

MARANATHA CHRISTIAN SCHOOL AGENDA FOR MEMBERSHIP MEETING

Date: May 30th, 2024
Time: 8:00 pm
Location: MCS Gym

1. Opening by Chairman
 - 1.1. Singing and Scripture Reading
 - 1.2. Prayer -
 - 1.3. Opening Remarks
 - 1.4. Establish the Agenda
 2. Minutes
 - 2.1. Meeting held October 5th, 2023
 - 2.2. Matters arising from these minutes
 3. Finance Committee
 - 3.1 Finance Report
 - 3.2 2025 Budget Memo
 - 3.3 Fee structure Change proposal
 4. Voting on Proposed budget/Fee structure Change
 5. Presentation from Teachers College Representative- Jackie deBoer
 6. Capital Campaign Fund update/Building Committee Update Presentation
 7. Education Committee
 8. Property Committee
 9. Transportation Committee
 10. Public Relations
 11. Results of the Vote
 12. General Question & Comment Period
- Closing

MARANATHA CHRISTIAN SCHOOL MINUTES FOR MEMBERSHIP MEETING

Date: Thurs, Oct 5th
Time: 8:00 pm
Location: MCS Gym

1. Opening by Chairman
 - 1.1. Singing Ps. 100:1,2 and Scripture Reading Ps. 100
 - 1.2. Prayer - Colin Meerstra
 - 1.3. Opening Remarks
 - 1.3.1. Thankful that we are a number of weeks into the school year and everything is going smoothly, even with the changes with the construction going on.
 - 1.4. Established the Agenda: Motion to adopt - Rob Deboer, Second - Steve Deboer
 - 1.5. Presentation from Harvest - Bernie Kottelenberg
 - 1.5.1. Start a teacher bursary program: Supports teacher students - \$3000-\$5000, TWUC bursary \$2000 - B. Ed. Continued growth in the capital campaign of \$1-2mill/year donations. Diversify investments 75% Mortgage Fund and 25% real estate investment trust (monthly rents and appreciation) more growth opportunity. Deposits open again in November. For this year Harvest school supported \$951,000. MCS Support - Total \$49,939. \$11,479 targeted tuition assistance, so the school will receive a cheque for \$38,460. Long term goals of Harvest is to raise their donation to cover the amount of one month tuition for each family and so at this time that total would be about \$98,000. Target tuition assistance was awarded to 104 families. Take the opportunity to use this support, the application period is currently closed but will open on June 1st, 2024. Harvest growth projections are well on track for their 2028 goal to reach \$1.2 mill in school support. Some brochures available on the table to take on your way out, and some business cards for contact information, or you can reach at www.harvestfoundation.ca.
2. Minutes Meeting held June 8th, 2023 -
 - 2.1. Matters arising from these minutes - MCS BBQ was noted as costing about \$2000, but came in at \$1600. 8.1 - forgot to add the 5 areas of focus.
 - 2.2. Motion to adopt: Ivan Sikkema, Second: Russ Taekema, voted in favour
3. Voting for 3 Board Members - (Scrutineers - Marnix Sikkema, Morris Thalen, Kevin Hutten, Ian Vanbeek). We have achieved a quorum for tonight.

- 3.1. Mitchell Kingma, James Medemblik, Ivan Sikkema, Ryan Smith, Kevin Timmerman, Twyla Vanderwoerd
4. Finance Committee
 - 4.1. Approval on Audited Statements - just received this week, and was printed for this evening. There are minimal changes from what was presented in June. There is more cash than normal. There was a large portion of \$700,000 of it put into a GIC to earn interest until we needed it, and it has already made about \$11,000 in interest. We have \$200,000 in available credit if we need it. Operational costs ran very similar to the prior year, we saw a dip in revenue likely tied to the support given for the expansion. Right now we are sitting on a large amount of cash, but that will be gone as the expansion continues. No questions. Motion to approve: Bert Hutten, Second: Mike Broersma - voted in favour
5. Education Committee - Trish Smith
 - 5.1. Been busy attending the IPRC meetings to assist the parents and teachers with the IEP meetings. No questions.
6. Property Committee - Rod Dykstra
 - 6.1. There has been quite a bit of action, the addition under way and so this required some work to be done inside. The ceiling tiles were all removed, pipes and wires run and then tiles put back up and lots of other odd jobs throughout the school this summer.
7. Transportation Committee:
 - 7.1. Kevin VanLeeuwen - Another school year has begun and the transportation committees work has been put into action. After a few tweeks everything has been running smoothly. We have had one bus breakdown which caused some students to be home a little later than expected. We have changed how we handle this so parents of affected students should be notified a little quicker. Please remember to continually remind your kids that bus transportation is a privilege and to respect not only the bus driver but all other students on the bus so everyone may have an enjoyable year. Questions: Jesse Hutten - is there consideration to add another school bus? The school has grown to a building expansion and can we review adding another bus? The committee is taking a look at it and considering what the public system uses for boundary rules, and considering what to do for the routes.
8. Public Relations - Joseph Vangrootheest
 - 8.1. The PR committee has made a brochure for everyone. TRIP could use more involvement, we could easily double or triple the income and that's free money to the school. There is a membership drive flyer that will be going into all church

