



Diocese of New Westminster  
ANGELICAN CHURCH OF CANADA

# Parish and Diocesan Financial Sustainability

**The Work of the Assessment Task Force and the Financial  
Sustainability Working Group of Diocesan Council in  
Preparation for Synod 2017**

# Overall Goal

*Responsible, transparent and accountable stewardship of the fiscal and physical assets of the Diocese to support the ministries entrusted to us as participants in God's mission*

# Aims (Parishes)

*To increase parish operating funds  
for local ministry  
via decreasing parish assessments*

# Aims (Parishes)

*To create a sustainable source  
of grants and loans to parishes  
for property and parish (re)development*

# Aims (Diocesan-wide)

*To create a sustainable source of income  
to fund the  
Synod's Vision Budget*

# How have we made progress on these aims?

Synod 2015 passed a resolution to create the Assessment Task Force

Diocesan Council commissioned the Financial Sustainability Working Group in late 2016 to review Diocesan funds, the operating budget, unutilized property and propose actions to Council

Council worked with the Task Force and the Working Group to make decisions and to bring to Synod 2017 specific resolutions needed for implementation

# Areas of Work for the Three Groups

- The assessment formula
- Reviewing all the funds of the diocese
  - Broad review of all funds to clarify purposes and make adjustments as needed
  - The New Development Fund and the Diocesan Growth Fund
  - Granting-oversight and administration
- The stewardship of unutilized diocesan properties
- Regulation and canonical changes needed for implementation

# Assessment

## CURRENT

A complex, multi-rate assessment formula

## PROPOSED

A change in the way Parish Operating Receipts (POR) is calculated

A new, simpler “Fair Share Assessment” formula resulting in a decrease of \$200,000 in assessment income to the Diocesan Vision Budget.

The majority of parishes will see a decrease in their assessments

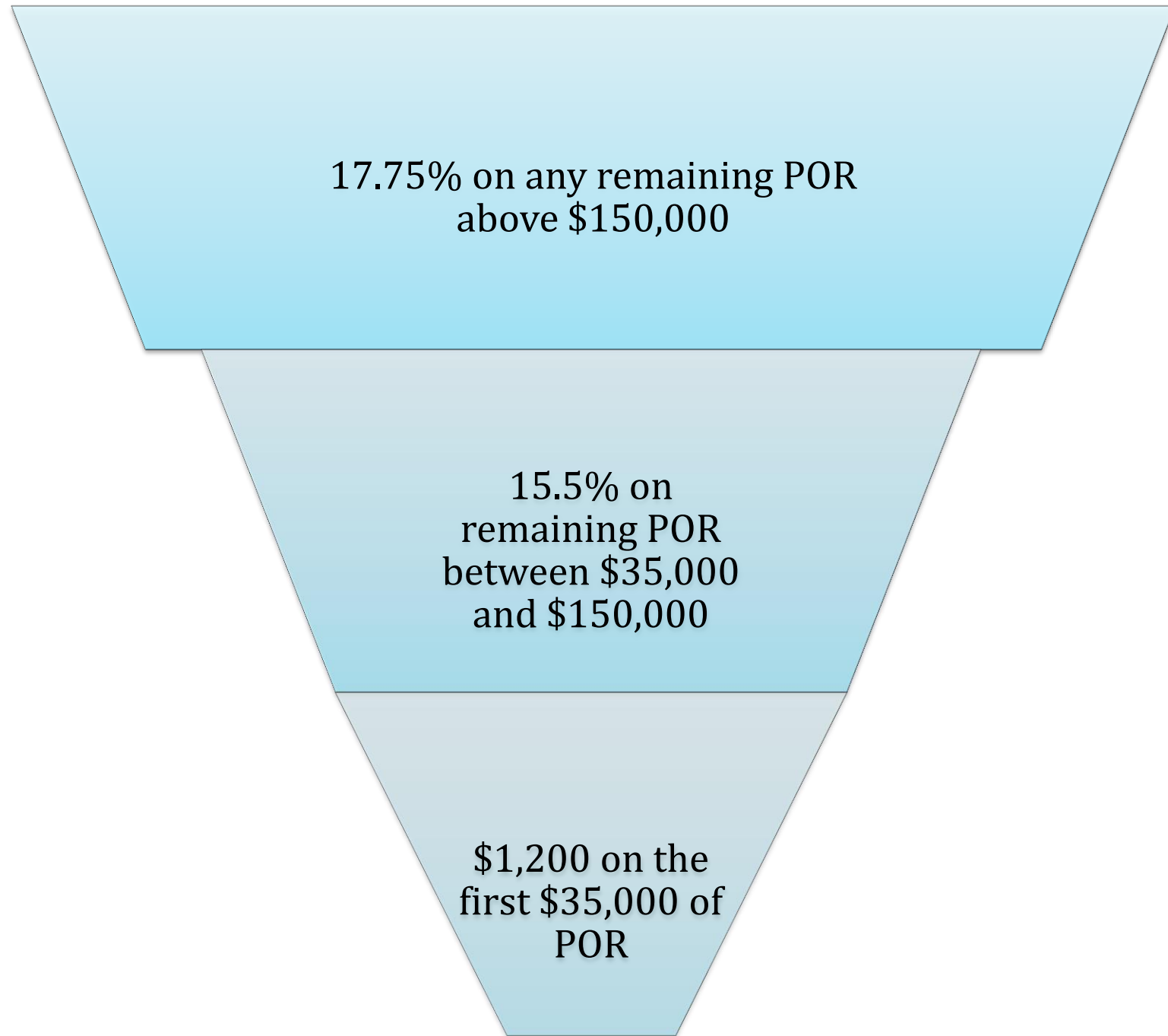


# Changes in the assessment formula

Parish Operation Receipts (POR) retain 3-year rolling average

| Current   | Proposed   |
|---|--|
| Church & Hall<br>Rental Income<br>Assessed at 50% | Church & Hall<br>Rental Income<br>Assessed at 100% |
| Parish Development<br>Grants<br>Assessed at 100%  | Parish Development<br>Grants<br>Assessed at 0%     |

