

PROPERTY INSURANCE MINIMUM STANDARDS

Diocese of Fredericton

The following is an outline of the basic minimum insurance coverages required by the Diocesan Synod of Fredericton:

Property Insurance

Limit of Liability - Building, Contents and Stained Glass	
All Risk	
Replacement Cost	
90% Co-Insurance	
Sewer Backup	
Electronic Data Processing Equipment.	\$ 25,000
Extra Expense	\$100,000
Pollutant Clean up & Removal	\$ 25,000
Flood coverage	
Earthquake coverage	

Boiler & Machinery

All Risk

Loss of Income

Loss of Religious Institution Income	\$100,000
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Crime

Employee Dishonesty	\$ 25,000
Inside/Outside Holdup coverage	\$ 25,000

Comprehensive General Liability (per occurrence)

Commercial General Liability	\$5,000,000
Pastoral Counseling Services	\$5,000,000
Non-Owned Automobile	\$5,000,000
Physical & Sexual Abuse	\$2,000,000
Defense Cost	\$ 50,000
Tenant's Legal Liability	\$1,000,000
Pollution Liability Coverage	\$1,000,000

09 November 2005

Insurance Glossary

Replacement Cost: Valuation of property according to the cost of replacing it with property of a like kind and quality; cost to replace property at its current price with no deduction for depreciation

All Risk: Coverage against loss or damage from all perils except those specifically excluded

Water Exclusion clause: A provision in most property insurance policies excludes loss resulting from flood, backup of sewers or drains this coverage can and should be purchased or included back into your policy through sewer backup coverage which provides coverage for water that backs up through sewers or drains or that overflows from a sump

Extra Expense: Property insurance coverage for necessary additional expenses of continuing business operations after damage to insured premises from a covered cause of loss; the reasonable cost of expediting repairs up to sub-limit, reasonable costs could include overtime and the extra cost of express or any other rapid means of transportation

Pollution Clean up Removal: The expense incurred to extract "pollutants" from land or water at the Insured's premises, if the release, discharge or dispersal of the "pollutants" is the result of a peril insured against under this form. "Pollutants" means any solid, liquid gaseous or thermal irritant or contamination, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes material to be recycled, reconditioned or reclaimed.

Boiler & Machinery: Almost every type of commercial establishment can experience an electrical or mechanical failure. These losses are not normally covered under your property policy. Electrical, mechanical, pressure and other forms of equipment are essential for the operation of most businesses. Electrical panels and cables, computer control equipment, telephone, processing, heating and air conditioning systems can be found in most risks. However, accidents such as mechanical breakdown, electrical arcing, power surge, rupture, cracking and explosion are specifically excluded under a property policy

Loss of Religious Income: Actual loss of religious institution income that results if any real or personal property on the premises of the religious institution is damaged or destroyed by a peril insured against. This could include the reduction in any receipts normally received by the religious institution, revenues from collections, contributions, tuition from Sunday school, nursery school and day care centre.

Employee Dishonesty: The loss of money, securities and other property used by your religious institution due to dishonesty or fraud by religious institution members. Religious institution members includes clergy and other religious leaders of your religious institution, your religious institution officials, employees and volunteers.

Report of the Task Force Reviewing Diocesan Communications

For Synod 2007

Submitted by:

**Ann Deveau, Chair
Kelly Vanbuskirk, Member
Andrew Cromwell, Member**

February 2007

*Let the words of my mouth
and the meditation of my heart
be acceptable in thy sight, O Lord,
my rock and my redeemer. (Psalm 19)*

In the early days of the church, word-of-mouth was enough to keep people informed and involved. Congregations were small and scattered, but news was sparse. Many people were illiterate. There were few distractions beyond the rigours of daily life.

Today it isn't so simple. Priests, church staff and lay people are educated, but they're faced with an avalanche of information from a vast number of media outlets. Congregations may still be scattered, but everyone is juggling the competing demands and many challenges of modern society.

The goal, however, hasn't changed. New Brunswick Anglicans want to be informed, involved and connected. They want and need to know, in a timely way, about events and matters of common concern and interest throughout the diocese. They want and need to hear the Good News, just as people did in the early days of the church.

How can members of the Anglican community get to know one another better? How does the Good News make itself heard? How can expression be given to the life of the church? How can diocesan programs, activities and decisions become widely known? How can differences be aired and debated?

The task force ascertained that, among the communications vehicles in current use, are the *NB Anglican* newspaper, the diocesan Website and the e-mail bulletin board called *E-News*. So far, the diocese does not use blogs, podcasts, radio or television advertising, glossy magazines or other mechanisms to communicate with fellow Anglicans.

