Music	Silvester Kirby	Pidgeon	Morris	Total
31/12/2009	2,916,968	54,298	26,575	63,348	13,474	29,135	3,103,798
Planned gift	41,064					2,000	43,064
Disbursements	137,200	1,317	2,000	2,700			143,217
Dividends, interest, capital appreciation							
	231,293	4,391	1,994	5,100	1,096	2,528	246,402
31/12/2010	3,052,125	57,372	26,569	65,748	14,570	33,663	3,250,047
Statement adjusted for transfer of Carol Morris Fund to Endowment as of 31/12/10							
	3,085,788	57,372	26,569	65,748	14,570		3,250,047
<u>% of total</u>	<u>94.946</u>	<u>1.765</u>	<u>.818</u>	<u>2.023</u>	<u>.448</u>		
12 quarter average assets as of 31/12/10							
	2,856,113	53,396	25,130	62,873	13,032		3,010,544

Table 2 Composition of total assets as of December 31, 2010 [market values]

			Policy Range [Nexus only]
Nexus North American Income Fund (NNAIF)	1,811,093	56.2%	35-60%
Canadian Equities	963,633	29.9	25-45%
US Equities	389,422	12.1	10-20%
Cash and short term	<u>\$ 59,543</u>	<u>1.8</u>	0-10%
Nexus total:	3,223,691		
Other RBC Dominion: Ontario Savings Bonds	13,151		
TD Bank, current account	<u>13,205</u>		
Total:	\$3,250,047	100.0%	

Note that 19% of the NNAIF is held in the form of dividend paying equities. Including those holdings with the other stocks held, the proportion of equities held in the total Nexus account is 52.6%. Bonds held are all investment grade: 36% federal and provincial governments, 38% corporate obligations. The remaining 7% of NNAIF is in cash and equivalents.

Table 3 Long Term Returns for Endowment Fund [excluding special purpose funds]

	Annual Distribution	Annual Return	CPI	"Real" Return	Annualized Returns			
					Period	"Nominal"	CPI	"Real"
2001	105,000	6.20%	.70%	5.50%	10 yrs	5.99	1.97	4.02
2002	119,530	3.32	3.90	[.58]	9	5.97	2.12	3.85
2003	120,000	8.63	2.00	6.63	8	6.30	1.90	4.40
2004	124,500	7.59	2.10	5.49	7	5.97	1.89	4.08
2005	127,150	11.06	2.20	8.86	6	5.71	1.85	3.86
2006	131,000	9.29	1.60	7.69	5	4.67	1.78	2.89
2007	137,200	.89	2.40	[1.51]	4	3.54	1.82	1.72
2008	137,200	[8.77]	1.20	[9.97]	3	4.44	1.63	1.81
2009	137,200	15.51	1.30	14.21	2	11.75	1.85	9.90
2010	137,200	8.12	2.40	5.72	1			

Table 4 Annualized three year returns to December 31, 2010

End year	Portfolio	CPI	"Real"
2002	6.76	2.59	4.17
2003	6.02	2.19	3.83
2004	6.49	2.66	3.83
2005	9.08	2.10	6.98
2006	9.30	1.97	7.33
2007	6.99	2.07	4.92
2008	.20	1.70	[1.50]
2009	2.06	1.60	.46
2010	4.44	1.63	2.81

Table 5 Notional Pool of realized capital gains

The formula for distributions was introduced in 2003 and permits the Fund to pay more than the total of interest and dividends received in a particular year. The difference between interest and dividends earned and the amount paid to the Church is taken from a notional pool of realized capital gains so that income distributions to the Church do not impinge upon the amounts received as bequests or other planned gifts.

	Available net capital gains at beginning of year	Net capital gains	Payment to BSUC	Total interest and dividends	"Excess" payment	Remaining pool at year-end
2006	156,536	203,384	136,438*	121,198	15,240	344,109
2007	344,680	55,052	143,465	108,854	34,611	364,550
2008	365,121	[40,173]R	141,567	109,757	31,810	299,600
2009	292,348	[15,101]R	140,584	100,530	40,054	244,445
2010	244,445	47,869	143,217	94,254	48,963	243,351

- payments for 2006 and subsequent years include payments for the small special purpose funds which are now consolidated with the Endowment Fund.
- R figures appearing in 2009 annual report have been revised.

