

THE UNITED CHURCH OF CANADA

MEETING OF THE GENERAL COUNCIL SUB-EXECUTIVE

MINUTES

Monday June 26, 2023 (video conference call)

The Sub-Executive of the General Council of The United Church of Canada held a meeting by video conference call on Monday, June 26, 2023 beginning at 1:30 p.m. (Eastern).

Attendance

Voting Members: Michael Blair (part), Richard Bott, Teresa Burnett-Cole, Catherine Glover, Jennifer Henry (acting General Secretary), Carmen Lansdowne

Resource: Diane Bosman, Treena Duncan, Harry Li, Erik Mathiesen, Bev Oag, Nicole Treksler

Constituting the Meeting

The Moderator, Carmen Lansdowne, constituted the meeting of the Sub-Executive: " Au nom de Notre Seigneur, Jésus-Christ, seul chef souverain de l'Église, et par l'autorité qui m'a été conférée par le quarante-quatrième Conseil général, 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: Teresa Burnett-Cole/Richard Bott

2023-06-26-038

That Shirley Welch be appointed recording secretary, and that Diane Bosman, Treena Duncan, Erik Mathiesen, Harry Li, Bev Oag, and Nicole Treksler be named as resource persons for this meeting of the Sub-Executive of the General Council.

Carried

Minutes of the Sub-Executive of the General Council

Motion: Teresa Burnett-Cole/Richard Bott

2023-06-26-039

That the minutes of the last Sub-Executive meeting, held on April 28, 2023, be approved.

Carried

GS 36 Revision of Reporting Requirements by Incorporated Ministries

This proposal seeks to align church policy with regard to financial review requirements for incorporated ministries with that of provincial non-profit corporation act(s). There was a question about whether communities of faith were required to produce professionally audited statements each year. Erik Mathiesen, Executive Minister Finance, reported that this has become an onerous and expensive task, and the current expectation is that communities of faith, and all United Church entities, obtain the best third-party independent review they can find and afford that meets applicable minimum standards by regulators. For communities of faith that are unincorporated, this could take the form of volunteer review, or treasurer swaps. In the annual report the nature of the financial review should be disclosed.

Motion: Catherine Glover/Teresa Burnett-Cole

2023-06-26-040

The General Secretary recommends that the General Council Sub-Executive amend the Incorporated Ministries Policy to remove the reference to audited/independently reviewed financial statements, and replacing with the following:

- financial statements [prepared according to generally accepted accounting principles and in compliance with provincial/federal corporate legislation; at minimum, includes an income statement and a balance sheet](#) ~~(audited/independently reviewed by a qualified person)~~

Carried

Bev Oag and Nicole Treksler left the meeting after this item was passed.

GS 37 Transfer of Properties to Land Trust: Albright Gardens, Pineview Lodge

Erik Mathiesen noted that the transfer of these two properties will facilitate the financial structuring for the various affordable housing projects to be undertaken through Kindred Works/United Property Resource Corporation.

Motion: Catherine Glover/Richard Bott

2023-06-26-041

That the General Council Sub-Executive authorize the General Secretary to complete the legal transfer of two nationally owned properties to the new holding structure immediately, as this is operationally advantageous. Specifically:

- Albright Gardens, Beamsville, ON
- Pineview Lodge, Whitecourt, AB

Carried

GS 38 Audited Financial Statements, 2022 (Appendix I)

Harry Li, Finance Controller, outlined the process for the audit of the 2022 accounts of the United Church by the professional accounting firm KPMG in their first year as appointed auditor. A periodic change in external auditor is considered best practice. Harry noted that financial statement approval is a routine annual task in order to meet compliance and reporting requirements. The total assets were approximately \$135 million, which was a decrease of about \$18 million from the prior year. This decrease was primarily due to poor investment performance, coupled with the expected operating deficit. A key finding from the report of the auditor is their opinion that the finance function appeared under-staffed and warranted further investment.

