



CONGREGATIONAL MEETING

Tuesday March 2, 2021

REPORTS for 2020

Metropolitan United Church Foundation

468 Wellington Street, London, Ontario N6A 3P8

Tel: 519-432-7189 Fax: 519-432-3141

www.metropolitanchurch.com

President: *David Keast*

Treasurer: *Scott Guest*

Directors:

David Keast

Scott Guest

Christine MacKay

Christine Spicer

Dennis Lunau

Janet Fleet

**METROPOLITAN UNITED CHURCH FOUNDATION
(LONDON, ONTARIO)**

**ANNUAL MEETING
AGENDA**

Tuesday March 2, 2021
Via Conference call

- 1). Welcome David Keast
- 2). Approval of the Minutes of the 2020 Annual meeting
 Motion: To approve the minutes of the 2020 Annual Meeting.
- 3). Report of Directors for 2020 (Presented by David Keast)
- 4). Financial Statements for 2020 (Presented by Scott Guest)
 Motion: To approve the Financial Statements for 2020
- 5). Appointment of Auditors
 Proposed: that BDO Canada L.L.P. be appointed Auditors
 Motion: To approve the appointment of BDO Canada L.L.P as the Foundation Auditors for 2020.
- 6). Thank you to retiring Board Members
 No Retiring Board members
- 7). Approval of Board of Directors
 Directors and Officers:
 President: David Keast
 Treasurer: Scott Guest
 Director: Christine MacKay
 Director: Christine Spicer
 Director: Dennis Lunau
 Director: Janet Fleet
 Recording Secretary: Shirley Smith (non-voting)
 Motion: To approve 2021 Directors
- 8). New Business
- 9). Adjournment

Metropolitan United Church Foundation

METROPOLITAN UNITED CHURCH FOUNDATION

Minutes of the Annual General Meeting

Tuesday, February 25, 2020

Welcome

At 8:35 p.m., following the Metropolitan United Church Annual General Meeting (AGM), David Keast, Chair of the Board of Directors, welcomed everyone to the AGM of the Metropolitan United Church Foundation.

Minutes of the 2019 Annual General Meeting

A motion to approve the minutes of the 2019 AGM was made by Al Edwards, and seconded by Maureen Tipping. Motion carried.

Report for 2019

To alleviate any confusion, David explained that the “sticker” in his report for 2019 lists the names of 3 deceased members who were inadvertently excluded from the typed list of names in his report.

The Foundation was established in 1997 to ensure that the ministries of Metropolitan United Church are supported and maintained for future generations through the accumulation and long-term investment of capital funds into prudent investment portfolios. In 2019, the Foundation received estate and in memoriam gifts totaling \$349,512.89 in memory of all those identified in David’s report.

As a separate entity from Metropolitan United Church, the Foundation continues to meet all charitable registration and Canada Revenue Agency requirements.

In 2019, our capital increased in two ways: 1) Gross rental income from our property at 289 Dufferin Avenue amounted to \$60,333.51; 2) Our investments, managed by Highstreet Asset Management Inc., increased to \$1,001,753. Having reached the \$1Million plateau, the Foundation is entitled to a 10% rebate in fees for the year 2019.

The Foundation Board met on two occasions in 2019 with Highstreet Asset Management Director, Mike Hammond to determine whether or not our investments are working efficiently and to assess our long-term viability. The Foundation’s investments performed exceedingly well in 2019.

The Foundation holds restricted funds which include the Shipman Music Fund and the newly-created Preaching Fund. Dividends from both funds help support respective activities at Metropolitan United Church. The Foundation’s unrestricted funds – which are invested in the Foundation General Fund – could be used to support Metropolitan’s special projects, church maintenance, etc., but may not be used to support operations of the church.

In 2019, leases for rental units at 289 Dufferin Avenue were reviewed, rewritten to look the same for all tenants, and renewed by current tenants. The 2nd floor space, occupied by Thompson Hamilton until July 2019, is currently available for rent. Tenant parking increased in 2019 to \$65/month.

