

REPORT OF FINANCE COMMITTEE

A meeting of the Finance Committee was held on Thursday, August 27, 1964. Those present were Messrs. Arthur Block, William Single III, William Bark, Ernest Jones, Financial Secretary and Richard W. Single, Treasurer.

Those matters discussed were as follows;

1. Installation of "automatic" record keeping system in the Church office.
2. Pastor Rasche's suggestion that a specific amount of the Church's income be allocated to the Benevolence Fund.
3. Financing of repairs to the Church School Building.

In consequence of the discussion had on the preceding topics, the Finance Committee is prepared to make the following recommendations for the consideration of the Church Council and Pastor.

1. Installation of "automatic" record keeping system in the church office.

At the Council meeting of August 4, 1964, a suggestion was made relative to the installation of a stream-lined, machine system of keeping the records of the Church. Pursuant to this suggestion, the Finance Committee has undertaken to contact the various companies in Baltimore engaged in the sale and installation of such systems equipment. A more comprehensive report - including the benefits and cost of such a system will be forthcoming at a subsequent Church Council meeting.

2. Pastor Rasche's suggestion that a specific amount of the Church's income be allocated to the Benevolence Fund.

At the preceding meeting of the Church Council - August 4, 1964 - Pastor Rasche referred to the Finance Committee for discussion the suggestion that a specific amount of the Church's income each year be allocated to the Benevolence Fund. It is the recommendation of the Finance Committee - in light of present and anticipated expenditures - that this suggestion not be adopted. It is felt that it would not be wise to Commit any specific sums for this purpose. Rather, we would propose, in the alternative, that a Resolution be adopted and placed in the minutes providing for commitment of funds as available and to the maximum practicable for use in Benevolence work.

3. Financing of Renovation of the Church School Building

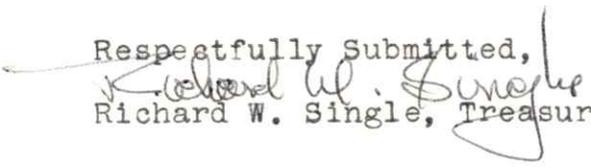
Lengthy discussion was had on ways to finance repairs to be made to the Church School Building. As a result of this discussion, the Finance Committee is prepared to recommend that the Church undertake to issue its own bonds, and, thereby, to in effect self-finance the cost of the repairs. The proposed plan would work as follows: (1) Attempt to ascertain congregational interest in such a venture - this could be done via direct mailing to congregation members; (2) obtain the necessary congregational approval; (3) issue bonds at subscription prices of from \$25 to \$500, repayable in 5 years, bearing interest to the holder at a rate of 4% per year; (4) creation of a "sinking fund" with which to redeem the bonds on their maturity date; (5) investment of the "sinking fund" in a financial institution, so that the interest derived therefrom would, to some extent, off-set the interest to be paid on the bonds. It should be noted that the figures used above could be changed to suit the needs of the plan. One of the obvious benefits of the plan would be to avoid the payment of interest on a standard mortgage type loan.

In addition, funds could be borrowed from the Memorial Fund, on a no-interest basis, repayable within a specified period of time.

Finally, the Finance Committee, in its continuing efforts to effectuate better budgeting and insure the financial future of United Church, recommends that the budgets of the Church School and the Church be combined - beginning with the 1965 fiscal year, for the following reasons:

- (a) To avoid duplication of expenditures not anticipated in the Church budget.
- (b) Achievement of efficiency in purchasing supplies and equipment.
- (c) In light of the expenditure to be made by the Church for the renovation of the Church School Building, the Committee feels that a definite control of the receipts and expenditures of the Church School should be put in the hands of the Church Council.
- (d) That the Finance Committee feels that inasmuch as the Church underwrites at least 75% of the costs of maintenance and general expenses of the Church School, that some explanation of the use to which these funds are put be made to the Church Council.

It should be noted that the preceding recommendations - while the result of lengthy discussion and deliberation - are not binding, but are brought forth for the consideration and action by the Church Council

Respectfully Submitted,

Richard W. Single, Treasurer