

Diocese of Moosonee

2008

NARRATIVE BUDGET

The involvement and commitment of the people of the parishes of the Diocese of Moosonee are what makes effective ministry happen. This Narrative Budget is designed to illustrate the use of your dollars which assist the Diocese of Moosonee in continuing to operate. The Diocesan Synod Office and the parishes together make up the Anglican Church of Canada in the Diocese of Moosonee. We minister together in the Lord' s name for one purpose – to extend the Gospel of Jesus Christ. New and refreshing ministries are possible with the support of our parishes. With the vital assistance of your contributions the Gospel of Christ is spread throughout the North and beyond as Jesus commissioned us. We pray that, through the dedicated involvement of our parishes, the Anglican Church in the North will continue to reach out to a new and increasingly secular generation.

It is our hope that this Narrative Budget will be a tool of communication and education. At the November 2007 meeting of the Diocesan Executive Council the 2008 Budget was approved with a deficit of (\$53,178).

What are some of the ministries provided by the Diocese?

Parish Staffing: \$761,092.00

Clergy are deployed and parishes are assisted in obtaining new ministry through the diocesan Synod Office. In some cases the Diocese assists in grouping parishes together to provide ministry which otherwise would not be affordable in this far spread northern area.

All parish clergy are paid through central payroll from the Synod Office on the 25th of every month. Benefits and pensions are administered and T4 and RL-1 forms prepared. Clergy car loans, available from General Synod, are processed. Clergy Stipends for northern dioceses are set by the Council of the North annually. The above figure reflects the total cost of stipends and benefits as well as many hidden costs such as employers contributions for source deductions such as CPP/QPP, E.I., QPIP, QHIP, WSIB, CSST etc. From time to time there are increases in stipends and health benefits etc. which are beyond our control. Some parishes in the Diocese are able to pay a full stipend for their clergy. Others, for a variety of reasons, cannot.

How do we pay for this?

Stipend Recoveries -Sufficient funds need to be on hand for the Synod Office to meet the stipend payroll on the 25th of every month. The Diocese relies upon assessment payments from the parishes in order to meet its monthly commitments. The stipend and benefits for one full time resident priest for 2008 is \$53,446.00 per year. This averaged stipend is based on 13 full time and one half time clergy in the field.

Currently, the following parishes are paying 100% stipend, some with assistance from Native Band Councils: Chisasibi, Cochrane, Eastmain, Mistissini, Moose Factory, Timmins, Wemindji, and the combined parish of South Porcupine-Schumacher-Chapleau-Foleyet.

Factoring in the subsidies the Diocese provides to parishes that cannot pay their Rector's full salary it is hopeful that we will receive \$518,907.00 in stipend recoveries. So if we subtract our total expenditures to cover parish staffing \$723,092 from the stipend recoveries \$518,907 we are left with a shortfall of \$204,185.

Where will this money come from to cover the balance of salaries for parish staffing? How do we do this?

Support Grant -If a parish is no longer able to pay 100% of their incumbent's stipend, parishes are either realigned and/or subsidies are provided by the Diocese. Subsidies are provided from the General Synod Support Grant given to dioceses belonging to the Council of the North. The good news is that the National Church has assured the member dioceses of the Council of the North that the Support Grant will remain at the same level for the next five years. The Diocese of Moosonee receives \$248,773.00 per annum. The Support Grant also covers the following:

- Pastoral Expenses \$1,500
 - Extra Clergy Travel \$6,200
 - Grants to Parishes \$3,000
 - Net Moving Expenses \$2,527
 - Responsibility Allowances \$6,000
 - Interviews \$500
 - Net Clericus Expenses \$4,284
 - Bishop's Office & residence \$93,237
- It is therefore vitally important to the ongoing life of the Diocese that parishes address their stewardship and work toward self-sufficiency in order that funds may be freed up to assist parishes in need of financial aid or to establish important new ministries.