The mission statement and guidelines for the *NB Anglican*, adopted in the year 2000, refer solely to that newspaper. It is a shortcoming that the mission statement is currently restricted to the print medium. It is an out-of-date comment. It is therefore recommended by the task force that:

It would be appropriate to make clear to readers and viewers that the standards of accuracy, attribution, fairness and balance applying to the printed publication (*NB Anglican*) apply equally to the Website on the Internet, the electronic bulletin board and any other printed or digital presence.

While the editorial policy should govern all of the communications tools used by the diocese, the actual technology or medium is less important than the fact that Anglicans are informing, educating and sharing with other Anglicans.

Like any media in the wider world, the *NB Anglican*, Website and *E-News* exist to serve their readership. The goal is to offer timely, interesting and newsworthy material, paying constant attention to the well-known journalistic principles of truth, accuracy, balance, fairness and objectivity. The newspaper attributes its sources, abides by a privacy policy, and subscribes fully to the *Canadian Church Press Code of Ethics* and the *Associated Church Press Statement of Ethics and Standards of Professional Practice*.

The principles just mentioned are, of course, tenets of secular journalism. The *NB Anglican* may seem like an ordinary communications tool, such as your community's daily or weekly newspaper. But, as Bishop Claude Miller said emphatically when consulted: "It is not a secular newspaper. Its purpose is to up-build and edify the church."

The bishop reminded the task force that the current mission statement makes that point clearly. The statement begins by saying: "The mission of the *New Brunswick Anglican* is to serve Jesus Christ and His Church by reflecting, in print, the spiritual life of the Diocese of Fredericton."

The average journalistic endeavour in the secular world certainly does not adopt an attitude of service, refer to walking in the footsteps of Christ, or focus on Christian witnessing – as the *NB Anglican* does. The current editor, Ana Watts, told the task force that, in each issue, the diocesan newsletter strives to hold up a mirror to the church. The strategic goal is to allow Anglicans to see themselves -- in all facets -- in the many parishes province-wide.

The existing editorial policy says that "the editor and columnists are encouraged to express responsible opinion, even if critical of Church policy and procedure. Readers are invited to share opinions and views."

This is a long-standing practice. Mrs. Watts, as well as Bishop Claude Miller and his executive assistant, The Ven. Geoffrey Hall, report few verbal or written complaints or instances of friction in this regard. The concept of publishing critical views is of interest, however. It has been raised at Synod as a concern, which led to the formation of this task force and this report.

The task force discussed this overarching subject at length but did not reach unanimity.

One task force member, Mr. Kelly Vanbuskirk of Saint John, holds the view that the communications vehicles of the diocese should be clearly linked with the Declaration of Principles in the diocesan constitution. "The declaration expresses, and binds us to, the essential beliefs of the Anglican Church," he said. "The diocese should not be in breach of its own declaration."

Mr. Vanbuskirk states that these principles should be preserved and transmitted constantly and consistently in all ways, not only by rectors and congregants in church buildings but also in all items appearing in diocesan publications, whether in print or on the Web.

"The diocesan communications vehicles exist under the diocesan constitution and canons, not independent of them," he said. It is equally argued that all content in the diocesan media could, and should, be considered the theological equivalent of a statement the bishop would give from the pulpit. In his way of thinking, there is no room for any deviation at any time – and there should be strict rules governing what is published in the newspaper and/or posted on the Web.

Mr. Vanbuskirk thinks that dialogue and debate are important, healthy and useful when mutual understanding can lead to compromise. However, he contends, there are issues of doctrine on which the Church is unable to compromise. Doctrine cannot be altered, he noted. That being the case, he decided it would be "misleading to invite debate on matters of Church doctrine that debate cannot change."

His conclusion is that “concrete, specific directives should be established to guard against any use of diocesan communications vehicles for the advancement of any beliefs inconsistent with its doctrine.” In his view, there must be considerable and constant control over the messages conveyed. “Only Truth should be promoted in diocesan communications,” he said.

On this important issue of “free exchange of ideas” vs. “specific directives and control,” the task force chair, Ann Deveau of Fredericton, and the other member, Andrew Cromwell of Rothesay, considered Mr. Vanbuskirk’s ideas as well as other sources and advice.

One strong consideration is the Canadian *Charter of Rights and Freedoms*, which guarantees freedom of religion but also freedom of expression.

Ms. Deveau and Mr. Cromwell disagree with the concept of strict control over diocesan communications vehicles. In their view, it would be discriminatory, propagandistic and wrong to limit dialogue and debate. It seems to them an unnecessary and overly restrictive measure to take.

They also concluded that congregations in New Brunswick can most certainly think for themselves and make their own judgments – and they should have that right, without ideas being suppressed for them in advance.

In exploring the topic further, the task force consulted the codes governing the religious press and also interviewed Bishop Claude Miller.

The Associated Church Press Statement of Ethics and Standards of Professional Practice, adopted in 1983, cautions that: “The religious press will not print statements which constitute personal attacks or which appeal to prejudice.” Responsibility is thus urged, as is a free exchange of ideas. For example, the policy also states: “The religious press endorses vigorous expressions of opinion through published reactions, alternative views and criticisms, whether in letters to the editor or opinion pieces.”

