

# Diocese of Moosonee

2010

## 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 2009 meeting of the Diocesan Executive Council a balanced 2010 Budget was approved. How was this accomplished? The reality is that in order to balance the budget, we must draw a *whopping* \$153,962 from the Undesignated Legacy Reserve. It

should be noted that as of December 31<sup>st</sup>, 2008 the capital amount for this trust was \$514,000. That is almost a 30% draw from our reserves.

*Read on for more detail!*

***What are some of the ministries provided by the Diocese?***

**Parish Staffing:        \$674,672        (\$692,485 - \$17,813)\***

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 a central payroll service provided by the Synod Office on the 25<sup>th</sup> 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.

**\$674,672** represents the cost of stipends and benefits including employer' s contributions for CPP/QPP, E.I., QPIP, QHIP, WSIB, CSST etc that is factored in the averaged stipend calculation. From time to time there are increases in stipends and health benefits etc. which are beyond our control. For instance as a participating employer in the General Synod Pension Plan (GSPP), we will be faced with increases in 2010 and 2011. Pension contributions will be increased in two stages: from 10% to 11.2% effective January 1, 2010 and from 11.2% to 12.4% on January 1, 2011. This

will have a snowball effect on other payroll related costs.

*Why is the total parish staffing cost reported as \$674,672 and not \$692,485 as reflected on the summary of the 2010 Budget on page 17?*

Neither housing nor responsibility allowances are included when calculating the averaged stipend. The housing allowance is paid by the parish as part of their monthly apportionment and the responsibility allowances are paid by the Support Grant from the National Church. The \$17,813 subtracted from the total cost of \$692,485 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 25<sup>th</sup> of every month. The Diocese relies upon assessment payments from the parishes in order to meet its monthly commitments. The averaged stipend and benefits for one full time resident priest for 2010 is set at \$55,291.00. This does not reflect the true averaged stipend cost for 11.75 clergy positions.

**How can this be?** The diocese is very aware of the struggle parishes are having in meeting their monthly apportionments. Many are dipping into their own reserves to meet their financial obligations to the diocese. *This is also the case for the diocese.*

The averaged stipend was to have increased to \$57,418 but a draw of \$25,000 will be taken from the Undesignated Legacy Reserve to help offset some of the payroll costs. This draw reduces the overall increase from a potential 6% to a much lower 2% increase.

Currently, of the 26 parishes 10 are paying 100% of their stipend apportionment. Some receive assistance from Native Band Councils and others by sharing ministry with other churches.

The Incumbent in Cochrane shares a ministry between her duties as  $\frac{3}{4}$  time parish priest and  $\frac{1}{4}$  time Youth & Children' s Director for the Kenogami/Cochrane deaneries. There is still hope that a  $\frac{3}{4}$  time Director will be found for the James Bay deanery.

In Waswanipi, the Rector splits his time between his duties as  $\frac{1}{2}$  time parish priest and  $\frac{1}{2}$  time as the Mahmow Coordinator.

Some parishes in the Diocese are able to pay a full stipend for their clergy. Others, for a variety of reasons, cannot.

*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 National Church assured member dioceses of the Council of the North that the Support Grant will remain at the same level for the years 2007- 2011.

*For 2010 the Support Grant will pay for the following ministries:*

- Parish subsidies to cover their clergy stipend
  - Interim Administrator' s stipend, benefits and housing
  - Bishop' s stipend & benefits and housing
  - Responsibility Allowances for Regional Deans
  - Extra Clergy Travel
  - Interviews

It is common knowledge that Bishop Caleb Lawrence will be retiring early in 2010. Many people wanted to honour Bishop Caleb' s ministry in some way, and it was the Bishop' s wish that any gifts in thanksgiving of his ministry be used to further the work of the church in the Diocese of Moosonee. Therefore, an Episcopal endowment fund has been set up and designated for use to pay for stipend and other payroll related costs for the office of the Bishop. Any gifts or donations allocated to this fund will be held in trust and invested on behalf of the diocese. Each year the investment income earned will be transferred into the operating account to help offset some of these costs. Currently the office of the Bishop is being funded by the National Support Grant and so every dollar generated from this fund that can be used to help pay for the ministry the Bishop provides will free up a dollar for other 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 20<sup>th</sup> of every month so that the Diocese, which has already paid the full premium, does not have to subsidize the parishes.