Unrealized capital gains as of December 31, 2010	2003	\$
	2004	301,941
	2005	369,507
	2006	508,495
	2007	470,019
	2008	353,568
	2009	50,057
	2010	408,522
	2010	498,831

	2009			2010		
	Interest	Dividends	Cap. Gains	Interest	Dividends	Cap. Gains
Q1	17,843	8,460	[1,007]	16,282	8,962	26,087
Q2	16,477	8,742	1,627	14,836	8,993	19,275
Q3	15,330	8,954	[38,432]	15,823	8,233	2,507
Q4	15,862	8,862	22,710	13,573	7,552	--
	65,512	35,018	[15,102]	60,514	33,740	47,869

Note declining trend in interest and dividend income because of the long declining trend in interest rates. "Excess" payments taken from realized capital gains have increased.

Table 6 Sources and applications of capital [including special funds post 2005]

Years	Income To BSUC	Bequests	Realized Cap. Gains	Other [Net]*	"Excess" inc. paid	Capital at end of period
Opening balance as of December 31, 1975						288,100
1976-1980	120,285	42,402		97,469		427,971
1981-1985	180,740	77,469		[33,840]		471,600
1986-1990	241,126	178,943	[11,024]	90,046		729,565
1991-1995	309,079	230,876	40,616			1,001,057
1996-2000	374,460	313,127	152,271			1,466,455
2001-2005	596,180	1,005,629	1,236	[48,310]	[27,134]	2,397,876
2006-2010	705,270	194,990**	258,064	28,034	[170,678]	2,708,286
Totals	2,527,140	2,043,436	441,163	133,399	[170,812]	2,708,286

Note: Opening capital + Bequests + Realized Gains + Other – Excess = Closing Capital

* net funds in from property related items and CSB bonus interest less net loans to BSUC [the Property Pool]. Loans outstanding to BSUC at end of 2010 are \$20,276.

** includes \$21,859 of bequest and special gifts to Carol Morris Fund

The table above provides an approximate guide to the sources and uses of capital in the Endowment over the past 35 years.

Most importantly it shows that the sum of income payments to the church exceeds the total of all planned gifts which have been received over the period. Since 2003 when income payments first exceeded the actual cash income from interest and dividends, the excess has been drawn from realized capital gains.

The pool of realized capital gains available for distribution as income is \$441,163 less \$197,812 = \$243,351.

Unrealized capital gains as of year-end were \$498,831.

Total value of assets under administration calculated in this manner is:

Capital at end of period	2,708,286
Unrealized capital gains	<u>\$ 498,831</u>
Total:	\$3,207,117

Most of the difference between the figure immediately above and the total shown in Table 2 of \$3,250,047 would be accounted for by the value of the small funds in 1975 which were excluded from the opening balance in 1975.

**REDEVELOPMENT COMMITTEE REPORT
for the Year Ended December 31, 2010**

The work of the Redevelopment Committee continues. Given a recent flurry of unsolicited expressions of interest from five different developers (although varying in degrees of interest) we have prepared a questionnaire that we intend to send to each. Not only will the responses provide us with the necessary information to make a preliminary assessment of the proposals, asking the same questions of each will facilitate an apples to apples comparison. To assist in the assessment we are considering inviting other prominent developers to respond if interested. In addition, we are continuing discussions with the appropriate people regarding the possibility of incorporating the Offices of the General Council of the United Church of Canada into a redevelopment of our property.

In my view, 2011 will be a significant year for redevelopment at Bloor Street. By year end we may be in a position to proceed with a concrete proposal, which might include the Offices of the General Council, or we may decide, based on our current review of the development landscape, that now is not the time to proceed and to postpone redevelopment for at least the next few years. Should we choose to proceed with a redevelopment project, it is worth keeping in mind that it will likely be at least two years before demolition will occur – no need to break out the hardhats just yet.

