

Diocese of Moosonee

2009

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 2008 meeting of the Diocesan Executive Council the 2009 Budget was approved with a deficit of (\$5,769.00).

What are some of the ministries provided by the Diocese?

Parish Staffing: \$665,288 (\$683,288 - \$18,000)*

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 vast 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.

Why is the total parish staffing cost reported as \$665,288 and not \$683,288 as reflected on the summary of the 2009 Budget on page 20?

As you are aware, most clergy are supplied with parish owned housing. It is the Canada Revenue Agency' s (CRA) view that church supplied housing is considered a form of income and therefore subject to Employment Insurance (EI). Therefore the housing benefit which is based on the fair market rental value of housing within their community plus the annual total of heat, hydro and local telephone is reported on an clergy' s T4 for Ontario and or RL-1 in Quebec.

In the instance that a parish cannot supply church owned housing to clergy, the incumbent then receives a housing allowance based on the same formula as the housing benefit is calculated. The difference is that the person who receives a housing allowance will receive the money as

part of their compensation package and is therefore subject to CPP/QPP, EI, QPIP (if applicable) and income tax.

Since it is the responsibility of the parish to provide housing to their incumbent, neither the housing allowance (given to one clergy person in this diocese because the parish does not have parish owned housing) nor the responsibility allowances given to the three Regional Deans are included when calculating the averaged stipend. The \$18,000 I subtracted from the total cost of \$683,288 for parish staffing represents the responsibility and housing allowance components.

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 2009 is \$54,029 per year. This averaged stipend is based on 12 full time and one-quarter time clergy in the field.

Currently, the following parishes are paying 100% stipend, some with assistance from Native Band Councils: *Eastmain, Mistissini, Timmins, Wemindji, and the combined parish of South Porcupine-Schumacher-Chapleau-Folet. Also, Moose Factory and Moosonee are working on the possibility of sharing a full time priest as well. It is hopeful that vacancies in Eastmain, Kashechewan and Waswanipi will be filled this year.

Cochrane will have a $\frac{3}{4}$ time Rector who will be spending the other $\frac{1}{4}$ time as the Children' s & Youth Director for the Cochrane and Kenogami deaneries very soon!

It is hopeful that the Diocese will receive \$506,733 in stipend recoveries. So if we subtract our total expenditures to cover parish staffing \$665,288 from the stipend recoveries \$506,733 we are left with a shortfall of \$158,555.

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. Since 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 years 2007- 2011 inclusively we can count on receiving \$248,773.00 this year.

The Support Grant pays for the following:

- parish subsidies to cover their clergy stipend
 - Extra Clergy Travel
 - Net Moving Expenses
 - Responsibility Allowances for Regional Deans
 - Interviews
 - Bishop' s stipend & benefits and housing

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 2009 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: \$94,159

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.

So why the Diocesan Support Fund? Why do parishes have to send money to the Synod Office for the D.S.F. and Moving Fund apportionments each month?

Synod Office staff salaries and benefits totalling \$131,856

Secretary Treasurer— some duties this position entails are processing the central payroll, in-house accounting, monitoring parish accounts, Privacy Officer, administering the diocesan finances, insurance, Office Manager, liaison between Benefits providers, participate in various Task Groups to provide financial management and administrative support to the Bishop's office, to attend to all business of Synod connected with the duties of the office, when Synod is not in session, to provide assistance with regard to the financial management and support in development and preparation and monitoring of the

budget with regular reporting to the Bishop, Finance & Property and Executive Council members and other duties as assigned.

The position of Secretary Treasurer is considered management and therefore entitled to a housing allowance and lay differential as well as the other benefits awarded to full time employees of the diocese.

Executive Assistant to the Bishop– primary role is to provide administrative support to the Archbishop with regard to all diocesan office activities including travel arrangements, to perform the role of receptionist when needed, to act as liaison between clergy or individuals enquiring about getting archival certificates such as baptism or marriage certificates and Archivist at Laurentian University, assists in the logistical organizations of the Executive Council meetings; Finance & Property Committee and occasional Task Groups as necessary, attends Executive Council and F&P meetings and records, transcribes, produces and distributes minutes, attends Diocesan Synod and provides administrative support, vacation relief for other staff members and is on hand to provide support to the office of the Secretary Treasurer and other tasks as assigned.

Communications Officer – primary role is to provide administrative support to the Secretary Treasurer and assist the Bishop as needed, to be the office receptionist, to maintain the Northland subscription database (and eventually edit, publish, print and distribute newsletter sometime in 2009), to manage content and update the website regularly, to provide I.T. support to the office staff, to publish & distribute quarterly ‘*Cycle of Prayer*’ and the annual ‘*Listing of Parish Officers*’ booklets, photocopies, collates & distributes mailings to clergy, to provide vacation relief to the Executive Assistant, to assist with travel arrangements and booking of accommodations for Bishop, staff and members of various sub-committees, to attend diocesan Synod and provide administrative support and other related duties as assigned.

Both the Executive Assistant and Communications Officer are part time positions. The *Diocesan Support Fund* supports the work of the Secretary Treasurer, Executive Assistant and Communications Officer.

Synod Office Costs: \$52,100

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: \$29,000

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 assigned for this year will include:

Finance & Property

Provincial Governance Task Group

Committee for the Revisions of Canons

Study on sponsoring a refugee family

Youth & Children' s Ministry Committee (YCMC)

Study regarding church supplied housing while on leave

Study regarding sabbatical leave of absence (clergy)

Study regarding the hiring of a Coadjutor Bishop

Stewardship Task Group

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, Drayton Fund, Legacy Reserve and other income sources.

