

**Addendum A****Moderator's Accountability Report****Origin: Mardi Tindal, Moderator**

"I believe that God is calling us to the abundance that is possible when we gather as community and listen deeply to Spirit, to Creation and to one another."

"...one of our greatest challenges is to recognize the natural limits of God's creative order and live within those limits for the sake of life itself... trusting that Jesus meant it when he said "I came that they might have life and have it abundantly."

"My style of leadership is both contemplative and active and my priorities are:

- right relations among the many peoples of this land;
- right relations with creation;
- empowering young leaders; and
- exercising enabling leadership with discipline and courage."

I made these statements to the General Council on August 12, and they are the ones to which I hear commissioners, and other church members and leaders returning when they speak to me about their expectations of me as Moderator during this triennium. The theme of abundance seems to have especially quickened hearts.

As reported in *The United Church Observer*, I spoke with David Wilson shortly after the General Council about the notion of inviting the church into covenantal experiences to help us participate fully in God's healing of soul, community and creation.

With the help of what I've heard and seen since August, I continue to sense a call to serve the church in this way. I have also noted that the 40th General Council directed the Moderator to be among those to take action on M&O 1: The United Church of Canada and Global Warming – the unavoidable challenge. I take this direction seriously.

Our 38th and 39th Moderators set the table for discerning God's call to our church. I see myself continuing that work, highlighting the abundance to be found when we remain at the table as community, and when we listen deeply to our own souls, deeply to one another and deeply to creation. With broken chalice and broken relationships evident, we will make room for God's healing presence. With one another we will continue to live into our longing for a deeper relationship with God and for deeper connections with one another. I will bring my loaves and fish to the table, and I invite you to do the same. We have reason to expect surprising results!

**Activities**

- Immediately began testing and refining ways to describe my sense of call for these three years, in meetings and other conversations and, of course, in prayer
- Gave numerous media interviews; was impressed by United Church members' letters to the editor and at least one column and editorial in relation to some response to my profile in the *National Post*; wrote two related letters to the editor

- Participated in the Paint Your Faith WonderCafe Media Launch
- Brought greetings and spoke to the Naramata Centre summer community (B.C. Conference) and to the first meeting of Living Waters presbytery (Toronto Conference); preached at the anniversary service for the Plattsville and Washington charge (London Conference); spoke at a Mission and Service Fundraiser at Sydenham St. United Church, Brantford (Hamilton Conference)
- Participated in transition activities at Five Oaks including an Open House to greet the Moderator with approximately 200 in attendance
- Responded as able to countless messages of congratulations and prayerful support; prepared a thank you card for this triennium
- Prepared copy and design suggestions for this year's Christmas card and wrote Christmas article for December issue of *The United Church Observer*
- Chaired Post-40th General Council 2009 meeting of Permanent Committee chairs and resource staff to deal with action on proposals
- Chaired September 8 General Council Sub-Executive meeting by phone
- Chaired Work Flow and Priorities Group meeting to prepare for Executive's priority-setting work
- Gave the homily at the opening worship of the Governance & Agenda Committee's Orientation event for all Permanent Committee members; attended this event and the first meeting of the Governance & Agenda Committee; accepted this Committee's invitation to prepare an introduction to prayerful discernment practices for the Executive
- Became oriented to General Council Office staff and procedures; provided pastoral care in the Office of the Moderator and General Secretary when a position was ended
- Addressed General Council staff within a full staff meeting called to report from the 40<sup>th</sup> General Council
- Wrote Moderator's letters: autumn Justice, Global and Ecumenical Relations (JGER) letter (focusing on the KAIROS KyotoPlus petition and preparation for United Nations climate change negotiations); and Advent-Christmas Mission & Service Fund donation letter. Wrote a piece for national camping resource.
- Participated in Staff Leaders Gathering at Five Oaks, and lead an experience of listening to soul, community and creation and engaging in dialogue about how I might further refine communication about my work of inviting the church into covenantal experiences to help us participate fully in God's healing of soul, community and creation
- Met with Conference Executive Secretaries and Speaker to begin planning for Conference visits
- Met with and developed a proposal with a minister who is willing to help us explore the possibility of VIA's assistance with a year of moderatorial train travel. (My hope is to make my second year of Canadian travel by train, allowing for travel to less train-accessible places in the first and third years.)
- Attended dinner meeting with United Church education and retreat centre directors
- Participated in several chapel services at Church House, and look forward to leading on November 4
- Met several times with the Chair of the Moderator's Advisory Committee; met with the Committee once and by the time of the Executive meeting, we will have met twice

- Met with the Management Team on more than one occasion; expressed intention for mid-day silent prayer in chapel and learned that there had been a practice which was dormant but has since been resumed, offering a mid-day gathering for silent prayer
- Met with the new Aboriginal Ministries Council and, over three days, with the Residential Schools Steering Committee; prepared to participate in the October 15<sup>th</sup> Ottawa launch of the newly appointed Truth and Reconciliation Commission and in a public forum on the TRC in November
- Made pastoral phone calls to church leaders in three northern Aboriginal Manitoba communities (after body bags had been received with H1N1-related supplies) – with the help of the Speaker of the ANCC who provided contact names
- Began meeting with various Program Staff for briefing and with Communication Staff in order to plan for effective communication, e.g. seasonal and other video messages; the launch of Mardi's modblog on October 8 (a regular feature within what I hope will be effective social networking strategy with the church and beyond.)
- Wrote op-ed article on *Scarcity, Abundance and Thanksgiving* which was offered to newspapers and appeared on [www.united-church.ca](http://www.united-church.ca)
- Prepared to join other spiritual leaders at the United Nations Climate Change Conference in Copenhagen in December
- Participated in and facilitated *Courage to Lead* retreat work, including with staff from the Congregational, Educational and Community Ministries unit. (This work, along with other spiritual practice, will enable my own soul to know God's healing and wholeness during this triennium.) Also spent a day and a half with Kathy Galloway, recently retired Leader of the Iona Community
- Responded to invitations, letters, and emails
- Took delight in a letter from St. Paul's United Church in Kindersley Saskatchewan saying, in part: "When you spoke at your installation service, you asked for help in offsetting the carbon footprint that you will create when travelling as Moderator on behalf of the church... We would like to offer our reduction in carbon emissions to go towards offsetting your carbon footprint during your tenure as Moderator." These good folks have decided to make changes to their church building that will result in a reduction in gas consumption that will translate to a reduction of 33,924 kilograms, or 33.924 tonnes, of carbon emissions per year! What an inspired beginning to an effort that I hope will engage the whole church. I invite you to join with others in this effort, and send an e-mail to [offsets@united-church.ca](mailto:offsets@united-church.ca) to let me know how much carbon you've kept out of the air. To help you make the necessary calculations, please see the resource "Creating a Climate for Justice" at [www.kairoscanada.org](http://www.kairoscanada.org) or the offset calculator on the Faith & the Common Good website at [www.offsets.greeningsacredspaces.org](http://www.offsets.greeningsacredspaces.org).

## Addendum B

### General Secretary's Accountability Report

**Origin:** General Secretary, General Council

Last spring, you received *Planning for a Future Grounded in Faith and Action* and approved some significant actions and directions flowing out of the report. My accountability report

focuses this time on the steps we have taken at the General Council Office to implement your directions.

Some of these initial steps, such as reducing staff at the General Council Office and giving notice of grant reductions, were difficult. Yet amid these losses, there is reason for hope in the directions you have given. I am committed to sharing these exciting possibilities with staff and the broader church as we continue to live into this vision for the future of The United Church of Canada.

## **PART 1: Implementation of the Triennium Plan**

### **Theological School/Education Centre Funding**

There have been significant developments around funding for theological schools since May 2010, when you directed that over-all grants to the schools be reduced by 10 percent. After a meeting of the Sub-Executive of the General Council in June, the Queen's School of Religion, the Faculty of Theology of the University of Winnipeg, St. Stephen's College, and the Vancouver School of Theology were notified that they will no longer receive annual grant funding as of June 30, 2011. Since then, we have been in conversation about ways the United Church can offer ongoing support and deepen its relationships with all 11 theological schools. These conversations are continuing, and I will attend part of the fall meeting of all deans and principals later this fall.

Representatives of the Dr. Jessie Saulteaux Resource Centre and the Francis Sandy Theological Centre met in July after the Sub-Executive directed that they begin conversations around consolidating the two programs. At that meeting, a process was proposed that would include consultations with various Aboriginal constituencies. This process will take longer to complete than originally anticipated because there is a wish to have the plan presented to the National Aboriginal Spiritual Gathering in August 2011 before it is put in place.

Following your directions in May, the education centres were notified that their funding will be reduced by 10 percent in 2011. However, we are continuing to talk with the centres about other ways we can assist them. First and foremost, they have identified an urgent need to repair, renovate, and rejuvenate their buildings and properties. A meeting is being planned for the new year to aid the centres in planning for their redevelopment. This meeting will bring together the directors of the education centres, General Council Office staff, and others who have expertise in this area.

### **Global and Ecumenical Grant Reductions**

Global partners that will be affected by the 10 percent reduction in partnership grants in 2011 have been advised by staff. These decisions were made based on values identified in the Global and Ecumenical Relations Sustainability Report, which was approved by the Permanent Committee on Programs for Mission and Ministry, as well as established criteria, principles, and theological rationales. Canadian ecumenical partners whose funding will be affected have also been notified.

**Mission Support Grants**

Representatives of all Conferences have been advised of the 10 percent reduction in mission support grants in 2011. This did not come as a surprise to those notified, but it must also be acknowledged that the impacts will be felt in important community work.

**Simplifying Church Processes**

A request for input from across the church has generated several hundred replies, including more than 70 from youth and young adults. Conversations have also taken place with the Permanent Committee on Governance and Agenda and *The Manual* Committee, which have offered their insights and advice.

From these consultations, a consensus is emerging that the by-law section of *The Manual* should be organized topically rather than by court, and focus on policy objectives and key components while eliminating much of the procedural detail. There is also general agreement that the language and prescriptiveness of each section should be tailored to the audience that will use them.

This simplification project is being undertaken collaboratively with numerous steering groups and task groups that are mandated to review the policy and polity of the church. The goal of this approach is to create by-laws that address the current needs of the church and are clear, accessible, and understandable, while following a relatively consistent writing style within the structure of *The Manual*. Another initiative that will inform this work is the Effective Leadership and Healthy Relationships Collaborative Research Project that has been initiated by the Permanent Committee on Ministry and Employment Policies and Services. Launching later this fall, it will collect qualitative and quantitative input from ministry personnel and lay leaders across the church, while also seeking input from specific constituencies.

This work on simplifying church processes will continue to progress under the leadership of the Rev. Alan Hall, Executive Officer, Human Resources, and Cynthia Gunn, Legal/Judicial Counsel, with a core staff team that includes the Rev. Bill Doyle, Executive Secretary of Saskatchewan Conference, Wendy Cranston of the General Council Office staff, and the Rev. Joel den Haan, a regionally deployed staff person in Alberta and Northwest Conference.

During the triennium, there will be reports and updates to the Executive of the General Council, including a final report that the Executive could take forward to the 41st General Council 2012.

**Pastoral Relations**

The Pastoral Relations Policy Steering Group of the Permanent Committee on Ministry and Employment Policies and Services continues to work on improving pastoral relations processes.

The work of the Steering Group has been influenced by your directions in May to initiate consultative processes on “simplifying the pastoral relations processes and shifting responsibilities for some or all pastoral relations from presbyteries to Conferences ...” The steering group is reviewing the existing pastoral relations policies as found in *The Manual* to determine which responsibilities might best rest with Conference, which policies would be

unnecessary if adequate resources and staff were available for pastoral relations work, and what policies are repetitive or redundant.

All of the policies fall under three major categories: initiating a pastoral relationship, supporting and supervising a pastoral relationship, and ending a pastoral relationship. In the spring of 2011, the findings of the Collaborative Research Project will be incorporated into the Steering Group's work, and it is anticipated that recommendations will be brought forward in the fall of 2011. This work is being undertaken in concert with the project to simplify processes.

### **Recruitment of a Diverse New Generation of Leadership**

The Permanent Committee on Ministry and Employment Policies and Services had established a steering group to develop initiatives focused on recruitment of ministry leadership prior to the report *Planning for a Future Grounded in Faith and Action*. The action of the Executive in May has focused this group's work. It is forging links with the upcoming Rendez-vous 2011 youth and young adult event in Toronto, the Asian Canadian Ministry Consultation in Toronto, and an initiative in the Conference of Manitoba and Northwestern Ontario to call forth, identify, and accompany new candidates for ministry, as well as a major initiative to cultivate a culture of call and vocation in congregations and the many other places where ministry happens. Staff are working with the *Statement on Paid Accountable Ministry*, which was approved by the 40th General Council 2009, as a vehicle to develop recruitment resources.

### **General Council Office Staff Reductions**

After the last Executive meeting, the General Council Management Group spent considerable time prayerfully discerning how best to implement your direction to reduce 15 to 20 full-time equivalent staff positions at the General Council Office over the triennium. On September 21, 12 staff members were notified that their positions were ending. These departures were in addition to four other staff who had left over the summer or indicated their intention to leave. These changes fulfill the staff reductions related to 2011–13 budget requirements you authorized in May 2010.

These decisions were difficult for all involved, and we have tried to offer staff as much information and support as we can throughout this process. I am grateful to former Moderator David Giuliano for supporting staff and offering a pastoral presence at the General Council Office the day the changes were announced. We have also held two all-staff meetings, one with the participation of Conference staff by videoconference, to give staff more details about the changes and continue to think through how to reshape the work with which we have been tasked. Future all-staff meetings will offer opportunities to explore identity and connection, and how staff will live into these broad directions.

We have received little correspondence addressed to the Executive regarding the staff changes. Perhaps people are contacting their Executive members directly. However, I have received a significant number of e-mails, some positive and some negative, and I know that the Moderator has as well. With "some help from our friends," we have been following related discussions in various social media forums. The main area where concern has been expressed relates to the reduction of a position with responsibility for youth and young adults. We have responded to

these questions and concerns individually, via social media, and through an announcement and a question-and-answer document posted on [www.united-church.ca](http://www.united-church.ca)

### **Integrated Fundraising Plan**

You will find the report of KMA Consulting attached to the proposal on fundraising that is offered for your consideration. Through these consultants, we had the benefit of consultation with key people with a role in fundraising for the denomination, and received advice which I am recommending to you.

The conversations with the consultants, with staff, with the Board of The United Church of Canada Foundation, and others have helped clarify roles and priorities. The Legacy Campaign is now ready for approval so that it may move ahead in 2011.

The Board of the Foundation moved the dates of its fall meeting up in order to be able to discuss and respond to this report prior to this Executive meeting. I am pleased to report that they have expressed a commitment to taking an active role in the Legacy Campaign and the development of integrated fundraising strategies on an ongoing basis.

Following from the KMA report, a staff team is in the process of developing a proposal (concept) document that defines “United Cares” (or some other name) and the Mission and Service Fund in relation to each other. The document will include two options. The first will provide greater detail to the original proposal. “United Cares” will be defined as a companion fund to the Mission and Service Fund focusing on World Development and Relief, Emergency Response and justice-related initiatives. The second option will explore retooling the Mission and Service Fund as “United Cares” (or some other name) and repositioning the Mission and Service Fund as a core fund beside other discretionary funds (Emergency Response etc.). In both cases, the options will define primary and secondary audiences, fundraising objectives, and a menu of choices. The challenging task remains to define clearly the content of each fund and their relationship to one another.

The concept document will be ready by December 2011. KMA Consultants will be asked to undertake a series of focus groups to test the proposed models and potential names. Depending on the need for revisions as a result of testing, and a final survey of key people, a final report and proposal will come to the Executive in May 2011.

### **New Ministries Fund**

You approved in May the allocation of \$1 million in seed money for a New Ministries Fund. Since then, staff have developed initial terms of reference, administrative guidelines and funding parameters, and a draft application form. These documents will be used as a starting point to seek input from stakeholders across the country with the goal of finalizing and launching the program in early 2011. We expect the Fund to focus on expenses related to personnel and ministry development, not capital costs. It will offer financial support to new ministries being launched by existing United Church congregations or to new ministries initiated by individual members of the United Church and accountable to a United Church Conference or

presbytery/district. New ministries eligible for funding support are new initiatives or projects that reach out and serve people not already involved in any congregation.

### **Network for Ministry Development**

We are currently recruiting for the position of Executive Director for the Network for Ministry Development, and may be in a position to make an announcement before Christmas. Seconded staff from the General Council Office will be assigned once the Executive Director is in place. The Executive Director, in collaboration with the Executive Minister, Communities in Mission, will undertake a search for the remaining positions, and a full complement of staff is expected to be in place by early 2011. Through the first half of 2011, the Network staff will refine the business model and operational plan, select and engage the network of associates, and develop and refine content and models for resources, workshops, and consulting services. The full program of services will be rolled out through the remainder of 2011, and will be fully operational in 2012.

### **People in Partnership**

Staff structures, program strategies, and activities within the Justice, Global and Ecumenical Relations Unit have been redesigned as part of the implementation of the People in Partnership program, which you approved in May. This program seeks to involve the wider church in global and Canadian partnerships for shared mission.

The redesign integrates congregational engagement in the work of the Justice, Global and Ecumenical Relations Unit within two programmatic clusters. The Public Witness cluster leads on engaging congregations and other courts of the church in reflection and advocacy around social justice issues. The Partnership cluster is responsible for engaging congregations and other courts in mission relationships. People in Partnership programs reflect the United Church commitment to be present in the world, standing with marginalized and vulnerable communities. Six key activity areas will support strategies of direct engagement in global mission, including education and exposure trips, developing leadership for justice, receiving and hosting global partners in Canada, long-term and committed relationships with global partners, designated giving through the Extra Measures program, and ensuring ways partners, personnel, participants in mission trips and others can share their stories of transformation, inspiration and challenge.

### **Resources and Communications**

A review of the General Council Office's strategy around resources and communications, which you directed in May 2010, is well underway. A revised strategy will take account of the realities of tighter budgets and fewer staff, while recognizing the importance of well developed resources in fostering identity and connection.

This strategy includes the following key elements:

- Resources will be developed across units with defined plans for their creation, animation, distribution, and evaluation so we better understand audience needs and use.
- The production of resources must be looked at holistically across media, print, web, video, social media, and traditional media.



- Priority will be given to producing clearer, shorter resources and communications in plain language.

These strategies will require a shift in our thinking around resources and communications from “pushing” information and content, to facilitating exchanges and coordinating a web of connections among various constituencies. We also need to respect our audiences and produce resources that meet their expressed needs in a spirit of partnership. Reduced staff capacity and production budgets mean we will be able to produce less content, and will distribute more of our content electronically. Suitable third-party resources will be used to meet needs when we are unable to produce our own resources. I will update you at future meetings as we continue to develop and live into this strategy.

### **Using New Technologies and Reducing Meeting Costs**

Staff are actively exploring how best to use technology to facilitate the work of committees and task groups to reduce costs and increase connection. As part of this process, staff are consulting with committees to identify tasks that may be done effectively using alternative technologies, rather than face-to-face meetings. The goal is to build a list of tools that are closely related to the tasks, and train staff and committee members how to use them.

### **Budget**

You will be receiving the 2011 budget from the Finance Committee for approval. It reflects the reductions in grants and staffing that have already been announced, and will also require significant belt-tightening in relation to program and travel expenses. We have been planning and preparing for these changes, but they will still affect the activities of elected members and staff.

### ***Identity and Connection***

Both the General Council Office management group and the Staff Leaders, a broader group composed of the management group and the Conference Executive Secretaries, dedicated significant time at retreats in September to reflecting on what it means to focus the work of the General Council Office on identity and connection. These conversations will continue, and the full staff group will soon begin to engage with these themes. There will also be opportunities for elected members to participate in these conversations at the Executive and the 41st General Council 2012.

## **PART 2: Other Updates**

### ***Re-mandating and Renaming the Residential Schools Steering Committee***

At this meeting, you will consider a proposal to rename the Residential Schools Steering Committee the Committee on Indigenous Justice and Residential Schools. The proposal would also expand the Committee’s mandate to include a more integrated approach to the task of decolonization, seeking justice, building right relations, and helping the United Church live out its apologies. This shift in name and mandate comes partly as a result of the concern I expressed to the Committee some time ago that, with the legal settlements for residential schools over, it could become increasingly difficult and inappropriate to focus efforts so narrowly. I believe this

shift would reflect the church's deepening understanding and analysis of Indian residential schools as part of a colonial legacy, and therefore I support these changes.

### **Planning for the 41st General Council 2012**

Even though the 41st General Council 2012 is still almost two years away, the General Council Planning and Agenda Committee is already hard at work. The Committee met in late September in Ottawa to visit Carleton University, the venue for the Council, and spend time reimagining the gathering with a view to effective governance and strong stewardship. The Committee is offering three proposals at this meeting for your consideration.