Submitted by: Michael Hilliard, Chair of Redevelopment Committee

**PROPERTY COMMITTEE
REPORT TO CONGREGATIONAL MEETING
for the Year Ended December 31, 2010**

The members of the property committee in 2010 were Velma Davis, Irene Hunter, Ron Kentner, Christine Mosser, Dan Wright, Karl Shuler as custodial representative and Tina Edwards, representing the office staff.

Once again we are grateful to our custodians, Wayne Findleter (weekends), Richard Seiler (Pidgeon House), Karl Shuler (days), Gary Steeves (evenings), James Kelly (casual), Shannon Ruaux (casual), George (Bill) Ferguson (casual), Wilton Sychangco (casual) and Paul Cragg (casual) for keeping the building running smoothly. We should especially thank Karl for all his work coordinating various schedules and building projects this past year.

Room rentals were down this year, about \$10,000 down from the 2009 figure, due primarily to an overall decrease in rental opportunities. That loss could have been higher if not for the excellent work done by Tina Edwards to keep finding other rentals.

Projects completed in 2010 included:

1. Cleaning, repair and painting of McClure Hall.
2. Replacement of old blinds in McClure Hall.
3. Replacement of all the lighting in McClure Hall with compact fluorescent bulbs and cleaning of the glass shades.
4. Major repairs to the boiler.
5. Minor electrical, plumbing and carpentry repairs.
6. Purchase of new carts and busing bins for the McClure Hall kitchen.
7. Purchased and began installing security cameras.
8. Repair of automatic door opener for the ramp entrance by the office.
9. Replacement of old washing machine.

Pidgeon House:

1. Rebuilt front steps.
2. Replacement of fence between parking lot and Pidgeon House.
3. Repair of major roof leak.
4. Repair of interior damage from roof leak.

Plans for 2011

The redecorating and repair of McClure Hall, boiler repairs and replacement of the fence and steps at Pidgeon House were costly expenses in 2010. Redevelopment of our property is still somewhat undetermined which leaves our property vulnerable to neglect. We would like to consider a number of potential projects (some essential and some

desirable) in the next few years. The church office and back entrance are badly in need of a facelift. These areas are the first places the public encounters when they enter the building to interact with office staff. The staff spend their working days in and around this area. The paint is damaged, the carpeting is threadbare and the area is generally in poor repair, all of which needs to be dealt with. None of that can be done until the flat roof over the office and the McClure Hall kitchen is repaired/replaced. The roof is well past its due date and leaks in the winter are problematic. A simple repair may be out of the question. We also have significant roof problems in Pidgeon House and the Sanctuary which will have to be dealt with this year. We still have some carpeting work required to repair damaged areas in the Sanctuary using previously purchased carpet. There are also a number of other areas of the church which require painting and there are always minor plumbing, electrical and carpentry repairs which crop up during the year.

**Restoration Fund
For the year ended December 31 2010**

Opening balance as of December 31, 2009		\$ 11,590.79
Revenue		
Congregational Givings	6,430.00	
Thanksgiving / Easter Offerings	6,199.37	
Total Givings for 2010		<u>12,629.37</u>
Total Available for 2010		<u>24,220.16</u>
 Expenses		
Repairs and Repainting to McClure Hall	12,571.92	
Total expenses for BSUC		12,571.92
 Pidgeon House expenses		
New Front Steps	1,231.44	
Remove old fence and replace	4,319.91	
Minor Repairs	315.00	
Electrical repairs	161.95	
Homecard	7.26	
Total expenses for Pidgeon House		6,035.56
Total expenses during 2010		<u>18,607.48</u>
Balance as of December 31, 2010		<u>\$ 5,612.68</u>

