



The Eastern Synod Lutheran Leaders' Edition

March 2018



From Riitta's Desk

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A Church in Mission for Others

- * We will practice Spirit-ed Discipleship.
- * We will pursue Com-
passionate Justice.
- * We will strive to be a
Healthy Synod.
- * We will build Effective
Partnerships.

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I have good news to share. There will be another communication workshop for pastors, ministry leaders, lay leaders, event organizers and coordinators.

**Communications for con-
gregations: A workshop to
help you tell your story**

**May 10, 2018
10 am - 3pm**

At Synod Office

74 Weber St. W. Kitchener
For more information click
[here](#).

The purpose of the
Leaders' Edition is to sup-
port you and your leader-

ship. We inform about new
or updated policies, rules
and regulations and re-
mind of important dates
and duties.

Please, note that the
Leaders' Edition's previous
issues can be found on our
website. Here is the link.

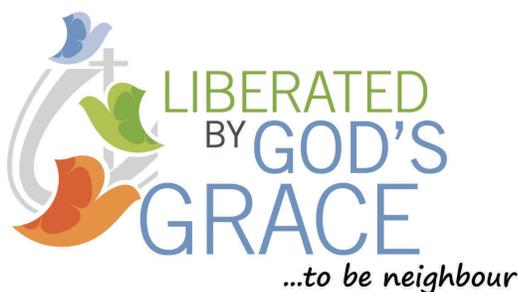
[http://
www.easternsynod.org/
content/leaders-edition](http://www.easternsynod.org/content/leaders-edition)

If you or your congrega-
tion are on social media,
please connect with us. We
are on [Facebook](#), [Twitter](#)
and [Instagram](#). We love to
share your news. We hun-
ger for your stories. Don't

be shy to send your min-
istry stories directly or
through links to other
publications or invite me
to visit to learn what is
happening in your con-
gregation.

The monthly [news-
letter](#) can be found on
our website. Please for-
ward it to your members
and print copies to those
who don't have access to
internet.

Grateful for your
partnership!



Assembly 2018

*Seventeenth Convention of the Eastern Synod of the
Evangelical Lutheran Church in Canada*

June 21 - 24, 2018

Delta Hotels by Marriott Toronto Airport & Conference Centre

(Formerly International Plaza Hotel)

Toronto, Ontario

Dear Synod Treasurer,

by Keith Myra



Keith Myra
Treasurer of the Synod

Question: *Can you bring us up to date on current regulations pertaining to cemeteries that are owned/operated by a congregation.*

Response: The regulation of cemeteries falls under the jurisdiction of federal, provincial and municipal bodies.

FEDERAL CONSIDERATIONS

The following Canada Revenue Agency (CRA) considerations apply to all cemeteries that are owned/operated by congregations in the Eastern Synod:

1. The operation/maintenance of a cemetery must be included as one of the charitable purposes of the congregation in its governing documents and in the application form (currently known as form T2050) that was submitted to CRA when the congregation originally applied for registered charity status. If this purpose wasn't specified at the time of original registration or through a subsequent amendment, an

amendment to the congregation's charitable purpose must be requested from and approved by CRA. For more details about the process involved and the information that CRA will require in order to consider such a request, please contact me (email: kmyra@kmyra.ca).

2. A registered charity that has been established to operate and maintain a cemetery cannot restrict the sale of its plots to only those individuals who are members of the congregation, nor can it charge a lower rate to a member compared to a non-member as doing so would be in violation of the Income Tax Act (providing an undue private benefit to a member). Similarly, in the case of the congregation charging a fee for a funeral/memorial service, the same fee must be charged to a member and a non-member.

3. All plots must be sold at fair market value.

Non-compliance with any of the above regulations could result in fines to a congregation, suspension of its tax-receipting privileges, or in the case of repeated violations, revocation of its charitable registration status.