mailboxes, including non-members. Please discuss this with your peers, these discussions are more fruitful when done by someone they know rather than a PR rep that potential members may not know. There will be a package made available for families with first time students so they are familiar with how it works going to school. The PR committee is having a very difficult time getting reps to be a part of the committee. Grand Valley is currently completely vacant, there is a vacancy in Arthur and Fergus North, Elora and Fergus Maranatha coming up. The committee is under staffed, so please consider this seriously and if we can have some volunteers that would be a great help. Thank you to the current committee and to all that support the school.

9. Building Committee Update

9.1. Force main connection to the town sewer is completed. New piping from the building to the forcemain was completed. The old septic tanks are decommissioned. Foundation work is ongoing. We are hoping to be above ground in the next few weeks, shop drawings and paperwork process is done well in advance. Precast roof, windows, doors, roof top units are on order and being prepared. The renovation drawings are completed and we are going to begin tendering the renovation shortly for the work to be done over the summer holidays in 2024. Anyone interested in quoting this, please contact Kevin Vanleeuwen. In regards to the project budget, we can be thankful to say we are on track with our current budget.

9.2. Kevin Timmerman: Do you know what the plans look like now? There is no change from the plans previously shown.

10. Results of the Vote: James Medemblik, Ivan Sikkema, Twyla Vanderwoerd. There was a tie for the 3rd person, so the decision was agreed to proceed with the elder in years.

11. General Question & Comment Period

11.1. No questions

Closing - Singing Ps 100: 3,4

Prayer - Richard Hoeksema.



May 5, 2024

Finance Report

Mortgage:

As previously reported, we have secured a \$1,000,000 dollar mortgage to fund the addition and renovation of the school. The membership expressed a desire to keep the mortgage out of the operating budget so as to not affect the monthly fees, so far we have been able to do that. We were blessed to find a private lender that was willing to give us a much better interest rate than the banks would give us. The mortgage is an interest only mortgage so at this point we can only pay interest payments, we cannot pay down principal. This works well now because we do not have the funds to pay interest *and* principal payments. Any excess funds in the capital fund are being invested in a GIC to offset some of the interest cost of the mortgage. The mortgage is fully open as of January 2026, at which time we can begin to pay down as much principal as we are able to without any penalties. As the renovations are completed and invoices are paid over the summer we will be running out of money in the capital fund, as we expect to have spent all the money received from the mortgage and from pledges. Pledges have been fulfilled quite faithfully thus far, for which we are very thankful. We ask that you continue to fulfill your pledges and we also strongly encourage additional donations to the building fund as every dollar we receive before January 2026 will go directly against the principal on that date.

Budget:

Elsewhere in this package you will find the proposed budget for next year along with an explanation of where and why the changes are being made. You can also see the financial picture of the current fiscal year through the first 9 months. So far this year we are seeing a surplus of around \$14,000, this is good news, however, we started the year with a cash balance of negative \$63,000. The finance committee and the board are very sensitive to the rising cost of tuition and we make every effort to keep fees affordable. This has resulted in tight budgeting over the last few years and we really do need to get back to a more healthy cash position. To this end, we have increased the call for general donations with the hope that we can end next year with a \$25,000 surplus.

Seeking new accountant for MCS:

Scott has indicated that he would like to pass on the task of accountant for MCS. We would like to thank Scott for all his work over the past number of years as accountant for MCS. As such, we are looking for a new accountant to work alongside the finance committee and our bookkeeper (Charmaine Vis). We do have one person interested in this position, but if anyone else is interested, please let me know by May 31.

To: Membership of Maranatha Christian School
Re: Explanation for the 2025 Budget



The following explanation shows how the budgeted expenses were arrived at, and the revenue required to pay for the budgeted expenses.