Restoration Fund Budget 2011

Opening balance as of December 31, 2010		\$ 5,637.68
Revenue		
Congregational givings	7,000	
Special Appeals, Easter and Thanksgiving offerings	<u>43,000</u>	
Total revenue		50,000.00
Expenses		
Roof repairs to Pidgeon House, office area and Sanctuary	30,000	
Painting, repairs and new carpet in office	4,500	
Painting back entrance area and radiator	1,500	
Maintenance to Pidgeon House	2,500	
Other projects to be determined by priority	<u>6,500</u>	
Total expenses		45,000.00
Balance as of December 31, 2011		\$ 10,637.68

Clearly the Restoration Fund as it has been funded in the past will be inadequate to cover these expenses in the near term. A major initiative to increase the fund is required to complete even a few of the projects required around the building in the next few years and the congregation will have to seriously consider how to fund this work. If redevelopment does not proceed for the foreseeable future we will have to invest significant sums in this property to repair it, redecorate it and bring it up to modern standards.

Submitted by: Ron Kentner, Property Chair

SPONSORED ROOM USE – 2010



At Bloor Street United we manage our building in order to provide safe and affordable space for other programs that are congruent with our mission. Tenants can be divided into three categories: full rate, discounted and sponsored. Their activities range from occasional events to ongoing, long-term programs. The activities of the groups listed were sponsored (in whole or in part) by council, a committee or were considered by staff to be in keeping with interests expressed by the congregation.

Group	Event	Donation Given	Sponsored Amount
AfricaFiles	meeting space		\$ 1,126.25
Amnesty International (63)	meeting space	\$ 100.00	898.00
Canadian Foodgrains Bank	meeting space		318.00
Climate Action Network	meeting space		420.00
Jeremiah's Field	interview and meeting space		450.50
Kwari Village & Elimu Sanifu	fundraising		842.00
Pachkowsky Clothing Swap	fundraising		636.00
UCC – General Council	meeting space		1,015.00
Advent Learning Circle			
UCC – Toronto Conference	meeting space		628.00
UCC – Toronto South/East Presbytery	meeting space		<u>306.00</u>
		<u>\$ 100.00</u>	<u>\$ 6,639.75</u>

Submitted by: Tina Edwards, Office Secretary

STEWARDSHIP COMMITTEE
for the Year Ended December 31, 2010

The Mandate and Activities of the Stewardship Committee include:

Mandate

To facilitate, develop and support the practice of effective Christian stewardship as an expression of faith and to nurture good stewardship practices for participants of the congregation of all ages.

Activities and Responsibilities

In cooperation with the Church Council and its standing committees, the Stewardship Committee is responsible for the education and implementation of good stewardship practices. The Committee also assists the Finance Committee in preparing the annual budget by providing an estimate of givings for the next year and the results of the annual stewardship campaign and returned pledges.

This year, we had a five week focus on stewardship in October and early November. Following Martha's sermon, "PROFLIGATE PARTNER", on October 17th the newsletter, "Celebrating abundance through generosity" and accompanying Campaign Goals and Pledge Form were distributed. There was a brief word about stewardship at the time of the offering on the next four Sundays. These messages were provided by Ron Kentner (Community use of our building), Liz Tinker (Community Outreach), and Heather Hilliard (Worship), Bob Hilliard (Christian Development).

Based on the returned pledges we are projecting that there will be a small increase (2%) in Local Givings in 2011 and that is good news. The returned pledges also indicate a small drop in givings to Mission and Service and that is somewhat disappointing. This has been another difficult economic year for many. Despite this, it is encouraging to receive so many pledges and commitments to Bloor Street United Church. Your continued generosity in sharing of your time and talents, as well as money, is very heart-warming.

Results of our Fall Stewardship Campaign

Goal # 1– Increase the number of Annual Pledges from 73 to 80 – **77 Actual**

Goal # 2 – Increase the Number of Pre-Authorized Remittance (PAR) Subscribers from 79 to 85 – **82 Actual**

Goal # 3 – Increase Pledges and donations via PAR by an average of 2% to account for inflationary cost increases – **we are on track at 3.29% Actual**

Thank you for your good Stewardship!