## **Curacies:**

For 2010 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 Bishop's Office:      \$72,466**

The ministry of the Bishop 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. Usually it costs in the range of \$94,000 for this ministry but 2010 is budgeted for 7 months because it is hopeful that the Bishop – elect will assume office sometime in June.

**Interim Administrator' s Office:                    \$15,150**

Until a new Bishop is elected, there will be an Administrator working 2 days a week. The Rev. Edna Murdy has been appointed this responsibility.

*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?*

The DSF funds the ministry of the Synod Office, deaneries, committees and task forces.

**Synod Office staff salaries and benefits totalling \$142,368**

*Secretary Treasurer-* briefly this position entails the processing of diocesan payroll, in-house accounting, monitoring parish accounts, Privacy Officer, administering the diocesan finances, insurance, Office Manager, financial management and administrative support to the Bishop' s office , financial management and support in development and preparation and monitoring of the budget and other tasks 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 Bishop with regard to all diocesan office activities, attends Executive Council and F&P meetings and records, transcribes, produces and distributes minutes, attends Diocesan Synod and provides administrative support, and is on hand to provide support to the office of the Secretary Treasurer and other tasks as assigned. The Executive Assistant will provide administrative support to the Administrator until such time as a new Bishop is elected.

*Communications Officer*- primary role is to provide administrative support to the Secretary Treasurer and assist the Bishop as needed, to be the office receptionist, maintain subscription database, edit, publish, print and distribution of Northland newsletter, update the website regularly, I.T. support, attend diocesan Synod other 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:       \$59,958

Following are a list of some items needed to run the Synod Office which is also funded by the DSF.

Office supplies	Legal Services	Postage
Website	Telephone	Office Cleaning

Utilities	Maintenance	Copier/Fax
Annual Audit	Grass Cutting	Equipment Repair

**Committee and Task Force Work:     \$26,000**

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. Travel costs and accommodation are major budget items to bring people together for meetings. 2010 will be an exceptional year as we prepare for the Electoral Synod!

Some of the Task Forces assigned for this year will include:

Finance & Property

Elections Committee

Committee for the Revisions of Canons

Youth & Children' s Ministry Committee (YCMC)

Stewardship Committee

The Diocesan Council of Indigenous People (DCIP) has two face to face meetings each year. This committee serves as a link for the Cree Communities and the wider Church. DCIP is partially funded by the Jocelyn Memorial Trust Fund, Legacy Reserve and other sources.

The Bishop' s Advisory Group (BAG) – consists of Dean and Regional Deans and meets at the Bishop' s discretion. Is funded by the Diocesan Support Fund (DSF).

**Deanery Operations:     \$5,300**

The Diocese of Moosonee is divided into three Deaneries: James Bay, Kenogami, and Cochrane. The Deanery Operations budget allows the Regional Deans to visit parishes within their 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. – Used to offset long distance telephone charges incurred by the Dean in order to provide pastoral ministry to our stipendiary and non-stipendiary clergy.

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

**Other Meetings:     \$64,656**

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, information and fellowship. 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 Bishop. 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, make Canonical changes to the Book of Canons, inform church delegates of current issues, and gather as a decision-making body. The next regular Diocesan Synod is scheduled for 2011. The Edith MacGregor Trust and registration fees fund this meeting. A special Synod has been scheduled for April 10, 2010 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 next Lambeth Conference will meet in 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. An additional \$2,000 will be set aside incrementally over the next nine years to help offset some of the cost incurred at the 2018 conference.

The Children & Youth Ministry- \$12,000 budgeted for this ministry (\$6,000 to cover Cochrane & Kenogami Deanery programming and \$6,000 in the

James Bay Deanery.).

So far approximately \$2513 is guaranteed from the interest earned from the Rice Ministry Trust Fund. The remaining balance will come from other sources such as donations designated for this purpose.

Stewardship Initiatives and Education – It is hopeful by the Spring 2010 meeting of Executive Council a Stewardship Committee will be formed.

*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. We have approximately \$2977 from investment income that can be used for stewardship initiatives.

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:**        \$70,228

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:**        \$26,850

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 Mahmow Program provides Christian leadership training for the Cree parishes, and serves Cree people wishing to grow in their faith as well as those preparing for specific lay or ordained ministries. The Co-ordinator of the program, Canon Cliff Dee, administers the program and is responsible for its development. This program is funded from a grant given by the New England Co.