INSURANCE:

A service provided by the Diocese of Moosonee is that the insurance premiums for all parishes are paid in full by the Synod Office in the first

three months of every year. This allows parishes to spread their premium payments equally over twelve months in their reimbursement to the Synod Office. Because parishes are simply reimbursing the Diocese for this service, insurance is not reflected in the Annual Diocesan Budget. Payment from the parishes, however, must be received in the Synod Office by the 20th of every month so that the Diocese, which has already paid the full premium, does not have to subsidize the parishes.

Curacies:

For 2008 the diocese has been unable to budget for a full-time curacy. Curacies serve as training opportunities for newly ordained clergy to work alongside a more experienced priest. Curacies are funded through your Diocesan Support Fund dollars.

The Archbishop's Office: \$93,237.00

As noted above the ministry of the Archbishop is funded by the grant received from General Synod. This budget item includes stipend, benefits, responsibility allowance, travel costs, vehicle allowance, and the maintenance & utilities for Bishopstope.

The Executive Archdeacon

Since the departure of the Executive Archdeacon in April 2007, there has been a reconfiguration of the daily operation of the Synod Office. The Archbishop decided not to continue with this ministry however for information purposes funding was provided by the Diocesan Support Fund. It included stipend, benefits, vehicle allowance, and travel allowance and in accordance with policy, a housing allowance. The Executive Archdeacon assisted the Archbishop in his ministry, and was responsible for administering the diocesan finances, insurance and various other administrative functions as well as provide pastoral support to our clergy.

Secretary Treasurer: \$ 64, 233.00

Part of the reconfiguration of the Synod Office included the appointment of Secretary Treasurer to replace the Executive Archdeacon. Julie Thibault, formerly the Diocesan Accountant has been promoted to the managerial position of Secretary Treasurer in April. The Secretary Treasurer has continued many of the duties she was responsible for such as the central payroll, in-house accounting, monitoring parish accounts, Privacy Officer, etc. but has assumed many of the tasks the former Executive Archdeacon was responsible for. Some of these duties include the administering the diocesan finances, insurance and budget preparations, Office Manager, liaison between Benefits providers, Church House, Chairs of Task Groups and provide administrative support to the Archbishop's office etc. Based on the new job description and diocesan policy, the Secretary Treasurer is entitled to a housing allowance and lay differential as well as the other benefits awarded to full time employees of the diocese.

Synod Office Staff: \$ 42,150.00

Another change at the Synod office is the addition of the Executive Assistant to the Bishop and Office Assistant. As Executive Assistant, Ruth Cluley's primary role is to provide administrative support to the Archbishop and reception relief. She is also on hand to provide support to the office of the Secretary Treasurer when needed.

In order to provide continuity in administrative support to both the offices of the Archbishop and the Secretary Treasurer, we will be looking to recruit someone to fill the role of Office Assistant. We are also in some preliminary planning stages that may involve bringing the website and desktop publishing in house sometime in the future. Parishes will be kept informed when we have more information to share.

The Executive Assistant and Office Assistant are two very separate positions but sharing one full time position. The figure of \$42,150.00 includes salary and benefits for both roles.

The Diocesan Support Fund supports the work of the Secretary Treasurer and, Executive Assistant and Office Assistant.

Synod Office Costs: \$58,550.00

What items are necessary to run a Synod Office?

Office supplies	Legal Services	Postage
Website	Telephone	Office Cleaning
Utilities	Snow Removal	Copier/Fax
Annual Audit	Grass Cutting	Equipment Repair
Computers/Software	Office Furnishings	Investment Advice

The cost of the Synod Office is covered by the Diocesan Support Fund.

Committee and Task Force Work: \$23,000.00

Our Diocesan Synod meets only every three years because of costs related to travel. In between Synods the business of the diocese is governed through the Diocesan Executive Council which normally meets twice a year, and by various Task Forces.

Travel costs and accommodation are major budget items to bring people together for meetings from across our vast diocesan area.

Some of the Task Forces include:

Finance & Property	Screening in Faith
Children' s and Youth Ministry	Canons Committee
Synod Planning Committee	Diocesan Goals

The Diocesan Council of Indigenous People (DCIP) meets

approximately twice a year as a decision making body concerning indigenous issues. It serves as a link for the Cree Communities and the wider Church. The DCIP meetings are partially funded by the Jocelyn Memorial Trust Fund.