### **Captioning**

At your meeting in November 2009, you referred to me a proposal that all video programming produced by or purchased for The United Church of Canada include closed or open captioning as part of our commitment to becoming an intercultural church. Staff have advised that, although technology has advanced in recent years, implementing this proposal would require a significant investment in money and time. Given our current budget constraints, proceeding with this proposal would require making cuts elsewhere. However, we are still looking at ways to increase the accessibility of our video resources, and I will report to you at future meetings about the progress of this work.

### **Performance Management**

The new performance management system is now being used in the General Council and Conference Offices. There will be additional training for staff later in the year.

### **GS 7 Group Benefits Extending to Spouses and Dependent Children (GC40 MAR 5)**

A proposal was made to 40th General Council 2009 to extend active member health and dental benefits coverage to surviving spouses of ministry personnel who die while actively employed at a pastoral charge for a 6-month period following the date of death. This was referred to the Permanent Committee on Ministry and Employment Policies and Services for consideration. The Permanent Committee approved this recommendation. It will be effective January 1, 2011.

### **Task Group on the Basis of Union and Crest**

The task group, whose work flows out of a direction from the 40th General Council 2009, has met once in person and will meet again prior to the Executive meeting. At these meetings, the task group has reviewed the history of The United Church of Canada crest and the preamble to the Uniting Church of Australia's Basis of Union, and listened to an intercultural perspective to realize a broader context, so that the truths of many will be reflected. The task group has posed two questions to the Aboriginal Ministries Council: Do the First Peoples need a crest/ logo of their own? And, considering our diversity, what symbols would be recommended?

### **Engaging Volunteers**

As part of our creative reimagining, we are looking at ways to engage more "volunteers" in the mission of the General Council Office. The work of the General Council and General Council Office depends on the collaborative efforts of staff and non-staff members. We have well-established methods for involving non-staff members in officially appointed or elected roles, and

are now exploring ways to engage the time and skills of non-staff members in other “volunteer” roles. This initiative has the potential to strengthen the work of the General Council Office by increasing connections with church members, developing new leaders, and reducing costs. Diane Bosman’s work as Program Coordinator, Committee Member Services is being refocused to include this emerging opportunity with the new title Program Coordinator, Member Engagement.

### **Mission and Service Fund Week**

The beginning of Mission and Service Fund week falls on Monday, November 15, the last day of the Executive meeting. I invite you to participate with General Council Office staff in “Accessorizing with M&S.” Prizes will be given to those who wear outrageous ties, scarves, belts, hats, socks, shoes, and other accessories with the Mission and Service Fund logo colours. Categories include most clashing outfit, most brilliant outfit, and best use of accessories. We also will be distributing letters about the staff campaign, and envelopes will be available for Executive members who wish to give a special offering to the Mission and Service Fund.

### **Staffing Update**

The Rev. Darla Sloan took over the role of “Responsable” for Ministries in French, following the retirement of the Rev. Pierre Goldberger.

The Rev. Laverne Jacobs has completed a six-month transitional term as interim elder for the Aboriginal Ministries Council after his retirement earlier this year from the position of Program Coordinator, Aboriginal Ministries Circle.

The Rev. Catherine Gaw will be retiring from her position as Executive Secretary of Maritime Conference in just a few weeks, and David Hewitt has been appointed as her replacement.

The Rev. Bill Steadman will be leaving the position of Executive Minister, Financial Stewardship, to step into a two-year interim assignment as Executive Secretary of Bay of Quinte Conference.

We are recruiting for the position of Executive Director for the Network for Ministry Development. In co-operation with the Board of the Foundation, we are also seeking a Director of Philanthropy; the successful candidate will also serve as President of The United Church of Canada Foundation.

### **Recent Events**

I know that you will join me in celebrating the Spirit-filled life of our Church, as seen in these events that the General Council Office has hosted since we met last:

85th Anniversary Open House: On June 10, 2010, hundreds of people visited the General Council Office to celebrate the 85th anniversary of The United Church of Canada. Visitors were treated to a wide variety of workshops, roundtable discussions among former Moderators and General Secretaries, hymn sings, a hotly contested trivia contest, and dozens of cookies that our dedicated staff baked for the occasion. A highlight of the day was a special anniversary service at Islington United Church at which the Very Rev. Bruce McLeod preached. The day offered a

wonderful opportunity to recognize our past and celebrate our future, and I am grateful to all those who contributed to its success.

**More Franchises:** A Second Cup was held in June in Toronto, attracting some 550 registrants from all 13 Conferences. Those in attendance chose from among 104 workshops and presentations offering practical insights for new ministry, empowerment to innovate, a positive sense of United Church identity, and networking opportunities.

**Asian Canadian Mission Consultation:** The first Asian Canadian Mission Consultation was held on October 4-6, 2010 in Mississauga, Ontario. About 60 Asian Canadian ministers and non-Asian ministers serving Asian Canadian congregations and some lay leaders attended. Discussion topics included cultural and traditional differences between Anglo Canadians and Asian Canadians and intergenerational differences.

**Sounding the Bamboo:** This conference for racial/ethnic minority women and Aboriginal women was held in Winnipeg in May 2010. About 80 women of all ages and different races and ethnicities gathered to learn from each other. Those in attendance shared experiences of struggle, told stories of seeking racial and gender justice and peace, and listened to one another.

**Turn!:** National Justice Gathering 2010: As I write this in mid-October, I am looking forward to going this month to Pinawa, Manitoba for this gathering of people in our church who are committed to social justice. This gathering seeks to strengthen the social, ecological, and global justice movements of the church.

I look forward to seeing each of you in just a few weeks. There will be time then for questions or discussion about the subjects raised in this report, or anything else, but if it would be helpful to have a conversation sooner, please don't hesitate to call or e-mail.

### **Addendum C**

#### **Aboriginal Ministries Council Accountability Report**

**Origin:** Ray Jones, Chairperson

**“For I know the plans I have for you’, declares the LORD, ‘plans to prosper you and not to harm you, plans to give you hope and a future. Then you will call upon me and come and pray to me, and I will listen to you. You will seek me and find me when you seek me with all your heart.”** (Jeremiah 29: 11-13)

The prophet's words continue to resonate within the Aboriginal Ministries Council and Circle as it develops the “A Vision of New Beginnings” that will build capacity within Aboriginal pastoral charges, their Presbyteries, and Conferences to nurture vibrant ministry to the people.

The Aboriginal Ministries Council reflects a broad and diverse representation of Aboriginal (First Nations, Inuit and Métis) peoples from across Canada. Since the Aboriginal Ministries

Council inaugural meeting in September 2009 it continues to develop and offer leadership to the Aboriginal Ministries Circle and whole Church.

Since its beginning there has been an increase of six Aboriginal members to the Executive of the General Council. Those serving in this capacity are: Ray Jones, (Chair); Lorna Pawis (Vice-Chair); Martha Pedoniquotte; Jim White; Bernice Saulteaux; and John Thompson.

The Aboriginal Ministries Council continues to practise a spirit of discernment as they engage in decision making processes.

### **National Spiritual Gathering**

A National Spiritual Gathering is planned for August 19–21, 2011. Prince Rupert, British Columbia is the location. A planning team that consists of Aboriginal Ministries Council members and General Council Office staff has been arranged. The planning team will meet with local folks in Prince Rupert in the late fall of this year.

The purpose of this gathering is for spiritual guidance, listening, and reflection. Directions on spirituality and ministry that arise from listening for what Creator God is calling community to be will be given voice by the Aboriginal United Church pastoral charges present.

The Aboriginal Ministries Council continues conversation with the General Secretary relating to the status of the National Aboriginal Spiritual Gathering, and its ongoing relationship with The United Church of Canada.

### **Elder's Task Group**

This Task Group prepared and submitted a report to the Aboriginal Ministries Council in September 2010. The report provided background information on how this position came into being following the restructuring in 2009; it also included recommendations that related to the role of Elder; responsibilities; qualities and character; and a process for appointment. The Aboriginal Ministries Council accepted the report for information and determined that further deliberations were needed. A sub-committee of the Council has since been formed to review criteria, roles and protocol of Eldership.

Interim Elder Laverne Jacob's contract ended on September 30, 2010.

### **Consolidation of Dr. Jessie Saulteaux Resource Centre and the Francis Sandy Theological Centre**

In mid-July 2010 representatives from the Dr. Jessie Saulteaux Resource Centre and the Francis Sandy Theological Centre met. It was the first of many conversations to be held between the two theological schools as they set the course toward consolidation. From this summer meeting came a proposed process that would include significant consultation with the various Aboriginal constituencies. The General Secretary; Executive Ministers of the Aboriginal Ministries Circle and Communities in Mission; and Program Coordinator Education & Leadership Development will meet in October to determine who takes a lead role and identify resources needed to accomplish this task. The Aboriginal Ministries Council expressed concern in having the identities of these two institutions lost in the process of consolidation.

**Task Group on the Basis of Union and United Church Crest**

This Task Group has met twice. The first meeting by conference call offered opportunity to identify the information that would be required for review: i.e. history of The United Church of Canada crest and information on Aboriginal pastoral charges and conversations that might have occurred with them prior to union in 1925. The Task Group also reviewed the Uniting Church of Australia's Basis of Union preamble; and listened to an Intercultural perspective as it relates to this work.

Through listening and dialogue a broader context has been realized. There was a sense that this task brings opportunity to excite and invite. Regardless of whether the task will focus on a preamble to the Basis of Union or other expressions, a spirit of unity, an inter-relatedness, and the truths of many will be reflected. There was consensus among the group that this is very much a work in progress. This Task Group posed questions to the Aboriginal Ministries Council: *Do the First Peoples need a crest/ logo of their own? And, considering our diversity, what symbols would be recommended?*

**Other**

Dorothy Jenkins Estate Fund – The Joint Grants Committee who currently oversees this fund communicated to the Aboriginal Ministries Circle an invitation to develop criteria for the use of the funds and to consider its involvement in processing applications. This new partnership would facilitate decisions being made that are in line with aboriginal community needs. The Joint Grants Committee could continue to carry out the advertising through the Foundation. The Council has agreed with this proposal and has created as sub-committee to develop terms of reference in line with "charitable work" and a goal to have the criteria developed in time for the spring 2011 advertising of grants.

The Aboriginal Ministries Council expressed their support for the letter sent by Saskatchewan Conference to the General Secretary that recommends the Executive of the General Council endorse National Aboriginal Day as a national holiday and to call upon the Federal Government to recognize it as such.

**Programs**

**Healing Fund:** Clarification was received from Committee Member Services that the Healing Fund Council reports directly to the Aboriginal Ministries Council. The Healing Fund Council would keep the Aboriginal Ministries Council informed of activities, changes in its mandate, or composition of the Healing Fund Council.

**Staffing:** Development of staff for the Aboriginal Ministries Circle continues. Both the Program Assistant and Administrative Assistant positions have been filled. The job description for the Capacity Development Support Coordinators (2) were reviewed by Aboriginal Ministries Council. Job posting and the selection process for these positions will occur in early fall of 2010. Following these processes a search for a Youth Leadership Development Coordinator will occur.

**Mission through Finance:** The Executive Minister was directed to communicate to Mission Through Finance an urgency in which Real Property repairs within the Aboriginal pastoral charges needs to go forward. The Community Capacity Development Coordinators will play a key role in the development of these work plans.

### **Partnerships**

#### **Residential School Steering Committee**

The Aboriginal Ministries Circle and Council lives out its commitment to develop partnerships. As part of our regular spring meeting in 2010, we will also meet jointly with the Residential Schools Steering Committee for the purpose of dialoguing on how to support and connect on various aspects of our work within The United Church of Canada.

Other developing partnerships include: Intercultural Task Group; All Native Circle Conference; Francis Sandy Theological Centre and Dr. Jessie Saulteaux Resource Centre; British Columbia Native Ministries; Ontario/Quebec Aboriginal Pastoral Charges; Native Ministries Consortium Summer School; KAIROS.

### **Submitted by**

Ray Jones, Chairperson  
(represents British Columbia Native Ministries)

### **Committee Members**

Grafton Antone, Francis Sandy Theological Centre  
Chris C. Bolton, British Columbia Native Ministries  
Charlene Burns, All Native Circle Conference  
Jake Charles, Ontario/Quebec Aboriginal Congregations  
Lewis D. Coffman, representative for the Executive of the General Council  
Rosalyn Cole, Inuit/Metis Community  
Susan Gabriel, Ontario/Quebec Aboriginal Congregations  
William Jamieson, Residential School Steering Committee  
Lark Kim, (Intercultural and Diverse Communities in Ministry)  
Jules Lavallee, Traditional Community  
Lorna Pawis, All Native Circle Conference  
Martha Pedoniquotte, Ontario/Quebec Aboriginal Congregations  
Grant Queskekapow, Dr. Jessie Saulteaux Resource Centre  
Bernice Saulteaux, All Native Circle Conference  
Dixie Shilling, Ontario/Quebec Aboriginal Congregations  
John R. Thompson, All Native Circle Conference  
Betty Traverse, British Columbia Native Ministries  
Jim White, British Columbia Native Ministries

**Addendum D****Permanent Committee on Programs for Mission and Ministry Accountability Report****Origin: Christine Williams, Chairperson**

The Permanent Committee on Programs for Mission and Ministry, at its September meeting, reviewed the transitions flowing out of the May meeting of the Executive of General Council and the staffing reductions announced immediately prior to its meeting. It began conversations on the meaning of redirecting work towards identity and connection, and considered the implications for the whole of the Triennium Report on its work.

The Permanent Committee heard an update on the major reductions in committee numbers related to the formation of the new Communities in Mission Unit-Wide Committee. Paralleling the transitions undertaken by the Justice Global and Ecumenical Relations Unit-Wide Committee over a year ago, the new structure consolidates a number of committees (with a total of over 100 elected participants) into a single Unit-Wide committee of approximately 25 members. While this is still a significant number, the Unit Committee seeks to have effective representation from a wide range of United Church communities.

The Permanent Committee on Programs for Mission and Ministry also reviewed the progress of a number of Task Groups:

- The Intercultural Task Group will offer a final report to the Permanent Committee in January 2012 in anticipation of proceeding to the 41st General Council 2012.
- The Partnership Review (Canadian) Task Group will follow the work of the Global Partnership Review (2008) and will report in 2012 through the Permanent Committee to the Executive of the General Council.
- The Covenanting for Life Working Group continues the development of the Empire theme, will release new resources for this theme in January 2011, and is preparing an action plan for consideration by the 41st General Council 2012.
- The Camping Task Group will present its final report at the end of 2010.

The Committee also explored the situation of external congregations seeking relationship with The United Church of Canada. Many of these congregations, for example several Ghanaian Methodist churches, desire to maintain connections with their home denominations. The question before us is whether new forms of relationship are possible. The Permanent Committee believes that welcoming such churches into relationship is important and potentially transformative for the whole church. The issues, however, are complex and wide ranging. As an initial step, the Permanent Committee on Programs for Mission and Ministry will invite the Permanent Committee on Ministry Employment Policies and Services, and the Theology and Interchurch Interfaith Committee to work jointly with us in addressing these issues.

The Permanent Committee, as part of an ongoing review of United Church Camps approved Guiding Principles for Faith Formation at Camp.

The Permanent Committee also approved accreditation reports of the Duty of Care processes relating to United Church Camps, Community and Outreach Centres and seniors' Homes.



The Permanent Committee spent considerable time deepening its reflections towards a national strategy for youth and young adult ministries in the United Church. It reviewed a proposal for a National Youth Forum and Youth Animator presented by the Youth Ministries Advisory Group. It acknowledged that the group was ending its work prematurely (as part of the formation of the new Communities in Mission Unit) but affirmed the insight of a member of the group who was present at the meeting, that there was much to be gained by integrating youth ministry concerns into a wider perspective that will be possible in the new committee.

The Permanent Committee valued the proposal for the National Youth Forum and Youth Animator and recognized the importance of such a proposal as part of larger youth strategy for the church. It affirmed four key directions that will inform such a strategy:

1. Supporting intentional communities for young adults beyond youth groups and campus ministry models;
2. Bolstering regional youth ministries (providing programming for young people who don't have a Christian youth place in their geographic area);
3. Continuing the advancements towards providing youth a voice in decision making, such as a national Youth Forum, along with embracing/exploring aspects of youth ministry accountability, certification training and theological faith formation coaching;
4. Supporting and nurturing youth congregational ministries.

The Permanent Committee reviewed the decision to end one of the two staff positions relating to youth ministries and acknowledged the transition underlying this decision towards a more strategic planning and visioning role for the General Council Office. The Committee heard the affirmation that youth ministries will remain a critical priority for the work of the Unit, and understood the challenge that what is vital is finding creative ways to ensure youth become a priority for all parts of the church.

The Permanent Committee named the challenge as a commitment of the whole church “to continue to serve the vision and ministry of youth in The United Church of Canada and to strengthen the personal discipleship and collective ministry of and with youth and young adults in a church that welcomes their gifts and ministries.”

The proposal for a National Youth Forum and Youth Animator will be explored further by the Communities in Mission Unit-Wide Committee and considered as part of a larger youth strategy.

The Permanent Committee reviewed a proposal for the creation of a “Partners’ Council.” The original concept was first raised in the Review of Global Partnership adopted by the Executive of General Council in 2008. As part of the motion approved by the Executive, direction was given to “explore options for more effective consultation with global partners concerning programming and budgeting decisions that have an impact on global partnerships.” The Permanent Committee recognized that a functional “Partners Advisory Council” would offer an opportunity for the church to seek comment and advice from a select group of partners on much wider matters and concerns than simply issues that affect global partnership. In doing so, we would be more faithfully living out the principles and values of partnership. The Permanent Committee explored the question of whether such a body would be more effective relating directly to the Executive,

but determined that the better option would be to relate to the Program Committee, and through the Permanent Committee, to the Executive. The Permanent Committee on Programs for Mission and Ministry requested that draft terms of reference be developed and financial feasibility be determined.

The Permanent Committee undertook an extensive discussion on resource extraction and responsible investment. The committee approved a proposal to explore establishing a Task Group on “socially responsible investment issues, particularly exploration on resource extraction, to deepen the questions, identify policy gaps, and to facilitate the fulsome and integrated programmatic response of The United Church of Canada to the justice issues related to wealth creation.”

The Permanent Committee requested that terms of reference be developed for the proposed Task Group to be informed through conversation between the chair of the Permanent Committee on Programs for Mission and Ministry and the chair of the Permanent Committee on Finance.

### **Addendum E**

#### **Permanent Committee on Governance and Agenda Accountability Report**

**Origin:** Paul Stott, Chairperson

The committee will have met three times since the May 2010 Executive meeting, twice by conference call and once in person.

#### **Evaluation of May 2010 Executive of the General Council Meeting**

A conference call meeting on May 25, 2010 reviewed the evaluations from the May 2010 Executive meeting, focusing on ways to improve the effectiveness of meetings as the triennium progresses. Most of the concerns around the workbook related to the usability (or lack thereof) of the digital version. The committee reflected on how to make the digital version more usable and has since met with staff to find a format that is more useful but does not require significant extra staff time and effort to produce. To address the major concern that the PDF files do not allow for mark-up, we will be distributing the workbook in Microsoft Word format, both in sections and as a complete document. We hope that this will meet the needs of members, and we look forward to your feedback.

Many comments were received regarding the triennium planning process used at the meeting. It is clear that there is room for improvement in carrying out this complex process. Work will need to be done so that this vital decision making process can be improved for the 2012-2014 triennium. Comments regarding the time allocation for the various parts of the agenda, meeting arrangements and evaluation procedures were generally positive.

Technical issues relating to room temperature and the sound system will be addressed for future meetings. The issue of the use of social media during meetings was discussed, added to the

agenda of our September meeting, and will be further addressed in the governance education time at the November Executive meeting.

### **Governance Education**

Governance education time at the November meeting will have a number of foci. Our governance exists within a faith community, and as a way to address this component we want to spend some time looking at *A Song of Faith*, which you will find in your Executive of the General Council Handbook or on the web at <http://www.united-church.ca/files/beliefs/statements/sof.rtf>. We would ask that you re-read it prior to the meeting and come prepared to discuss in your table group, one of two questions: what part of *A Song of Faith* speaks most clearly to you in your role as an Executive of the General Council member and why; or how have you seen parts of *A Song of Faith* used in a church business meeting or in worship and why was it effective? The largest part of Governance Education time will be devoted to looking at the use of social media during our meetings. The issue arose at our May meeting, and after discussing it at some length in committee we wish to share some thoughts with you, and ask you to help us develop some protocols. We will also do a brief review of the proposal method before we start looking at proposals, and we will ask you to discuss in table groups what you think we should plan for future meetings to help you exercise your governance role in the church more effectively.

