

THE UNITED CHURCH OF CANADA**MEETING OF THE SUB-EXECUTIVE OF THE GENERAL COUNCIL
MINUTES****February 28, 2008
(Teleconference Call)**

The Sub-Executive of the General Council of The United Church of Canada met from 3:30 p.m. EST until 4:04 p.m. on Thursday, February 28, 2008, by teleconference call. The Moderator, The Right Reverend David Giuliano, presided.

ATTENDANCE**Voting Members**

Cindy Désilets, Dwaine Dornan, David Giuliano, Amber Ing, Heather Leffler, Paul Reed, Nora Sanders, Chuck Scott.

Regret: Debra Bowman, Anne-Marie Carmoy, Fannie Hudson, Peter Short, Allan Sinclair.

CONSTITUTING THE MEETING

The Moderator opened with prayer and constituted the meeting with the following words:

"Au nom de Notre Seigneur, Jésus-Christ, seul chef souverain de l'Église, et par l'autorité qui m'a été conférée par le 39ième Conseil général, je déclare ouvert, par la présente, le sous-exécutif du Conseil général et ses travaux dans l'intérêt du Royaume de Dieu."

"In the Name of Jesus Christ, the head of the Church, and by the authority vested in me by the 39th General Council, I hereby declare this meeting of the Sub-Executive of the General Council to be in session for the work that may properly be brought before it to the glory of God."

PROCEDURAL MOTIONS

Motion: Nora Sanders/Paul Reed **2008-02-28-256**

That Bruce Gregersen, Michelle Hogman, Janet McDonald, and Harry Oussoren be corresponding members for this meeting, and that Joan MacGillivray be the recording secretary for this meeting of the Sub-Executive.

Carried

Minutes of the Sub-Executive of the General Council

Motion: Nora Sanders/Amber Ing **2008-02-28-257**

That the Sub-Executive of the General Council approve the minutes of the Sub-Executive of the General Council meeting held on January 15, 2008.

Carried

Symons Valley United Church – Congregational Development Fund Loan

Nora Sanders introduced the loan request and gave the background (Appendix A). It was noted that this is not a change in Congregational Development Fund policy. The Task Group on

Funding New Congregations, through the Permanent Committee on Finance, will bring the evaluation of this project back to the Executive of the General Council.

Motion: Nora Sanders/Heather Leffler

2008-02-28-258

The Sub-Executive of the General Council authorize a loan of \$500,000 from the Congregational Development Fund to Symons Valley United Church for the purpose of servicing the Royal Bank of Canada mortgage; and further

That this loan will be a deferred interest loan, with standard interest payments to accrue to principal, and with draws from the Congregational Development Fund to be made as required to a maximum of \$500,000.

Carried

Closing

The Moderator closed with prayer.

The meeting adjourned at 4:04 p.m.

Moderator, David Giuliano

General Secretary, Nora Sanders

Appendix A

Title: Symons Valley United Church – Congregational Development Fund Loan

Origin: General Secretary, General Council

Why is this before the Sub Executive?

The approval of the Sub-Executive is necessary to authorize a loan from the Congregational Development Fund which is beyond the established policy.

What is the Sub Executive asked to do?

To authorize a Congregational Development Fund loan to the Symons Valley new church development project.

What background information is important to know?

1. The Congregational Development Fund loan program, administered by the Congregational, Educational, and Community Ministries Unit, is the normal financial resource pool for assisting United Church congregations with the financing of new church development according to policies approved by the then Division of Mission in Canada and/or the Executive of the General Council. Current Congregational Development Fund policy does not provide approval for interest deferred mortgages.
2. In October 2006, Symons Valley United Church submitted an application for a \$500,000 mortgage loan from the Congregational Development Fund. Calgary Presbytery and Alberta and Northwest Conference forwarded the Symons Valley United Church Congregational

*Approved – April 1, 2008, Sub-Executive of the General Council
Motion 2008-04-01-260*

Development Fund application with approval. While this application was reviewed by the Mission through Finance Committee, action was delayed while negotiations proceeded on an experimental initiative through the Permanent Committee on Finance.

3. In May 4, 2007 the Executive of the General Council approved the recommendation of the Permanent Committee on Finance to use its financial resources to provide a loan guarantee for the Symons Valley new church development project in Calgary Presbytery. This loan guarantee of the General Council is a pilot, experimental method of financing new church development.
4. On September 21, 2007 the Sub-Executive of the General Council resolved to guarantee assistance to Symons Valley United Church in connection with its borrowings from the Royal Bank of Canada of a sum of up to Three Million and Ninety-Five Thousand Dollars (\$3,095,000.00) together with interest.
5. The Symons Valley congregation has subsequently indicated their need for the Congregational Development Fund loan to provide a buffer in the early years of payment of the Royal Bank of Canada loan. They have also indicated that they will have difficulty in the first years of the redevelopment project simultaneously making the bank loan payments and repaying a Congregational Development Fund loan.
6. The Mission through Finance Advisory Committee determined it was unable to recommend approval of the Symons Valley mortgage application under existing policy guidelines. Specifically:

Loan Terms

2. *Funds approved by the Congregational Development Fund loan or grant committee must be used within 180 days of final commitment and for the purpose for which the application was made, or the funds must be returned.*
4. *Loan payments are to be received in equal monthly instalments over a period not longer than the term of the loan.*

The General Secretary, General Council proposes that

The Sub-Executive of the General Council authorize a loan of \$500,000 from the Congregational Development Fund to Symons Valley United Church for the purpose of servicing the Royal Bank of Canada mortgage; and further

That this loan will be a deferred interest loan, with standard interest payments to accrue to principal, and with draws from the Congregational Development Fund to be made as required to a maximum of \$500,000.

Terms of the Congregational Development Fund are found at:

<http://www.united-church.ca/files/forms/ca3.pdf>