Submitted by: Tom McCauley, Brian Fox, Jim Hunter

COUNTERS FOR SUNDAY OFFERING 2010

Every Sunday after the service, eight counting teams work diligently balancing the totals of the givings envelopes with the cash and cheques received. The Finance Committee is most appreciative of the effort and efficiency of these teams. This is a valuable step in the process of recording the charitable donations of our members and visitors, and also in the process of preparing the monthly financial statements of the church. Preparing the weekly deposit requires a great deal of care when the teams are recording information.

New team members are always welcome. If you enjoy working with details, this may be the volunteer job for you. The time requirement is about one hour every eight weeks. Please call the church office at 416-924-7439 if you're interested. Thank you.

A special thank-you to those who performed this task during 2010:

Bill Mowat (Captain)
Robert Thoen

Ilse Patterson
John Patterson
(Captains)

Joanne Waddington (Captain)
Tina Edwards
Paula Graham

Laurie & Nancy Gordon (Captains)
Dan Benson

Nora McKay (Captain)
(teammate needed)

Christine Mosser (Captain)
Donna Coffey
Val Lem
Lynda Moon

Josephine Hughes
Maralyn Garbutt

Arthur Smith (Captain)
Bridget Hough
Garnet Ward

MUSIC REPORTS 2010

Silvester-Kirby Scholarship Fund

(portion held by the Finance & Administration Committee on behalf of the
Music Subcommittee)

Opening Balance as at December 31, 2009	\$ 0.00
Transfer from the Silvester-Kirby Scholarship Fund revenue	<u>2,700.00</u>
Total available for 2010	\$2,700.00
Expenses	
Honorarium to the Organ Scholar	<u>2,700.00</u>
Total Expenses:	<u>\$2,700.00</u>
Closing Balance as at December 31, 2010	<u><u>\$ 0.00</u></u>

Special Music Fund

(portion held by the Finance & Administration Committee on behalf of the
Director of Music)

Opening Balance as at December 31, 2009	\$ 0.00
Transfer from the Special Music Fund revenue	<u>0.00</u>
Total available for 2010	0.00
Total Expenses:	<u>0.00</u>
Closing Balance as at December 31, 2010	<u><u>\$ 0.00</u></u>

Organ Restoration Fund

Opening balance as at December 31, 2009	\$7,221.96
Revenue	
Givings to the Organ Fund	\$5,432.04
Transfer from Music Fund	0.00
Transfer from marmalade sales	0.00
Total givings / income for 2010	<u>5,432.04</u>
Total Available for 2010	\$12,654.00
Expenses	
Payment to Blair Batty	5,203.00
Payment to David Passmore	950.00
Payment to George Stimpson	<u>5,106.71</u>
Total Expenses 2010	<u><u>11,259.71</u></u>
Closing balance as at December 31, 2010	<u><u>\$ 1,394.29</u></u>

SOCIAL JUSTICE REPORTS 2010

Refugee Outreach Project

Opening balance as at December 31, 2009		\$ 8,684.74
Revenue		
Givings during 2010	7,886.46	
Received from Social Justice Budget	19,699.51	
Corrections made from the 2009 statements	<u>1,517.05</u>	
Total Revenue for 2010		29,103.02
Total Available for 2010		<u>37,787.76</u>
Expenses		
Salaries and Benefits	15,804.47	
Camping Expenses	12,111.50	
Other Program Expenses	<u>3,895.04</u>	
Total Expenses during the year		<u>31,811.01</u>
Closing balance as at December 31, 2010		<u><u>5,976.75</u></u>

Guatemala School Project

Opening balance as at December 31, 2009		\$ 4,762.21
Total Revenue for 2010		0.00
Total Available for 2010		<u>4,762.21</u>
Expenses		
Remitted to Ken McGuffin	3,655.25	
Remitted to Pueblito Canada	<u>1,106.96</u>	
Total Expenses during the year		<u>4,762.21</u>
Closing balance as at December 31, 2010		<u><u>0.00</u></u>