We have a number of new members at this meeting of the Executive. Obviously we can't take the time to repeat all the governance education that we have done since the beginning of the triennium for their benefit. We would ask those welcoming the new members to their tables to help them understand our governance practices as the meeting proceeds, particularly the concept of policy governance and the proposal method.

### **41st General Council 2012 Planning**

Our September face to face meeting preceded by a day the first face to face meeting of the 41st General Council Planning Committee. A prior conference call meeting of that committee established the goal of bringing a report to this meeting of the Executive, recommending a set of guiding principles and a budget for 41st General Council 2012 in Ottawa. A proposal (GCE 13 / GC40 NEW 4) that the work of the Commons and Commissions be given primary importance at future meetings of the General Council was referred to the Executive at the 40th General Council 2009, and then referred to our committee by the November 2009 meeting of the Executive of the General Council. We are not prepared to forward a proposal to the Executive at this time, but wish to assure the Executive that the proposal has been passed on to the 41st General Council Planning Committee for their serious consideration and feedback.

### **Simplification of Procedures and *The Manual***

We had a helpful and wide-ranging discussion with Cynthia Gunn and Alan Hall, lead staff on this project. We agreed on many basic concepts and approaches. It is clear that this is a huge project which will require careful planning and monitoring throughout. Because of the governance implications of this work, it was agreed that staff would report on progress and plans to each meeting of our committee, and that we would be available for consultation between meetings. Staff has already been in discussion with the General Secretary and the Manual

Committee, and these consultations will continue. As the work progresses, the Executive of the General Council will be kept informed, and have the opportunity for input. Input from the wider church community regarding basic goals has already been sought and significant input received. Concerns have been expressed about this being a staff project, however we feel that our committee will provide and coordinate adequate input and direction to the project from the governance side, and that the lead staff are committed to seeking and valuing that direction.

### **Membership in The United Church of Canada**

The question of membership arose in reference to the issue of the requirement of membership for those serving as chairs of committees. As the committee discussed this particular issue, it became clear to us that there are a number of more general questions around membership that we need to pursue. How is membership defined in our polity? What are the “privileges” of membership? What are the responsibilities? How does membership work outside of the traditional relationship to a pastoral charge? How do we transfer membership? How does our polity compare to that of other mainline Protestant denominations? Does our current understanding of membership fit with current cultural understandings of how people are involved with voluntary organizations? Should it?

These are some of the wide ranging questions that are worthy of further study by the church. The question of membership is clearly an identity question, part of the responsibility of General Council. The committee recommends (see Proposal G&A 4 page 239) that a study be undertaken to address these and other related questions about membership, so that we can have a basis to make a proposal to 41st General Council 2012 to either maintain our current polity or to modify our understanding and procedures around membership.

### **Budget**

The committee reviewed budget and actual figures for the Executive of the General Council and our committee. The figures suggest that we are doing well in keeping within budget, and in finding ways to reduce meeting and travel expenses. As budgets are being cut in many areas across the church, it is important that governance costs are also reduced by at least the same percentage. It remains a challenge to find ways to provide effective governance while reducing expenses. Some promising experiments in using electronic media to reduce the amount of travel are being carried out. In addition to reducing costs for the church, such methods may also reduce time commitments for committee members, and may allow for wider participation in governance work by those in fulltime employment or with significant family responsibilities. We encourage all committees and task groups to look at ways to work more efficiently.

### **Governance Handbook**

Some significant changes have been made to the *Governance Handbook: Policies and Terms of Reference*. As we develop this resource and discover ways it can be improved, changes in both form and content are made. A number of copies of the current version will be available for perusal and reference on the resource table. To conserve resources we will not distribute updated versions to Executive members until current proposals for changes to the handbook are dealt with and it is in a more stable state. Among the formatting changes made to the handbook are the addition of a “governed by this policy” statement to each policy, the elimination of unnecessary

cross-referencing and moving definitions from individual policies to a consolidated definition section. A number of policies have been updated to reflect decisions of 40th General Council 2009. Policies are also being updated to reflect the change in configuration of the senior staff (e.g. the elimination of the General Council Minister title). A number of proposals related to the Governance Handbook will be coming to this meeting of the Executive, and a number still require more work by the committee.

The committee wishes to thank Diane Bosman for the work she has done in coordinating the revisions to the handbook. Her oversight of this detailed work is much appreciated. As of this Executive meeting, Karen Smart will be taking over staff responsibility for maintaining the Handbook as part of her responsibilities as Program Coordinator, Governance Support.

### **Survey and Research**

The committee considered a previous motion of the Executive from April 2004 to:

“establish as policy that all research and/or survey proposals initiated by the General Council, the Executive of the General Council, the General Council Office and its various committees, units, staff and elected/appointed members be sent to a sub-group of the Survey and Research Capacity Working Group and vetted for compliance with generally accepted research methodologies before being distributed or used in the wider church” (2004-04-23-113).

Although this decision of the Executive uses the term “policy”, the committee determined that this was actually an operational standard and therefore should not be recorded in the Governance Handbook.

As the Survey and Research Capacity Working Group no longer exists and there is no capacity to create such a group at the present time, the question of suitable processes for conducting surveys will be considered by the Committee at a later time.

### **Role and Positioning of “Volunteers”**

Governance Policy 1.07 – Committees, and Governance Policy 1.08 – Committee Membership, specify policies around establishing and appointing to committees, sub-committees and task group. Policy 1.07 is clear that these policies apply to individuals and groups performing governance tasks. There are many existing and potential roles for “volunteers” in the church that do not involve governance, and that therefore are not subject to the requirements of the above mentioned policies. However it is not always clear where the line should be drawn between “governor” and “other volunteer”, nor is there a protocol or understanding about how the use of volunteers is authorized and how volunteers are assigned tasks and supervised in the work they do. The committee will be exploring these issues in conjunction with the General Secretary and will keep you informed of its progress and recommendations.

### **The Executive of the General Council Retreat**

The Moderator, at the request of our committee, has been exploring the possibility of offering a retreat day with Parker Palmer immediately prior to our November 2011 Executive meeting. This might well occur in conjunction with a co-sponsored public event with Parker Palmer (and perhaps Stephen Lewis) so that costs could be shared. It is hoped that Mardi Tindal could then

expand upon material from the retreat to inform our Governance Education time at the meeting. We will share more information about this possibility as discussions proceed with the individuals and organizations involved.

### **Screening Proposals for General Council and the Executive of the General Council**

We discussed ways of controlling the number and content of proposals coming to the General Council. Prior to the 40th General Council 2009 a group of staff and Elected and Appointed Members reviewed all the proposals, ensured they were in proper format, combined similar or duplicate proposals and recommended placement of proposals in consent, commissions and plenary. There was consensus that this work facilitated the work of Council. Even so, the number of proposals coming to General Council, particularly from the Conferences, is very large. There is a stewardship question here – how do we best use the limited time available at General Council to focus on the most important issues facing the church? Several suggestions were made. We now have established that the major work at the General Council level is that related to identity and connection. This could be used to filter proposals, but perhaps it is too early for this filter to be used. It was also suggested that we ask the conferences to own work that belongs to them and not pass it on to General Council. If policy already exists, Conferences are empowered to act, without reference to General Council. A tactic might be to take proposals that are within the Conference mandate and use the consent docket to refer them back to the Conference. Our chair, Paul Stott, agreed to join with the Conference Presidents' gathering to bring them into this discussion. The committee encourages the Conference representatives to the Executive to participate in the discussion and to report any input to the committee through Karen Smart.

With respect to proposals coming to the Executive of the General Council, the Permanent Committee on Governance and Agenda will continue to shape the agenda, placing proposal in the consent agenda, sending them to sessional committees for advice, or dealing with them in plenary.

### **The Executive of the General Council Minute Format**

The committee approved the new format for the Executive minutes as suggested by the General Secretary and approved by the archivist. This will result in a more compact form of minutes, but with the full text of all reports included in Appendices.

### **Addendum F**

#### **Permanent Committee on Finance Accountability Report**

**Origin:** Don Hunter, Chairperson

The Permanent Committee on Finance oversees and monitors the financial life and policies of the General Council, including assets, liabilities, fund balances, revenues, expenditures, short and long term financial issues and the management of its investments and funds.

At its September 2010 meeting and subsequent conference call, the committee:

- Created a sub-committee to monitor and report on the treasury investments
- Reviewed the performance of the treasury fund investments for 2010

- Reviewed outstanding Loan Guarantees
- Endorsed a policy on the designation of church property as Heritage Buildings
- Reviewed the financial plan, Towards 2013
- Adopted the proposal for a national Directors & Officers Insurance policy
- Received the United Church Foundation report
- Received the report from the Financial Stewardship Unit regarding fundraising strategy, the legacy campaign and the Mission & Service Fund
- Received the Waterloo Presbytery Proposal – Full Funding to KAIROS

### **Investment Committee**

A sub-committee has been formed to oversee the treasury investments, to assess our investment managers in these times of market volatility and monitor that the responsible investing guidelines in the church's investment policy continue to be followed. The updated policy is attached for information as it is a working document and will be submitted for Executive approval in a future meeting. (Appendix I page 61-78)

### **Treasury Fund Investments**

While there has been volatility in the markets in 2010, the rate of return to August 31 is 2.55% versus the benchmark rate of 2.52%.

### **Loan Guarantees**

Lenders are reluctant to lend to churches. Guaranteeing loans allows the Church to help congregations and ministries finance projects without directly committing funds.

- Griffith McConnell Residence – interim financing provided (\$1.7 million plus \$1 million guarantee) pending the sale of the building – no additional risk to report
- Dow Youth Centre, Sarnia – financing provided (\$865,000) pending receipt of fundraising pledges – no additional risk
- Wellington Square, Burlington - guarantee (\$1 million) fully secured by written pledges – no additional risk
- South Cayuga United Church, loan guarantee (\$400,000) secured with pledges – no additional risk
- Symons Valley United Church – construction financing – the loan is down to \$2.8 million, with Calgary presbytery subsidizing \$500,000 per year. The church is not growing fast enough, so this loan guarantee will probably be called, possibly in 2011, requiring negotiations with the primary lender in 2012 (likely exposure \$500,000 to \$1 million).

### **Heritage Buildings**

The Committee endorses the proposal made by the Permanent Committee on Programs for Mission and Ministry to preserve our properties with heritage value within the context of the Charter right to freedom of religion.

### **Towards 2013**

The financial plan (Appendix K to be provided prior to the meeting) will set out the proposed budgets for the next three years. It also includes staffing and reserve forecasts. To respond to

changing conditions, it will be updated each year, adding a new year with each update. (See Proposal FIN 3 page 236)

### **National Liability Insurance Policy**

Recognizing that each congregation purchasing its own coverage for Directors and Officers Liability results in duplicate coverage nationally, the Committee approved including a national policy in the national insurance program. This policy would be offered at a lower rate to existing plan members and free to non-member congregations, partly as an incentive to join the program. (See Proposal FIN 4 page 237)

### **United Church Foundation**

The United Church Foundation reports that the Congregational Investment program remains popular, but that some congregations prefer the more consistent but often smaller returns of government bonds and investment certificates.

The Joint Grants Committee between the Foundation and the Church will offer new grant opportunities next spring, see

<http://www.unitedchurchfoundation.ca/grantinformation/guidelines.html>

Donor activity to the end of August, 2010 is: \$1.1 million in endowments, \$384 thousand in gift fund donations and \$3 thousand towards Foundation operations.

### **Financial Stewardship**

The attached report (Appendix III page 92) from the Financial Stewardship Unit, details progress on the annual Mission & Service campaign, the Strategic Plan for fundraising, the Legacy Campaign and the Joint Grants Committee.

At the end of August, givings to the Mission & Service fund were \$1.2 million higher than the previous year, due in part to a \$900 thousand bequest through a congregation, as well as increased donor involvement as a result of the recent work in Haiti.

### **Waterloo Presbytery Proposal – Full Funding to KAIROS**

The Committee reviewed the proposal from Waterloo Presbytery which, in part, requires The United Church of Canada to increase funding to KAIROS by \$445,000 per year. The Committee recommends that the Executive take no financial action on this proposal and that any changes to proposed spending in this area go through the normal budget process. (See Proposal FIN 5 page 238)

### **Gift Planning Advisory Committee**

The Permanent Committee on Finance disbanded the Gift Planning Advisory Committee and thanks them for 40 years of supporting the United Church's fundraising efforts.



**Addendum G****Member of the World Council of Churches Accountability Report****Origin: Carmen Lansdowne**

My dear colleagues,

Greetings from a very hot Oakland, CA where I am enjoying part-time maternity leave (still working on doctoral program through exams and teaching)...

I did not attend the September 2010 meeting of the Executive Committee of the World Council of Churches in Edinburgh, but I will look forward to seeing you in November to listen to the work you do together there so when I attend the Central Committee meeting in Geneva in February I can continue to bring our work and prayers to that work.

I have not yet received a summary of actions taken in Edinburgh or the minutes of that meeting, but hopefully I will have that information before we meet in November.

As you know, the World Council of Churches issues statements on global current affairs at its meetings. In September there were three statements as well as a minute (to the churches only – statements are statements to the world):

- [Minute on the current situation in Pakistan](http://www.oikoumene.org/en/resources/documents/executive-committee/edinburgh-september-2010/minute-on-the-current-situation-in-pakistan.html)  
(<http://www.oikoumene.org/en/resources/documents/executive-committee/edinburgh-september-2010/minute-on-the-current-situation-in-pakistan.html>)
- [Statement on free and fair elections in Myanmar](http://www.oikoumene.org/en/resources/documents/executive-committee/edinburgh-september-2010/statement-on-free-and-fair-elections-in-myanmar.html)  
(<http://www.oikoumene.org/en/resources/documents/executive-committee/edinburgh-september-2010/statement-on-free-and-fair-elections-in-myanmar.html>)
- [Statement on the situation in Nigeria](http://www.oikoumene.org/en/resources/documents/executive-committee/edinburgh-september-2010/statement-on-the-situation-in-nigeria.html)  
(<http://www.oikoumene.org/en/resources/documents/executive-committee/edinburgh-september-2010/statement-on-the-situation-in-nigeria.html>)
- [Statement on the upcoming referendum in Southern Sudan](http://www.oikoumene.org/en/resources/documents/executive-committee/edinburgh-september-2010/statement-on-the-upcoming-referendum-in-southern-sudan.html)  
(<http://www.oikoumene.org/en/resources/documents/executive-committee/edinburgh-september-2010/statement-on-the-upcoming-referendum-in-southern-sudan.html>)

You may find the full texts of the statements at:

<http://www.oikoumene.org/en/resources/documents/executive-committee.html>

Blessings, and our son Gabriel and I will look forward to seeing you in November.

**Addendum H****41st General Council Planning Committee Accountability Report****Origin: Stéphane Vermette, Chairperson****Introduction**

The 41st General Council Planning Committee has begun its work since the last meeting of the Executive of the General Council. As our whole denomination is invited to reflect on how we can be better stewards of the resources we have, this committee made the choice to begin with a

reduced number of members for the initial planning phase. As we will go forward in the preparation of the General Council, other people will be invited to share their gifts with our team.

The 41st General Council Planning Committee met for the first time in July by conference call. The goal of this initial meeting was to build a good relationship between the members of the committee, to understand our mandate as a planning committee and to quickly review the evaluation of the last General Council in Kelowna in 2009.

On September 22-23, the members of the 41st General Council Planning Committee met in person in Ottawa. We began our first day by visiting the installations at Carleton University. We gave special attention to the refreshment facilities and the various meeting spaces we will need during the week of General Council. Back at the Ottawa Presbytery office, we began to name our dreams and our visions for a gathering such as General Council. We looked carefully at the final budget of the 40th General Council 2009 in Kelowna and we tried to understand the financial implications of our decisions.

After two days of exchange and discernment the 41st General Council Planning Committee has three proposals for your consideration at this meeting. They are:

- Date of the 41st General Council 2012
- Guiding Principles for the planning of the 41st General Council 2012
- Budget of the 41st General Council 2012

### **Date for the 41st General Council 2012 in Ottawa**

The 40th General Council 2009 in Kelowna began on the morning of Sunday August 9 and ended in the evening of Saturday August 15. Because the wide majority of the commissioners needed to travel to the west coast, this schedule resulted in seven days of work and eight nights on campus. As we will meet in central Canada for this General Council, we believe that beginning on the evening of Saturday August 11 and ending on the morning of Saturday 18 would give us the equivalent of seven days of work and seven nights on the campus.

### **Guiding Principles for the planning of the 41st General Council 2012**

The 41st General Council Planning Committee believes that guiding principles are essential tools in our preparation of our gathering in 2012. Those guiding principles are a way to stretch our imagination and to envision new ways to be the church in this beginning of the 21st century. They help us to move beyond the trap of ‘cutting events and resources to meet our goals’ in order to re-imagine this week when the people of the church come together, while still meeting our Manuel requirements.

### **Budget for the 41st General Council 2012**

In the budget for this triennium, the Executive of the General Council set aside the amount of \$1,074,000 for the 41st General Council 2012 in Ottawa. With the help of Karen Smart, Program Coordinator, Governance Support, the 41st General Council Planning Committee worked out a detailed budget which includes the time for preparation and the costs encountered during the week of General Council.

To present a balanced budget, the committee had to make difficult choices that will make us journey outside our comfort zones and our usual ways ‘of doing things’. Here are some of the initiatives we are presenting:

- Youth Forum would be offered for 4 youths per Conference at no cost for the participants.
- Children (8-12 years old) and Young Teens (12-15 years old) programs (Camp General Council) will be offered at a cost for the participants.
- No accommodation and travel will be offered to Stewards and Chaplains. Both can be recruited locally.
- The members of the Worship Committee, Youth Design Team, and Children and Young Teens Team will reside within a 100 mile radius, with the provision that there will be exceptions to respect our intercultural commitments.
- People within a 5 hours drive of Ottawa will travel by bus to Ottawa (other means of transportation will not be reimbursed).

Committee be received for information.

## **Addendum I**

### **Permanent Committee on Ministry and Employment Policies and Services Accountability Report**

**Origin:** Tracy Murton, Chairperson

#### **Introduction**

As the second year of this triennium gets under way, the Permanent Committee on Ministry and Employment Policies and Services begins the next phase of its work. With five of its working and task Groups submitting final reports to the meeting in September, there is some sense of the workload lessening. And yet, with the Collaborative Research Project, and the Steering Groups on Recruitment, Candidacy Pathway, and Pastoral Relations Policy Review all at the beginning of their mandates, it seems as though we continue to be engaged in the abundance of exciting ministry we have been gifted with.

Included elsewhere in this workbook are four of these reports and accompanying proposals for your consideration, as well as some recommendations regarding human resources policies. This work represents the efforts of many different people, including staff and elected members, who applied their wisdom and expertise to the mandates of each of these groups. Each report also involved broad consultation with many different constituencies, and so the end product includes voices from across The United Church of Canada. We are so grateful for the opportunity to hear those voices, both the elected members on the task groups whose work is now complete, and those who participated in the consultations, as it provides some recognition that we do not work in isolation, but are deeply dependent on the experiences of others to shape what we offer to the wider church.

The beginning of the Collaborative Research Project is the next phase of consultation across the church in the hopes of providing much-needed data for the Steering Groups on Recruitment, Pastoral Relations Policy Review, Ministry Compensation, and Oversight and Discipline of Ministry Personnel. We are excited by the possibility of engaging the whole church in issues

related to the work of these groups as part of our focus on identity and connection, emphasizing effective leadership and healthy pastoral relationships. The directions that emerged from the last meeting of the Executive of the General Council continue to inform and shape our work, especially the Simplification Process with *The Manual* and the exploration of shifting responsibilities for some of the pastoral relations work to Conference. We are also focusing on the priority of reducing the cost of doing our work, both the Permanent Committee itself, and all of the working, task and steering groups, and continue to experiment with a wide variety of technologies and social media, including using web conferencing at our last Permanent Committee meeting.

Finally, we continue to engage the volume of work referred to us by both 40th General Council 2009 and the Executive of the General Council. To this end, within the General Secretary's report you will find the decision on GS 7 Group Benefits Extending to Spouses and Dependent Children (GC40 MAR 5). At its meeting in September, the Permanent Committee began to address the issues raised in MAR 3, the United Church Recognition of Diaconal Ministry. There was a useful dialogue between members of the Permanent Committee and representatives from the Diakonia of The United Church of Canada (DUCC), a conversation that we hope to continue as part of our work in focusing on a diverse new generation of leadership. We plan to bring a recommendation regarding this proposal to the next meeting of this Executive.

