

THIRD ANNUAL REPORT
(For the Year 1971)

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BY

(14 pages)

THE BOARD OF TRUSTEES
(Formerly the Committee of Administration)

TO

THE BOARD OF GOVERNORS

OF THE

THEOLOGICAL COLLEGE OF THE
CANADIAN REFORMED CHURCHES

Hamilton, Ontario
February 12, 1972.

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BOARD OF TRUSTEES

THEOLOGICAL COLLEGE OF THE CANADIAN REFORMED CHURCHES

A.H. Oosterhoff, Secretary
3311 Morris Drive
Windsor 21, Ontario

February 12, 1972.

The Board of Governors,
Theological College of the
Canadian Reformed Churches,
c/o Rev. W.W.J. Van Gans, Secretary,
Box 54,
FERGUS, Ontario.

Esteemed Brothers:

The Board of Trustees are pleased to submit their Annual Report for the year 1971.

While this Report is addressed to the Board of Governors, copies are being sent to all the Churches, and the Churches are asked to take note of specific requests herein directed to them.

1. TRUSTEES' ACTIVITIES GENERALLY

The Trustees have held four meetings during the past year. At all meetings but one, all the Trustees were present.

In addition the Board of Governors and the Board of Trustees held one joint meeting during the year.

On several occasions the meetings of the Trustees appointed subcommittees to execute specific decisions and to report back to the Board of Trustees. Details of the Trustees' decisions and actions can be found in the Minutes of their meetings, copies of which were sent to the Board of Governors.

Major decisions and actions, including the implementation of decisions and requests of the Board of Governors, are summarized in this Report.

We are thankful to be able to report that we were able to carry out our assigned task in brotherly harmony and in good health. In general, the co-operation we have received from the Churches, Board of Governors, Faculty and students has been very good.

2. PHYSICAL PLANT

A. RENOVATIONS AND MAINTENANCE

No substantial renovations were undertaken this past year,

nor did we incur any major expenses for maintenance. However, in the coming year it will be necessary to make some extensive repairs to the driveway which will include the construction of a retaining wall, widening and repaving. In addition, some repair work is necessary to some of the wood trim and balconies of the main building and the woodwork of both the main building and of the garage must be painted.

B. LIBRARY FACILITIES

It had become apparent that the Library needed much more space than was initially allocated to it. The Ladies' Auxillary had proposed that they undertake converting the Garage for this purpose (with the aid of a loan from the College). However, it was found that the by-laws of the City of Hamilton do not permit this second use in an auxiliary building. (It would apparently be permitted if we did not provide student accommodation.)

Accordingly, we have decided to use a large portion of the basement for library purposes, and we estimate that this will provide sufficient room for expansion for another five years. The basement has been furnished with "esconds" stacks (which are considerably cheaper than the shelving used upstairs and can always be used for other purposes) and other suitable furniture. In addition we plan to carpet the floors to reduce the cold factor and to instal a suitable air circulation and dehumidification system in this area. The Ladies Auxillary has been asked if they wish to assist in this project.

C. FIRE INSURANCE - LIBRARY

Because of the rapid increase in Library holdings, we have increased the coverage to \$50,000, under the existing Policy.

In addition, Professor Ohmenn's name was added to the policy in respect of his own library, and the late Professor Kouwenhoven's name was deleted.

D. FUTURE EXPANSION

We are still considering how to make better use of the garage. It may be that in another couple of years expansion into the garage will become necessary, for example by constructing an underground tunnel to it. If so, a decision would then have to be taken on the desirability of retaining student accommodation in the building.

Alternatively, it might be necessary to consider selling the property and either building or purchasing a larger property. This future need will depend largely on the rate of expansion of the library in our view. With this possibility in mind, however, we have decided to set aside a Building Fund, to accumulate at the rate of \$5,000 per annum. (See further paragraph 5(E), infra.)

E. STUDENT ACCOMMODATION

A number of requests were received from persons, members of the Churches, who are studying at other institutions, for accommodation.