PROVINCIAL CONSIDERATIONS

In Ontario, cemeteries are governed by the [Burial and Funeral, Cremation Services Act, 2002](#) and administered by the Bereavement Authority of Ontario (BAO). Although regulations in other provinces are for the most part quite similar to those of Ontario, there are a few differences from province to province. Cemeteries in Ontario must adhere to the following requirements:

1. By-laws must be established, approved and kept up to date to reduce the risk of liability. Sample by-laws that can be used as a model and amended as required are available from the BAO. The by-law approval process involves several steps including:

- Publishing the proposed new/amended by-laws in a local newspaper with general circulation
- Clearly posting the proposed by-laws at the entrance to the cemetery for four weeks
- Delivering a copy of the proposed by-laws to those who supplied markers within the previous year
- Final approval of the new/amended by-laws by the BAO Registrar

2. If the balance of a Cemetery Care and Maintenance (Perpetual Care) Fund exceeds \$50,000 the funds must be held by an incorporated/licensed trustee that is licensed under the Ontario Trustee Act.

If the balance of a Care and Maintenance Fund is less than \$50,000, the cemetery operator must apply to the municipality requesting that the municipality act as trustee in which case a memorandum of understanding is provided and used in place of a trust agreement. If the municipality refuses to act in this capacity, it must provide a letter to the cemetery and the fund must be held in a local bank branch where it may be invested in any investment vehicle that is permitted under the Ontario Trustee Act (e.g. cash, GICs, stocks, bonds, mutual funds, etc.), provided that a prudent investor would do so under similar circumstances. Such funds must be held in a separate account and cannot be co-mingled for investment purposes with other congregational funds.

Continues p. 3...

Dear Synod Treasurer continues from page 2



MUNICIPAL CONSIDERATIONS

In addition to CRA and provincial bodies, municipalities also have authority in limited areas such as the care of abandoned cemeteries and approving major alterations to a cemetery (e.g. expanding land available for burial, building a crematorium, etc.). Municipalities also have the power to order a cemetery operator to maintain an existing cemetery.

Upon request and where it is likely that an existing cemetery may otherwise be abandoned (e.g. if a congregation is no longer able to maintain its cemetery), some municipalities will assume responsibility

for the cemetery's ongoing maintenance and operation. Other municipalities may refuse these types of requests to avoid increasing the financial burden on its taxpayers.

FOR MORE INFORMATION

Congregations located in Ontario should consult the following sources: Bereavement Authority of Ontario (BAO): Website: <https://thebao.ca> Email: info@thebao.ca; Phone toll-free: 1-844-493-6356

[Consumer Information Guide](#) – This information is also provided by funeral homes, cemeteries, etc.

Congregations located in Nova Scotia requiring advice on provincial cemetery

matters should contact Rev. Dr. Kimber McNabb, pastor of Resurrection Lutheran Church, Halifax (email: rev-kimbermcnabb@yahoo.ca; phone: (902) 422-9224)).

As neither Quebec nor New Brunswick have provincial regulators for cemeteries, congregations located in these provinces are advised to contact their local municipal office.

If you have a question related to regulations or other congregational financial issues, feel free to email me (kmyra@elcic.ca). In addition to responding to you individually, I will publish (anonymously) the most common questions/answers in future issues of Leaders' Edition.

New Requirement For Donation Receipts

Canada Revenue Agency requires that a number of specified items, including CRA's name and website address, be included on donation receipts that are issued by a registered charity to its donors. As a result of CRA's recent website move to the canada.ca website, official donation receipts must be updated with CRA's new website address: canada.ca/charities-giving. This change must be made to your donation receipts no later than March 31, 2019. For details on other information that must appear on each donation receipt refer to CRA's website page: [Sample Official Donation Receipts](#).

Have You Filed Your 2017 Charity Information Return Yet?