The following is a summary of the remaining work that the Permanent Committee is presently involved in:

### **Reports on Steering, Task and Working Groups of the Permanent Committee** **Steering Group on Candidacy Pathway**

The mandate of the Steering Group is to:

- Develop and implement a project plan to study and develop the policy directions of the Candidacy Pathway, including oversight and evaluation of trial implementation in up to three conferences;
- Evaluate the trials and report to the Executive of the General Council through the Permanent Committee;
- In collaboration with the successor to the Unit on Ministries in French and the United Church Francophone community, review policies related to Supervised Ministry Education, Transfer & Settlement, and Candidacy to ensure maximum effectiveness in deploying Francophone and bi-lingual candidates in appropriate settings; explore the feasibility of Francophone and bi-lingual candidates requesting to do their Supervised Ministry Education in French-language settings, including funding as necessary; and explore the feasibility of Francophone and bi-lingual candidates being prioritized for settlement in ministry-in-French contexts, including the candidates' own Conference.
- Monitor and evaluate any explorations or experiments with various aspects of the seven stages named in the candidacy pathway so as to include reflection on their results in the work leading to the steering group's report.

The Steering Group had its first meeting in June, and developed a work plan. Letters were sent to all three Conferences who had offered to be pilot sites with a request to re-confirm their interest.

Representatives of the steering group met with representatives of St. Andrew's College to discuss the college's proposed model for supervised ministry education. The next meeting of the steering group is scheduled for October.

### **Communications Review Working Group**

The Working Group fulfilled its mandate and has been disbanded. It was agreed that *Connex* supports the Permanent Committee in communicating to its constituency subject to some improvement. The banner has been redesigned to name all persons/roles that should read the newsletter and lists the topics it contains. The layout has been changed to improve online viewing. *Connex* highlights the work of the Permanent Committee with related operational details but more discussion of the theological underpinnings needs to be included wherever possible.

### **Ministry Compensation Task Group**

The task group continues to research, explore and build policy around the comprehensive salary, clergy couples, those living in remote and high cost areas and a redesigned salary structure. To date the major areas of research include a detailed analysis of how the clergy residence deduction works and the impact on clergy couples in varying situations, a comprehensive survey of compensation practices among nine other denominations in Canada, an analysis of the range in salaries paid to United Church ministry personnel by Conference and gender, preliminary research on how other national organizations compensate those living in high cost and remote areas, and the impact of moving to a comprehensive salary for those pastoral charges with a manse. There is much more work to do in these areas, as well as on a redesigned salary structure. The task group is also a participant in Collaborative Research Project which will inform its recommendations.

To assist the task group with further development in these areas, the group developed a set of guiding principles as a tool against which to measure any proposal with regard to ministry compensation. These were presented to the Permanent Committee at its September meeting and were approved as follows:

1. The salary structure should be consistent with the current priorities of The United Church of Canada.
2. The salary structure should promote just, fair, equitable, sustainable, and consistent compensation practices for both ministry personnel and pastoral charges.
3. A salary structure should be easy to understand and administer, and allow for appropriate oversight.
4. The salary structure should be comprehensive and eliminate the notion of all allowances.
5. The primary responsibility for the financial support of ministry personnel is with the pastoral charge or other ministry unit, subject to certain minimum standards.
6. Ministry personnel should be compensated at a level commensurate with the cost of living in the region in which they work.
7. The salary structure should provide a means to recognize additional skills, experience, education, responsibility, etc.

These guiding principles will be communicated to the United Church constituency in the next issue of *Connex* (Winter 2010), and will be tested through the Collaborative Research Project.

The Task Group will meet by Conference Call over the next few months and in person in February. A final report with recommendations is anticipated for spring 2012.

### **Task Group on Disability Policies and Procedures**

The Task Group on Disability has been established to review the current provisions of *The Manual* concerning disability, and to clarify the obligations on ministry personnel and, where applicable, their pastoral charges when ministry personnel are seeking or are on restorative care, long term disability, or Total and Permanent Disability. They are just beginning their work and are mandated to bring recommendations to the Permanent Committee by June 2011.

### **Working Group on Isolation in Ministry**

This working group is in the final process of developing recommendations for the implementation of the seven recommendations that were approved by the 39th General Council 2006.

The issues that this working group has identified have been communicated to other Steering and Task Groups of the Permanent Committee, including Ministry Compensation and the Oversight and Discipline of Ministry Personnel. It is anticipated that a final report will be brought forward in the spring of 2011.

### **Steering Group on Oversight and Discipline**

This steering group continues to review the processes of oversight and discipline of ministry personnel. At its meeting in March, this included issues related to cultural differences in terms of authority and context, reflecting on the Statement on Paid Accountable Ministry, and continuing the intentional reflection on the Standards of Practice and Ethical Standards, and biblical texts related to their work. The formal legal review requested by the steering group was reviewed, and the issues raised within the review will inform the direction of the final recommendations. These recommendations will also include dividing the process of oversight and discipline into three stages: preventative, informal, and formal. At present, the work of the steering group is moving slowly, as the group considers the new relationship with the Simplification of Processes project, and waits for the results from the Collaborative Research Project. A report with recommendations is anticipated spring 2012.

### **Steering Group on Pastoral Relations Policy**

The work of this steering group has been influenced by the direction of the report of the Executive of the General Council, “Planning for a Future Grounded in Faith and Action.” Of particular relevance is the recommendation “that Conferences would assume responsibility for human resources and pastoral relations work from presbyteries, and would have professional staff to do this work.” The steering group is now reviewing the existing pastoral relations policies as found in *The Manual* to determine: what responsibilities might best rest with Conference; which policies would be unnecessary if adequate resources and staff were available for pastoral relations work; and what policies are repetitive or redundant.

The steering group is looking at the policies from the perspective of three major categories: initiating a pastoral relationship, supporting and supervising a pastoral relationship, and ending a pastoral relationship. In the spring of 2011, the findings of the Collaborative Research Project will be incorporated into the task group's work, and it is anticipated that recommendations will be brought forward in the fall of 2011.

### **Steering Group on Recruitment**

The steering group met for the first time in September, and developed a work plan. They reviewed the mandate and objectives to cultivate a culture of call for the United Church. Plans were developed for ongoing opportunities to share information about recruitment – e.g. the upcoming Rendezvous event in Winnipeg, and the Asian Canadian Ministers Consultation in Toronto. The next meeting of the steering group is scheduled for November; a final report is anticipated spring 2012.

### **Administration of Sabbatical Leaves for Interim Ministers**

The Financial Assistance Committee of the Permanent Committee will administer the salary continuance provided through the interim ministry sabbatical leave program. \$75,000 has been approved by the Sub-Executive to begin the program. An application form has been developed and was reviewed by the Permanent Committee at its meeting in September. This application form will be available through the Conference offices, as are all the financial assistance applications. In accordance with the proposal that established the fund, the appointment form for interim ministries (433) will now include a commitment by the pastoral charge to provide an amount equivalent to two weeks' salary and benefits per year of interim service, or prorated for service of less than a year, calculated at the salary rate being paid to the Interim Minister. This will enable the fund to provide up to three interim ministry sabbaticals of a maximum of three months each per year. Applications to the Financial Assistance Committee must be submitted no later than March 15 of the pastoral year immediately prior to the pastoral year in which the sabbatical leave is to be taken.

### **Other Work**

#### **Collaborative Research Project**

The purpose of the Collaborative Research Project is to focus the work of the Permanent Committee by concentrating around a central vision: *supporting ministry personnel in offering effective leadership and maintaining healthy pastoral relationships*. A consultant was hired in June to assist with the process of writing, distributing and receiving the Request for Proposals for the project. In August, the Advisory Panel (comprised of representatives from each of the four steering groups involved in the project) selected the Winnipeg-based firm Meyers Norris Penny to complete the research project. The project manager from this firm is Leanne Douglas, who is also a United Church member, currently serving on the 41st General Council Planning Committee.

In an effort to reach all of the demographic groups within the United Church constituency, a survey will be completed using a variety of means, including electronic, paper, telephone, and focus groups. Meyers Norris Penny has sub-contracted with the research firm Prairie Research

Associates for survey construction. It is anticipated that the survey will be available online in November, with the hope that all of the data gathering would be completed by the end of March.

### **Economic Adjustment (Cost of Living 2011)**

At its April meeting, the Permanent Committee affirmed the formula that has been in use for calculating the yearly economic adjustment, and recommended that this formula be reviewed every 5 years. The next formal review will be in 2015. Based on this formula, the yearly economic adjustment for 2011 was determined to be 0.3%. However, the General Secretary decided to freeze salaries in 2011, including the economic adjustment which normally occurs in January.

### **Travel Rate**

The travel rate of \$0.41 will remain unchanged for 2011.

### **Financial Assistance Committee**

This committee reviews loan and grant applications to a number of funds available to ministry personnel. In addition to the proposal from this committee found elsewhere in this docket, the Permanent Committee received its annual report at the September meeting, and approved the recommendation for staff to review the terms of reference to this committee to identify administrative cost savings.

### **Pastoral Charge Payroll Service**

For some months the participation rate in the payroll service has been sitting at 85% of those expected to participate. Options for getting the remaining 15% to enrol in the payroll service were discussed by the Permanent Committee, given that participation in the payroll service is mandatory for all pastoral charges with any ministry personnel earning more than \$5,000 per year.

One initiative underway that will address the concerns of the handful of large pastoral charges with complex and frequently changing payrolls is to offer an enhanced platform at a somewhat higher cost that will allow their professional payroll administrator more control over the management of the data. In addition, staff is working with presbyteries to identify vacancies where the pastoral charge is not enrolled with the payroll service. Many presbyteries are now withholding approval for the vacancy until the pastoral charge has enrolled; a similar process is being used in the case of settlement.

Staff calculated the costs associated with running a parallel system to administer the benefits services for those pastoral charges not using the pastoral charge payroll service. These costs amount to \$90,000 annually, or over \$70/month/pastoral charge, compared to the ADP fee of \$21/month/pastoral charge. This represents a substantial cost to the church that pastoral charges refusing to participate in the payroll service need to be aware of. This information will be communicated in the newsletter *Connex*.

At its meeting in September, the Permanent Committee approved these initiatives as well as the existing on-going communication with presbyteries to achieve full participation in the payroll



service. Participation rates will continue to be monitored and other options will be considered to achieve 100% participation.

### **Annual Group Insurance Renewal**

Annually in the fall, the Permanent Committee receives a report to review the plan design and associated costs of the group insurance plan. No plan design changes are being recommended for this year.

The current rates for active members remain unchanged and, although there will be some increase in the premiums charged by Great West Life; they will be paid from the Group Insurance Reserve. This will minimize the amount of change treasurers, pastoral charges and members will have to deal with during this period of transition between administration service providers.

However, a 7% increase to the Pensioner Health and Dental rates was approved, effective January 1, 2011. Although a 10% increase is actually required, it was recognized that pensioners with limited incomes could not sustain such a large increase. The discrepancy between the rate increase required and what was assessed to pensioners will be paid from the Group Insurance Reserve.

The church continues to hold internal reserves for group insurance administration, pensioner premium stabilization, and disability benefits. The estimated balances at December 31, 2009 are as follows:

Group Insurance Reserve	\$6,523,655
Pensioner Stabilization Reserve	\$1,350,778
LTD Reserve	\$954,899
<b>Total</b>	<b>\$8,829,332</b>

Although money will be taken out of the Group Insurance Reserve to cover some of the increased premium costs for 2011, the net impact on the current reserves will be minimal. The total reserves is equal to about ½ the annual premium for all benefits.

### **Petition 30 to the 38th General Council 2003 (Lay Standards of Employment for Church Administration)**

One item of Petition 30 from the Alberta and Northwest Conference to the 38th General Council 2003, the short term disability benefit (STD), remains outstanding. At present the church provides these benefits through three different programs: Restorative Care Program for ministry personnel; salary continuance for General Council and Conference office staff; and STD for lay employees of pastoral charges. There is consideration being given to rationalizing the three plans to ensure consistency and effectiveness. However, with the current transition to a new benefits administration service provider, there is not adequate staff time available to develop a proposal. This matter has been deferred to a later date.

**Closing Comments**

Once again, I want to extend my appreciation for the work of the dedicated and competent staff at the General Council Office and in the Conference Offices who support and enable the various projects of the Permanent Committee on Ministry and Employment Policies and Services. The collaboration that occurs between the staff and the elected members is so important for the success of our work, and we are grateful for the openness and patience with which these folks approach the many responsibilities associated with the mandate of the Permanent Committee. And, once again, I want to offer my gratitude to the elected members of the Permanent Committee, and its many task and steering groups, who continue to offer their time and gifts for the work of the whole church. We are, indeed, richly blessed by their commitment and faithfulness. During the worship offered in September by one of the members of the Permanent Committee, this interpretation of 1 Thessalonians was selected, and has become my spiritual mantra ever since: “Be cheerful no matter what; pray all the time; thank God no matter what happens. This is the way God wants you who belong to Christ Jesus to live”. May it be so, in all of our varied ministry together.

**Appendix J****Pension Board Accountability Report**

**Origin:** Charles Black, Chairperson

**Report**

The past year has been another busy and productive one for the Board and its Committees. In addition to the general management of the Plan, other priorities have included finalizing the documentation of the governance structure adopted in 2004; the development of supporting policies such as a responsible investment policy and funding policy; the completion of an actuarial valuation; the consideration of benefit increases for active and inactive members; a comprehensive review and restatement of the Plan Constitution; and beginning the transition to a new provider of administrative service.

As outlined in the Communications Policy, the Board strives to provide information to interested parties on an open and comprehensive basis. Again this year, an Annual Report on the Plan was distributed in mid-June to Plan members and to pastoral charge Treasurers. Further refinements were made to the format and production of the Report to improve readability and reduce production costs. Each active member also received an individualized pension benefit statement and three issues of the *Foresight* newsletter to provide timely information. An announcement was also issued in June to all active members and pensioners advising them of the Plan amendments made effective January 1, 2011 as part of the restatement of the Plan Constitution, which has been renamed the Plan Text to reflect the more usual name for the legal document detailing the terms and conditions of the plan.

**Overview**

The Board's overall assessment of the health of our Plan is somewhat more mixed at this time than in previous years. While the Plan currently appears to be sound, there are a number of growing uncertainties and trends which

Board and Committee members have concluded must be investigated closely to ensure that the paramount objective of the Plan, namely the provision of secure and stable retirement income to Plan members, can continue to be achieved over the longer term. Among these uncertainties and trends are:

- As reported previously, our Plan weathered the economic turmoil of the past two years relatively well, but it has not been unscathed. Asset values and bond yields declined significantly in 2008 and the recovery, while welcome, has been uneven and somewhat tentative. Recent investment performance has compared reasonably well with most other pension plans (allowing for differences in investment style) but has not met two key benchmarks or targets in the past 7 quarters.
- As outlined in Section 6 below, an actuarial valuation has been completed in 2010 and shows that our Plan continues to be fully funded on both the "going concern" and the "wind-up" bases. However, this result has only been achieved by reducing somewhat our reserve for potential benefit improvements. Also, the decline in asset values in 2008 has not been fully recognized since an "asset smoothing" or averaging approach is used in the valuation (and, as noted in the previous point, those asset values have not recovered fully yet).
- Mortality reductions continue to arise, resulting in payment of pension benefits for a longer period.
- The demographics of the Plan membership have changed considerably, primarily because of a steadily increasing age of entry into Church employment (and thus into Plan membership). This significant change has not been integrated into the design of our Plan.
- Contribution levels have been recognized for some time as being lower than those for most other pension plans. (The most recent change, in 1999, was a reduction in contribution rates.) While the Board strives to avoid frequent changes in contribution rates, it may be timely to consider higher rates for 2012 and beyond.

The combination of these and other factors has led the Board to initiate an in-depth review before a more serious situation develops, so that any necessary changes (e.g., in investment strategies, plan design, contribution rates) can be made on a timely and well planned basis. This review will be carried out as expeditiously as possible by the Pension Plan Advisory Committee and by a working group of representatives from PPAC, the Investment Committee and the Board whose objective is to ensure that the management of the assets and liabilities of our Plan is properly coordinated. We will continue to provide information to the Executive as this review proceeds.

As in previous reports, the balance of the Accountability Report comments on several specific aspects of the Plan's operation.

### **1. Statement of Investment Policies and Procedures (SIPP):**

The Investment Committee completed its annual review of the SIPP. The SIPP was also reviewed by Hicks Morley as part of its review of the governance documentation as outlined in item 9 below. The Implementation Task Group (ITG) then considered the two sets of

recommendations and sent a revised document to the Pension Board which was approved at its September 22, 2010 meeting.

Changes recommended by the Investment Committee include increases to the portfolio limit for certain debt instruments following requests from the Fund's two bond managers (i.e., a Capital and Fiera Capital). This recommendation reflects the Investment Committee's confidence in the managers, who have a track record of beating their benchmark, and will provide the managers with the latitude to apply their skill to further improve their portfolios' returns. In addition, Hicks Morley recommended some refinements from a legal perspective.

As previously advised, the responsible investment ("RI") and proxy voting sections were restated in the December 2008 revision to the SIPP as high level policies rather than detailed processes. The operational procedures to support these policies are still under development. In the meantime, the processes for responsible investment and proxy voting that have been in place for many years continue to provide guidance, even though not explicitly included in the revised SIPP.

The ongoing work to update and improve the RI process, including potential use of management engagement, recognizes that a number of important criteria must be satisfied, including compliance with fiduciary responsibilities, efficient and sustainable use of limited resources and consistent application across all asset classes. With this in mind, the Pension Board became an affiliate member of the Shareholder Association for Research and Education ("SHARE") as a pilot project until December 31, 2010 and engaged SHARE for its Goldcorp-only engagement service for 2009 and 2010.

Additionally, the Pension Board approved the engagement of Mercer to undertake a search for a Proxy Voting and Management Engagement service provider(s), which resulted in shortlisted providers making a formal presentation in April 2010 to the RI Review Group, a group drawn from the Implementation Task Group and supplemented with experts from the Investment Committee and Pension Board. Based on a recommendation from this group, the Pension Board approved the appointment of Glass Lewis to provide proxy voting services to the Plan at its May 2010 meeting. This appointment will allow the Pension Board to develop proxy voting guidelines consistent with the Plan's RI policy and ensure that, going forward, proxies are voted consistently with them. Additionally, the RI Review Group recommended that the appointment of an engagement service provider be deferred until the current arrangement with SHARE is reviewed when it expires at the end of the year.

## **2. Investment performance of the Fund:**

At June 30, 2010, annualized returns for the Fund (the investments supporting the Plan) were as follows for one to five year periods:

One Year	5.4%	89 <sup>th</sup> percentile ranking with peers
Two Year	-1.0%	21 <sup>st</sup> "
Three Years	-0.7%	18 <sup>th</sup> "
Four Years	2.8%	20 <sup>th</sup> "
Five Years	3.7%	32 <sup>nd</sup> "

Second quarter performance of -1.6% (versus Q2 2009 of 4.9%) resulted from a partial retrenchment in all equity markets. Bonds, private debt, and mortgages continued to provide positive performance in the quarter. The Fund's ranking versus industry peers was at the 23rd percentile for the quarter thanks largely to the underweight position in equities.

The market value of the Fund at June 30, 2009 was \$1.038 billion, down about \$27 million from the previous quarter but up about \$8 million from the same time last year.

Twelve third-party managers conduct the day-to-day investment activities for most (95%) of the Fund, under careful oversight and review by the Investment Committee. In the second quarter, the Investment Committee terminated the contract of one of the Fund's two Canadian Equity managers (Morrison Williams) due to poor performance over the last two years. With assistance from external consultants, the Investment Committee undertook a search for a suitable replacement and at its September 15, 2010 meeting agreed to appoint Guardian Capital and PCJ Investment Counsel to replace Morrison Williams. Also at that meeting, the Investment Committee terminated the contract with the US Growth Equity manager, Friess Associates, and resolved to transfer the funds to an index fund with the Fund's transitional manager, State Street Global Advisors, on an interim basis.

In recent years the Investment Committee has maintained a conservative, asset preservation tactic with the Fund being underweight in equities. However, the Investment Committee is now targeting a return to parity and is actively increasing the equity position to achieve this. As a result, the Fund has moved from an 11% underweight position in equities in 2009 to a current 4% underweight position versus the Fund's policy of 50%. This has largely been achieved by actively reducing the cash position from 6% in 2009 down to 1% of the Fund at June 30, 2010.

The Investment Committee has maintained its long-standing position of not hedging currencies exchange risk exposure on the 22% of the Fund that is invested in non-Canadian assets. However, currency policy remains a standing agenda item for the Investment Committee.