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. Application forms and dates can be provided by the Synod Office staff.

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 DSF.

**The Northland \$1,700**

This newsletter provides communication throughout the diocese of Church activities, people and events. Northland subscription \$10 /year .

**Miscellaneous: \$73,034**

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 Executive Council membership. This is available to both ordained and non-ordained employees.

Youth and Children's Director      \$36401

It has been a year since the Youth & Children's Ministry Director has been in place. The Incumbent works on a ¼ time basis focusing on the Cochrane and Kenogami deaneries. The above figure represents ¼ 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?

**\$1,291,596**

**So where is the money to come from?**

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**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 Bishop’ s stipend and residence costs; and it funds a variety of other expenses

**Parishes:            \$710,707**

Diocesan Support Fund is based on assessable income parishes have

generated. This money helps pay for the operation of the Synod Office, staff salaries, regional deanery expenses, and various committee meetings.

Moving Costs for Diocesan Clergy are similarly assessed to parishes based on their income. The money received from the parishes is pooled into one fund. When an incumbent is hired, the diocese will pay the moving costs to relocate the individual to a community on behalf of the parishes.

Stipends apportionments are sent to the Synod Office and payroll processed 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. Stipend payments need to reach the Synod Office by the 20<sup>th</sup> of every month to ensure money is available for the payment of the stipends of the Incumbents on the 25<sup>th</sup> 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. As noted earlier, up to \$25,000 will be drawn from the Legacy Reserve to offset payroll costs for clergy.

**Investment Income:           \$26,000.00**

Various monies received from missionary societies in the past, bequests, sale of property etc. is invested for the diocese with the assistance of a newly formed Investments Committee and RBC Dominion Securities. An Investments Policy has been developed.

**GRANTS:           \$41,020**

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:       \$12,250**

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

- Anglican Appeal
- Bequests and Donations
- Northland Subscriptions
- Miscellaneous Income

**Draws on Capital Reserves:       \$246,845**

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.

The Undesignated Legacy Reserve Trust is intended to be used for emergencies, unforeseen expenses or ministry needs as approved by the Diocesan Executive Council. During the budget preparation process, it

became very apparent that we could not pass a balanced budget without relying heavily on drawing from this trust account. To balance the budget, we will have to draw up to \$153,962. This includes a *forecasted deficit of \$84,432. ( This forecasted deficit does not include the already special draw of \$25,000 designated to offset payroll costs for clergy I mentioned earlier).* In reality this means that without this draw from our capital reserves, the 2010 budget would not be balanced as it is seen here, but would be short \$84,432 in funds. The future of the diocese cannot depend upon drawing on our reserve funds.

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.

A summary of our 2010 diocesan budget is provided to you on page 17 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 \$692,485 includes the responsibility &

housing allowances ( $\$674,672 + 17,813$ ) that represents the actual cost of payroll and not what is charged to the parishes through the averaged stipend calculation ( $\$674,672$ ) as noted on page 2.

## SUMMARY OF THE 2009 DIOCESAN BUDGET

### SO WHERE DOES THE MONEY COME FROM?

#### REVENUE

National Church	\$254,773
Parishes	\$710,707
Investments	\$ 26,000
Grants	\$ 41,020
Other Income	\$12,250
Draws on Capital Reserves	<u>\$246,845</u>
<b>TOTAL</b>	<b>\$ 1,291,595</b>

### WHAT MINISTRIES DOES THIS INCOME SUPPORT?

#### MINISTRY EXPENSES

Parish Staffing*	\$692,485
Bishop	\$ 72,466
Interim Administrator	\$15,150
Synod Office Staff	\$ 142,368
Office Expenses	\$ 59,958
Committee/Task Forces	\$ 26,000
Deanery Operations	\$ 5,300
Other Meetings	\$ 64,656
Assessments	\$ 70,228
Education	\$ 26,850
Grants to Parishes	\$ 5,000
Northland	\$ 1,700
Miscellaneous	\$ 73,034
Youth Director	\$ 36,401
<b>TOTAL</b>	<b><u>\$ 1,291,596</u></b>
<b>SURPLUS/ (DEFICIT)</b>	<b><u>0</u></b>

**From the office of**

**Julie Thibault  
Secretary Treasurer  
7050360-1129**

**The booklets may be copied for parishioners.**