One of CRA's most important requirements for registered charities is that each charity complete and file its annual Registered Charity Information Return (T3010) within six months following the charity's fiscal year-end. If your congregation is similar to most congregations and has a December 31st fiscal year-end, this means that your T3010 for 2017 must be received by CRA no later than June 30th, 2018. Congregations failing to file by the deadline risk fines, possible loss of suspension of their tax-receipting privileges, or in more extreme situations, revocation of their charitable registration status. Have you checked with your congregational chairperson or treasurer to determine the status of your 2017 return? For more information pertaining to the T3010, refer to my article on page 3 in the [June 2015 issue of Leaders' Edition](#).

Help Available From Your Foundation



Planned Gifts

A gift in a will can provide much-needed money to pay for congregational ministries. Do your members and supporters know that you would welcome such gifts? If they are willing to make a gift to the congregation, do they know how to go about it?

The following are available at www.elfec.ca/resources :

- Four short videos from Lutheran Planned Giving explain the hows and whys of making a planned gift: They are brief enough to show during Sunday announcements or at an adult education session.
- Sixteen handouts on a variety of planned giving topics.

In addition, ELFEC will come to you if you want a speaker for a planned giving information session at your church. Email Jeff Pym at jpym@elfec.ca to book a date.



Gifts of Investments

People who have non-registered investments in stocks or mutual funds can donate them to your church and enjoy significant tax advantages. If your congregation doesn't have the brokerage account needed to receive such gifts, ELFEC will do it for you. Contact Krista Kuehnbaum at kkuehnbaum@elfec.ca for more details.



Investment Management

Is your congregation dissatisfied with the rate of return you are receiving on your investments? Are you uncomfortable about your values not being reflected in your holdings? ELFEC manages investments in a socially responsible way on behalf of 30+ congregations and other expressions of the church. Contact Jeff Pym at jpym@elfec.ca to learn more.



News

Want to keep up with news on planned giving and investment trends? Subscribe to ELFEC News, our quarterly e-newsletter, by registering on our home page at www.elfec.ca.



We Need Skilled Board Members

Would you like to contribute to our work as a member of ELFEC's board of directors? Visit our website to learn more: www.elfec.ca/serving-our-board.

Rules We Live By Constitutions and Bylaws March 2018

by Wendell Grahlman



Congregational leaders are reminded of the new Model Constitution and Bylaws for Congregations (2017) released from ELCIC National Church Council last September. It provides a good opportunity to review the entirety of constitutional documents in the congregation. There are several sections of the new Model that would bring congregations up to date on more recent practices with respect to good governance and, in some cases, legislation that applies to congregations in their various contexts. In the new Model, special attention is directed to:

- moving the bulk of procedural items out of the constitution into bylaws (with bylaws needing only one congregational reading to amend);
- Part I regarding Membership, and the timing/use of the responsibility list (Section 4), the responsibility of the Congregational Council for the roster of members (Section 5);
- Part II regarding Reconciliation and Discipline, and restorative practices being available before disciplinary measures;
- Part III regarding Authority, and the ability of the congregation to function and operate responsibly (Section 5 and Section 7);
- Part VI regarding Congregational Meetings, for voting members (Section 1), notice of meetings (Section 5), absentee voting (Section 7, see also Appendix 1 of the Information Guide which accompanies the Model);

- Part VII regarding the Congregational Council, for council membership (Section 1), the role of rostered ministers (Section 2), meeting by electronic means (Section 12), email votes (Section 13), conflict of interest (Section 14);
- Part IX regarding Amendments, clarification of the amendment process (Section 1).

If you have any questions about congregational constitutions and bylaws, including the new Model, contact Synod Secretary Rev. Wendell Grahlman at wgrahlman@elcic.ca or leave a message at synod office ext. 14.

For those 30+ congregations who are incorporated by the Province of Ontario, a recent legislative bill contains amendments to the Ontario Corporations Act. Note that while these provide some options, none of them are automatic without a congregation amending their bylaws to reflect them.