### **3. 2009 audited financial statements:**

**The audited financial statements for the Fund of the Pension Plan were reviewed by the Audit Committee and were recommended for approval by the Board. At its June 8<sup>th</sup> meeting, the Pension Board confirmed that the approved audit plan had been followed. It then approved the financial statements subject to minor modifications for clarification and completeness in 5 of the 13 notes, particularly in Note 1 to ensure consistency with the Plan's governance documents and current practice.**

**These statements were filed in accordance with the regulatory requirements, and portions of the information were included in the Annual Report to Plan members. Copies are available upon request as the statements are no longer published in the Year Book.**

### **4. Changes in the Plan's auditor, actuary, external legal counsel and other service providers:**

**As identified in last year's report, the Pension Board initiated a formal review of the audit service provider and approved the Audit Committee's recommendation to appoint**

**PricewaterhouseCoopers (“PwC”) as the Plan’s auditor. PwC presented its first audit plan to the Pension Board at its December 2009 meeting and successfully completed its first audit of the Fund with some delay due to the steep learning curve that PwC faced.**

As described in item 5, a review of the 3<sup>rd</sup> party administration service provider has been finalized and a new provider, Hewitt, has been approved. Also, the process for reviewing the investment managers annually was continued and resulted in the termination of two manager’s contracts (Morrison Williams and Friess Associates) as described in item 2.

No further formal reviews have been conducted and no other changes were made in existing service providers.

#### **5. Material administration activities and administration services performance:**

The day-to-day administration of the Plan moved to Morneau Sobeco as the 3<sup>rd</sup> party administrator effective January 1, 2005 to protect against aging systems and to facilitate reliable and up-to-date services (e.g. a website) to Plan members. The service agreement came up for renewal at the end of 2009 and due diligence required that all options be investigated as the service from Morneau Sobeco was not meeting the needs of some of the membership, nor of the Human Resources Unit. The main issues with Morneau Sobeco can be characterized as follows:

- Issues take too long to resolve, too often.
- The quality of the call centre service does not meet the needs of the Plan’s membership.
- The frequency with which errors are made in invoicing Pastoral Charges is unacceptably high.
- All of these issues lead to the need for increased in-house resources.

The decision was taken to review current market options and a formal RFP was sent to the three major service providers in Canada - Morneau Sobeco, Mercer, and Hewitt last October.

Responses were received from all three providers in November, and were assessed based on a scoring matrix which measured the proposals based on 75 criteria/questions covering scope of services, vendor experience and fees. Both Mercer and Hewitt outscored Morneau Sobeco based on the information in their responses to the RFP and on Staff’s knowledge of Morneau Sobeco’s capabilities. Ultimately, Staff recommended that the Pension Board appoint Hewitt as the third party service provider based on a proposal that excelled in five key areas, namely system functionality, service, fees, emergency planning and experience with multi-employer pension plans. Following a meeting between a delegation from the Pension Board and senior members of Hewitt’s staff, the Pension Board approved the recommendation to move the third party administrative services to Hewitt. While it is impossible to know for sure pre-implementation, it is expected that Hewitt (now AON Hewitt as the result of a subsequent merger) will be able to address all the service issues experienced with Morneau Sobeco.

Currently, Staff is working with Hewitt to ensure a smooth transition when Hewitt takes on the Plan’s administration in the spring of 2011. The first phase is to finalize the documentation of all requirements so that Hewitt can customize their systems to meet the needs of the church’s pension plan and its members. This has been completed with some delay. The data flows

between the payroll service provider and Hewitt to make the process as efficient as possible and relieve Treasurers of some payroll work as it relates to group benefits were not finalized until October 1st. This will make an implementation date of April 1<sup>st</sup> challenging. Considerable work remains to be done.

In the interim, Morneau Sobeco's contract has been extended.

## **6. Funded status of the Plan:**

A full actuarial valuation was conducted in 2010 based on the records as of December 31, 2009 by Mercer, the Plan's actuarial advisor, working closely with the Pension Plan Advisory Committee. This is a return to the usual pattern of undertaking valuations in the even numbered years. All the methods and assumptions were reviewed and several changes were made from the prior valuation to reflect current market conditions, primarily to the economic assumptions (interest rate, inflation, salary levels, potential benefit improvements). The resulting report of this valuation was approved by the Board at its meeting on September 22, 2010 and was filed with the regulators.

In common with most other plans, the valuation uses asset smoothing to spread gains and losses from investments over a four year period to avoid major fluctuations in the valuation results. Given the poor returns experienced in the market and by the Fund in 2007 and 2008, the full losses have yet to be reflected in the valuation results. Additionally, while the Fund's investment performance improved during 2009, it is still below the long term assumption used in the valuation (i.e., 5.5% per annum). As a result, the long term implications for the funded status of the Plan are unclear. For the purposes of filing the 2009 valuation, the results from this valuation, compared with those from the previous valuation, are (in \$ millions, on a going concern basis – i.e., assuming the Plan continues indefinitely):

<b>Valuation date</b>	<b>31.12.2009</b> (in millions)	<b>31.12.2008</b> (in millions)
Actuarial value of assets	\$1,276.0	\$1,283.0
Actuarial value of liabilities	\$1,241.0	\$1,248.0
Surplus	\$35.0	\$35.0

The Plan remains fully funded on the basis of this valuation, consistent with the provision in the Statement of Beliefs and Guiding Principles that "Funding levels must ensure a high level of certainty regarding the security of benefits under the Plan". However, this has been achieved at the expense of the provision for potential benefit improvements, which was decreased from 1.5% to 1.0% per annum. Even then, the Plan is only fully funded when asset smoothing is applied and would otherwise recognize a deficit. It is anticipated that over the next few valuations, asset smoothing could continue to have a negative impact on the Plan's funded status.

Regulatory requirements for such a valuation stipulate that an estimate must also be made of the funded status on a wind up or solvency basis – i.e., assuming the Plan was wound up on the date of the valuation. This calculation showed the Plan would have sufficient assets to fund all promised benefits and that a significant excess would remain.

**7. Amendments to the Plan since the previous report:**

The overall review of the Constitution continued in 2010 with a view to making the document more readable and accessible, to integrate more effectively with church policies related to employment and to identify for further review, benefits that are costly to administer and provide a limited benefit to members. The Pension Plan Advisory Committee completed its review at its August 2010 meeting and recommended that the Constitution be renamed the Plan Text and be restated effective January 1, 2011. The Pension Board accepted these recommendations and approved the restated Plan Text at its September 2010 meeting. The Plan Text will be filed with the regulators in due course.

The restated Plan Text includes a number of Plan amendments effective January 1, 2011, which were communicated to Plan Members in June 2010. These amendments are as follows:

- removal of the co-annuitant provision;
- elimination of the requirement for all Pastoral Charges to contribute even though no employees are accruing benefits;
- removal of the Commuted Value Option for those members aged 55 or over at termination of plan membership;
- refinement of the Integrated Optional Form of pension;
- introduction of immediate locking in of Member benefits and removal of the Non-Locked-In transfer option; and
- amendment of the limitation on amendment to the Plan;

In addition to the above, the issues raised in the ANW11 proposal to GC40 were considered. The focus was on those in Special Appointments by Presbytery and Presbytery Recognized Ministries. The ministry personnel are employed by employers who are not participating in the church's pension plan and the only way to continue plan membership for the ministry personnel affected is to go on a leave of absence. Previously, pensionable earnings were frozen for all those on a leave of absence from the pension plan even if they were receiving a salary from a non-participating employer and their pension was not keeping up. To help address this, a change was approved to allow for the increase in pensionable earnings in these cases up to the increase in the minimum salary schedule.

The Pension Plan Advisory Committee also considered granting a benefit upgrade to active and inactive members effective January 1, 2011. However, in view of the need to examine the long term financial health of the Plan as outlined in the Overview section of the report, the Committee concluded that it would not be prudent to make any changes at this time. The Board approved this recommendation at its September 2010 meeting.

**8. Compliance:**

All administration practices have complied with regulatory requirements and the Plan Constitution. All filings were made on time including the 2009 Audited Financial Statements, the 2009 Investment Information Summary, the 2009 Annual Information Return, the Actuarial Valuation Report, the Actuarial Information Summary, the Employee's Pension Plan Income Tax Return, the Quarterly Survey of Trusteed Pension Funds, the 2009 Census of Trusteed Pension Funds and the Pension Sector Assessment.



**9. Results of any pension governance reviews:**

The Board has almost completed its work to implement the recommendations in the Report of the Task Group on the General Council Executive as the Pension Plan Administrator which the Executive approved in the fall of 2003. Of the 34 items in the project plan, all but one has been completed. The Pension Board requested its legal advisor, Hicks Morley, to review the set of governance documentation and to comment on its completeness, internal consistency and how it compares to best practices from a legal perspective. The Implementation Task Group is in the process of reviewing the recommendations arising out of that review and, as a result, sent the Investment Committee, Pension Plan Advisory Committee and Staff Terms of Reference to the Pension Board for approval at its September 2010 meeting.

In the course of its work, the Implementation Task Group has identified a number of additions to the original project plan, including development of a funding policy and a signing authority policy. Work continues on these items as well as on the processes described in item 1 to support the responsible investment and proxy voting policies.

**10. Other information that the Executive of the General Council requested:**

None

**11. Other information that the Pension Board feels is appropriate:**

Since the last report, the Executive has made 12 appointments to the Board and its Committees:

<b>Appointed to</b>	<b>Name</b>	<b>Term</b>	<b>Start Date</b>
Investment Committee	Andy Moysiuk	2 <sup>nd</sup>	June 2010
Pension Board	Paul Batho	3 <sup>rd</sup>	June 2010
Pension Board	Charles Black	3 <sup>rd</sup>	June 2010
Pension Board	Glen Elliott	2 <sup>nd</sup>	June 2010
Pension Board	Gordon Hall	3 <sup>rd</sup>	June 2010
Pension Board	Nancy Key	3 <sup>rd</sup>	June 2010
Pension Board	Gordon Staples	1 <sup>st</sup>	August 2009
Pension Board	Bill Tynkaluk	3 <sup>rd</sup>	June 2010
Pension Plan Advisory Committee	Jill Hawtin	1 <sup>st</sup>	December 2009
Pension Plan Advisory Committee	Steve Houston	1 <sup>st</sup>	December 2009
<b>Appointed to (cont'd)</b>	<b>Name</b>	<b>Term</b>	<b>Start Date</b>
Pension Plan Advisory Committee	Dan Murphy	1 <sup>st</sup>	December 2009
Pension Plan Advisory Committee	Marcus Robertson	1 <sup>st</sup>	December 2009

The Pension Board has begun to address succession planning issues, as five members have entered their third and final term. As a first step, the Pension Board is forwarding a

recommendation to the Nominations Committee for the appointment of 1 new expert Pension Board member.

Since the last report to the Executive of the General Council, the Board met seven times, the Pension Plan Advisory Committee met six times, the Investment Committee met four times, and the Implementation Task Group met fourteen times. A great deal of time and energy by many volunteers has been directed toward the effective management of the church's defined benefit pension plan which has over \$1 billion in assets for the benefit of about 8,900 members.

All the work at the Committee and Task Group level is reported to the Board for oversight or approval. At the Board meetings, Staff and Committee work was reviewed and the following items were approved:

<b><i>Meeting Date</i></b>	<b><i>Items Approved</i></b>
<i>December 8, 2009</i>	<ul style="list-style-type: none"> <li>• <i>Affiliate membership of SHARE as a pilot project until December 31, 2010.</i></li> <li>• <i>Engagement of SHARE for its Goldcorp-only Core Engagement Service for the calendar years 2009 and 2010.</i></li> <li>• <i>Engagement of Mercer to undertake a search for a Proxy Voting and Management Engagement Services Provider.</i></li> <li>• <i>2010 Pension Plan Budget.</i></li> <li>• <i>2009 Audit Plan.</i></li> </ul>
<i>February 4, 2010</i>	<ul style="list-style-type: none"> <li>• <i>Consideration of Hewitt as the preferred provider for administrative services subject to board members meeting with Hewitt.</i></li> </ul>
<i>February 16, 2010</i>	<ul style="list-style-type: none"> <li>• <i>Appointment of Hewitt for administrative services.</i></li> </ul>
<i>March 25, 2010</i>	<ul style="list-style-type: none"> <li>• <i>No items approved.</i></li> </ul>
<i>May 18, 2010</i>	<ul style="list-style-type: none"> <li>• <i>Appointment of Glass Lewis to provide proxy voting services to the Plan.</i></li> <li>• <i>Additional budget for the transition to Hewitt.</i></li> </ul>
<b><i>Meeting Date</i></b>	<b><i>Items Approved</i></b>
<i>June 8, 2010</i>	<ul style="list-style-type: none"> <li>• <i>2009 Audited Financial Statements</i></li> </ul>
<i>September 22, 2010</i>	<ul style="list-style-type: none"> <li>• <i>Restated Plan Text, previously Plan Constitution, effective January 1, 2011</i></li> <li>• <i>Amended Statement of Investment Policies and Procedures</i></li> <li>• <i>Amended Investment Committee, Pension Plan Advisory Committee and Staff Terms of Reference</i></li> <li>• <i>Actuarial Valuation Report as at December 31, 2009</i></li> </ul>

The next meeting of the Board is scheduled for December 7, 2010.

## Appendix K

### Towards 2013 Commentary

The General Council Office Three Year Plan has been constructed with the following in mind.

#### Context

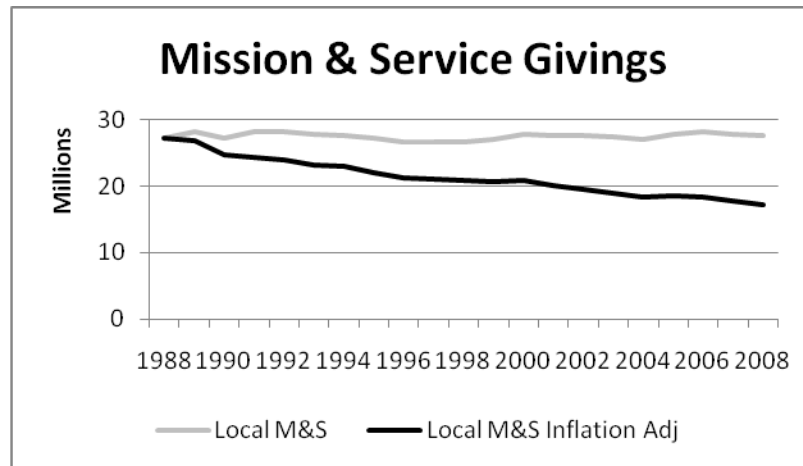


Figure 1

- In planning the financial future for the General Council, it is impossible to ignore the steady decline in givings to its primary source of financial support: the Mission and Service Fund. When adjusted for the effects of inflation, this decline over the past twenty years is obvious (See Figure 1).
- At the same time, when church members are given the chance to participate directly in the work of the church, the response is immediate and generous. The Haiti earthquake appeal raised \$2.8 million in a matter of weeks.
- The role of the General Council Office is being redefined in terms of Identity and Connectionality. In financial terms, the need for givers to the Mission and Service Fund to understand the role of the General Council is clear.

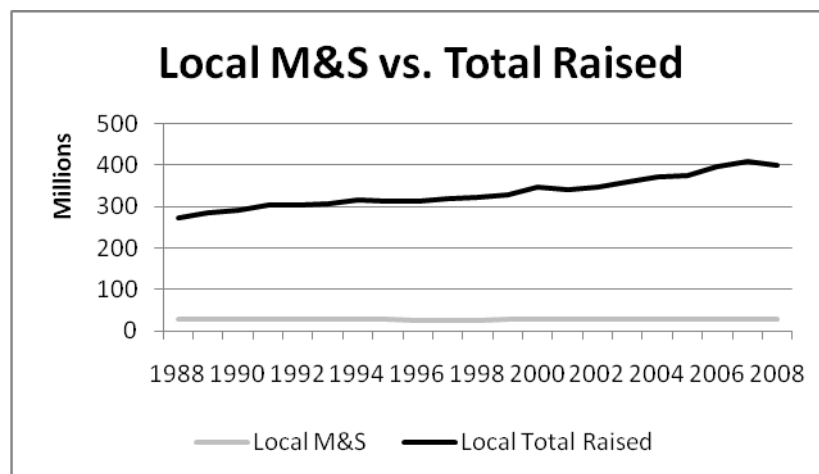
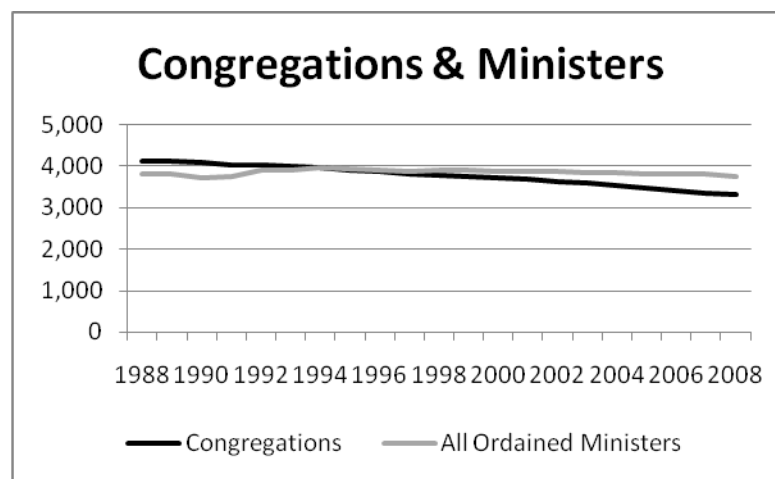


Figure 2

- Figure 2 shows how much money is raised across the whole church compared to the Mission and Service Fund. Clearly, the growth in givings is at the congregational level. In financial terms, the need to connect local members directly to the work of the church is clear.
- Figure 3 shows the decline in congregations. The United Church is losing approximately 50 congregations each year. Many churches are declining as their members age and attendance drops. To reverse the overall trend, a concerted effort to rejuvenate existing congregations and create new ones is needed. In addition, new flexibility is needed in the definition of what constitutes a congregation. If we continue to define congregations in terms of Sunday morning worship in a stone building, we will miss large areas of potential growth. In financial terms, the seeds planted today will need time to grow to the point where they can contribute significantly to the money raised, but they are a key way to reverse the gradual decline currently being experienced.

**Figure 3**

### **Initiatives with a Financial Impact**

- People in Partnership – This new program continues the work of connecting individual congregations to national and international projects, co-ordinated through the General Council Office, over and above the givings to the Mission and Service fund. It provides the opportunity to connect local volunteers and interested citizens to the broader work of the church.
- New Ministries Fund – This fund will enable members to participate in the growth of the church, as well as allowing declining congregations to leave a legacy to those coming after them.
- Network – Providing consulting services to congregations in need has the potential of helping rejuvenate congregations which might otherwise close or merge continue.
- Philanthropy – Current fundraising initiatives to present a cohesive and comprehensive case for fundraising and to broaden the support beyond the immediate membership have the potential of increasing revenue at both the congregational and national level. The congregations are the financial strength of the church. All national philanthropy programs need to help congregations with their revenue generation in addition to raising money nationally.

- A new venture, initially called “United Cares” has the potential of reaching Canadians committed to social justice initiatives beyond United Church membership and the Legacy initiative will help members assist the work closest to their heart, after they are gone.
- Use of Technology – The lower cost and higher quality of communications and information technology present new opportunities to save cost, reduce travel and reduce our impact on the environment.
- Simplification – Our emphasis continues to be to simplify the internal procedures and financial reporting, so that we can save time and staff resources, as well as presenting a clear picture of the church’s position and available resources.

## **Principles**

- Rolling three year plan, updated annually – Our plan is to look forward three years, continually updating the plan every year, so that we are constantly planning ahead.
- We look for partnerships to share costs and resources – Whether internally with the other courts of the church, ecumenically with other denominations or externally with other partners, we look to pool our resources for greater efficiency and effectiveness.
- We support new, innovative initiatives and ministries – While we continue to support our existing infrastructure and ministries; we recognize that we need to be vigilant for opportunities for innovation and expansion into new ministries.
- We need flexibility, to be able to react to changing conditions – Economic conditions, such as the stock market and interest rates; funding decisions by government bodies and the stability of the church’s partners have all changed radically in the recent past. Our planning needs to be able to respond quickly and creatively to this type of change.
- We aim to connect the work to be done to the volunteer resources available – There is a wealth of knowledge and experience in the whole church.

## **Assumptions**

- Negligible inflation for the next three years – A maximum annual inflation rate of 1% is expected over the next three years.
- Relatively stable financial markets – With the church’s conservative portfolio we expect to continue to make a modest income over the next three years.
- Fully funded pension plan – The pension plan continues to be fully funded. With the large proportion of pension plan participants being retired, we assume that the church will not be called upon to fund any pension plan deficit over the next three years. Should that happen, the plan would need to be updated.
- Specific assumptions – See the notes under the financial schedule.