The Bishop's Advisory Group (BAG) meets at least once a year with the Dean and Regional Deans, at the Archbishop's discretion. This provides opportunity for the sharing of information, support and guidance. This meeting is also funded by the Diocesan Support Fund (DSF).

Deanery Operations: \$5,250.00

The Diocese of Moosonee is divided into three Deaneries: James Bay, Kenogami, and Cochrane. The Deanery Operations budget allows the Regional Deans of those areas to visit the parishes of their deanery often scattered across a very wide geographical area.

Pastoral Expenses provides air and train fare for the clergy of the West Kenogami parish to travel to remote outposts such as Collins and Nakina.

Dean's Operations. I used to provide pastoral ministry and support by the Dean to our stipendiary and non-stipendiary clergy.

All of the above meetings are funded by the Diocesan Support Fund (DSF).

Other Meetings: \$66,350.00

The Great Chapters are deanery gatherings once a year for the deaneries of James Bay, Kenogami and Cochrane. These valuable events bring the Church together for business, worship and fellowship. They are a means of communicating the issues of the church and for

encouraging the parishes in their ministries. The Great Chapter meetings are all funded by the DSF.

Clericus is a meeting of the Clergy Chapter once a year for education, peer consultation and fellowship. It is the one time in the year that all of the clergy are able to meet together with the Archbishop. The gathering includes a guest speaker on various church matters. The sources of funding that supports this meeting is a combination of the Twamley Estate Trust, Continuing Education grant Support Grant. Diocesan Synod meets only once every three years to conduct the legal business of the diocese, to inform church delegates of current issues, and to gather the church together as a decision-making body. The next regular Diocesan Synod is scheduled for 2008. The Edith MacGregor Trust and registration fees fund this meeting.

What is included as some of the other meetings we finance?

Provincial and General Synods

Native Gatherings: Sacred Circles

Stewardship Initiatives and education

Lambeth Conference

The Lambeth Conference will be held in 2008 for all of the Bishops across the world. This conference is held every 10 years. The spouses are also invited to attend. It was approved at our fall Executive Council meeting that a one time draw of \$10,000 be taken from the MacKenzie Bursary Fund to help pay for the travel, accommodation and out-of-pocket expenses for the Archbishop and spouse to attend. This will be Archbishop Lawrence's last opportunity to attend this conference.

The Children & Youth Ministry- We currently have a total of \$12,000.00 budgeted for this ministry (with \$2,000.00 of this money earmarked specifically to the James Bay youth). This money is used for programming as well as travel costs and incidental expenses for members of the YCMC to meet.

The funding to support this ministry comes from the interest earned from the Rice Ministry Trust Fund and any special appeals from other sources such as the Council of the North or the Anglican Foundation. Stewardship Initiatives and Education – At our fall meeting of the Finance & Property Committee (F&P) meeting a report was presented on Stewardship. It was reaffirmed that it was important that a commitment be made at both the diocesan and parish levels. As a start the committee approved the purchase of a projector for a price of approximately \$1,000.00 to be used in Powerpoint presentations encouraging stewardship initiative and education. A report was also presented to the members of the Executive Council at our fall meeting. It was agreed by all present that in order to keep functioning as a Diocese, a commitment to making Stewardship a priority must take place.

How will we fund Stewardship Initiatives and Education?

All Saints Church in Rouyn–Noranda has closed their doors this year. The deconsecration of the church has taken place. The Diocese of Moosonee has received an offer for the purchase of the church building. During the Executive Council meeting it was approved that the proceeds from the sale of All Saints’ Anglican Church building in Rouyn–Noranda be set up into a trust fund designated to promote stewardship projects. Application in writing can be made to the Synod Office for consideration of accessing this funding to support Stewardship initiatives and education at both the parish and diocesan level.

ASSESSMENTS: \$68,457.00

In the same way that parishes are assessed to support the Diocese, the Diocese in turn is also assessed by General Synod and Provincial Synod to help them carry out their work. This is part of what it means to belong to the wider church known as the Anglican Church of Canada. The Church functions at various levels: National, Provincial, Diocesan

and Parochial. All require funding in order to function and all are interdependent on the other.