With one exception we have denied these requests on the grounds that it would or could detract from that atmosphere which is conducive to study and which is maintained for the benefit of Theological Students and that, having accepted some, it might make it impossible to reject future applicants whether they might be desirable residents or not.

The one exception is a person who expects to enroll in the College in the coming academic year and who is presently preparing himself for the study of theology by studying the Hebrew language. The Trustees were of the opinion that in the special circumstances of his case his request should be granted.

3. FACULTY

A. SALARIES

Pursuant to the decision of Synod New Westminster, 1971 (Acts, Art. 75, Inf. 15, Res. 10) the faculty salaries were increased as of January 1, 1971, and the back accounts owing were paid to the members of the faculty.

B. PENSIONS AND BENEFITS

(a) Reserve Pension Fund

This fund was increased by \$500 and accrued interest in accordance with our policy. It will be recalled that this fund was set up primarily in respect of Prof. Selles who was otherwise uninsurable.

(b) Kouwenhoven Family Pension

As a result of the faculty salary increase this Pension was automatically increased pursuant to the Faculty Pension Regulations (as amended by the Board of Governors.) The net pension paid in 1971 became as a result, \$7,700, or \$641.50 per month. This net pension is the amount payable under the Regulations less certain benefits (such as C.P.P.) paid directly to the Kouwenhoven family.

The Foundation for Superannuation paid us the sum of \$2,782.50 in benefits during 1971. (\$1,207.50 for the first six months and \$1,575.00 for the last six months of the year). This sum was applied to pay the Kouwenhoven pension in part. The difference being paid out of general funds.

It should be noted that for 1972 we should receive the sum

of \$2,700 from the Foundation. The difference arises from the increase in benefits as of July 1, 1971 which is, however, offset by the fact that since all children are now over 18, we will no longer receive the sum of \$450 for the youngest child.

(c) Foundation for Superannuation

At the Members Meeting of the Foundation held June 4, 1971 the College was formally admitted as a member of the Foundation. The Brothers Rev. W.W.J. Van Oens and A.H. Oosterhoff attended the meeting on behalf of the College.

A number of important amendments to the Statuta were passed, including:

- (a) The admission of the College as a member,
- (b) An increase in premiums from \$650 to \$850 per annum (approximately 30%),
- (c) An increase in benefits by 50%. (See sub clause 3 B(b) for the amount of the benefits payable to the College.)
- (d) The right to vote at future meetings by proxy.

Brother Oosterhoff recommended that the Foundation Board investigate the advisability of incorporating and the Board agreed to do so.

(d) Professor Ohmann

(i) Moving Expenses

We are thankful that Prof. and Mrs. Ohmann arrived safely in our midst. The usual moving arrangements were made and the accounts have been paid. Unfortunately, the Dutch Government declined to subsidize their passage.

(ii) Hospital and Medical Insurance, C.P.P. and Workmen's Compensation

The Trustees arranged the usual interim hospital and medical insurance and made application for admission to the then existing Provincial Plans. The College pays one-half of the premiums of these insurances, as well as for those concerning the Canada Pension Plan and Workmen's Compensation, in accordance with earlier decisions or as required by law.

(iii) Accident and Sickness and Income Protection Insurance

The Trustees purchased Accident and Sickness and Income Protection Insurance in respect of Prof. Ohmann, providing the same benefits as in the case of Dr. Faber, again through

MacVanderhout Insurance Agency Limited. The owner of the policies is the Board of Governors. Briefly, the particulars of these policies is as follows:

(I) Guaranteed Renewable Income Insurance Against Accidents and Sickness.