The Canadian Church Press Code of Ethics, adopted in 1981, speaks of keeping the lines of communication open. The context is inter-church relations, but the point can apply as easily to relations within a church community where conflicting views can be held by church members. The statement continues: “While controversy does and will remain in some areas, we shall continue to present opposing views honestly, accurately and in the most charitable understanding of the dictum “fair comment.”

Some people think that the national newspaper, the *Anglican Journal*, carries the “fair comment” idea too far. Some criticize it as being too liberal in its pages and in its editorials. The diocesan chancellor, Charles Ferris, drew a distinction between the national newspaper and its New Brunswick equivalent. “People don’t see the *NB Anglican* in that way,” he said in giving his opinion to the task force. “People read it, use it and tend to like it – it’s not following the national model.”

The bishop is the publisher of the *NB Anglican*, which means the buck literally stops with him. He has adjudicated complaints brought forward by readers and rectors in parishes throughout the province. There have been very few – either verbal or written -- over the years, he said. He has listened carefully to the argument about the diocesan newspaper being subject to the diocesan canons and principles at every turn.

"The teachings of this church are reflected in the first sentence of the mission statement," Bishop Miller told the task force. "Articles that reflect teaching must reflect it, and they do. But, I don't want to stop dialogue and debate. I want to hear that people disagree, if they disagree. The church should hear them – not stifle dialogue on issues. Our ears can't be closed to other viewpoints."

The bishop added that he would not want to be prescriptive or act as a censor, putting the newspaper in a box as to what can and cannot be written. His view is that the diocesan communications tools should continue to express a range of opinion within the Anglican community, but the overall focus will remain on the Good News.

Despite the bishop's comments and despite the intelligence and good sense of church members to separate wheat from chaff upon occasion, some people may remain uneasy with a free flow of ideas as opposed to a strict adherence to fundamental principles.

The task force therefore suggests a series of recommendations:

- a) It could be made clearer to the readership that the *NB Anglican*, diocesan Website, etc. are official "publications" of the diocese but not the one official "voice" of the entire Anglican church. For example, a standing statement could be added to the masthead (i.e., box always on page two of the newspaper), stating: "The opinions expressed in letters, columns or commentaries published in the *NB Anglican* do not necessarily represent the views of the *NB Anglican*, its publisher, staff, advisory board or the Diocese of Fredericton." This type of statement is often used in corporate public relations policies, including in other religious newspapers such as the Roman Catholic *New Freeman* in New Brunswick and the *Algoma Anglican* in Ontario.
- b) Feedback should be overtly welcomed and feedback mechanisms should be clearly noted in the masthead, on the Website's home page, and in each edition of *E-News*. A range of ways should continue to be offered to reach the editor: mail, e-mail, telephone, fax. Readers and viewers should be advised periodically that space is maintained for letters to the editor. Names of letter writers will always be verified and identified. Corrections should be printed in the next available issue in regular, consistent space near the front of the publication or on the home page. Complaints about operations, ethics, quality, etc. should be addressed to the editor (or the Webmaster if it is a different employee).
- c) Readers and viewers should be informed from time to time that all submissions will be reviewed and edited for accuracy, grammar and spelling, length, timeliness, interest, and technical suitability of accompanying photos or graphics. The editor has the right to refuse any submission.
- d) Occasionally, the editor may receive a submission which is judged to strongly conflict with, and directly challenge, official church policy, as stated by decisions of diocesan Synod or the Declaration of Principles. In such a case, the newspaper or Website can carry, at the same time and on the same page or with equal prominence, a clear explanation by the bishop of the official policy and teaching of the Anglican church. The editor may seek guidance in such instances.

Currently, if the editor encounters a difficult problem with proposed content, the bishop himself – as publisher -- is the only person to call upon for advice and resolution. This can

and does happen (although rarely!), but it was not always the only mechanism to deal with "hot potatoes."

The current mission statement for the *NB Anglican* refers to the existence of a Board of Management appointed by the bishop to give advice and guidance to the editor. The bishop, his executive assistant and the editor confirmed that such a board no longer exists. It fell dormant quite some time ago for various reasons.

The task force learned that, from time to time, there has been talk of reviving the board and possibly expanding its scope. To date, no appointments have been made and no terms of reference have been developed.

The task force thinks it is unfortunate that the Board of Management is inactive. Some organizations have found it useful to establish an independent oversight committee to advise them on major decisions regarding their journal. This occurs frequently with medical journals, academic journals, corporate newsletters, religious newspapers and newsletters produced by, and for, non-profit groups and charities. Most editors find it helpful, as do most publishers.

Consideration should be given to reviving the Board of Management, which would again function as an editorial board of advisors to the editor and support the work of the diocesan newspaper and the diocesan electronic media.