United Church Appeals

Mission and Service Fund	\$90,500.95
Givings to Pakistan Emergency Appeal	2,570.00
Givings to Haiti Emergency Appeal	4,809.20
Total response to United Church Appeals	<u>\$ 97,880.15</u>

Advent Appeal

Opening Balance as at December 31, 2009	\$ 0.00
Givings to Advent Offering	<u>5,926.51</u>
Total Available for 2010	\$ 5,926.51
Donations to Other Charities	0.00
Total Expenses for 2010	<u>0.00</u>
Closing Balance as at December 31, 2010	<u>\$ 5,926.51</u>

Note: At its February meeting, the Social Justice Committee decided to issue the following charitable donations from the 2010 Advent Offering – the closing balance was evenly divided in February 2011 between ACT – Gaza Appeal, AfricaFiles, Jeremiah's Field, and Evergreen Centre for Street Youth (Yonge Street Mission).

Togogo Grannies (benefit concert – April 24, 2010)

Opening Balance as at December 31, 2009	\$ 596.00
Givings during 2010	627.35
Revenue from 2010 event	<u>10,942.76</u>
Total Givings for 2010	11,570.11
Total Available for 2010	12,166.11
Donated to Stephen Lewis Foundation	9,450.00
Event expenses	<u>2,145.61</u>
Total Expenses for 2010	11,595.61
Closing Balance as at December 31, 2010	<u>\$ 570.50</u>

Note: Does not include separate cheques of \$1,755 payable to the Stephen Lewis Foundation.

REPORT OF THE GEM FUND
For the Year to December 31, 2010

The GEM Fund was established in 2005 through a bequest from Marjorie Stephenson to provide loans for rental assistance to persons in need. The fund was envisaged as a revolving fund from which loans would be made and then recycled to new borrowers as repayments occurred. From 2005 to 2009 the GEM Fund extended a total of \$32,331.43 in loans and received \$5,960 in loan repayments. Most loans were repaid at less than 10%, and many did not repay after the first agreed payment had been made.

Many loans appear to have been made on the basis of need with much less consideration to ability to repay. Council terminated the making of loans because of the low repayment rate which resulted in concerns that the fund was not meeting the terms of Marjorie Stephenson's will which clearly stated that loans needed to be repaid. Council recently requested an assessment of the functioning of the fund.

Through discussions, it is clear that the BSUC congregation does not have the capacity in people to operate a revolving loan fund. To even have a small committee to rapidly assess applications for grants is very questionable. It appears that the best the church could manage is to have a fund, similar to the Relief of Need Fund, that ministers and other staff could draw on, following some discussion with a group of others, for individuals who were known to them through their BSUC work and who were in need of assistance. There would be a limit on the number of grants and the amount allocated for each year. This would follow the spirit of Marjorie's will in helping individuals with rent, but does not follow the terms specified in her will.

Interest has been shown in engaging another organization dealing with rent assistance to take over the fund or work in partnership with the GEM Fund, taking over the administration of the fund. This option is being investigated. Any change that is to be made will require negotiation with Marjorie Stephenson's daughters and a legal determination that the proposed change can be made given the terms of Marjorie's will.

Following is the GEM Fund financial statement.

Submitted by: Donald Payne

GEM FUND INVESTMENT REPORT 2010

Statement of receipts and disbursements for the year ended December 31, 2010

Opening Balance as at December 31, 2009

Loans outstanding		\$21,871.00
Less amounts written off		<u>21,871.00</u>
		-
Net loans		
Liquidity		
Deposits in church treasury	650.00	
Amount due BSUC from GEM	<u>[949.00]</u>	
Net due BSUC from GEM	[299.00]	
Ontario Savings Bonds due 2014	<u>35,901.00</u>	
Total liquidity		\$36,602.00

Changes in 2010

Interest on Ontario Savings Bonds	276.76	
Gift to fund	<u>22.24</u>	
Cash inflow		299.00
Paid to BSUC from GEM		[299.00]
Increase in value of bond investment		253.33

Value of Ontario Savings Bonds held at December 31, 2010	\$37,154.33
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Bonds held pay interest annually on June 21st at rate of 1.50% [2011], 2.50% [2012], 3.50% [2013] and 4.50% [2014]. If GEM grants additional loans for housing purposes, Ontario Savings Bonds will be sold to the Endowment Fund to accommodate GEM.