Instructional - 5% increase

The Ed Comm has been busy working on keeping costs down for F2025, there have been some staffing adjustments in an attempt to better utilize the staffing resources we have. This has resulted in lower increases in instructional costs. There has also been a 20% increase to the benefit program. There has also been a large increase to supplies as we've invested in a new math curriculum which will cost \$7,000/year for 5 years.

Operation and Maintenance - 38% increase

Significant changes as a result of rising costs. Our school footprint has increased significantly, as a result our operating costs will increase with that. Insurance costs for next year are also projected to be higher plus an additional increase due to the increased size and value of the building. In addition to that the move away from our aging septic to town water and sewer will cost \$2880.00/year.

Administration - 24% increase

Some increases are expected in the wages categories as we continue to increase our reliance on staffing to support the school. There is also a large increase in the budgeted amount to be spent through the activity fund.

Transportation - 20%

With the large increase in operating costs around transportation we have a significant increase expected in our transportation costs.

Financial and Capital

There are no changes expected for F2025 for our operating budget. The mortgage for the addition is sitting at \$1,000,000 and is having interest of 6.25% being paid monthly. The intention is to use the existing pledges to pay the mortgage interest for F2025. The mortgage is closed, so no principle can be applied against it, we are, however, using whatever funds we do receive into GIC's to offset the interest cost.

Revenue

Funding from Harvest continues to grow and we are budgeting for stable general donations. This is built on the current year projections. It is very exciting that we can increase the budgeted amount here. This does not include tuition assistance, as any funds for that will be recorded under Parent Fees. We are continuing to budget fairly high in General Donations, this is in addition to the Capital pledges. Voucher and Activity fund amounts continue to be fairly flat and steady. The remaining revenue is in the form of membership dues.

Fee Schedule

The proposed fee increase is 11%, the table below outlines the proposed F2025 fee schedule and the current schedule beside it. It also shows the fee breakdown of where the operating budget and fees are generated from.

	F2025	F2024
RETIREED +65, SINGLE	42	44
MARRIED/PRE-SCHOOL	0	
MARRIED/POST-SCHOOL	66	70
PRESUPPORT YEAR 1	6	
GRADES K-8	104	105
RETIREED +65, SINGLE	\$202	\$182
MARRIED - PRESCHOOL	\$303	
MARRIED - POST-SCHOOL	\$505	\$455
PRESUPPORT YEAR 1	\$354	
GRADES K-8	\$1,011	\$911
Change in Fees	10.98%	7.08%

<u>Breakdown of Costs - % and \$ as parental fee basis</u>		
Instructional	69.3%	73.6%
Operation and Maintenance	8.6%	7.0%
Administration	7.6%	6.9%
Transportation	13.3%	12.5%
Deficit	1.2%	0.0%
Instructional	\$700	\$670
Operation and Maintenance	\$87	\$63
Administration	\$77	\$63
Transportation	\$135	\$114
Deficit	\$12	\$0
	<u>\$1,011</u>	<u>\$911</u>

Low Cash Impact

For the past few years the Board has made keeping fees as low as possible a major priority, this has had a detrimental impact on our operating cash balance. Over the coming years we need to have some surpluses to ensure that we have enough cash in the bank to meet our monthly obligations. A reasonable floor is 1 month of operational expenses. This would be equal to approximately \$175,000. This will be a long road to get to this position, however, we should consider starting that now. We currently intend to utilize our growing general donation base to assist with this.

Tuition Assistance

Harvest is accepting applications for their tuition assistance program for June 1-July 31. Please consider this option for your family. Please visit harvestfoundation.ca/tuition-assistance/ for more details