However, the task force goes one step further and recommends that a Communications Committee undertake these duties. Its mandate would be broader than the former Board of Management. That is because, in the 21st century, diocesan communications is a larger issue – and an ongoing task – and it encompasses more than printing one newspaper or posting stories on a Website.

The following recommendations are therefore put forward:

- a) The bishop should immediately appoint a Communications Committee, reporting to him and accountable to him as publisher of all diocesan communications
- b) The publisher and the editor should have a meaningful role in the appointment of members, since both are stakeholders in the committee's effectiveness
- c) The editor should serve as an ex officio member and as the chair; other members should include at least one member of the Administration Team of Diocesan Council, at least one representative of clergy, and other members of clergy and the laity as the bishop and the editor deem necessary
- d) The Communications Committee should meet at least quarterly and report to executive members of diocesan staff in an open and transparent manner
- e) The terms of reference of the proposed committee should include:
 - ensure sufficient human and financial resources for diocesan communications
 - give direction and advice to the editor on editorial content, spirituality and theology
 - develop any additional policies required to guide day-to-day decision-making for, and production of, diocesan communications such as the *NB Anglican*, Website and *E-News*
 - ensure that a wide range of informed opinion is reflected in diocesan communications as a way to encourage dialogue and debate
 - periodically educate contributors on acceptable length, style, technical formats for photos and graphics, deadlines, criteria for items being selected

- conduct periodic surveys to seek improvements in the effectiveness of diocesan communications
- if the editor has been unable to successfully resolve a dispute, consider any complaints concerning diocesan communications efforts; advise the bishop, as publisher, of the results of any such review or ask him to settle the matter if the Communications Committee has been unable to do so
- annually review the performance of the *NB Anglican*, diocesan Website and *E-News* with respect to the mission and guidelines and report results to the bishop
- review the mission and guidelines every five years and approve any amendments proposed to the editorial policy
- advise the editor and the bishop on peripheral communications issues that may arise such as the suitability of paid advertising or the inclusion of external Web links
- develop a practice of regular integration and cross-promotion of all diocesan communications tools
- in consultation with the diocesan communications officer, develop a yearly communications plan (internal and external) for diocesan communications; among topics to be addressed would be training of media spokespersons, media relations, media monitoring, development of fact sheets, key messages, news release templates, protocols for issuing information to the media, etc.
- develop a crisis communications plan for the bishop and the diocese to use in an emergency (e.g., urgent or threatening situation, whether man-made or natural, such as fire, flood, a shooting, scandal, pandemic influenza, accident involving loss of life in a church setting, etc.); once drafted, the plan should be tested, evaluated, modified and retested at suitable intervals
- support deaneries and parishes, to the extent possible, in developing or updating their own annual communications plans and in completing and testing a viable crisis communications plan
- advise the bishop on any broad communications issues such as moves to new technologies for teaching and reaching Anglicans in New Brunswick

In filing this report, the task force is aware that the diocese considers its communications activity as an important way to realize its mission to teach and to proclaim its evangelical message. The task has appreciated the opportunity to conduct this review of diocesan communications as directed by Synod 2005.

Our recommendations have been carefully considered and are respectfully submitted in the full knowledge that, when dealing with communications, the illusion is that it is ever actually accomplished.

In spite of our own divergent views, it is the hope of the task force that diocesan communications will be strengthened if these proposals are adopted and if the church can become increasingly communicative. It is also our fervent hope that dialogue, understanding and trust will continue to flourish in the diocese.

Report submitted in February 2007 by:

Ms. Ann Deveau, Fredericton, chair
Mr. Kelly Vanbuskirk, Saint John, member
Mr. Andrew Cromwell, Rothesay, member

Report of the Budget Funding Task Force

(As Approved by Diocesan Council)

April 11, 2007

Mandate of the Task Force:

The Diocesan Council, on recommendation from the Finance Committee, established the Task Force to develop a new process for determining each parish's fair share of the diocesan shared ministry as expressed in the annual diocesan budget. The Task Force was directed to have its report and recommendations available for presentation to Council at its March 17, 2007 meeting.

The Background:

There has long been some concern over the present method used to calculate the mission outreach and parish assessments in support of the budget. There is general agreement that the system is flawed and over time, has become seriously compromised by adjustments and by decisions to suspend application of the formula in certain budget years.

Parishes have expressed their concerns in this regard for several years, especially in those years where new initiatives were undertaken which required an increased investment in our shared ministry. Moreover, the Finance Committee and Council have recognized that the current process is not reflective of our ministry vision or our strategic plan. In short the process needs to be replaced.

(For a brief history and explanation of the current funding method and a more detailed look at the system shortcomings see Schedule 1)

The Work of the Task Force

As fate would have it another diocese had initiated a survey on the topic of funding diocesan budgets. The Task Force had access to responses generated by the survey.