## **Constraints**

- Reserves will be used for transition expenses and as “seed grain” for new initiatives. The farmer saves the seed grain for future crops. In the same way, we will limit the use of reserves in the annual budget.

- A stable work environment for staff – Working within the economic conditions stated above, we recognize that the staff needs a stable work environment within which to work. We will work to limit the effect on jobs to the greatest extent possible.
- A stable environment for our partners – Our partners, in the church, within Canada and abroad, rely on us for stable funding. To the greatest extent possible we will honour our relationships and give as much notice as practical if they need to change.

•

The United Church of Canada					
Three Year Plan					
	Notes	2010 Budget	2011 Plan	2012 Plan	2013 Plan
<b>REVENUES</b>					
Mission and Service Givings	1	29,800,000	29,303,000	28,815,000	28,335,000
Mission and Service Bequests	2	2,400,000	2,360,000	2,257,000	2,218,000
Trust, Endowment & Designated Funds		1,528,000	1,347,000	1,200,000	1,076,000
Sales of Resources	1	1,180,000	1,160,000	1,141,000	1,122,000
Other - Expense Recoveries	3	2,992,000	3,008,000	3,025,000	3,042,000
Foundation		144,000	-	-	-
From UCC Reserve	4	2,000,000	1,400,000	1,400,000	1,400,000
From the Morrison Bequest	5	4,361,000	2,870,000	2,593,000	2,311,000
From Other Reserves	6	1,127,000	138,000	138,000	138,000
<b>TOTAL REVENUES</b>		<b>45,532,000</b>	<b>41,586,000</b>	<b>40,569,000</b>	<b>39,642,000</b>
<b>GRANTS</b>					
Global and Local Partners	7	5,103,000	4,593,000	4,593,000	4,593,000
Mission Support	7	5,000,000	4,500,000	4,500,000	4,500,000
Conferences	8	4,441,000	4,441,000	4,441,000	4,441,000
Theological Colleges & Education C	9	2,140,000	2,033,000	1,926,000	1,926,000
Observer		132,000	132,000	132,000	132,000
Other	10	1,260,000	1,134,000	1,134,000	1,134,000
<b>TOTAL GRANTS</b>		<b>18,076,000</b>	<b>16,833,000</b>	<b>16,726,000</b>	<b>16,726,000</b>
<b>EXPENSES</b>					
Salaries and Benefits	11	13,686,000	12,386,000	12,661,000	12,938,000
Program	11	3,396,000	3,456,000	3,609,000	3,765,000
Meetings and Travel		1,611,000	1,450,000	1,573,000	1,305,000
Rent		2,090,000	2,140,000	2,193,000	2,248,000
Operating		1,312,000	1,325,000	1,338,000	1,351,000
<b>TOTAL EXPENSES</b>		<b>22,095,000</b>	<b>20,757,000</b>	<b>21,374,000</b>	<b>21,607,000</b>
<b>GRAND TOTAL BEFORE RESERVE FUNDED WORK</b>		<b>40,171,000</b>	<b>37,590,000</b>	<b>38,100,000</b>	<b>38,333,000</b>
<b>RESERVE FUNDED WORK</b>					
Aboriginal Ministries Circle & Healir	11	1,211,000	1,211,000	917,000	618,000
Residential Schools		1,659,000	1,659,000	1,676,000	1,693,000
Emerging Spirit		1,491,000	-	-	-
Total Programs funded by the Morrison Bequest		4,361,000	2,870,000	2,593,000	2,311,000
Emergent Work Projects		1,000,000	-	-	-
<b>TOTAL GRANTS &amp; EXPENSES</b>		<b>45,532,000</b>	<b>40,460,000</b>	<b>40,693,000</b>	<b>40,644,000</b>
<b>SURPLUS / (DEFICIT)</b>	12	<b>0</b>	<b>1,126,000</b>	<b>-124,000</b>	<b>-1,002,000</b>

**Addendum L****Report of the Task Group on Demographics of Ministry Personnel****Origin: Permanent Committee on Ministry and Employment Policies and Services****Theological Statement**

Many within The United Church of Canada may have a sense of living in an earlier era. “The word of the LORD was rare in those days; visions were not widespread.” (1 Samuel 3:1b) The recent decline in the number of persons entering the ministry may cause many to believe that these are indeed days when hearing “the word of the LORD” is rare. Rather than become dismayed over the infrequency of such calls, the Church has an opportunity to rejoice in the calls that are made, to support the Samuels of today in discerning their call to proclaim God’s word, and to be contemporary Elisas to explain the true nature of such calls and to encourage those who hear that voice to respond, “Speak, LORD, for your servant is listening.” As a Church, the options are open: to bemoan the loss of a previous time, when the call of the LORD was not so rare, or to decide how The United Church of Canada can best help those called to answer, “Yes!”

**Recommendations**

The Task Group on Demographics of Ministry Personnel recommends that:

1. The United Church of Canada take intentional steps to attract ministry personnel from current and future forecast under-represented demographic groups, namely:
  - persons under the age of 35
  - persons who come from racial minorities
  - men

The United Church of Canada must acknowledge that while the current cadre of ministry personnel give faithful service to the church, the profile of the current demographic does not position the denomination to provide the needed diversity of leadership for the future. There are significant groups who are under-represented in the present demographic and whose absence diminishes the ability of the church to embrace the call to mission the church has defined for the future.

2. The United Church of Canada continue to clarify its understanding of ministry and the categories of ministry within the church and communicate in clear language the particular gifts and responsibilities of each calling, so that those discerning a call to ministry as well as current ministry personnel and members and adherents of The United Church of Canada have greater understanding of the ministerial options available within the denomination, including the rationale for the existence of each distinct type of ministry personnel.
3. The United Church of Canada establish a national recruitment strategy and, through the responsible General Council Office working unit, staff and implement that strategy to:
  - plan intentional programs that foster awareness of paid accountable ministry as a vocation that offers purpose, meaning and fulfillment
  - develop strategies that connect with particular identified groups such as, young adults, racial minorities, and men
  - foster a church culture of being a calling community

- develop ways of communicating the different categories of ministry in ways that connect with personal life experience, skills and gifts
4. Children, youth and young adult ministries and church camping be identified as priorities and that this recognition continue in order to foster the development of leadership skills of a new generation.
  5. The candidacy processes be more accessible and be intentionally user-friendly for younger persons.
  6. a) The Pension Plan take into account in its future planning the decreasing number of ministry personnel who will reach normal retirement age having served for thirty years or more and the Pension Plan manage its sustainability with different demographic assumptions than have been operative in the past.

Future planning will need to include an exploration of a variety of factors, including contribution levels, given the new realities of numbers of contributors to the fund and the shorter length of service forecast; the amount of time before contributions are considered vested; and the increasing number of ministry personnel members of the plan serving part-time.

- b) The Executive of the General Council affirm that a sustainable Pension Plan for The United Church of Canada for both ministry personnel and lay employees is a matter of faithful management of resources.
7. The United Church of Canada address issues of retention, isolation and ministry personnel well-being by providing program resources to assist presbyteries in developing supportive peer communities for ministry personnel.
8. The United Church of Canada, through the Permanent Committee on Ministry and Employment Policies and Services, develop and communicate to the wider church a transitional management plan to bridge the anticipated ministerial resources gap which will be facing the United Church due to the expected retirement of many currently-serving ministry personnel over the next ten years. This would be a short term plan to bridge the anticipated gap – not to enable the church to go on doing the same thing, but to allow the church to address the need for change and plan for its long-term leadership needs.

This could include encouragement to retiring clergy to serve longer either in calls or appointments; greater encouragement to pastoral charges to consider being served by student supply appointments and to students to consider serving during their educational formation; strategies for encouraging retained clergy to consider re-entering active ministry; and strategies for actively recruiting ministry personnel through admissions.

9. The United Church of Canada, through the Permanent Committee on Ministry and Employment Policies and Services, develop and communicate to the wider church a long



term leadership management plan, based on its forecast long-term ministry leadership needs, following a review of the long-term need for its existing church buildings, the growth of part-time ministries which can place a particular financial hardship on its ministry personnel through reduced income, the current number of pastoral charges and the development of a clear understanding of what constitutes a viable pastoral charge/congregation/mission or community ministry, and the current policy that “as far as reasonably possible, every Pastoral Charge shall have a pastorate without interruption, and that, as far as reasonably possible, every effective member of the Order of Ministry shall have a Pastoral Charge” (Basis of Union 9.2). This long-term plan must address these issues in order to shape the future demographic and should be implemented beyond the short-term plan covering the next ten years.

10. While acknowledging there is a need to nurture mission and ministries that are responsive to God’s call to the church in the current context, The United Church of Canada continue to articulate the call to ministry within the congregational setting as the primary need for paid, accountable ministerial leadership over the next decade.
11. The United Church of Canada through the Permanent Committee on Ministry and Employment Policies and Services, along with staff of the appropriate General Council Office working unit(s), work cooperatively with theological colleges and related educational institutions to shape programs to determine what courses of instruction are required to educate the future ministry personnel of The United Church of Canada and which educational institution(s) can best provide that education, given the diversity of types of ministry personnel within the denomination and the work done to date on the “learning for leadership outcomes”. Determining what level of education is essential to prepare individuals to serve as ministry personnel within The United Church also must co-relate to a clearer understanding of the categories of ministry personnel, the rationale for the existence of each of those categories, and the type of service offered by those serving in each of those categories (see recommendation #2).
12. The United Church of Canada obtain current demographic data on the members and adherents of its congregations (i.e. age, gender, ethnicity, etc.) for the purpose of forecasting what the Church’s future requirements will be for ministry personnel leadership and what the nature of the future church will be.

### **Background and Mandate**

In 2007, the Executive of the General Council directed the Permanent Committee on Ministry and Employment Policies and Services (the Permanent Committee) to implement a comprehensive study of the factors which had created the current demographic of ministry personnel. In response, on May 13, 2008, the Permanent Committee created a Task Group on Demographics of Ministry Personnel (the Task Group), which was populated through the nominations process along with one representative appointed by each of the Permanent Committee on Ministry and Employment Policies and Services and the Permanent Committee, Programs for Mission and Ministry.

The Task Group was given the mandate to:

1. review the current demographic of ministry personnel;
2. identify factors that may have contributed to the creation of the current demographic of ministry personnel;
3. examine the impact the current demographic is having and will have over the next twenty (20) years on the life of the Church, particularly in the areas of congregational leadership, emerging challenges in maintenance of our congregations, and the management of the pension and insurance programs available to ministry personnel;
4. consider the findings of information gathered in view of current General Council programs and practices to:
  - a. identify programs and practices that may be contributing to maintenance of the current demographic;
  - b. identify programs and practices that may need to be initiated to ensure the future demographic of ministry personnel will meet the needs and resources of the Church; and,
  - c. develop recommendations for actions to be taken with respect to the development of a demographic of ministry personnel that will meet the future needs and resources of the Church; and
5. prepare a final report for the consideration of the Permanent Committee on Ministry and Employment Policies and Services for presentation to the Executive of the General Council by June 1, 2010.

The mandate was subsequently extended by the Permanent Committee to September 30, 2010.

### **Members of the Task Group**

Rev. Brian Copeland

PC MEPS Representative, November 2008–August 2009

Chairperson, November 2008–May 2009

Rev. Dave Denholm November 2008–May 2009

Rev. David Ewart November 2008–September 2010

Mr. Jim Jackson

PC PMM Representative, November 2008–September 2010

Rev. Steve Longmoore November 2008–September 2010

Chairperson, May 2009–September 2010

Rev. Ian March-MacCuish, November 2008–September 2010

Rev. Lillian Roberts, November 2008–September 2010

Mr. Gordon Staples

PC MEPS Representative, September 2009–September 2010

Dr. Roy West, November 2008 – September 2010

### **General Council Office Staff Supporting the Work of the Task Group**

Angie Musonza

Catherine O'Brien

Rev. Joe Ramsay

### **The Current Demographic**

There are three demographic profiles that are of particular interest in understanding the strengths and weakness of the profile of ministry personnel that currently serve the denomination. They are age, gender and ethnicity. The age profile is relevant because it is an indicator of the church's sustainability in terms of ministry personnel supply to serve the current context and generation. The gender profile is of interest as it indicates the ability of the church to change its profile over time. In the past twenty years the number of women in active ministry has dramatically increased. The ethnic profile is becoming more of interest as there is recognition that in a multi-cultural context it is important to mirror that diversity in leadership. Each of these demographic profiles presents opportunities and challenges for The United Church of Canada.

The Task Group began its work by gathering information on the current ministry personnel of The United Church of Canada. [The term "ministry personnel" is defined in The Manual 2010. See Appendix A.] The Task Group focused its interest on the demographic factors of gender, age, category of ministry personnel, and urban/suburban/rural place of ministry for those in active service. Though demographic information on other factors such as languages spoken, ethnicity, marital/family status, highest level of education attained, and church membership history might have aided the work of the Task Group further, such data is not acquired from the denomination's ministry personnel and consistently recorded in its database within the General Council Office. The denomination may wish to consider if such information should be more diligently gathered in the future.

There are a number of other limitations on the demographic data available on the ministry personnel of the United Church. Firstly, data on those serving in Ethnic Ministries, Aboriginal Ministries, and Ministries in French cannot be identified as such and presented in distinct categories, due to their small numbers. Secondly, the data on those serving as Designated Lay Ministers tend to be quite fluid, since these are only included in the category of "ministry personnel" if they are serving in an appointment. Thirdly, demographic information available on those serving in appointments as Ordained Supply, Candidate Supply, Student Supply, and Intern Supply is often limited.

More than 85% of ministry personnel serving in Pastoral Charges are members of the Order of Ministry (Ordained Ministers and Diaconal Ministers). For the members of the Order of Ministry, reliable data is available on their gender and age. Most of the data provided in this report will focus on those two key demographic factors.

Over the past few years, there has been much conversation about the age of ministry personnel serving in The United Church of Canada. The Age Distribution Chart attached [see Appendix B] reflects the age and gender demographics of five of the largest categories of ministry personnel serving in Pastoral Charges as of May 14, 2009, for those ministry personnel whose birth dates are entered in the database. The five largest categories of ministry personnel are: Ordained Ministers, Diaconal Ministers, Ordained Supply Ministers (those from other denominations in the United Church's admissions program), Presbytery Designated Lay Ministers, and Conference Designated Lay Ministers. Statistics available as of October 1, 2009 reflect that of the 4,451 total

ministry personnel, 2,208 (or 49.6%) serve in Pastoral Charges. The rest are retired, “retained on the rolls”, or serving in special ministries.

The attached Appendix C [see Appendix C-A and C-B] is charted data on the actual numbers of Ordained and Diaconal Ministers by age and gender. While the data on certain categories of ministry personnel is limited or absent from the database, the data on those in the Order of Ministry reveal that the average age of those in the 65 and under age group is relatively high: the average age of an Ordained Minister in that age group is 53.88 years and the average age of a Diaconal Minister in that age group is 53.66 years (based on data retrieved on April 15, 2010).

When defining the demographic of ministry personnel by gender, the numbers are well balanced in terms of the Order of Ministry. The April 15, 2010 data reflect that there were 1,101 (approximately 54%) male Ordained Ministers and 952 (approximately 46%) female Ordained Ministers. It is interesting to note that, of those aged 45 and under, 172 (approximately 56%) are female and 137 (approximately 44%) are male. When the Diaconal Minister numbers are added to the number of Ordained Ministers, the balance is almost 50/50, with 1,118 males and 1,112 females in the Order of Ministry. There has been noticeable growth in the number of females entering ordered ministry over the last few decades.

Of all ministry personnel serving within Pastoral Charges, over 75% are Ordained Ministers; almost 25% provide leadership from within the other categories of ministry personnel. In examining the categories of ministry [see Appendix D], the highest percentage of men serving as ministry personnel do so as Ordained Ministers (85%). In contrast, 66% of women serving as ministry personnel do so as Ordained Ministers. Women have significantly stronger percentages in most other categories, the exceptions being Ordained Supply and the Minister in Training Program. The Age Distribution Charts (Appendix B) also highlight the fact that the Diaconal Minister category and both Designated Lay Minister categories are female dominated in terms of numbers. In contrast, the Ordained Supply Minister category is male dominated in numbers.

The United Church of Canada has not been able to avoid the impact of urbanization across the country. Many rural areas have suffered major depopulation over the past number of years, and in many cases the youth and young families have moved on to urban centres for education and work. Though the majority of the Canadian population lives in urban settings The United Church of Canada still has a significant percentage of preaching points in rural parts of the country. Appendix E reflects the categories of pastoral charges being served by our ministry personnel, based on gender and age factors.

### **Identification of Contributing Factors**

It is hard to say definitively what has created the current demographic of ministry personnel within The United Church of Canada, but there are a number of factors which have worked together to contribute to the current demographic. These are not exclusive to The United Church of Canada. Studies by other denominations in North America reflect similar trends: more women in ministry, more mid-life individuals entering ministry, and fewer people under the age of 30 entering ministry.

American mainline denominations have been asking the question “Where are the younger clergy?” since the late 1990s. The patterns of age demographic visible within The United Church of Canada can be found in most North American mainline denominations. Roy Oswald of the Alban Institute, as early as 1993, wrote about it in “Finding Leaders for Tomorrow’s Churches: The Growing Crisis in Clergy Recruitment”. Since 2000 there have been a number of studies which have addressed the issue of clergy demographics and the impact on the denominational life. Among the studies and resources are:

“Clergy Age Trends”, A Lewis Centre Report, United Methodist Church, 2006

“The Crisis of Younger Clergy”, Lovett H. Weems, Abingdon, 2008

“Will there be a Clergy Shortage?”, Episcopal Church USA, 2002

“Recruiting Young Clergy”, Centre for Clergy Excellence, Texas, 2007

“Report on Clergy Recruitment and Retention”, Presbyterian Church USA, 2004

“God’s Potters”, Jackson Carroll, Eerdmans Publishing, 2006

“Who Shall Lead Them”, Larry Witham, Oxford University Press, 2005

The common thread is the reality that those serving in ministry are, on average, an older group than a generation ago. Many North American churches have suffered a serious and sustained decline in the number and percentages of clergy under the age of 35. Denominations share the dilemma of attracting young clergy with other denominations. A United Methodist Church study places The United Church of Canada 12th out of 13 North American denominations in terms of the percentage of clergy under the age of 35, citing 2.62% as the operative number or 59 clergy [see Appendix F]. This statistic seems to be consistent with the demographical statistics generated for this study. It is worth noting that, while The United Church of Canada has experienced a more dramatic decrease in the recruitment of younger clergy, the denomination has also lagged behind other North American mainline churches in identifying the concern.

Given that the trends within The United Church of Canada are consistent with those of other North American mainline denominations, it is unreasonable to speculate that there is some particular aspect of the denomination’s theological direction or its practices over the past 20 years which has particularly impacted the development of its current demographic.

The age of the ministry personnel of the United Church is a key demographic factor. There are a few identifiable trends which have contributed to the current demographic and an impression that the candidacy process is not readily accessible or user-friendly. As noted in Appendix G, there has been an upward trend in the average age at which people are entering the ministry. No longer are the faces of new ministers predominantly those of young adults in their mid- to late-twenties.