Respectfully submitted,
Scott Swaving

**CANADIAN REFORMED SCHOOL SOCIETY OF FERGUS GUELPH & DISTRICT
BUDGET FOR THE YEAR ENDED JUNE 30**

	2025 Budget	2024 Budget	2025-2024 Budgeted Change		9 Months ended YTD Actual	YTD Budget
REVENUES						
Parental Fees	1,261,256	1,147,435	113,820		847,687	860,576
Non-parental fees	527,544	478,665	48,880		340,254	358,999
Voucher	25,000	22,500	2,500		13,658	16,875
General Donations	175,000	150,000	25,000		203,436	112,500
Harvest/Christian Stewardship	45,000	21,000	24,000		11,478	15,750
Rental revenue	10,000	2,000	8,000		15,005	1,500
Interest	100	100	-			
Activity Fund	23,000	30,000	(7,000)		12,085	22,500
ECHS- Transportation	86,150	70,950	15,200		51,225	49,665
	<u>2,153,050</u>	<u>1,922,650</u>	<u>230,400</u>		<u>1,494,828</u>	<u>1,438,365</u>
EXPENDITURES						
<u>Instructional</u>						
Salaries(incl RRSP)	1,293,000	1,245,000	48,000		920,644	933,750
CPP,EI,EHT	97,000	87,200	9,800		60,153	65,400
Benefits	51,200	41,100	10,100		28,405	30,825
Prof. Development	5,000	5,000	-		1,400	3,750
Library	3,000	3,000	-		2,080	2,250
Supplies	42,300	34,230	8,070		18,842	25,673
	<u>1,491,500</u>	<u>1,415,530</u>	<u>75,970</u>	5.4%	<u>1,031,524</u>	<u>1,061,648</u>
<u>Operation and Maintenance</u>						
Janitorial	65,625	50,000	15,625		39,692	37,500
Insurance	31,100	21,000	10,100		26,043	21,000
Hydro & heating	48,125	33,000	15,125		27,842	24,750
Maintenance	40,625	30,000	10,625		24,597	22,500
Other	-	-	-			
	<u>185,475</u>	<u>134,000</u>	<u>51,475</u>	38.4%	<u>118,174</u>	<u>105,750</u>
<u>Administration</u>						
Administrative fees and wages	55,000	50,000	5,000		30,549	37,500
Telephone	2,500	2,100	400		1,443	1,575
Bank charges	3,500	3,000	500		3,400	2,250
Link	1,000	750	250		1,450	563
Office and General	10,000	12,500	(2,500)		10,278	9,375
H.S.T.	14,000	10,000	4,000		86,190	7,500
Teacher's College	6,075	3,000	3,075		-	2,250
League dues	17,000	16,500	500		21,612	12,375
TRIP Expenses	-	-	-		309	-
MCS Activity Fund	45,000	30,000	15,000		17,804	22,500
Miscellaneous	10,000	5,000	5,000		5,094	3,750
	<u>164,075</u>	<u>132,850</u>	<u>31,225</u>	23.5%	<u>178,129</u>	<u>99,638</u>
<u>Transportation</u>						
Bus fee	283,000	236,250	46,750		153,066	165,375
School trips	4,000	4,000	-			3,000
	<u>287,000</u>	<u>240,250</u>	<u>46,750</u>	19.5%	<u>153,066</u>	<u>168,375</u>
<u>Financial</u>						
Capital & Computer Fund		0	0			-
EXCESS/DEFICIENCY	<u>25,000</u>	<u>20</u>	<u>24,980</u>		<u>13,935</u>	<u>2,954</u>
Building fund/Capital fund	54,500					
Interest Income	8,000					
	<u>62,500</u>					
Mortgage Interest	62,500					



Fee Structure Change Proposal to the Membership

The following two proposals have the support of the finance committee and the public relations committee and have been approved by the board. The board is seeking the approval of the membership on these proposals and the membership will have the opportunity to vote on these proposals at the spring membership meeting.

Background:

The PR committee and finance committee have seen that there are a number of young couples that are not members or have withdrawn their membership after marriage.

The finance committee has appointed an ad hoc committee to look into the current fee structure of MCS to see how MCS fees compare to other schools and to see if a different fee structure would potentially increase membership.

Proposal 1: New category: Married, Pre-School:

Within the current membership fee structure the married category is 50% and the single category is 20%. Within the current categories, a newly married couple’s fee more than doubles from their previous ‘single’ category fee; this (coupled with the increased cost of living as a newly married couple) is causing some newly married couples to drop down to regular donors. This new category would be more affordable for newly married couples, which will hopefully reduce the number of newly married couples that cancel their membership.

There are a number of couples (approximately 30) who could fall into the new married, pre-school category who are not currently members, dropping the married category from 50% to 30% could potentially lead to more members in this category, this might be an easier ‘sell’ for the PR committee when they are trying to convince these couples to sign up as members.

Proposal: The MCS board proposes to implement a new category “Married Pre-school” at 30% of the category 3 fees effective for the 2024/2025 school year. This category would include married couples with no children and married couples whose child will not yet turn one in the fiscal school year.