- Notice of members' meetings may be given by electronic means (in writing, where they are accessible for subsequent reference, and capable of being retained). A congregation will need a bylaw amendment for electronic notice to be an option.
- Current law requires directors/councillors to be removed by a two-thirds membership vote; a congregational amendment would now allow removal by a simple majority.
- An incorporated congregation may consider non-members (with their consent in writing) to be elected to the congregational council, again only with a bylaw amendment to permit this option.

gational council, again only with a bylaw amendment to permit this option.

- Directors and officers will be subject to a statutory objective standard of care, i.e. by acting honestly and in good faith with a view to the best interests of the congregation and exercising the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. Congregations may need to update their governance policy to replace any reference to the *common law subjective* standard of care with the *statutory objective* standard of care.
 - Members may, by an extraordinary resolution (80% of the votes cast at a congregational meeting), decide not to appoint an auditor and not to have an audit of a financial year if the congregation had annual revenue in that financial year not exceeding \$100,000 or a different amount prescribed by the regulations. (Currently, an audit exemption requires the consent in writing by all members, so an amendment would be required to act differently). Even though an incorporated congregation may decide not to undergo a professional audit, at minimum an internal review is still required.
- Note that these are just intended for those congregations who are incorporated; congregations who are not incorporated would continue to act according to their present constitution with respect to these items (however, refer to the new Model for similar options).

Nomination and Election of Eastern Synod Delegates to 2019 ELCIC National Convention

In 2015, the National Church adopted a new format for national convention size and delegate selection. In this new model, each synod has the responsibility for determining how it will elect its delegates. For the National Convention in 2019, the Eastern Synod will have 54 delegates. All delegate costs will be the responsibility of the Eastern Synod.

During this year's Synod Assembly (June 21-24, 2018), 44 delegates will be elected: 17 active rostered, 24 lay, and 3 youth. The remaining ten delegates (5 lay and 5 rostered) will be elected by the Synod Council at its meeting in November. The complete [nomination policy](#) is on the synod website for your information.

This notice is the **call for nominations** for election at the Synod Assembly. Nominations will close on April 22, 2018, and biographical info for all eligible nominees will be posted on the Eastern Synod website by May 22. There will be no nominations from the floor during synod assembly. Eligible nominees shall be:

- rostered ministers, called or appointed to serve in a ministry of this church;
- lay members in good standing of a congregation of this church; and
- youth who are members in good standing of a congregation of this church and who will be between the ages of 16 and 25 inclusive on the first full day of the next national convention.

Only one nominee, with the exception of youth delegates, may be nominated from any given congregation. Two fillable pdf forms on Eastern Synod website ([click the link](#)) can be shared electronically between persons.

1. [An Endorsement Form](#) must include endorsement of the nominee: by 10 persons (representing at least 3 Eastern Synod congregations); and by a motion by the congregation/council where the nominee holds membership.
2. [A Biographical Form](#) must be completed by the nominee. Please keep narrative answers brief; the information boxes are limited in the amount of text that can be entered. Note that your express consent is required via the checkbox to publish your information in the Bulletin of Reports and on the synod website.

Both forms must be returned by **April 22, 2018** to the synod office as indicated below.

Your help in distributing this letter and the additional information in as many ways as you can would be greatly appreciated! A sample bulletin announcement follows:

The Eastern Synod will be electing delegates this June to the 2019 ELCIC National Convention. If you wish to nominate someone for the election ballot at the Synod Assembly, please have the Endorsement and Biographical Forms completed and returned to synod office by April 22.

Thank you in advance for your partnership and cooperation.

Rev. Wendell Grahlman
Eastern Synod Secretary

Please submit to:	Eastern Synod, ELCIC 2019 National Convention Nominations 74 Weber St W, Kitchener ON N2H 3Z3
Fax:	(519) 743-4291
Email:	wgrahlman@elcic.ca