Education: \$30,350.00

The Diocese of Moosonee supports the A.C.P.O. Assessments and School of Ministry of First Nations people who have been nominated for ordained ministry. The School of Ministry is supported by special grants and Jocelyn Memorial Trust Fund and the A.C.P.O. Assessments are funded from Other Sources.

The Diocese supports various Christian educational programs. The Mahmow Program provides leadership training and development to the Cree parishes. All of the clergy in the Cree parishes have now received training to lead theological courses offered through the Mahmow program, and there are a number of students. The Co-Ordinator of the program, Canon Cliff Dee, administers the program and is responsible for its development. It is our hope that the Cree parishes will so be strengthened, and that there will also be more Cree clergy in the Diocese of Moosonee. Through the program Cree clergy can also be prepared for ordination, without going to a southern seminary for training. Application to the New England Co. for a grant to cover the programming and travel costs for the CoOrdinator each year.

The Diocese of Moosonee along with all the seven dioceses in the Province support theological education through an assessment to the Ontario Provincial Committee on Theological Education (OPCOTE). This is funded from Other Sources.

The Diocese of Moosonee is supportive of Healing Initiatives to those who were hurt by their experience during the Residential School era. Any of the indigenous parishes or groups as well as individuals may apply for funding to assist them in their healing process by partaking in workshops, conferences etc. The Diocese of Moosonee is expecting a rebate from the National Church for a payment made towards the

settlement of the Residential School agreement to the government. This money will be allocated to a special trust account to be used in any Healing Initiatives.

Application can be made by individuals or groups in writing to DCIP for funding. Once DCIP reviews and approves the need; a recommendation will be made in writing to the Executive Council for approval. Application forms are available at the Synod Office.

Misc. Education provides funding for upgrading or workshops that are in relation to an individual's job description for the benefit of the Diocese. Funding is from Other Sources.

McKittrick Bursary is a grant awarded each year to a theological student of the diocese intended to help offset tuition costs. If a candidate is not available, the money is sent to the Council of the North, where a candidate is chosen and granted to someone of this membership. Funding is provided by the McKittrick Bursary Trust.

Grants to Parishes: \$3,000.00

The Parish of St. Matthew/St. Paul, Hearst is an Anglican/United Church ministry and receives an annual grant to match that which is provided by the United Church of Canada. Funding is from the Support Grant.

The Northland \$8,800.00

This Diocesan magazine provides communication throughout the diocese of Church activities, people and events. It is available by subscription at \$10 per year through the Synod Office. The Editor of the Northland is Maureen Lawrence. The current database Manager is the Executive Assistant Ruth Cluley, until an Office Assistant is hired. It is hopeful that in the future the Northland will be brought in-house as a desk-top publishing format. We are in the very preliminary stages and will keep you informed. Funding is provided by Subscription fees and Other

Sources.

Miscellaneous: \$111,560.00

There are some very important items included in Miscellaneous such as:

Interviews for Clergy or Lay Workers

 Moving Expenses

 Insurance for Non-parish properties

 Extra Travel for Clergy beyond their travel allowance

Another large ticket item is the rebuilding of both the Rectory and Church in Kashechewan, ON. In 2007 it is hoped that Phase One – Rectory will be completed and a full time resident priest be appointed in early 2008. Phase Two—Church, the renovating of a dual trailer unit be converted into a facility for worship is anticipated to be completed in 2008. All of the funding has been secured to pay for this project through other sources. Normally, when a parish undergoes a major capital project it would not be reflected in the diocesan operating budget but because we currently do not have a resident priest in place at this time, it was agreed that the Synod Office administer all transactions. The Synod Office will receive all the funding to support this project and issue payment to all suppliers, contractors etc. This is why there are line items in 2008 budget to reflect both the income and expenditures to complete this project. For information purposes it is hopeful the renovation process to convert the trailer into a mobile church facility will cost approximately \$90,000.00.