Fee Structure Showing New Category			
Category	Fee % of Cat. 3 Fee	Monthly Fee	
Retired +65, Single	20%	\$202.00	
Married, Pre-school	30%	\$303.00	New Category
Married, Post-school	50%	\$505.00	
Children in Grades K-8	100%	\$1011.00	

Proposal 2: New Tiered Pre-Support Structure:

MCS has one of the more aggressive pre-support policies, requiring four years of pre-support for a total of \$21,840.00 based on the current year. Many other schools have a two or three year pre-support policy which amounts to half or two-thirds the total required pre-support. MCS’s aggressive pre-support policy does help to keep our membership fees at a reasonable level, being one of the least expensive schools within the LCRSS. This policy also supports the idea of lifetime membership which we have long been promoting.

MCS pre-support is viewed by some as aggressive or daunting when compared to other schools. We feel this causes some hesitation for young families to commit to beginning their pre-support at the required time.

A tiered pre-support structure has a lower starting fee and the fees increase year after year. Under the new pre-support system each member would still pay the same total amount of pre-support as they would in the current structure.

The advantages of the new pre-support system are:

- The lower starting fee is less daunting which will help people take the first step to actually sign up.
- The lower starting fee will be more manageable for young families and will allow them to adjust their budget year after year as the fees increase.
- The fee increase each year will hopefully coincide with wage increases as young people get established in their careers.
- This would create relief for new families and at the same time would not negatively impact our budget.

Proposal: The MCS board proposes to implement a 4 year tiered pre-support system effective for the 2024/2025 school year.

- The new tiered pre-support program would be effective for the 2024/2025 school year for new members only.
- Any members already paying pre-support would remain paying as per the current 4-year pre-support program.
- If a new family moves into the area they would begin paying pre-support wherever they fall within the tiered pre-support structure.

Comparison of current pre-support and proposed 4 year tiered pre-support system (Assuming Category 3 fee of \$1011)						
Current 4yr Pre-Support				Proposed 4 year Tiered Pre-Support		
Year	Fee % of Cat. 3 Fee	Monthly Fee	Annual Cost	Fee % of Cat. 3 Fee	Monthly Fee	Annual Cost
1	50%	\$505.50	\$6,066.00	35%	\$354.00	\$4,248.00
2	50%	\$505.50	\$6,066.00	45%	\$455.00	\$5,460.00
3	50%	\$505.50	\$6,066.00	55%	\$556.00	\$6,672.00
4	50%	\$505.50	\$6,066.00	65%	\$657.00	\$7,884.00
Total: \$24,264.00				Total: \$24,264.00		

Update from Property Committee

Happy Spring! It's Amazing to see God's wonderful creation come alive in the trees and flowers!

We also have much to be thankful for in our school that He has provided for.

The addition is complete and being used. This summer classes will be jockeyed around and set up this summer. There's more to do in the addition regarding the IT network, projectors and intercom. Record Telephone has graciously donated the control system and time to set up a new and improved intercom system. We will need to replace the speakers to allow for this. We can be thankful to see other businesses in our community appreciating what we do at our school.

Along with the increase in size comes the increase in budget, heat, hydro, janitorial, insurance all increase- then (as we are all aware at home) add the inflation dollars these services and materials added to all these costs. It made it another challenge to keep our fee increase to a minimum.

With construction comes the after effect mess. Rick Ekkema has cleaned up the driveway to make it usable until the summer when we will regrade and change some drainage down the back driveway. Landscaping will occur around that as well. By September we hope to see a full lawn again! Pauline has put in the extra effort to try to stay ahead of the mud, it has certainly been a challenge for teachers as well as some extra laundry for at home!

The Fundraising committee has covered the cost to repave the playground area behind the gym. This is not a small expense and we are stretching the 20k to the max for this project. Very thankful this cost can stay off the mortgage. Thanks Anne and the fundraising committee!

Pauline has also been doing a fantastic job cleaning up after us for 10 years now! We thank you for this, as I sometimes forget the work it takes to have this school magically clean all the time!

The Building committee is still busy working away at the renovations. Kevin and Exact construction have been diligently getting the front areas ready for next school year. There's always some surprises to deal with and they are managing them efficiently to stay on track.

Along with all the action still come the normal maintenance challenges of course! The bathrooms clog up and leak, the HVAC acts up during the coldest days, the internet flakes out, doors need adjusting ect ect - keeps it interesting!

Once again we have been Blessed with the resources to maintain and upgrade our great school. We have much to be Thankful once again!

On behalf of the Property Committee Thanks again for reading

Rod Dykstra