In the course of studying those responses, it became apparent that income is generally seen as the best basis for establishing parish support. There are varying terminologies used and actions taken when parishes are unable to provide the funding expected of them. Most dioceses indicated a recognition that, formulas aside, dioceses generally operate on the basis of "what the parishes are able to provide".

The Task Force also reviewed our parish income data from 2005 and did so alongside of the current amounts requested of each parish for diocesan budget support. (In this review, no specific reference was made to the amounts the parishes have been able to provide in response to the expectations placed upon them.)

The review showed that the current ratios of parish income to budget support requests vary greatly, from a high in excess of 30% of income to a low of 8%. *(Schedule two provides the detail in this regard)*. Two factors have contributed to this distortion: the use of adjustments to formula results to even out increases; and the use of average income in the process. While averaging does smooth out "blips" in parish income, it is slow to recognize true emerging patterns of financial growth or decline.

The Emerging View:

It became clear to the Task Force that the development of a new formula, in and of itself, will not have a material financial impact in the life of our diocese. Any formula can at least set a bar for support of the shared ministry of the diocese. It is much more critical that the

process be founded on a set of foundational values and attributes that can be agreed upon and can stand on their own. Those values can then be seen as a basis for the application of a formula, not as justification after the fact.

The Task Force identified some of those key values and principals:

- Transparency: All must be aware and be willing partners in the processes, the results and the expectations - full partnership is vital. Members of Synod must be aware of cost consequences of its decisions and of the need to communicate those decisions, especially at the parish level. Council must maintain an openness to parish initiatives and parish input
- There must be clear understanding of the consequences when parishes have difficulty meeting their fair share.
- Lines of Authority: All parties must assume responsibility for the shared ministry. Synod, Council and of course the Bishop will be seen as key players in that regard.
- Equity: The process needs to be seen as fair and equitable.
- Integrity: The information required for clear decisions needs to be provided within a framework of trust and cooperation, and with a view to timeliness and accuracy. The shared ministry budget and the funding process must be respected and seen as a tool for ministry development and not as an inconvenience or burden.

Accountability:

The Task Force feels very strongly of the need for accountability at all levels. All parties are accountable to each other and to the process. The members of Synod must see themselves as accountable to the full process of Synod and to the parishes from where they are elected. Our clergy must be accountable not only to the people of the parishes in which they serve, but also to each other and to the Bishop in the ministry they share.

The Diocesan Council must be accountable for the manner in which the resources provided in support of the shared ministry are allocated. Programs need to reflect the well established vision of ministry and the developing Shared Ministry Plan. Great care is needed to ensure that parishes are well apprised of the shared ministry budget and be assured that programs are viable and financially sustainable and are evaluated regularly to ensure they continue to play key roles in forwarding the vision of ministry.

True accountability requires transparency, invites responsibility, demands integrity and cannot exist or be seen to exist, without effective communication. Accountability should not be seen as hierarchical, nor should it be seen as lateral. Accountability is omni-directional and in reality, is a function of ownership of the shared ministry.

Communication: The heart of the matter. Regardless of the funding method agreed upon, it is only through effective and participatory communication that it will make any difference.

The language we use in the course of our communication needs to be radically altered. Terms such as "mission outreach", "parish assessment", and "apportionment" are often misused and misunderstood, and carry with them history and assumptions that are not relevant in a new paradigm. The Task Force favours the use of the term "Fair Share" allocations.

The perception of the shared ministry must lead us to see the diocesan budget not as a financial document but as a reflection of a ministry plan which we all share. Parishes need to see themselves as partners in that plan, not just financially but as key players of important roles. We need to focus on building support for the shared ministry and developing a sense of responsibility for moving that ministry forward.

The Recommendations:

The Task Force recommends that we adopt the following as our model for the development of the diocesan shared ministry budget and for the allocation of required funding among the parishes.

The current system be replaced with a "one-ask" fair share (single) allocation among the parishes

The calculation of this "single" support request would have two components:

- i) a specific dollar amount for each identifiable giver (as defined) reported by the parish
- ii) a "fair share" rate applied to parish income (as defined) and net of the amount of the first calculation

The use of a three year moving average of income be discontinued in favour of the use of only the most recent year of information available.

Schedule 3 to this report provides an illustration of the shows the results of this proposal, based on a rate of \$65.00 per year in step one and 12% in step two. It should be noted that the calculations utilized data from 2005. Up to date information, using 2006 data, will be provided at pre-Synod meetings of the Archdeaconry Greater Chapters and as part of the Synod registration package.

That we encourage support for the shared ministry not by punitive processes, but by encouragement through effective communication, and through an intentional work towards developing a sense of ownership of the shared ministry plan.

That we develop a plan for assisting and working with parishes to enable them to move towards being full participants in the shared ministry. This should include developing processes and opportunities for parishes to assist each other, particularly within the archdeaconries.

