

## **OUTSTANDING PARISH ASSESSMENTS**

### **General**

The Diocese of Fredericton is a family of God. The parishes care about each other and support each other, especially those in need. The Diocese, which represents the partnership of the Bishop and the parishes, wholeheartedly accepts its responsibility to extend financial support to those parishes which, for good reason, cannot, within their own congregation, raise sufficient funds to cover the various costs related to clergy stipend, clergy pension and health benefits, keeping up a rectory, church and/or hall, paying its diocesan assessments and apportionment, etc. While the Diocese is prepared to provide help, each parish still has an obligation to do all that it can to raise enough money to support itself before asking the Diocese for help.

With its “aided parishes” program the Diocese helps certain parishes meet their on-going needs by providing “block grants.” The Diocese requires that all parishes, including those on the block grant program, remit to the Diocese the money owing as a result of annual assessments, regardless of their financial situation. As well, it is expected that they will do everything possible to submit the money for their annual mission/outreach apportionment.

The Diocese recognizes that, from time to time and for good reason, a parish (aided or not) may not be able to meet its obligations to the Diocese. In such cases, the Diocese is prepared to carry the unpaid assessments owed by the Parish for two years, after which the amount owing, with the exception of employment-related arrears, will be written off. This “write-off” assumes the Parish makes a special effort to “get and remain current” in its assessment - related payments. Parishes which subsequently find themselves in a better financial situation are encouraged to consider overpaying their assessment amounts to cover all or a portion of the amount previously in arrears to and written off by the Diocese.

While the Diocese may “write off “ or forgive some or all of a parish’s assessment - related debt which is more than two years old, the first priority is to support parishes in their efforts to raise sufficient funds so as to become or remain financially stable, either with or without a block grant - as the case may be. There are two major ways the Diocese provides this support - through its leadership in a strong stewardship program which is implemented at the parish level, and through the provision of a team led by a Regional Archdeacon to support and give direction to parishes which cannot meet their obligations.

If, after three years of not being able to meet its financial obligation to the Diocese (either with or without a block grant - as the case may be) the Bishop will consider a report, with recommendations, from the Regional Archdeacon concerning the viability of the Parish and the type of ministry which can or should be provided in it.

## Specific Steps

1. Very early in each new year the Treasurer will identify to the appropriate Regional Archdeacon(s) and the Finance Committee those parishes which have not paid their annual assessment amounts for two consecutive years, and those parishes which are in arrears on employment-related assessments (stipend, pension, health benefits, etc.)
2. The Treasurer and Board Chair will write a joint letter to each parish outlining the steps which will follow according to this policy, and specifically request that the vestry/parish corporation respond by telling the Diocese (through the Archdeacon) what, they think, caused the Parish to be in arrears and what, they think, should be done to rectify the situation.
3. If it is deemed necessary and depending on the response from the Parish, the territorial Archdeacon may convene a support team of four persons, including a lay person, a priest (both of whom shall be from outside the Parish) and the diocesan treasurer, to help the Parish look at probable causes and possible solutions. In such cases, the Diocesan treasurer, in co-operation with the parish treasurer and wardens, will prepare a package of information (recent financial statements, number of envelope holders, average giving, etc.) for the team and the vestry to use as a basis for discussion. The Archdeacon and the support team will meet with the Parish Corporation to help them address the reasons for the financial shortfall and what might be done to “turn things around.
4. Regardless, the Parish Corporation will prepare and submit to the Archdeacon, an action plan which includes specific steps to be taken by the Parish, starting immediately, to ensure diocesan assessments can and will be paid in future. The Archdeacon will table this report with the Finance Committee no later than April 30.
5. By the end of June, the Parish Corporation will submit a progress report to the Archdeacon and may , if necessary, request further help from the support team.
6. If the Parish has not been able to meet its assessment by the end of that year (i.e. for the 3rd consecutive year), the Archdeacon will prepare a report with recommendations for the consideration of the Bishop. This report will reference the reasons why the parish is not able to meet its financial obligations and what can or should be done in order to avoid continued assessment deficits by the Parish.

Important Note: if the parish falls behind in its employment-related assessment payments to the Diocese, the above procedures will be put into place immediately at the end of the year.

Adopted 01 July 1999