Financial Statements for 2019

In Scott Guest's absence, Dennis Lunau highlighted a few specifics in the unofficial Foundation financial statements for the year 2019. The negative General Fund balance at the end of 2018 (\$41,716) is in sharp contrast to the positive unrealized investment gains at the end of 2019 (\$68,415). Official audited financial statements will be available within the next few months.

Dividends from restricted funds are available to support particular activities whereas capital gains from unrestricted funds are available to support a wide variety of projects in the church. When considering making donations to the Foundation, people are encouraged to identify which type of fund they prefer, as unrestricted funds allow for some flexibility, restricted funds are inflexible.

A motion was made by Carol Morgan and seconded by Garth Kidd to approve the Financial Statements for 2019. Motion carried.

Appointment of Auditors

A motion was made by Ross Turnbull and seconded by Gail Schnarr that the Foundation appoint BDO Canada LLP to audit its 2019 financial data. Motion carried.

Thank You

David gratefully acknowledged Dr. Crittenden, all staff of the Church, and all Foundation volunteers for their contributions to the support and success of the Foundation's activities over the past year.

Board of Directors for 2020

David referenced the list of Board members in his report, and welcomed Janet Fleet who will be responsible for acknowledging donations and notifying families of in memoriam gifts to the Foundation.

A motion was made by Maureen Tipping and seconded by Gail Schnarr to approve the Foundation's slate of Board members for 2020. Motion carried.

AGM Meeting Adjournment

There being no further business, the Foundation's Annual General Meeting was adjourned.

Metropolitan United Church Foundation
(London, Ontario)
Report of the Directors — 2019

The Metropolitan United Church Foundation was established by its members for the purpose of accumulating capital, investing it for the long term and using the income generated to support the needs and ministries of Metropolitan United Church. The Foundation relies on the generous support of people who make contributions through bequests, gifts and celebration donations.

In 2020 donations were received in memory of the following:

Bob Acton
David Aiken
Margaret Atkinson
Jim Blair
Ruth Boyd
Bill Cluff
Ruth Mogenson
Len Obokata
Donna Strachan
Margaret Williams

An Estate Contribution was received from the Estate of Frances Clarke and directed to Foundation General Fund

The total of receiptable gifts for 2020 was \$15,036.28. The Foundation would like to thank those who have made donations as well as those who have included the Foundation in their estate planning. Your thoughtfulness has provided a gift that continues giving. For members and adherents who have yet to make a commitment to the Foundation, we ask you to take this next step in sustaining your church.

The Foundation's two major investments are the property at 289 Dufferin Avenue and an investment fund managed by Highstreet Asset Management Inc.

289 Dufferin Avenue generated gross rental income in 2020 of \$41,198. This amount was lower than the previous year as one tenant retired and did not renew their lease. Due to the COVID pandemic the vacant space is not currently listed for rent. Operating costs for 289 Dufferin Avenue decreased last year to \$28,410 and are in line with expectations. All remaining leases are

current.

Highstreet Asset Management Highstreet Inc. manages invested assets of the Foundation. The Foundation General Fund is invested in a Balanced Fund where we invest capital for long term growth. This fund generates investment income and capital gains for the Foundation. The designated Preaching and Shipman Organ Funds are invested in Dividend Funds. The goal of these funds is to maintain and grow the principal in these funds while allowing annual dividends to support these activities. The committee meets at least annually with Highstreet Asset Management to review the Foundation's investment portfolio each year. As of December 31st2020 the amount invested stood at a market value of \$966,410 along with other invested funds from the church this made us eligible for reduced investment fees.