Definitions:

Identifiable giver is defined as a person on the parish rolls, to whom a tax receipt has been provided in acknowledgment of a gift to the parish.

Parish income is defined as all income available for the general use of the parish, regardless of source and with the following exceptions:

- i) flow-through gifts (such as PWRDF)
- ii) donations limited for use in funding a specific capital project
- iii) funds used to pay the principal portion of loans for capital projects
- iv) funds received by way of bequest
- v) funds for cemeteries and memorials (except those taken into general operations)

The Budget Process:

At each regular bi-annual Synod, there will be a specific motion presented to establish (or change) the two component rates for the calculation. Those component rates will be in effect for the following two fiscal years. This will be a critical responsibility and a whole new dynamic for the Synod.

It will be the responsibility of the Bishop and Diocesan Council to ensure the plan for shared ministry is managed with the financial parameters the system provides. It is also their responsibility to place before the members of Synod, any issues or initiatives that may require a change in the rates.

It is the responsibility of the parishes to become active participants in the Synod and in the budget process (through archdeaconry meetings etc). By developing a greater participation, we will develop a greater sense of ownership of the ministry and a greater sense of responsibility in providing the required funding.

Implementation:

While the process may be reasonable it would be unrealistic to ignore the current financial realities. For a parish to move from its current, say 10% of "income going to the diocese" to a higher rate (the total will be somewhere in the range of 17%) will be a challenge to say the least. Conversely, a parish now providing a relatively high percentage of income in budget support will have a natural desire to move down to that 17% or so, quite quickly.

The situation is even more daunting when we take into account the fact that many parishes cannot reach their current level of requested budget support. We also cannot ignore those parishes which for several years have made little or no payment in that regard. The Task force recommends that there be a phase in period of up to three years whereby parishes would move up to the base rate or come down to meet it in an ordered fashion that admittedly does place a greater burden on the latter group. We are hopeful that parishes will "buy into" the principles and that in doing so will strive to get on board and committed to the process and its natural related financial impact.

The Next Steps:

Once the Finance Committee has studied this matter, making any adjustments it may deem necessary, it will be placed before Council at its March 17th meeting.

Council will then need to decide what action will follow. It would be advisable for this to be placed on the agenda for the 2007 Synod. It is also advised that it be presented to

archdeaconry greater chapters for review prior to the Synod. The challenge here is to determine the intent of the discussion at the greater chapter level. That is to say we must either consult with that constituency or present a finished product for their study and consideration leading up to a vote at the Synod.

In Conclusion:

Our shared ministry plan and the related fair share ministry allocation is a vital dimension of our Diocesan life. It is a reflection of our call to support one another as we seek to obey God's command to proclaim the Gospel as part of our mission outreach at home and abroad.

Our traditional Anglican response to this call is to work together as parishes in a diocesan structure. This has been the time-honored approach of Anglicans throughout the world for centuries. The gospel message asks that we Christians share our many resources in a responsible and fair manner. We are interdependent as individual members of the Body of Christ. Our relationship with each other matters as St. Paul so clearly explains in his image of the Church as the Body of Christ.

As Anglicans in the Diocese of Fredericton we are being called to participate in the total ministry of the Church including a Fair Share of the financial investment in ministry. The failure of even one parish to share in that, places a greater burden on every other parish. Fair Share giving asks that each parish prayerfully consider how it will accomplish the Fair Share requirement as we all seek to honour God's call to proclaim the Gospel.

The formula and process being put forward by the Task Force will require integrity in terms of reporting at many levels. It will also reflect a model for specific responsibilities in the process. Hopefully, it will also be seen as a more balanced and more easily understood process.

Respectfully submitted:

Gerry McConaghy (Parish of Rothesay)
Janis Branscome (Parish of St Martins/Black River)
Cecil Vanbuskirk (Parish of Coldbrook St Mary and Vice Chair Diocesan Council)
Lawrence Carpenter (Parish of Richmond)
Fred Scott (Parish of Fredericton and Diocesan Treasurer)
The Ven Stuart Allan (Rector, Trinity Church and Archdeacon of Saint John)

**THE DIOCESE OF FREDERICTON
FUNDING THE SHARED MINISTRY BUDGET
A Brief History and Description**

The current system for determining the funding requested of parishes for diocesan budget support was adopted in 1991. It came after several years where there was really no formal process for the calculation.

The system separates basic operational (fixed?) costs from those which would be considered relative to ministry or program. These include:

- all costs related to the office of the Bishop, including direct support staff,
- general admin costs including diocesan staff, office, audit and premises expenses,
- cost of the group benefits plan for clergy and diocesan staff,
- Synod administration such as relocation of clergy, synod sessions, liability insurance,
- our assessments to the Provincial and General Synods

The thinking is that these overhead costs, which any diocese would have, "must" be covered and therefore should be funded by an assessment, which is mandatory. Any unpaid amounts at year end, carry over into the next year as an obligation the parish must meet.