To get beneath the numbers, the following factors are seen to have had a significant impact on the age factor of the demographic:

- The aging of the general population, including those who would identify themselves with The United Church of Canada
- Changing cultural and social perceptions of “the Church”
- Lengthier vocational training requirements
- Gender-based perception changes – now a more attractive vocation for females who may have begun their working lives in another line of work
- Wider diversity in the categories of ministry, thus now attracting some to new types of ministry not previously available to them
- New opportunities for leadership through the DLM program (Lay Pastoral Minister programs were at one time restricted to those over the age of 40)
- The decline in church attendance, creating a smaller pool of potential ministry personnel, especially with fewer young people being active in church life
- The ending of nation-wide programs for children, youth, and young adults which had served in part to develop faith-based, church-centred leadership skills (i.e. Explorers, CGIT, Tyros, Sigma-C, TuXis, Hi-C, YPU)
- Dwindling participation by youth and young adults in congregational and denominational programs that are offered
- Greater career choices now available to young people and more competition and aggressive marketing among potential “employers” to attract these young people
- The perceptions, and reality, of the compensation packages offered to ministry personnel (including the salary and the provision of a manse)
- The perceptions, and reality, of the church (as a place of work) and what it means to be and serve as a minister
- The secularization of society and the Church as an institution – the loss of the sense of something “holy”
- Church structures and practices which have encouraged older, more life-experienced leadership – leadership attracts “mirrored leadership”: when young adults do not experience young adult ministers, there is less connection to ministry
- Issues related to the candidacy process, initial settlement requirements, and ministry within the pastoral charge context
- Recognition of the rural demographic – there are many rural congregations, but not a significant number of youth in those congregations; many candidates now come from urban contexts and are less willing to live and serve in rural settings
- Ever increasing educational costs – they present a greater hurdle for those who have not worked to save up to cover the costs of completing the required educational programs for ministry and/or they result in new ministry personnel being faced with small incomes and large student loan debts to repay
- Congregations and ministry personnel now much less proactive in supporting the discernment of a call to ministry in younger persons – no existing “culture of call or discipleship” in many congregations
- The impact of the media on the image of the wider Christian Church

- The harm done to the Christian Church through abuse done by clergy (i.e. sexual abuse and the failure on the part of some church leaders to respond to the abuse appropriately) – fewer individuals want to be included in the same vocation as abusers
- The current view that a career/vocational path is no longer a “life-long commitment”

Gender is also a key demographic factor. As is also evidenced in Appendix G, over the last few years the number of women coming to serve the church has outnumbered the men. In 2010 there are 42 new Ordered Ministry Personnel, two thirds are female and one third are male. There has been a significant trend of more women being trained to serve the church and entering its ministry over the past couple of decades. Some factors identified as related to this change are:

- When it existed, the work of the Women’s Desk at the General Council Office
- Changes in the role of “the minister” – less authoritative, more nurturing
- The loss of societal status afforded to the clergy
- The perception of ministry no longer connecting with what are perceived to be traditional male-leadership roles
- Opportunities for more women to become involved as a late career choice or second career option – to respond to a call years after it was first heard

With the increasing use of Designated Lay Ministers, there has been an obvious jump in terms of overall numbers of those members of the laity who have been recognized by Conference or appointed by Presbytery to serve in ministry positions. This may be due in part to:

- Greater accessibility of lay leadership training
- The move of more Ordered Ministry Personnel (particularly men) to urban locations resulting in a shortfall of Ordered Ministry Personnel serving in rural contexts
- A desire for local ministry leadership to sustain a long-term pastoral relationship in a rural context
- Second career options for those who are unable or unwilling to participate in a residential degree program
- The absence of a requirement to accept initial transfer and settlement
- The opportunity for immediate appointment/employment in ministry
- The United Church’s increasing recognition of the importance of lay leadership, particularly to address the shortage of Ordered Ministry Personnel
- The church’s policies reflecting denominational ambivalence about attributing status to any one form of ministry

The current demographic of the ministry personnel has also been impacted by admissions and re-admissions to the ranks of the United Church’s ministry personnel. This, no doubt, has increased the ethnic diversity of the church’s ministerial leadership, although to what extent is impossible to determine, given the lack of statistical data on the ethnicity of ministry personnel. However, new admissions and re-admissions do have an impact on the gender and age statistics [see Appendix H]. The significant numbers of ministry personnel being admitted or re-admitted to the Order of Ministry within The United Church of Canada may be due in part to:

- Church polity which invites inclusion and participation of persons called to ministry regardless of gender, family status, sexual orientation, ethnicity, nationality, etc.
- Conflict and persecution within other countries which threatens ministry personnel serving in those countries
- Opportunities within the United Church to serve in ethnic ministries in another country than one's country of birth
- A less rigid theology than is offered by some other denominations and an openness to a variety of expressions of faith, both individually and congregationally
- Opportunities to serve in communities which are eager to welcome ministry personnel

As has been noted, there has been a shift in The United Church of Canada and to a greater extent in society as a whole towards a more urbanized lifestyle. For many considering ministry in the United Church, the probability of serving a rural (often multi-point) pastoral charge is not ideal and this has impacted inquirers' willingness to pursue their call to ministry within The United Church. The factors influencing this urban/rural dichotomy include:

- Ministry Personnel's mobility is often limited by a desire not to disrupt or impact adversely their spouse's career, particularly if the spouse is already established in a particular work location, and their children, particularly if they are school-aged
- The increasing number of rural pastoral charges which have become part-time ministries, thus offering less income on which to live
- Geographic spread and the time and distance requirements for travel to serve within a rural pastoral charge and also to take time away from the pastoral charge
- Issues of isolation – from their “home” communities, extended family, and friends
- Perception, and reality, of “palliative” congregations – a greater sense that as urbanization increases, those serving rural pastoral charges are there to keep the church open until the last member dies
- Candidates coming from urban context face a cultural shock and often hold the perceptions that rural means traditional, outdated, conservative, etc.

### **Other Factors, Influencing Programs and Practices**

With the declining numbers of people participating in congregational life and contributing, through their time and treasure, to the Church, many pastoral charges no longer require, and can no longer afford, the services of full-time ministry personnel. So the ever expanding existence of part-time ministries is impacting the demographics of The United Church's ministry personnel. In April 2010, there were 603 ministry personnel within The United Church who were serving in part-time ministries (anything from two hours to 37 hours per week). At least 35 of those ministry personnel served concurrently in two or more part-time ministries. Retired supply ministers made up 136 of the 603. The increase in the number of part-time ministries makes the vocation of ministry more attractive to older individuals (many receiving pension income as a result of a previous career) and less attractive to younger individuals just starting out, often with significant debt loads.

Ministry personnel are also retiring with fewer years of service. In 2007, 76 ministry personnel retired after having completed a combined 1,945 years of service – an average of 25.6 years of



service each. The average age at retirement was 63.6 years. In comparison, in 1990, 96 ministry personnel had retired after a combined 3,110 total years of service – an average of 32.4 years of service each. Further information on retirements can be found at Appendix I. A lower retirement age results in more potential years of receiving pension benefits. As more and more individuals enter the ministry of The United Church later in life than was the practice earlier in the Church's history, a significant demographic has developed. The Church can no longer hold the expectation that older ministry personnel have more years of service and experience in the vocation of ministry than do younger ministry personnel [see Appendix J]. In actual fact, of the members of the Order of Ministry, 54.4% of active members have less than ten years of service. This also tends to lower the average years of service completed at the time of retirement, which in turn reduces the amount of the monthly pension benefit payable. However, some ministry personnel (though clearly in a minority) are choosing to defer receiving pension benefits in order to complete more years of service prior to retirement. The impact of this is to ensure a larger pension benefit payable on retirement while reducing the potential years available to receive that benefit.

Some pastoral charges have been unable to attract and retain ministry personnel to serve their congregations. As a result, these pastoral charges are now relying entirely on Licensed Lay Worship Leaders to provide leadership on an ongoing basis, rather than for limited and periodic service which was the original purpose behind the creation of the category of Licensed Lay Worship Leader. While LLWLs do undergo a training program prior to their recognition by their own Presbytery, they are not “ministry personnel” as that term is defined within The United Church of Canada. As a result, several pastoral charges are now being “served” by persons not qualified as ministry personnel.

### **The Impact of the Current Demographic Now and Through the Next Twenty Years**

The current demographic of ministry personnel causes the Church to face some serious issues:

- Many ministry personnel choose to retire with less years of service. Fewer individuals are entering the ministry; thus fewer individuals will be contributing to the pension plan. Therefore ensuring the sustainability of the current pension plan becomes a priority
- There is increasing confusion about the role of a “Minister” – about what is the true meaning of ministry, whether there is an ongoing need for all the various categories of ministry, and if The United Church of Canada should continue to have an Order of Ministry, set apart through ordination or commissioning for service in the Church
- Where should the Church's ministry personnel serve – is the greatest need for ministerial leadership within pastoral charges or should the Church's ministerial resources serve predominately in other ministries
- There are currently fewer ministry personnel serving pastoral charges than there are pastoral charges. This calls into question the Church's ability to continue the policy that “as far as reasonably possible, every Pastoral Charge shall have a pastorate without interruption” (Basis of Union 9.2, The Manual 041)
- The current demographic does not position the denomination well to address the priorities of being an Intercultural church and to attract youth and young adults into a more active and involved role within The United Church of Canada

- The presence of younger ministry personnel enhances the “energy level” and innovation of the church
- There is a sense that The United Church of Canada has slipped, perhaps irreversibly, into “survival mode”
- While the increase of female ministry personnel has increased female leadership within the Church, there is a sense that increasingly males have withdrawn from participation in the Church’s leadership

There is a lot of speculation involved in what the impact of the current demographic will have on the life of the church over the next 20 years. On October 1, 2009, there were 1,683 Ordained Ministers serving Pastoral Charges and 128 Diaconal Ministers serving Pastoral Charges. The data in Appendix C-A indicates that of the current members of the Order of Ministry, only 309 Ordained Ministers and 15 Diaconal Ministers will be age 65 or under in the year 2030.

Appendix K documents some basic projecting around the decreasing numbers of congregations and pastoral charges. While it is anticipated that more of these pastoral charges will become part time ministries and others may close, it is anticipated that the rate of decline in the numbers of ministry personnel will exceed that of the rate of decline in Pastoral Charges, the most common context in which United Church ministry personnel serve.

The glaring fact evidenced in the graph is that, at the current rates, the number of new ministry personnel coming into service within the church will not equal the number who are leaving active ministry, mostly through retirement. Over the short term some of the gap may be covered by retired supply appointments; however that practice cannot be considered an acceptable long term solution. The church must develop new models of “doing ministry”. Many models could be explored. For example one option might be to utilize order of ministry personnel as supervisors overseeing multiple pastoral charges served by lay leadership.

Over the next twenty years, if trends continue, far fewer active members will be contributing and more pensioners will be receiving benefits. It is anticipated that there could be a significant shortfall in the Church’s pension plan and an adverse impact on its benefits programs. These are areas which need to be addressed to ensure the sustainability of the plans.

Again, looking at the projections, with the smaller number of young ministry personnel, then the church as a whole will lose out on the experiences offered by those who have served the church for lengthy periods of time. And with it, might also be the loss of first hand memory of where the church has been called – a loss of the ecclesiastical “corporate knowledge” of ministry.

If the trends of the last number of years continue over the next 20 years, the Ministry Personnel of The United Church of Canada will be predominantly female, with the “average ministry personnel” being someone entering the vocation in their mid-forties, and expected to remain in ministry for 18-20 years.

Within the wider context of the church, the shifting demographics of ministry personnel mean that The United Church of Canada cannot wait 20 years to act; the Church has to make some difficult decisions about church structures and relationships now:

- Is it still viable to have one minister to serve each pastoral charge?
- Is the church too property-heavy and, if so, how can the Church assist congregations in going forward beyond buildings to a more mission-based, out-in-the-community presence?
- What is the commitment of the denominational structures (General Council, Conferences and Presbyteries) to the ongoing life and health of small congregations, pastoral charges, and rural communities?
- Does the Church's current four-court structure serve the work of the church and best support its ministry personnel?
- In light of the anticipated continuing decline in the numbers of new ministry personnel, is there a need or the ability to support all of the current theological schools across the country?

These are significant questions which the Church must struggle with as the number of active ministry personnel continues to decline.

### **Changes Needed**

In light of the shifting age demographic of our Ministry Personnel, it is important to hold up some of the trends that have been noted at the congregational level. As shown in Appendix L, over the last 20 years there has been a steady decline in most denominational statistics, including: number of congregations, number of pastoral charges, number of serving ministry personnel, number of households under pastoral care, and number of financially supporting households. The statistics of the last five years show an ever sharper rate of decline.

It is hard to predict what The United Church of Canada will look like in 10 to 20 years, but without some major revival, it is reasonable to expect that the trends of the last twenty years will continue. Given the average age of retirement of ministry personnel is currently 63.6 years of age, it is reasonable to anticipate that the most of the ministry personnel reflected in the numbers of members of the Order of Ministry listed as aged 44 and over [see Appendix C-A] will not be included in the numbers of ministry personnel serving the United Church in 2030.

While demographic information on our congregations is not available (and such information would be beneficial when projecting the characteristics of The United Church of Canada of the future), many of our congregation members appear to be senior citizens, many of whom within 20 years will no longer be able to contribute to the life of their congregations. There are other issues which may impact the financial viability of congregations including: mandatory increases to clergy compensation, changes to the compensation requirements dealing with the provision of a manse or a housing allowance, changes to pension funding, and increasing building costs – both day to day and capital expenses.

The possibility of a divisive issue arising within The United Church of Canada also presents a challenge to the congregational health of the church. As some churches and pastoral charges close their doors, it will alleviate some of the stresses of the potential shortage of ministry personnel, but it does not necessarily offer a comfortable solution. Such closures will primarily, though not exclusively, be happening in rural areas.

The Task Group does not have the skills to go into great detail with regards to the question of pension and benefits, but given the increasing number of retirees and the age of those who have been coming into ministry, it would appear that there will need to be significant reviews to both the Pension and Benefits programs, unless there is a surge of new recruitment to offset the losses. The Task Group has been advised that, for the United Church's pension plan to "break even" in terms of contributions made and benefits received, a contributor must begin making contributions before reaching age 40. Given the average age of ministry personnel on entry into the pension plan and the plan's current contribution levels, the Church is faced with the difficult position of having to rely on the investment performance of the pension funds in order to address the shortfall in terms of contributions. This is not considered to be sustainable in the long-term. It is a concern that is foreseen, and thus a need to be referred to others with more skill and knowledge of the pension system.

Long Term Disability (LTD) is another area of some concern. The Task Group does not have data on the cause for ministry personnel being on LTD program. In order to respect the privacy of those who are on LTD and maintain the confidentiality of the program, the availability of statistics is limited. However it is estimated that about 6-8% of ministry personnel serving in a call or appointment are, at any one time, on LTD leave. The responsible Program Coordinator for the LTD program advised the Task Group that, when compared to similar groups, these figures are on the high side. It signifies that the United Church may need to explore further ways to assist its ministry personnel to ensure greater availability of ministry personnel to continue in service.

Many of the Church's existing programs and practices contributing to the current demographic are offering good support. These include:

- The All Native Circle Conference's practice of raising leadership from within
- The current Admissions System – for bringing in additional ministry personnel from other denominations, especially ethnic ministers, adding to the numbers and the diversity of the Church's ministry personnel
- The existence at the General Council Office of two positions dedicated to Children's/Youth/Young Adult Ministries
- The existence of the Ministries In French Unit
- The growth and development of the Designated Lay Ministry Program
- The development of the Summer Distance (In Ministry) Program for candidates leading to ordination

Yet much remains to be done. The following existing policies, programs and practices should be revised to reach a different (i.e. younger, more ethnically diverse, male) demographic and address their concerns:

- Candidacy
- Transfer and Settlement
- The "meaning of ministry" – greater articulation and greater understanding (plain language)
- Salary/Compensation Issues
- Benefits Packages, including EAP/Disability/Pension
- Camping/Camp Ministries
- Youth And Young Adult Ministries
- Church Structure as a whole, including the Conciliar system
- Moving ministry from maintenance to transformation

- Clearer statements on issues of buildings and properties
- Part-time Ministries
- Defining the place of rural congregations and ministry personnel's expectations
- Defining the place of ethnic congregations and ministry personnel's expectations
- Recruitment and Retention

To suggest what programs are needed for the future church, it is necessary to envision what that United Church will be, in response to God's call. It is the view of the Task Group that the future church will need to encapsulate the following:

- The Church must be composed of relevant, mission-oriented, vibrant communities which are faithful to the Gospel of Christ.
- There will be an increased focus on issues relating to ecology, global justice and peace issues, as well as worship and the pastoral presence that is offered.
- It may be a place that is more focused on discipleship than membership and more intentional about the formation of a Christian identity.
- The church will require a paid accountable ministerial leadership that is connected to our faith tradition and story. There may be need of others who are called to serve in various leadership roles in the life of the church.
- Given that the number of congregations is decreasing, there is an opportunity to re-purpose some of the church buildings.
- The entire structure of the Church from General Council to the congregations may need to be more nimble to deal with the diversity of the church.
- In more communities, it may be advisable to move in the direction of Ecumenical Shared Ministries with our partners.
- United Church Ministry Personnel would offer leadership in this model by being equipped with a new set of skills, including but not limited to:
  - offer a pastoral presence to a variety of people, "churched and un-churched"
  - articulate effectively their own experience and theology
  - communicate clearly
  - be technologically aware
  - demonstrate and use leadership and administration skills
  - create and implement a business plan or work in community development
  - utilize conflict resolution skills
  - demonstrate self-awareness and maintain a program of self-care
  - commit to continuing education
  - demonstrate consistently the ability to work in a team staff environment

In order to develop a demographic of Ministry Personnel that will meet the future needs and resources of the Church, it is recommended by the Task Group on Demographics of Ministry Personnel that The United Church of Canada implement the Recommendations listed earlier in this report.

Over the period of time that the Task Group has been at work, it has become apparent that the demographic sands continue to shift. Appendix M reflects the age and gender demographics as of August 4, 2010. Some significant developments have been noted by the Task Group. This spring, 72 persons were welcomed into the ranks of ministry personnel within The United Church of Canada through ordination, commissioning, recognition, admission, or re-admission. Of those 72, 65% are female and 35% are male. Thirty-nine individuals joined the ranks of the denomination's Order of Ministry. Only

four (10.25%) of these new ministry personnel are Diaconal Ministers. A particularly noteworthy statistic is that, of the 35 newly Ordained Ministers, nine (more than 25%) were under the age of 30 at the time of their ordination. Perhaps this can be considered the first indication of the turning of the tide.

Other recent developments will also have an impact on the demographics of ministry personnel. For example, the results of the vote on the remit which will allow new ordinands and commissionands to seek a call, rather than be settled in a pastoral charge, may now encourage those who feel a calling to ministry but are not geographically mobile to pursue that calling. Similarly, the ongoing work of the Ministry Compensation Task Group and the Steering Group on the Candidacy Pathway may result in changes which will remove barriers that have prevented some individuals from answering in the affirmative God's call to serve as ministry personnel. The recent decision of the Executive of the General Council to accept the report, "Planning for a Future Grounded in Faith and Action", will no doubt give rise to an examination of seemingly limitless opportunities for new ministries. The Church of the future will need ministry leadership for those ministries as well as for its existing ministries, particularly in the congregational setting.

Yet clearly there remains much to be done and there is a sense of urgency about how the church will respond to its ongoing need for educated, qualified ministry personnel. As the call goes out for more persons to respond to God's call to ministry within the Church, the demographic profile of the ministry personnel of the United Church will continue to change.

The developments which have been made to date and the developments which will occur if the proposed recommendations are implemented will indeed be cause for a, "Thanks be to God!"

### **Gratitude**

**Thank you** to all those individuals who shared their insight and offered helpful information and encouragement as the Task Group conducted its work [see list of guests at Appendix N]. Their contributions were invaluable. Particular appreciation is expressed to Tom Broadhurst, Information and Statistics Coordinator, and to Jason Ding, Programmer Analyst, for their expertise and assistance in researching the data used in support of this report. This work could not have been completed without their ongoing help.

### Addendum M

#### Budget for the 41st General Council 2012

CATEGORY	GC40 #	\$/PERSON	TOTAL \$	GC41 Budget #	assume 7 days - same # \$/PERSON	BUDGET
Commissioners	393	1,647.71	647,548.86		1,355.00	501,392
Agenda & Planning	5+9	prep not included 1,277.7	57,297.71		1,432.00	42,838
Global & Ecumenical Partners	21	JGER paid Travel 1,020.64	21,433.36		938.10	13,000
Worship	9	3,227.81	29,050.24		2,977.78	19,000
Music Leadership	4	1,707.00	6,828.00		1,707.00	10,000
Support Personnel	60	1,393.33	83,599.40		1,201.75	72,105
Other Expenses			54,310.06			55,000
Facility Costs			175,558.46			212,302
Media & AV Person	7	1,747.86	12,235.00		1,612.15	11,285
Youth Forum	92+22	2,652.92	242,068.00		2,326.09	142,500
Young Teens	8+4=12	1,139.80	9,119.84	Parents pay the cost \$ for leaders	1,767.50	10,000
Children	11+15=26	2,144.39	23,588.24		2,760.90	10,273
Childcare	0	0.00	0.00	0		0
Others & Guests	50	868.64	43,432.00		738.00	10,305
<b>TOTAL:</b>	724		1,406,069.47			1,110,000
<b>Less Bus costs for 120</b>						-36,000
						1,074,000

### Addendum N

#### Theological Reflection – Pat Lawson-Paul

Thanks to the Moderator and General Secretary for the invitation to offer this reflection. My name is Pat Lawson-Paul – I have been on GC staff for 5 years as Program Coordinator, Vocations for Ministry Leadership.

It seems to me that the Executive of General Council stands in a tragic gap.

Parker Palmer describes this tragic gap as - “a gap between the way things are and the way we know they might be”.

The gap itself is not a void – far from it – for the gap is where we hold the tension of the reality of the moment and the possibility of something better.