At our fall meeting of the Executive Council, it was resolved that the council endorse the plans of the Kashechewan parish as detailed in phase one and phase two respecting both projected costs and sources of income in the amount of \$140,715.00 (for 2007) and \$90,000.00 (for 2008) respectively.

MacKenzie Bursary– Application can be made to the MacKenzie Bursary Fund to receive money to help cover tuition costs for courses in relation to job descriptions or a ministry. A committee meets to review the applicants and a recommendation is presented to the Executive Council for approval. To comply with the Privacy legislation, the name of applicant is not announced to the membership. This is available to both ordained and non-ordained employees.

Youth and Children’s Director \$49,160.00

For the past year the Youth & Children’ s Ministry Committee (YCMC) has been undergoing a recruitment process to fill the full time position of Children & Youth Director and unfortunately a suitable candidate has not been found.

At the fall meeting of Executive Council, it was resolved that the Children and Youth Director position be changed to a $\frac{3}{4}$ times position for James Bay Deanery and Constance Lake with, if possible the remaining 25% of funding be used for Youth & Children’ s ministry in Cochrane and Kenogami deaneries.

In 2006, the Archbishop received a bequest of approximately \$40,000.00 to be used at his discretion. After consultation with members of the Finance & Property Committee, it was agreed that this money be earmarked to cover the Children & Youth Director’ s salary for the first year. During the interim, until such time as the position was filled, the money was invested in a short term GIC and since maturing has generated just under \$4,000.00 of interest. The money has since been set up as a separate trust account.

Another source of income to support this ministry is the Eat to Give programme. A package was sent out to all incumbents of each parish by the former Executive Archdeacon to be shared with their

congregations. Once registered into the programme and a designated charity chosen, cards are given to the registrants to use at grocery stores and gas stations signed up. A 3.5% of the total purchases goes to the Diocese of Moosonee and is allocated directly to the Rice Ministry Trust Fund earmarked for the purpose of supporting the Diocesan Children & Youth Ministry.

And what is the total cost to fund the ministries of the Diocese of Moosonee?

\$1,385,189.00

So where is the money to come from?

The money comes from various sources of funding:

The National Church

The Parishes

Investment Interest

Grants

Miscellaneous Income

Specially Designated Trusts

The Legacy Reserve

Foster Hewitt Foundation

Frank Cowan Foundation

Anglican Appeal

Bad Debt Recovery

The National Church: \$261,273.00

General Synod gives a Support Grant to all dioceses that are members of the Council of the North, including the Diocese of Moosonee. Currently the Support Grant given to the Diocese of Moosonee is \$248,773 per year. This is used to subsidize parishes which cannot afford a full stipend; it pays the Archbishop's stipend and expenses for Bishopstope, the Archbishop's residence; and it funds a variety of other expenses as outlined earlier.

We also receive a further grant from General Synod through the Drayton Fund totalling \$12,500. The amount has declined each year due to low investment returns.

Parishes: \$720,108.00

Funding for the operation of the Synod Office operation, Staff, the former office of Executive Archdeacon, Secretary Treasurer and Curacies comes from the Diocesan Support Fund assessed to parishes annually based on their income. After much discussion at both the Finance & Property Committee and Executive Council meetings, a motion was passed to increase the DSF and Moving rates. All parties present who voted on the motion to increase are very aware of the hardship many of the parishes are being faced with in meeting their financial obligations to the Diocese and on their behalf, want to share that this increase was a difficult decision to make. Again, with a deficit budget, it was felt that we had no other choice.

Moving Costs for Diocesan Clergy are similarly assessed to parishes based on their income. Amounts paid into the Moving Fund by all parishes allows moving expenses to be paid by the diocese for new clergy regardless of what part of the country they may come from. This gives parishes of various sizes the equal opportunity to receive a new Rector without having to incur moving expenses which are beyond their reach.

Stipends for Parish Incumbents are sent to the Synod Office for payment through the central payroll. Stipends and benefit costs are averaged so that all parishes in the Diocese of Moosonee pay the same amount for their priest. These stipend payments need to reach the Synod Office by the 20th of every month to ensure money is available for the payment of the stipends of the Incumbents on the 25th of each month. Some parishes are able to pay 100% of the stipend amount. Others negotiate

a subsidy from the Diocese through monies received from the General Synod Support Grant.