Similarly, the following were seen as directly related to ministry:

- our mission support of the national church,
- grants to mission parishes,
- hospital and university chaplaincies,
- youth ministry and other special ministries,
- general programming,
- the New Brunswick Anglican,
- ministry support grants (camps, Church Army, Cathedral, Inner City Youth Ministry)

It may be argued otherwise, but these costs are seen as being discretionary and therefore the funding is provided through a parish mission outreach request (sometimes referred to as "apportionment"). While there is a calculated amount apportioned to each parish, it is generally perceived as being voluntary in nature and, unlike the assessment, unpaid amounts are forgiven and have never been recognized as "receivable" beyond the current fiscal year.

THE PROCESS:

It is important to recognize one critical aspect of the calculation process. We start with the spending plan for each of the two sections of the budget (net of any other available income).

In other words the budgets are set first and then the amount of funding needed is allocated among the parishes, using the two formulas

The calculations for both budget support amounts are based on parish income, which is defined as basic operating income from all sources, specifically for parish operations. It excludes flow through income (income given for remittance elsewhere such as PWRDF), capital bequests, and income used to retire capital debt or specifically used for capital works. To smooth out extraordinary income, a three-year moving average is used.

The Assessment is calculated on a percentage rate that can vary from parish to parish by as much as 3% from the lowest to the highest. The determining factor for any parish's assessment rate is the number of identifiable givers in each parish.

The Mission Outreach Request is based on each parish's proportionate share of the total income among all parishes.

It is important to note that the separation of the two expenditure types was seen at the time to have value in terms of communications. It meant we could define clearly for the parish, those items that could be seen as "administrative" and those that were clearly "ministry". Whether there can ever be a clear distinction remains questionable. One can ask for example, how the Bishop's stipend can be separate from ministry.

We must also recognize that over time and with our new focus on our mission as our shared ministry, the lines between the two budget types and their related funding have become blurred. In some respects we can even say that there is little practical difference between parish assessment and parish mission outreach.

Our separation of the budget into two pieces, each funded in a slightly different manner is quite different from models across the country. In most dioceses and at the General Synod level there is generally a "one-ask" system of funding the respective budgets, with no distinction between basic overhead costs and the costs of program, mission and ministry.

OUR SYSTEM IS FLAWED:

- 1 A lack of commonality among parishes when it comes to reporting leaves us with parish income data that is inconsistent and incomplete and even subject to interpretation
- 2 We use parish income data that is as much as four years old (income from 2002 to 2004 was used to calculate 2006 diocesan budget support amounts)
- 3 The process is cumbersome and misunderstood, which invites question and complaint.
- 4 While we have two distinct numbers, parishes that pay in full make little distinction between them. Those that aren't able to meet the full amount, will naturally allocate their payments to assessment first.

There are some who would point to a lack of consequence of non-payment as a serious flaw in the system. While that may be debated, there is little evidence to suggest that a punitive process would lend much to this or any other system.

It is worth noting as well that we have a fixation throughout the process that puts focus not on "how much" is needed to fund the budget, but instead on "how much more." Parishes will react strongly to what they may see as a high percentage rate of increase, taking attention away from the basic program and its reflection of our shared ministry. Because of that, there have been times when we have adjusted the requested amounts to make them more "acceptable" and to make matters worse, there have also been times when the formula was not applied at all, thus making subsequent years calculation results all the more controversial.