Over the last two days the gap we straddle has contained such tensions as:

- to tweet or not to tweet;
- move the office or stay put;
- own or lease;
- ways of working differently;’
- Facebook posts, You tube videos;
- The Manual
- live streaming;
- Israel Palestine;
- Budgets;
- Accountability reports;
- Responsibility to Protect;
- Holy Manners
- Plans for the next General Council
- Video conferencing
- demographics
- Pension plans, and on and on.

The scripture we are reflecting on for this weekend meeting speaks of the signs of the end of the age and the promise of a new heaven and a new earth. Tension is created even as we try to make sense of these.

As the governors of the church, you have a prophetic responsibility to the church to manage tension. You must teach the church how to navigate the sea of ambiguity that swirls around and lead the church toward the possibilities that await.

When my granddaughter was a year old, her parents took her up the CN tower. I have a picture of her standing on the glass floor with the world stretching out beyond her feet. That picture reminds me of the possibilities for her future – who she will be, how she will be gifted, and how she will be what God created her to be and do.

When you look at the tension you hold, as you maneuver the gap of uncertainty about the future of the church, it’s easy to think more about the details; to want to eliminate the tension by moving to a decision. I call it ‘making sandwiches’ and it’s a common phenomenon in the church.

When we meet to plan a meeting, we spend more time deciding what kind of sandwiches there will be and who will make them than we do on what the vision for the meeting is.



Parker Palmer writes that when we move too quickly to ‘get on with it’ – to remove the tension – “we have deprived ourselves of a chance to find a better way by allowing opposing ideas to enrich and enlarge each other until a new vision emerges.”

If we hold on to the tension long enough, a third way of thinking and acting will emerge.

As our Moderator says, it takes listening with humility and speaking with ‘chutzpa’ but if we can live in the tension, we will be opened to finding a 3<sup>rd</sup> way, and that means

- finding ways to make meaningful connections with the world;
- discovering where we need to be and how we can be the church God created us to be;

- seeing the ways we can gather together that lives out good stewardship;

And maybe even,

- knowing how to be patient enough to figure out video conferencing.

Jesus says that we will see the signs of the end of the age and we will be tempted to prepare our defense in advance. – We will be tempted to talk about the sandwiches.

But instead of doing that, use the time to testify – in other words, use the time to tell our story, to let the world know who we are and what we believe. Let’s claim our identity as God’s church in the world and build relationships to weave a tapestry of connections.

Jesus says we will be given the words and the wisdom to maneuver the tensions in the gap and not a hair on our heads will perish.

New possibilities will emerge, possibilities we will not even have imagined.

God tells us through the prophet Isaiah that the future waits

God will guide us,

God hears us before we utter a word – answers us before we ask.

May God grant us the courage to stand in the gap and welcome the possibilities.

## **Addendum O**

### **Outline for Proposed Legacy Campaign**

The United Church of Canada is ready to proceed with a Legacy Campaign in early 2011. With the support of the Permanent Committee on Finance and the Board of The United Church of Canada Foundation, we are asking the Executive of the General Council to authorize the launch of this major initiative, which would seek legacy gifts, or bequests, to support the work of the United Church.

**Goals**

The goal of the Legacy Campaign would be to increase significantly the number of congregations and mission units undertaking new or revitalized legacy giving programs; the number of known new individual legacy gift commitments; the number of immediate major gift prospects and gifts received; and the estimated value of new known legacy gift commitments.

**Background**

The development of a Legacy Campaign has been under consideration for some time. Since the May 2010 meeting of the Executive of the General Council, consultations have taken place with members of the Permanent Committee on Finance, the General Council Office Management Group, Conference Executive Secretaries, The United Church of Canada Foundation Board, and KMA Consultants, a consultancy that was contracted to help develop an integrated fundraising plan for the United Church. The United Church's case for support—a portfolio of documents that sets out why donors should entrust their financial gifts to the church—is nearing completion and a detailed outline of the case has been shared with a variety of constituencies.

**Focus**

The focus of the Legacy Campaign would be two-pronged. It would target by direct mail individuals who are known annual fund, major, and legacy gift donors. It would also target congregations and other United Church ministries and mission units through a formal legacy giving program that would be led by the congregation/unit using prepared resources, with support from United Church Financial Development Officers. Some of that work could be done in clusters within a presbytery.

Donors would decide how their gifts would be used. Gifts could be given to any United Church congregation, mission unit, partner, camp, school, or education centre. This would include ongoing work of the United Church supported through the Mission and Service Fund or through endowments held by The United Church of Canada Foundation, but not exclusively through these vehicles. Some gifts would rest with, and be for the benefit of, local ministries and missions.

**Critical Factors for Success**

Several key factors are needed to ensure the success of a Legacy Campaign. These factors include complete and active buy-in from the church's leadership, both volunteer and staff; adequate administrative staff to ensure prompt responses to donor inquiries; and a clear message of hope, inspiration, and faith in the future of the church that conveys the church's commitment to transformational change.

**Advisory Committee**

The board of The United Church of Canada Foundation will play an active leadership role in relation to the Legacy Campaign, which will operate under the oversight of the Permanent Committee on Finance. A small advisory committee would meet by teleconference and via electronic media to develop an overarching theme and goals, and serve as the lead group in contacting donors and overseeing ongoing plans. Members of the committee would include members of the Board of The United Church of Canada Foundation, members of the Permanent

Committee on Finance, a past Moderator, and the General Secretary. The committee would help advise the Director of Major and Planned Gifts and the Director of Philanthropy (when hired). Other volunteers and staff would be called on to be engaged in the Legacy Campaign.

### **Market Channels/Tools**

The types of channels and communication tools for the Legacy Campaign still need to be determined. They could include multi-channel marketing such as *The Observer* (including Conference inserts); community and neighbourhood newspapers in census areas indicating a high percentage of United Church adherents; presbytery and Conference networks, including regional sessions led by Financial Development Officers, senior volunteers and other staff for information-sharing; receptions and information sessions; and regular mail, e-mails, and social media.

Print and electronic resource tools would also be made available. These tools would include:

- A binder of information for congregations and mission units on how to organize a legacy giving program
- A brochure and other print material specific to campaign
- Existing legacy giving resources, which have been redesigned recently
- The United Church of Canada's case for support
- Testimonials and stories from current and new legacy donors
- Web videos and web pages
- DVDs

### **Immediate Major Gifts**

In conjunction with the Legacy Campaign, initiatives to facilitate the growth of the major gift program would also be put in place. Prospects would be actively scouted and identified, and immediate major gifts would be encouraged as appropriate. Research and cultivation approaches would be started on key identified prospects, and various “asks” would be made throughout the legacy thrust.

### **Timeline**

<b>May 2010- January 2011</b>	<ul style="list-style-type: none"> <li>• Finalize case for support</li> <li>• Finalize resource information needs by developing new pamphlets/information</li> <li>• Finish integrating Foundation database records with church database records</li> </ul>
<b>November 2010</b>	<ul style="list-style-type: none"> <li>• Decision by the Executive of the General Council on launching a Legacy Campaign</li> <li>• Determine timing of formal announcement</li> </ul>
<b>November 2010- February 2011</b>	<ul style="list-style-type: none"> <li>• Finalize detailed business plan</li> <li>• Enlist honorary patrons</li> <li>• Establish Advisory Committee members</li> </ul>
<b>January 2011</b>	<ul style="list-style-type: none"> <li>• Finalize roll-out with Financial Development Officers</li> <li>• Finalize campaign details, including reporting and tracking tools</li> </ul>

<b>March 2011</b>	<ul style="list-style-type: none"> <li>Formally announce Legacy Campaign by March 1, 2011</li> </ul>
<b>March-April 2011</b>	<ul style="list-style-type: none"> <li>Roll-out Legacy Campaign implementation plans to congregations, presbyteries, and congregations</li> <li>Widespread information-sharing across the church, including theological schools, education centres, camps, mission units, global partners, individual donors</li> </ul>
<b>May-June 2011</b>	<ul style="list-style-type: none"> <li>First wave of marketing concludes with 2011 Conference meetings</li> </ul>
<b>September-October 2011</b>	<ul style="list-style-type: none"> <li>Full roll-out of Legacy Campaign to congregations and other ministry and mission units complete</li> </ul>
<b>May-June 2012</b>	<ul style="list-style-type: none"> <li>Second-wave of legacy focus in Conference meetings</li> </ul>
<b>August 2012</b>	<ul style="list-style-type: none"> <li>Interim report to the 41st General Council 2012 in Ottawa</li> </ul>
<b>December 31, 2013</b>	<ul style="list-style-type: none"> <li>Wrap up active Legacy Campaign as a special focus</li> </ul>

### **Addendum P: General Council Office Accommodations Task Group Report**

**Origin:** General Secretary, General Council

This is the final report of the General Council Office Accommodations Task Group. The mandate of the task group was to plan for the General Council Office's office accommodations after the expiry of the current lease on Jan. 31, 2015. The Executive of the General Council approved the task group's mandate in November 2006, and members were named in May and November 2007.

After meetings to plan the work, review the archival material, develop the guiding principles and theological rationale, the task group developed criteria for expressions of interest, which were circulated to Conference Executive Secretaries and Speaker in October 2009 with a request that any new proposals be submitted by January 31, 2009. The task group received expressions of interest from Ottawa, Toronto, and Winnipeg. The task group also considered renewing the lease at the General Council Office's current location at 3250 Bloor St. W. in Toronto.

General background work was done on the four options. Real estate consultancy Cushman & Wakefield was retained to assess the General Council Office's space requirements, real estate market conditions in each of the three cities, and the potential costs of each option. The task group has determined that all four options meet the criteria and would make viable sites for the General Council Office.

However, developing all four options further will require considerable staff time and costs. There is also some urgency to reach a decision as some of the options require a commitment from the General Council Office before they can proceed. For these reasons, the task group recommends that the Executive narrow the options so resources can be focused on providing the Executive with the detailed information it needs to make a final decision.

The General Council Office would remain a tenant in all the options under consideration. No capital has been identified to fund the construction of a building. The effect on the operating

budget and the transition costs are subject to the approval of the Permanent Committee on Finance.

### General Considerations

- **Need to Act**—The current lease expires on January 31, 2015. A new building can take five to six years to plan, meet regulatory requirements, and construct. Some of the proposals involve new construction or extensive renovation.
- **Negotiating Room**—Within each of the options, allowing for more than one possible office location will give the church a way to invite competitive bidding, leading to a more cost-effective solution.
- **Narrowing Options**—Each of the options will require money and staff time to develop and prepare detailed plans. Reducing the number of options that are developed will reduce the cost and focus the work.
- **General Council Office Requirements**—An overview analysis prepared by Cushman & Wakefield based on current norms shows that the General Council Office requirements can be met within 40,000 square feet of office space, or roughly two floors in the current office building. Detailed planning will be required to fit the space requirements to the chosen option. Given that it is difficult to project office needs into the future, some flexibility will be desirable.

### Option 1: Stay Where We Are

(Note: options are not in any order.)

#### Proposal Description

- Renegotiate the current lease to convert meeting space to offices, remove one floor and extend the lease for 10 or more years.
- Compare the current space with other Toronto buildings to ensure competitiveness.

#### Appeal

- 3250 Bloor St. W. has served us well and is a workable space.

#### Meeting the Criteria

##### *Meeting Space*

- Hold larger meetings at a local hotel or churches

##### *Local/National Travel*

- Close to airport
- Toronto has the most direct domestic and international flights of any Canadian city.

##### *Diverse Labour Pool*

- Toronto is a diverse, multicultural city

##### *Volunteer Pool*

- Continue to be drawn from local members.

##### *Ecumenical Partnering*

- Close to Emmanuel College, the Canadian Council of Churches, KAIROS and the national offices of the Anglican Church of Canada and the Presbyterian Church in Canada

##### *Public Transit*

- Subway access (not wheelchair accessible) in the building.

##### *Parking*

- Parking in the building.

**Transition Costs**

- Minimal staff disruption, relocation, and termination costs.
- Space planning and moving costs within the building.

**Long-Term Costs/Savings**

- Reduced rent due to less space.
- Market rate

**Timeline**

- This option can be put into effect before the end of the lease by converting meeting space into offices and subletting the extra space or by renegotiating with the landlord now to extend the current lease with a smaller floor space.

**Option 2: Bloor St. United Church, Toronto****Proposal Description**

- Bloor Street United Church is considering proposals from real estate developers to renovate and renew the church using the proceeds from the sale of a condominium tower on the same property. The project would include 40,000 square feet of office space for the General Council Office.

**Appeal**

- Close connection with a historic worship space, a presence in the community
- Partnering with a congregation
- Centrally located, close to a hotel and additional meeting space
- Financed by the redevelopment of the site to include a condominium tower

**Meeting the Criteria***Meeting Space*

- Shared with the local congregation
- Next door to a good hotel

*Local/National Travel*

- Toronto has the most domestic and international direct flights of any Canadian city.

*Diverse Labour Pool*

- Toronto is a diverse, multicultural city

*Volunteers*

- Continue to be drawn from local members.

*Ecumenical Partnering*

- Close to Emmanuel College, the Canadian Council of Churches, KAIROS and the national offices of the Anglican Church of Canada and the Presbyterian Church in Canada

*Public Transit*

- On the subway line, between two wheelchair accessible stops

*Parking*

- Parking to be included in the development

**Transition Costs**

- Minimal staff disruption, relocation or termination costs.
- Relocation costs within Toronto

**Long-Term Costs/Savings**

- The rent payments will go to another part of the United Church and the rent will be based on cost and so will be less than local market rates as well as less than the church's current total rent.

**Timeline**

- Bloor Street United Church is waiting for the accommodation decision before beginning formal planning.
- This project is estimated to take 5 – 6 years to complete, and requires regulatory approval. An extension to the current lease would probably be necessary.

**Option 3: Ottawa****Proposal Description**

- Ottawa Presbytery submitted an expression of interest, stressing the symbolic and intangible qualities of a national presence in the nation's capital. Space would be rented in the downtown area or there is a possibility of co-locating with other ecumenical partners, but no specific plans have been formed to date.

**Appeal**

- Downtown Ottawa offers the ability to network informally with the federal government as well as associations with national justice and aboriginal organizations in a bilingual city.

**Meeting the Criteria***Meeting Space*

- Close to Ottawa hotels and local churches

*Local/National Travel*

- Close to Ottawa airport. Note that many flights connect through Toronto or Montreal.

*Diverse Labour Pool*

- Ottawa is a diverse, bilingual and multicultural city

*Volunteer Pool*

- 75 Preaching Places, 18,536 members in Ottawa Presbytery

*Ecumenical Partnering*

- Potentially a close relationship and even shared services with the Evangelical Lutheran Church in Canada and the Anglican Church of Canada if they move to Ottawa, as well as many national aboriginal, environmental, justice and charitable organizations.

*Public Transit*

- Local bus service

*Parking*

- To be negotiated

**Transition Costs**

- Moving the General Council Office to Ottawa would cause either significant severance costs or operational disruption, depending on whether severance or working notice is given to staff. There would also be costs related to moving employees to Ottawa.

**Long-Term Costs/Savings**

- The rent will be based on Ottawa market rents, which are slightly less than Toronto.

**Timeline**

- This project is in initial planning and does not yet have a firm timeline; however it is expected to take 5 to 6 years from the approval date.

**Option 4: Winnipeg****Proposal Description**

- The University of Winnipeg is interested in including space for the United Church. One possibility would be to move into space in the soon to be renovated top four floors of the Hudson Bay Company (HBC) building in the downtown core, 40,000 square feet of which could be leased to the United Church at market rates.

**Appeal**

- The proposal from the Conference of Manitoba and Northwestern Ontario was enthusiastic, had strong local support, and included the possibility of partnering with the University of Winnipeg.
- There is a cooperative ethos in the city that could allow for strong relationships with local charities
- Support included the municipal and provincial governments.
- The lower cost of living in Winnipeg, compared with Toronto or Ottawa, could make it easier for people to relocate there for General Council Office positions.

**Meeting the Criteria***Meeting Space*

- University space and local churches and hotels

*Local/National Travel*

- Close to Winnipeg airport,

*Diverse Labour Pool*

- Winnipeg is a diverse, multicultural city

*Volunteer Pool*

- 36 Preaching Places, 11,903 members in Winnipeg Presbytery

*Ecumenical Partnering*

- The Evangelical Lutheran Church of Canada and the Centre for Christian Studies
- The University of Winnipeg redevelopment could include other compatible organizations.
- Two conferences are located in Winnipeg.

*Public Transit*

- Local bus service

*Parking*

- Part of the agreement with the University of Winnipeg

**Transition Costs**

- Moving the General Council Office to Winnipeg would cause either significant severance costs or operational disruption, depending on whether severance or working notice is given to staff. There would also be costs related to moving employees to Winnipeg.

**Long-Term Costs/Savings**

- The office rental market in Winnipeg is limited. With 40,000 square feet, the United Church would be one of the larger organizations renting space. Renting at market



rates for newly renovated space through the University of Winnipeg may be the only viable option.

**Timeline**

- With a commitment from the United Church, the University can create a detailed plan. As the proposal is for renovated space in an existing building, if the United Church committed this year, it is expected the space would be ready by the expiry of the current lease in 2015.

**Recommendation**

The four location options presented meet the Task Group's mandate issued by the General Secretary, General Council along with the Task Group's own developed Location Criteria, Theological Rational and Guiding Principles. The four options discussed all have their own unique non-financial attributes for potential new future General Council accommodations for the United Church of Canada. These non-financial attributes, along with the preliminary financial cost factors, provide a summary of each option sufficient for consideration, acceptance and/or further development. The Task Group requests that the Executive consider the four options identified with the intent that one option be selected for implementation. Should the Executive deem that further development or information is required before a final decision is rendered, then the existing task force, a new group, staff and/or the private sector consultants could provide this assistance.

The task group thanks the GCE for the past opportunity to participate in such an important initiative.

**William Legge, Newfoundland & Labrador Conference**

**Karen MacNeil, Maritime Conference**

**Deb Walker, Saskatchewan Conference (Chair)**

**Kent Ward, Toronto Conference**

**Bill Kennedy and Mary Worrall, General Council staff resources to the Task Group**

**Appendix A****Mandate of the Accommodations Task Group**

The mandate of the task group is to facilitate the work of the Executive of the General Council with respect to supervising and regulating the office accommodation of the General Council working units, and in particular planning for and providing future office accommodation.

The task group will

- Develop, for consideration by the Executive of the General Council, a set of principles that will guide future office accommodation;
- Identify and consult with the various groups with an interest in the United Church's office accommodation;
- Explore and report on a variety of options consistent with the principles adopted by the Executive of the General Council;

- Make recommendations to the Executive of the General Council for amendments to the scope of the work, timeframe or composition should needs dictate;
- Determine the task group's work plan and communicate it to the Executive of the General Council; and
- Submit a written report to each meeting of the Executive of the General Council with a final report by November 2010.

### **Theological Rationale**

We live in a time of radical imperfection; do we rush ahead or lag behind? May we seek to pace ourselves with God's Spirit...

One of the responsibilities of the Executive of the General Council is the supervision and regulation of the office accommodation of the General Council and its working units.

We believe that the General Council Office (Church House) is an important symbol of identity and public witness for The United Church of Canada.

As such, our greatest desire for the General Council Office is that it reflects a model of excellent stewardship of all of our resources, and care for our people and our relationships with others.

### **Guiding Principles**

We believe that it is essential for the life and work of the General Council that the accommodations reflect our commitment to faith-filled stewardship, mindful of creating a work environment and space that includes:

- Respect for Creation: A sustainable green space, that respects the use of non-renewable resources and makes the most effective use of modern design principles
- Space that is safe for all, accessible, healthy, inclusive, and financially practical
- A workplace that is responsive to the changing needs of the General Council Office
- Opportunity to love and serve others: intentional hospitality, fellowship, and worship space for visitors and guests, volunteers, staff, and partners
- A desire to participate in community, and have an impact on the neighbourhood
- God's call to transformation and renewal: flexibility to respond to our changing world: workplace trends, economic turns, and the mission that God calls us to

### **Criteria for Expressions of Interest (GCE, Nov. 2009)**

1. United Church of Canada requires an General Council (National) Office
2. Canadian location
3. Contiguous space for 125-150 persons and appropriate in-house or convenient, accessible meeting space
4. Suitable geographic location to accommodate
5. Local/national travel
6. Population – diverse, labour pool (including volunteers)
7. Church's mission and social stewardship

8. Diverse culture
9. Suitable facilities to accommodate
10. General Council Office function and denominational relationships
11. System integrity (IT), safety, accessibility, sustainability
12. Flexibility with regards to changing nature of workplace trends and denomination's mission
13. Potential ecumenical partnering
14. Accessible to public transit
15. Parking for staff and visitors
16. Competitive real estate costs
17. Potential partnership of shared services but not necessarily shared space