Insured: Prof. H. M. Ohmann, age 43
Waiting Period Accidents and Sickness: 180 days
Accident: payable for life
Sickness: payable to age 65
Partial Disability: pays one-half of monthly indemnity for a maximum of 12 months
Monthly Income: \$200 (payable to the College)
Accidental Death: \$5,000 (idem)
Annual Premium: \$103.50

(II) Income Protection in Event of Early Death

Insured: as above
Indemnity: \$100 (payable to the College)
Period: from date of death until the insured would have reached age 65 when premium payments and indemnity payments end.
Annual Premium: \$128.70

(iv) Foundation for Superannuation

As a member of the Foundation, the College automatically obtains the benefits of this organization in respect of Prof. Ohmann.

4. ORGANIZATIONAL

The Constitution of the College and Bylaws respecting the Board of Governors and the Board of Trustees, drafted by Br. A. H. Oosterhoff and approved by the Board of Governors were adopted by Synod New Westminster, 1971 (Acts, Art. 70, Suppl. VIII).

This Synod also authorized the Board of Governors and the Trustees jointly to investigate and finalize a decision regarding the matter of incorporation of the College. Br. Oosterhoff attended Synod to advise it in this regard. At a joint meeting of the Governors and Trustees held in October, 1971, upon the further advice of Br. A.H. Oosterhoff who outlined to the meeting the various organizational and title problems, it was decided not to incorporate in view of the apparent incompatibility of the provisions of the Corporations Act and the responsibility of the governing bodies of the College to the Churches and Synods.

It was recognized that the various bodies operating under the

newly adopted constitutive documents may find that for practical reasons changes in these documents are necessary. The Governors, Trustees and Faculty have therefore been requested to submit any desired amendments to the Constitution and Bylaws to the Secretary of the Board of Governors well in advance of the next Synod, so that these can be considered and acted upon in good time.

5. FINANCIAL

A. CHURCH CONTRIBUTIONS

A summary of contributions received for 1971 appears in Appendix A hereto. Churches which have fallen in arrears during this period have been reminded of their obligations from time to time. Current arrears are also summarized in Appendix A.

Unfortunately, while some Churches are very faithful in this, others habitually fail to send in their contributions in time or on a regular basis. We are convinced that this arises not out of lack of love for the College but perhaps because it is forgotten or put off, or because it is inconvenient to do it immediately or for any number of other reasons.

We remind the Churches that - as regards the matter of finances at least - the College operates as a business, and a business cannot function smoothly without a regular source of funds. We therefore appeal to all the Churches to send in their cheques on time and on a regular basis. We prefer to receive your contributions monthly or quarterly in advance, but if this is not possible, kindly advise the Treasurer of the schedule that best suits you.

We have encountered some problems with the amount of contributions due from each Church. Unless he is advised to the contrary, the Treasurer can only assume that the number of confessing members given in the Yearbook is correct and assess on that basis. It is difficult for him to keep a proper set of books if the cheques he receives do not compare with that number (although he does not complain if the money received exceeds the amount expected). However, in order to avoid misunderstandings and to make the work of the Treasurer easier, we request that the Churches advise him each time they send in their contributions, of the number of confessing members on which that particular contribution is based. Alternatively, it would be appreciated if at the end of the year the Churches would advise the Treasurer of any changes in this number.

On a number of occasions we have been advised by Churches that they are paying contributions on the basis only of those communicant members who pay their Church contributions. It was pointed out to the Churches concerned that Synod has not assessed individual communicant members, but rather the Churches, to

contribute a set annual amount per communicant member, and that therefore the fact that some members fail or are unable to pay their Church contributions is irrelevant as far as the College is concerned.

B. OTHER INCOME AND GIFTS

Other income as reported in the Statement of Revenue and Expense, included in Appendix C hereto, includes gifts by individuals, the proceeds of collections held by various groups and student fees.

In addition to monetary gifts, other presentations were made from time to time. These have been acknowledged by the Principal in Canadian Reformed Magazine.

The works of the Ladies' Auxiliary, under the able direction of Mrs. L. Selles and Mrs. C. Lindhout, Sr. deserves special mention. The Auxiliary continues to provide all the necessary "extras" for the College and thus relieves the Trustees of a lot of responsibility in this regard.