Schedule 3 - Proposed Calculation Parish Budget Support - By Archdeaconry

Archdeaconry/ Parish	Ident Givers	Current Budget Support	2005 Parish Income	Effective Rate of Bdgt Sprt	Fair Share Step 1 @ \$1.25/wk	New Net Income Col E-Col F	Fair Share Step 2 AT 12 %	Total Fair Share
Bathurst								
A Bathurst	132	21,835	109,890	19.87%	8,580	101,310	12,157	20,737
A Campbellton	85	12,414	70,658	17.57%	5,525	65,133	7,816	13,341
A Chatham	126	33,526	196,679	17.05%	8,190	188,489	22,619	30,809
A Dalhousie	46	5,853	41,463	14.12%	2,990	38,473	4,617	7,607
A Derby/Blackville	152	24,175	147,964	16.34%	9,880	138,084	16,570	26,450
A Hardwicke	50	7,453	49,228	15.14%	3,250	45,978	5,517	8,767
A New Bandon	75	9,752	72,541	13.44%	4,875	67,666	8,120	12,995
A Newcastle/Nelson	147	20,678	138,494	14.93%	9,555	128,939	15,473	25,028
A Restigouche	44	3,774	24,897	15.16%	2,860	22,037	2,644	5,504
A/Deaconry Ttl	857	139,460	851,814	16.37%	55,705	796,109	95,533	151,238
Fredericton								
Dnry of Fredericton								
B Cathedral	276	72,973	371,502	19.64%	17,940	353,562	42,427	60,367
B Fredericton	357	95,741	443,346	21.60%	23,205	420,141	50,417	73,622
B Fredericton Jctn	77	13,560	70,000	19.37%	5,005	64,995	7,799	12,804
B Gagetown	41	7,613	51,284	14.84%	2,665	48,619	5,834	8,499
B Maugerville	10	1,603	7,058	22.71%	650	6,408	769	1,419
B New Mary/land	83	13,094	118,153	11.08%	5,395	112,758	13,531	18,926
B Ormocto	110	13,662	68,726	19.88%	7,150	61,576	7,389	14,539
B St Peters	65	13,857	95,000	14.59%	4,225	90,775	10,893	15,118
B St. Margarets Dnry of York	97	14,745	92,250	15.98%	6,305	85,945	10,313	16,618
C Bright	65	12,058	83,774	14.39%	4,225	79,549	9,546	13,771
C Cambridge/Wtrbro	75	6,369	41,744	15.26%	4,875	36,869	4,424	9,299
C Douglas/Nasis	210	48,817	190,000	25.69%	13,650	176,350	21,162	34,812
C Ludlow/Blissfield	140	16,617	89,339	18.60%	9,100	80,239	9,629	18,729
C Marysville	80	14,915	95,000	15.70%	5,200	89,800	10,776	15,976
C Minto Chipman	104	14,745	99,618	14.80%	6,760	92,858	11,143	17,903
C St Mary York	144	20,052	117,114	17.12%	9,360	107,754	12,930	22,290
C Stanley	67	11,707	83,664	13.99%	4,355	79,309	9,517	13,872
A/Deaconry Ttl	2001	392,128	2,117,572	18.52%	130,065	1,987,507	238,501	368,566

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Archdeaconry/ Parish	Ident Givers	Current Budget Support	2005 Parish Income	Effective Rate of Bdgt Sprt	Fair Share Step 1 @ \$1.25/wk	New Net Income Col E-Col F	Fair Share Step 2 AT 12 %	Total Fair Share
St Andrews								
Dnry of Lancaster								
D Carleton	128	27,541	148,185	18.59%	8,320	139,865	16,784	25,104
D Lancaster	178	29,343	174,860	16.78%	11,570	163,290	19,595	31,165
D Musquash	54	11,187	98,187	11.39%	3,510	94,677	11,361	14,871
D Nerepis & St John	223	43,319	192,063	22.55%	14,495	177,568	21,308	35,803
D Victoria	80	15,157	86,377	17.55%	5,200	81,177	9,741	14,941
Dnry of St Andrews								
E Campobello	32	5,221	40,709	12.83%	2,080	38,629	4,635	6,715
E Grand Manan	56	13,125	52,093	25.20%	3,640	48,453	5,814	9,454
E Mcadam	48	10,072	58,867	17.11%	3,120	55,747	6,690	9,810
E Pennfield	104	17,059	107,575	15.86%	6,760	100,815	12,098	18,858
E St Andrews	146	30,313	258,809	11.71%	9,490	249,319	29,918	39,408
E St David/St Pirck	10	1,921	12,000	16.01%	650	11,350	1,362	2,012
E St George	90	15,332	105,644	14.51%	5,850	99,794	11,975	17,825
E St Stephen	200	22,776	151,872	15.00%	13,000	138,872	16,665	29,665
A/Deaconry Ttl	1349	242,366	1,487,241	16.30%	87,685	1,399,556	167,947	255,632
Kingston-K'casis								
F Central Kings	65	7,791	66,031	11.80%	4,225	61,806	7,417	11,642
F Gondola Point	47	10,031	61,053	16.43%	3,055	57,998	6,960	10,015
F Hammond River	58	10,727	86,332	12.43%	3,770	82,562	9,907	13,677
F Hampton	106	23,012	131,890	17.45%	6,890	125,000	15,000	21,890
F Kingston	86	16,263	104,625	15.54%	5,590	99,035	11,884	17,474
F Quispamsis	109	17,604	141,383	12.45%	7,085	134,298	16,116	23,201
F Renforth	92	41,916	211,732	19.80%	5,980	205,752	24,690	30,670
F Rothesay	235	42,680	265,264	16.09%	15,275	249,989	29,999	45,274
F Sussex	174	35,489	228,263	15.55%	11,310	216,953	26,034	37,344
F Upham	58	7,649	62,599	12.22%	3,770	58,829	7,059	10,829
F Upper K'casis	72	8,784	56,485	15.55%	4,680	51,805	6,217	10,897
F Wtfrfd/ St. Mark	123	22,761	139,504	16.32%	7,995	131,509	15,781	23,776
A/Deaconry Ttl	1225	244,707	1,555,161	15.74%	79,625	1,475,536	177,064	256,689