**Proposed  
New  
Fair Share  
Assessment  
Formula**



# Three Examples: Current vs. New Formula

| Parish Operating Receipts (POR) | \$50,000 | \$150,000 | \$250,000 |
|---------------------------------|----------|-----------|-----------|
| Current Formula                 | \$7,750  | \$23,583  | \$48,400  |
| New Formula                     | \$3,525  | \$19,025  | \$41,150  |
| Decrease                        | \$4,225  | \$4,558   | \$7,250   |
| Percentage Decrease             | 55%      | 19%       | 15%       |

# Diocesan Growth Fund Calculation

| Current   | Proposed   |
|---|--|
| Applies to top 50% of Parishes by POR                               | Applies to top 50% of Parishes by POR  |
| 1.7% assessment—but no maximum                                      | Maximum of 1.75% of POR  |
| Fund administered by the Management, Property and Finance Committee | Fund to be administered by the Administrators of the Anglican Initiatives Fund |

# Diocesan Council Fund Review

## PREVIOUSLY

A number of funds for various purposes that few people knew about

Funds administered by different groups

## ACTIONS TAKEN

Council created the Diocesan Indigenous Ministry Fund by *merging* the Columbia Coast Mission Fund & “Honouring Our Commitment” monies

Council transferred oversight of the Benjafeld Fund to AIF Administrators

Council transferred oversight of the Denby Fund to AIF Administrators

# Stewardship of Property

## PREVIOUSLY

Proceeds from the sale of property reserved for three purposes:

- Creation of new parishes or ministry centres;
- Redevelopment of existing parishes or ministry centres;
- Development of any new ministry

## ACTIONS and PROPOSED

Revise Canon 30 to permit the Fund to be used “to fund the operations of the Diocese as set out in the vision budgets passed by Synod” *as well as the three current purposes*

# The New Development Fund

## CURRENT

Ambiguous and confusing criteria for use of the fund

## PROPOSED

Rename “The Mission and Ministry Fund”

Expand purposes to include:

- Grants & Loans to parishes
- Diocesan Vision Budget expenses

Council can restrict a portion as capital (can only spend income on that restricted capital)

# The Diocesan Growth Fund

## CURRENT

Confusing name

Uncertainty about how parishes can access the fund

## PROPOSED

Rename “Diocesan Fair Share Fund”

Transfer oversight and administration to AIF Administrators and communicate how parishes can access

Retain purpose: to support parish mission and ministry efforts



# Granting Oversight and Administration

## CURRENT

Confusing and diffuse understanding of how to access grants and who makes grants for what purposes

Limited number of AIF administrators and smaller scope of work

## PROPOSED

Simplify to one, more accessible granting group (AIF Administrators)

Expand scope of what AIF Administrators do and create a communication plan

Increase number of AIF Administrators by adding more members elected by Synod

# Summary of Proposed Funds

| Fund  | Purpose(s) of Fund  | Source of Funding   | Dec 31, 2016 Balance |
|---|---|---|----------------------|
| <b>Mission and Ministry Fund</b><br>(formerly New Development Fund) | <ul style="list-style-type: none"> <li>• Parish capital grants</li> <li>• Funding Diocesan Vision Budget</li> </ul>   | The sale of property not currently occupied by an active parish                           | \$6,321,398          |
| <b>Diocesan Fair Share Fund</b><br>(formerly Diocesan Growth Fund)  | <ul style="list-style-type: none"> <li>• Fair Share Assessment relief</li> <li>• Other purposes described in Regulation 25</li> </ul>   | Fair Share Assessment surcharge on parishes with the top 50% of Parish Operating Receipts | \$229,711            |
| <b>Anglican Initiatives Fund</b> (plus Lewis Bequest)               | <ul style="list-style-type: none"> <li>• New Parish Initiatives</li> <li>• New Diocesan Initiatives</li> <li>• Parish Development Grants</li> <li>• Oversight of smaller funds</li> </ul> | <ul style="list-style-type: none"> <li>• Bequests</li> <li>• Donations</li> </ul>         | \$3,585,888          |

# The Proposed Action

New Regulation 24 replaces old Regulation 12: Deals with all changes to the Assessment formula, its name and an appeals process

New Regulation 25 replaces old Regulation 13: Renames The Diocesan Growth Fund, describes its uses and places it under the oversight of AIF

Revision of Canon 30: Renames and clarifies the uses for The New Development Fund

These three proposed actions will come to Synod as one resolution from Diocesan Council because they are interrelated

Additionally:

Revision of Regulation 21: this revision will increase the number of Synod elected administrators from 2 to 4.

# Overall Goal and Aims

Responsible, transparent and accountable stewardship of the fiscal and physical assets of the Diocese to support the ministries entrusted to us as participants in God's mission

- To increase parish operating funds for local ministry via decreasing parish assessments
- To create a sustainable source of grants and loans to parishes for property and parish (re)development
- To create a sustainable source of income to fund Diocesan priorities