(e) Registration as A Charitable Organization

A new application for registration with the Department of National Revenue as a charitable organization has been submitted. No reply has been received to date.

C. AUDITED FINANCIAL STATEMENTS

In accordance with our recommendation and the recommendation of the Church of Chatham, Synod New Westminster apparently decided (no church having been appointed to audit the books) that the books of the College be audited only by a chartered accountant.

The audited financial statements, including a General Fund Balance Sheet, a Pension Fund Balance Sheet, a Canadian Library Fund Balance Sheet and a Special Library Fund Balance Sheet, all as at December 31, 1971, together with a General Fund Equity Statement and a Statement of Revenue and Expenses, both for the year ended December 31, 1971, are attached hereto as Appendix C.

These statements are self-explanatory and need no further comment. It may be remembered that the Special Library Fund was set up to receive the proceeds of the "drive" held in The Netherlands at the time of the institution of the College. These moneys are held in "trust" for the purchase of Dutch and other European materials.

D. INVESTMENTS

Upon the advice of our accountants and bankers the following investment decisions were taken in the past year:

1. That the Pension Fund continue to be separately invested in a long term deposit account and that interest be allowed to accumulate thereon and added to the capital.
2. That a sum sufficient to cover day to day expenses (approximately \$5,700) be kept in our current account together with an additional sum of approximately \$3,300 in a back-up savings account.
- 3(a) That the remaining monies be invested as a lump sum in a two year term deposit account; and
(b) That further monies as they become available in sufficient amounts be similarly invested.
4. That monies be withdrawn from the account(s) to be set up under clause 3 when required, or alternatively that we borrow on the security of such account(s) as necessary.
5. That the monies invested under clause 3 be allocated in the books in the amounts now credited thereto, to:
 - (a) Canadian Library Fund
 - (b) Special Library Fund
 - (c) Building Fund
 - (d) General Fund
 - (e) Such other purposes as may from time to time be approved.
6. That the interest on the monies invested under clause 3 be added to the General Fund.
7. That the other funds shall not be increased by accumulations of interest, but only by further donations and allocations to such funds.
8. That the yield on the monies invested under clause 3 be specifically noted and accounted for in the annual Budgets.

E. BUILDING FUND

Upon the considerations set out in paragraph 2(D) of this Report (supra) we have established a Building Fund, funded as follows:

- (a) by reserving the accumulated depreciation on buildings as at December 31, 1970 (\$2,574), and
- (b) by adding thereto annually the depreciation at 2 per cent per annum on the buildings (depreciated to \$45,000 as at January 1, 1971), together with the difference between that amount and \$5,000.

This fund is invested in the manner provided in paragraph 5(D).

F. PETTY CASH

At the request of The Principal, The Petty Cash Fund was

increased to \$500. This will enable the Faculty to order books and supplies and pay for these purchases directly without having to submit the accounts to the Treasurer for payment. Experience showed that the former method caused too great a delay in some cases.

5. BUDGET 1972

At their joint meeting held in October the Governors and Trustees approved the Budget for 1972 prepared by the Treasurer. Copies of this Budget have been sent to all the Churches.

We are thankful that no increase in contributions was necessary for this year. The expected deficit is to be covered by part of the operating surplus of the last two years.

6. CONCLUSION

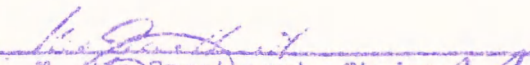
The foregoing represents a report of the major activities of the Trustees during the past year.

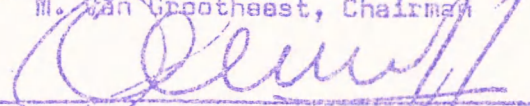
Copies of this Report are being sent to all the Churches, the convening Church for the next General Synod, and to members of the Faculty in accordance with the Constitution, Art. XII, 1(b).

All of which is respectfully submitted.