COUNCIL REPORTS 2010

Memorial Fund

Opening Balance as at December 31, 2009		\$ 2,166.54
Givings during the year	1,820.00	
Refund from 2009 purchase of audio visual equipment	92.95	
Total Givings for 2010		1,912.95
Total available for 2010		4,079.49
Total expenses for 2010		0.00
Closing Balance as at December 31, 2010		\$ 4,079.49

Gem Fund Resources Held by Church Council

Opening Balance as at December 31, 2009		(198.93)
Transfer from the Endowment Fund	276.76	
Donation to the GEM Fund	22.24	
Loan repayments during the year	0.00	
Total for 2010		299.00
Total Available for 2010		100.07
Loans made from the Fund during the year	0.00	
Total Expenses During the Year		0.00
Closing balance as of December 31, 2010		100.07

The GEM Fund's day-to-day resources are held by Church Council. Its investments are held and managed by the Investment Committee. See previous page for details of the GEM Fund's investments.

MINISTRY AND PERSONNEL REPORT 2010

Sabbatical Fund

Opening Balance as at December 31, 2009	5,500.00
Transfer from Ministry & Personnel Operating Budget	<u>3,000.00</u>
Total available for 2010	\$8,500.00
Total expenses during the year	<u>\$ 0.00</u>
Closing Balance as at December 31, 2010	<u>\$8,500.00</u>

PASTORAL CARE REPORT 2010

Relief of Need

Opening balance as at December 31, 2009	\$9,074.56
Revenue	
Givings during the year	5,504.93 <u> </u>
Total Givings for 2010	5,504.93
Total Available for 2010	14,579.49
Expenses	
Grocery cards given out during the year	\$ 1,550.00
Other Assistance given in 2010	750.00
Refugee Outreach Project relief of need payments in 2010	<u>5,505.00</u>
Total Expenses During the Year	\$ 7,805.00
Closing balance as at December 31, 2010	<u>\$ 6,774.49</u>

CHRISTIAN DEVELOPMENT/COMMUNITY LIFE (YOB) REPORT 2010

YouthonBloor - Germany Legacy Fund

Opening Balance as at December 31, 2009	7,500.00
Returned by Shannon Neufeldt during 2010	<u>315.00</u>
Total givings for 2010	315.00
Total available for 2010	7,815.00
Transferred to Trinity St. Paul's during 2010	<u>7,815.00</u>
Closing Balance as at December 31, 2010	<u>\$ 0.00</u>

YouthonBloor - Exposure Trips

Opening Balance as at December 31, 2009	1,735.70
Total givings for 2010	0.00
Total available for 2010	1,735.70
Expenses	
Remitted to San Nicolas, Cuba	1,096.40
Transferred to Trinity St. Paul's during 2010	<u>639.30</u>
Total expenses during the year	<u>1,735.70</u>
Closing Balance as at December 31, 2010	<u>\$ 0.00</u>

YouthonBloor - General

Opening Balance as at December 31, 2009	2,254.95
Contributions from Bathurst United during 2010	275.62
Contributions from Bloor Street during 2010	3,741.48
Contributions from Trinity St. Paul's during 2010	<u>0.00</u>
Total contributions for 2010	4,017.10
Total available for 2010	6,272.05
YouthonBloor Coordinator	4,192.05
Transferred to Trinity St. Paul's during 2010	<u>2,080.00</u>
Total expenses during the year:	<u>6,272.05</u>
Closing Balance as at December 31, 2010	<u>\$ 0.00</u>