The Foundation Board met 4 times in 2020. Given the pandemic all meetings were via conference call. Andrew Dearing of Due North Business Services provided support to the Foundation by providing financial reports; managing HST remittance and assisting in completion of all government required reporting. Effective December 31, 2020 Andrew retired after many years of service. The Foundation Board has expressed their deep gratitude to Andrew for his support. We are pleased to announce that Mr. John Obright who is the bookkeeper for the Metropolitan United Church has agreed to also as bookkeeper for the Foundation. He will be assists Cathy McIntyre, Office Administrator. The Board has established a clear Disbursement Policy to ensure that processes consistent with Canada Revenue Agency requirements.

I wish to express my gratitude to the board members who have worked diligently as we move the foundation forward.

Respectfully submitted,
David Keast, President

METROPOLITAN UNITED CHURCH FOUNDATION
(London, Ontario)
Financial Statements
Year Ended December 31st 2020
(unaudited)

METROPOLITAN UNITED CHURCH FOUNDATION (LONDON ONT)

Statement of Financial Position

As at December 31, 2020

	2020	2019
Assets		
Cash	\$ 93,634	\$ 78,220
Investments	1,073,855	1,001,753
HST receivable	3,865	1,898
	1,171,354	1,081,871
Real Estate	161,634	179,079
	\$ 1,332,988	\$ 1,260,950
Liabilities		
Accrued Interest	\$ 12,500	\$ 12,500
Accounts payable and accrued liabilities	7,181	5,487
Tenant deposits	2,639	2,639
Due to Metropolitan United Church	25,028	29,516
	47,347	50,142
Mortgage payable	250,000	250,000
	297,347	300,142
Net Assets		
Capital funds:		
Restricted - 10 year	10,010	10,565
Restricted - Shipman/Music	171,579	169,558
Restricted - Wanless/Preaching	223,816	215,556
Other capital	561,005	531,738
	966,410	927,417
General Fund	69,231	33,391
	1,035,640	960,808
	\$ 1,332,988	\$ 1,260,950

METROPOLITAN UNITED CHURCH FOUNDATION (LONDON ONT)

Statement of Operations and Changes in Fund Balances

Year ended December 31, 2020, with comparative figures for 2019

	Total		General Fund				Capital Funds					
					Restricted - 10 year		Restricted - Shipman/Music		Restricted - Wanless/Preaching		Unrestricted Capital	
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
Revenue:												
Donations and bequests	28,712	349,737										
Rental - 289 Dufferin	41,193	52,058	41,193	52,058								
Investment income on other assets	65,938	27,900	36,809	15,716			12,822	5,838	16,307	6,345		
Unrealized Investment Gains (Losses)	32,097	68,415	30,885	46,988			-86	20,489	1,299	938		
	167,940	498,110	108,887	114,763	0	0	12,736	26,327	17,606	223,830	28,712	133,190
Expenditures:												
289 Dufferin Ave. operating expenses	28,410	29,708	28,410	29,708								
Amortization	17,445	17,445	17,445	17,445								
Mortgage interest	12,500	12,500	12,500	12,500								
Investment fees	12,614	8,963	7,360	4,633			2,315	2,402	2,938	1,929		
Professional fees	7,297	8,856	7,297	8,856								
Office & other expenses	25	421	25	421								
Interest and bank charges	10	40	10	40								
	78,301	77,933	73,047	73,603	0	0	2,315	2,402	2,938	1,929	0	0
Excess of revenue over expenditures	89,640	420,176	35,840	41,160	0	0	10,421	23,925	14,668	221,901	28,712	133,190
Before Distributions												
Distributions												
Shipman/Music	8,400	6,900					8,400	6,900				
Wanless/Preaching	6,407	6,345							6,407	6,345		
Released 10 year restriction	0	0									555	275
Fund Balance, beginning of year	960,808	553,877	33,391	-7,769	10,565	10,840	169,558	152,533	215,556	0	531,738	398,273
Fund Balance, end of year	1,035,641	960,808	69,231	33,391	10,010	10,565	171,579	169,558	223,816	215,556	561,005	531,738

Unaudited statements prepared by management.

2021-02-07 12:25 PM