Yours in Christ,
Board of Trustees,
Theological College of the
Canadian Reformed Churches

per


M. van Grootheest, Chairman


A. H. Oosterhoff, Secretary


H. Dantuma, Treasurer


J. Medemblik


A. J. Hordyk

APPENDIX A.

STATEMENT OF CONTRIBUTIONS AND RECEIPTS OFFICE
FOR THE THEOLOGICAL COLLEGE FOR PERIOD JAN. 1st 1971 TO DEC. 31st 1971.

MEMBERS	CHURCH	GIVEN FOR ON & 15.00	NONPAYMENT GIVEN	RECEIVED FOR 1971	RECEIVED FOR 1972	PAYMENTS RECEIVED IN MAY 1972
1 125	ABERFROED	1,075.00	156.25	1,414.50	460.50	460.50
2 28	BARNFIELD	420.00	35.00	420.00		
3 48	BELFRON	720.00	60.00	720.00		
4 298	BURTONTON EAST	4,320.00	360.00	4,320.00		
5 222	BURTONTON WEST	3,330.00	271.50	3,330.00		
6 18	CALGARY	270.00	22.50	270.00		
7 106	CARMAR	1,590.00	132.50	1,192.50	397.50	397.50
8 156	CHATHAM	2,340.00	195.00	1,800.00	540.00	540.00
9 31	CHILLWICK	465.00	38.75	426.50	38.50	38.50
10 150	CLOVELLHILL	2,250.00	187.50	2,250.00		
11 119	COALDALE	1,785.00	148.75	297.50	1,487.50	900.00
12 255	CRONSTON	3,825.00	318.75	3,825.00		
13 157	DEGROES QUINCE	2,355.00	196.25	2,250.00	105.00	105.00
14 90	DEARD RAFTS	1,350.00	112.50	1,244.19	205.81	205.81
15 164	EMALTON	2,460.00	205.00	2,460.00		
16 41	HOUSTON	615.00	51.25	205.00	410.00	205.00
17 93	LINCOLN	1,395.00	116.25	465.00	930.00	465.00
18 42	LONDON	630.00	52.50	630.00		
19 50	NEERLANDIA	750.00	62.50	750.00		
20 248	NEW WESTMINSTER	3,720.00	310.00	3,720.00		
21 149	ORANGESTILL	2,235.00	186.25	2,235.00		
22 20	OTMANA	300.00	25.00	300.00		
23 103	SPITERS	1,545.00	128.75	1,545.00		
24 221	SMITHVILLE	3,315.00	276.25	1,657.50	2,657.50	
25 251.	TORONTO	3,765.00	313.75	3,765.00		
26 41	WATFORD	615.00	51.25	615.00		
27 66	WINTERB	990.00	82.50	990.00		
28 3282		49,230.00	4,102.50	42,997.69	6,232.31	2,606.50
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APPENDIX D

CHURCHES IN ARREARS PRIOR TO DEC. 31/68

	<u>AS AT DEC. 31/68</u>	<u>AS AT DEC. 31/70</u>	<u>AS AT DEC. 31/71</u>
Burlington (East) (West)	\$ 4,495.24	\$ 3,490.00) 1,700 1,700	\$ 1,136.00 \$ 1,130.00
Fergus-Guelph	250.93	250.95	250.95
Orangeville	2,023.00	1,343.00	643.00
Watford	<u>453.53</u>	<u>453.53</u>	<u>453.53</u>
	<u>\$ 7,222.72</u>	<u>\$ 5,447.48</u>	<u>\$ 3,613.48</u>

CHURCHES IN ARREARS FOR YEAR 1970

Grand Rapids	\$ 102.13
New Westminster	<u>123.72</u>
	<u>\$ 225.85</u>

TOTAL OUTSTANDING ARREARS AS AT DEC. 31/71

Prior to December 31/68	\$ 3,613.48
Over 1970	225.85
Over 1971	<u>6,232.31</u>
	<u>\$10,071.64</u>