The Bishop's Advisory Group (BAG) – consists of Dean and Regional Deans and meets at the Bishop's discretion which provides support and guidance. Funded by the Diocesan Support Fund (DSF).

Deanery Operations: \$5,200

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. – covers long distance telephone costs 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: \$31,664

The Great Chapters are deanery gatherings held 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 held 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 support this meeting are a combination of the Twamley Estate Trust and on occasion Continuing Education grant from the National Church.

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 2011. The Edith MacGregor Trust and registration fees fund this meeting. With the Archbishop's pending retirement in early 2010, a special Synod may be called sometime that same year to elect a new Bishop.

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 – The Lambeth Conference was just held this past summer and will not meet until 2018. The spouses are also invited to attend. Each year we will contribute \$464 to the National Church for this event. Monies collected are put in trust for the purpose of providing monetary support to those Bishops from other parts of the world who could not afford to attend this conference.

The Children & Youth Ministry– \$12,000 budgeted for this ministry (\$6,000 to cover Cochrane & Kenogami Deanery programming and \$6,000 for the “ On Eagles Wings” Vacation Bible Schools to be held in the James Bay Deanery.).

Cochrane & Kenogami Deanery programming will be funded from draws from the Rice Ministry Trust Fund and Easan Estate. The VBS in the James Bay Deanery will be funded from a grant received from the Edward Wheeler Trust supplied by the National Church.

Stewardship Initiatives and Education – At our fall meeting of the Executive Council a task group was formed to pursue Stewardship Initiatives.

How will we fund Stewardship Initiatives and Education?

A trust was set up from the proceeds of the sale of All Saints Church in Rouyn–Noranda. Since money was only received and invested in late March of this year, the budgeted amount of \$1000 represents an *estimate* of interest earned from investments for the 2008 fiscal period which can be used for 2009. We will not have access to this information until the annual Audit is completed.

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: \$64,610

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: \$31,350.00

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 draws from our trust funds support A.C.P.O.

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 Co-ordinator is submitted 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 may apply for funding to assist them in their healing process by partaking in workshops, conferences etc. Funding for these Healing Initiative applications comes from a trust fund set up from the money received from the Residential School rebate.

Application can be made by parishes or groups in writing to DCIP for funding no later than two weeks from their scheduled meeting. Application forms and dates can be provided by the Synod Office staff. Once DCIP reviews and approves the need, a recommendation will be made in writing to the Executive Council for approval.

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 the Diocesan Support Fund.

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: \$5,000

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 \$2,550

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 but within the next year, the Communications Officer will assume the role of Editor at Mrs. Lawrence's discretion. The data base management, publishing and printing are being done in the Synod Office.

Miscellaneous: \$43,085

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

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 \$25,405

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.

As noted earlier in this narrative budget, Holy Trinity Parish, Cochrane will share a priest based on $\frac{3}{4}$ time Rector and $\frac{1}{4}$ time as Children’ s & Youth Director for the Cochrane and Kenogami Deaneries. The above figure represents $\frac{1}{4}$ time position for salary & benefits and \$12,000 for programming for all three deaneries.

Another source of income to support this ministry is the Eat to Give programme. Packages have been sent out to all parishes and additional copies are available at the Synod Office. 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. 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?

\$1,199,167

So where is the money to come from?

The money comes from various sources of funding:
The National Church

The Parishes

Investment Interest

Grants

Other Income

Trust Funds

The National Church: \$254,773

As noted earlier, the National Church gives a Support Grant to all dioceses that are members of the Council of the North in the amount of \$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. We also receive a grant from General Synod through the Drayton Fund totalling \$6,000 which is considerable lower than previous years due to low investment returns.

Parishes: \$741,738

Funding for the operation of the Synod Office and salaries for Synod Office staff comes from the Diocesan Support Fund assessed to parishes annually based on their income. After much discussion at our fall meeting of the Executive Council a motion was passed to increase the DSF and Moving rates slightly. 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 allow 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: \$51,990

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: \$30,400

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

Anglican Appeal

Bequests and Donations

Northland Subscriptions

Miscellaneous Income

Draws on Capital Reserves: \$84,597

Many of the Trust Funds held by the diocese can only be used for specified needs such as Youth Work, Music, and 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 costs. 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 can 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 2007 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. In 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.

A summary of our 2009 diocesan budget is provided to you on page 20 as approved at the fall meeting of Executive Council. In particular, I bring your attention to the first line item ‘ *Parish Staffing’ under the heading of Ministry Expenses. Please note the \$683,288 includes the responsibility & housing allowances (\$665,288 + 18,000) that represents the actual cost of payroll and not what is charged to the parishes through the averaged stipend calculation (\$665,288) as noted on page 2.

SUMMARY OF THE 2009 DIOCESAN BUDGET

SO WHERE DOES THE MONEY COME FROM?

REVENUE

National Church	\$254,773
Parishes	\$741,738
Investments	\$ 30,000
Grants	\$ 51,990
Other Income	\$30,400
Draws on Capital Reserves	<u>\$84,597</u>
TOTAL	\$ 1,193,498

WHAT MINISTRIES DOES THIS INCOME SUPPORT?

MINISTRY EXPENSES

Parish Staffing*	\$683,288
Archbishop	\$ 94,159
Synod Office Staff	\$ 131,856
Office Expenses	\$ 52,100
Committee/Task Forces	\$ 29,000
Deanery Operations	\$ 5,200
Other Meetings	\$ 31,664
Assessments	\$ 64,610
Education	\$ 31,350
Grants to Parishes	\$ 5,000
Northland	\$ 2,550
Miscellaneous	\$ 43,085
Youth Director	\$ 25,405
TOTAL	<u>\$ 1,199,267</u>
SURPLUS/ (DEFICIT)	<u>(\$5,769)</u>