Investment Income: \$30,000.00

Various monies received from missionary societies in the past, bequests, sale of property etc. is invested for the diocese with the assistance of Ross, Pope and Company Chartered Accountants and RBC Dominion Securities. Many of the trusts and bequests are restricted in their use by the terms of the bequest.

GRANTS: \$41,000.00

Throughout the year the Diocese is able to apply for grants from various sources, usually for specific projects. Small grants are available from the Council of the North, the Anglican Foundation etc. The New England Company has been generous in funding the Mahmow Program. We receive grants from two charitable Foundations, the Foster Hewitt Foundation and the Frank Cowan Foundation and are actively applying for others but all foundations are experiencing large draws on their funds.

Other Income: \$123,156.00

A variety of sources provide other much needed income such as:

the MacKenzie Bursary,	ACW Fair Share
the Anglican Appeal	Bequests and Donations
Northland Subscriptions	Miscellaneous Income

As noted earlier, a special capital project for the rebuilding of rectory and church is underway in the community of Kashechewan. The above figure reflects approximately \$88,056 raised for the cost of the renovation.

Draws on Capital Reserves: \$137,147.00

Many of the Trust Funds held by the diocese can only be used for specified needs such as Youth Work, Music, Cree Ministry. These are known as Restricted or Designated Trusts. It is possible, from time to time, to transfer funds into Other Income in the Operating Budget from these trusts, providing that the use meets the criteria designated by the bequest. Such transfers however reduce the amount of the investment.

Another trust is the Undesignated Legacy Reserve which is intended to be used for emergencies, unforeseen expenses or ministry needs as approved by the Diocesan Executive Council. Since revenues have not kept in pace with expenses over several years, it has been necessary each year to transfer monies totalling many thousands of dollars from the “ undesignated” Legacy Reserve to balance the diocesan budget. The future of the diocese cannot depend upon these trust funds which are intended to be held in reserve for emergency or unforeseen expenses. It is for that reason that it is crucial for parishes to become self-sufficient and to actively work at their Christian Stewardship.

The largest source of funding for the diocese is its parishes. With the faithful support of its parishes funding is able to be provided for more needy parishes and plan exciting new ministries. When parishes are unable to meet their commitments to the diocese, the amount which we must draw from the Legacy Reserve becomes greater. This method of operating can only be maintained for a very short time and therefore we appeal to you for your continued efforts and support of the Anglican Church in the Diocese of Moosonee.

At the fall meeting of the Executive Council a motion was passed to transfer interest, dividends and realized capital gains from unrestricted trust funds into general revenue on an annual basis. The logic behind

this is to help offset some of the shortfall to cover the operating expenses. When we are faced with a year that we are not faced with a deficit this motion will be revisited to see if there is a need to draw. It is not the intention of the Diocese of Moosonee or the Executive Council to use these funds unnecessarily and risk depleting our financial resources.

SUMMARY OF THE 2008 DIOCESAN BUDGET

SO WHERE DOES THE MONEY COME FROM?

REVENUE	
National Church	\$261,273
Parishes	\$739,435
Investments	\$ 30,000
Grants	\$ 41,000
Other Income	\$123,156
Draws on Capital Reserves	<u>\$137,147</u>
TOTAL	\$ 1,332,011

WHAT MINISTRIES DOES THIS INCOME SUPPORT?

MINISTRY EXPENSES	
Parish Staffing	\$761,092
Archbishop	\$ 93,237
Secretary Treasurer	\$ 64,233
Office Staff	\$ 42,150
Office Expenses	\$ 58,550
Committee/Task Forces	\$ 23,000
Deanery Operations	\$ 5,250
Other Meetings	\$ 66,350
Assessments	\$ 68,457
Education	\$ 30,350
Grants to Parishes	\$ 3,000
Northland	\$ 8,800
Miscellaneous	\$ 111,560
Youth Director	\$ 49,160
TOTAL	<u>\$ 1,385,189</u>
SURPLUS/ (DEFICIT)	<u>(\$53,178)</u>