Motion: Richard Bott/Teresa Burnett-Cole

2023-06-26-042

That the Sub-Executive of the General Council

- a) approve the 2022 audited financial statements of the National Accounts of The United Church of Canada which include KAIROS results; and
- b) separately, approve the KAIROS program audited financial statement.

Carried

The Moderator expressed her thanks to Erik, Harry and the whole financial team for their work on the audit.

GS 39 Chinook Winds Bridge Loan – Canada Revenue Agency Settlement re: Oi Kwan Developments Inc.

Treena Duncan, Executive Minister for Chinook Winds Regional Council, provided background to this proposal, noting that this development project had been started in Calgary Presbytery of the Alberta and Northwest Conference. When the project failed the Board of Directors was advised that GST was not owed. This advice turned out to be incorrect and the Canada Revenue Agency is holding the directors personally responsible for the debt as there was no directors and officers insurance in place. The specific amount to be paid will be confirmed by the lawyer who is in contact with CRA. There is a plea lodged with the Privy Council to waive the GST owing. If this decision is in favour of the Board of Directors, the amount will be repaid to The United Church of Canada immediately. If the plea is unsuccessful, the regional council and denominational council will work with the Oi Kwan Foundation to repay the obligation over time. This could take some years to resolve or reach closure.

Motion: Catherine Glover/Teresa Burnett-Cole

2023-06-26-043

That the Sub-Executive of the General Council, consistent with United Church indemnification policy,

- a. approve the request from Chinook Winds Regional Council for immediate payment in excess of \$800,000 to resolve the Canada Revenue Agency obligation currently being pursued from eight United Church volunteers who served on the board of Oi Kwan Developments Inc., and that
- b. repayment terms be formalized once further appeals have been exhausted.

Carried

Treena expressed thanks on behalf of Chinook Winds Regional Council.

GS 40 Restructuring the General Council Office

The General Secretary, Michael Blair, had joined this meeting from Geneva where he was attending another meeting. Michael summarized the changes to realign the General Council Office. These changes are primarily to keep work that is aligned together within one Unit, particularly as it relates to living into the strategic operational plan.

Motion: Teresa Burnett-Cole/Richard Bott

2023-06-26-044

That the Sub-Executive of the General Council

- a. Approve the formation of two new units aimed at aligning the work of the General Council Office. The units to be named: Theology and Ministry Leadership, and Shared Services (see Appendix);
- b. Confirm Jennifer Janzen-Ball as the Executive Minister of the Theology and Ministry Leadership Unit, and Alan Hall as the Executive Minister of the Shared Services Unit;
- c. Approve the dissolution of the Ministry and Employment Unit, and move the work of Theological Leadership to the new Theology and Ministry Leadership Unit, and the work

- of Ministries in French from the Office of the Moderator and General Secretary to the Organizational Development and Strategy Unit;
- d. Authorize the General Secretary to develop an appropriate, transparent process, which could include a shorter internal process, in the search for a Chief Financial Officer / Executive Minister, Finance;
 - e. Direct the General Secretary to standardize job titles and categories as follows:
 - i. Executive Ministers (12-13)
 - ii. Directors (10-11)
 - iii. Senior Managers (9)

With these changes to be reflected in the Human Resources handbook.

Carried

NOM 06 Recommendations for Appointment

Diane Bosman, resource staff to the Nominations Committee, introduced this proposal. Diane noted that the Pension Investment Committee was looking to the future and working on a transition plan, which is why one of the appointments will not begin until 2024.

Motion: Teresa Burnett-Cole/Catherine Glover

2023-06-26-045

That the General Council Sub-Executive appoint the following members with terms as noted:

Pension Investment Committee, Specialists (terms as noted)

On the joint recommendation of the Pension Selection Committee and the Nominations Committee. Pending the joint approval of the Pension Board.

- Cathy Carlin (September 2023 - September 2026), *first term*
- Lori Hall-Kimm (September 2023 - September 2026), *first term*
- Samantha Cleyne (May 2024 - May 2027), *first term*

Carried

The Moderator thanked members and staff for their presence and input at the meeting.

Carmen Lansdowne, Moderator

Michael Blair, General Secretary