



To: Congregational Treasurers
Rostered Ministers Serving Congregations

From: Keith Myra, Treasurer

Date: December 1st, 2023

Re: 2023 Year-end and Other Important Financial Matters

In addition to being included in the December 1st weekly email newsletter to congregational lay and rostered leaders, a hardcopy version of this communication has been mailed to all congregational treasurers using the church mailing address. Although intended primarily for congregational treasurers, it is also important that rostered ministers and other congregational leaders be aware of this information.

To facilitate access to the URL link references, a copy of this communication has been posted online – to find the online version, go to the home page of the Eastern Synod website (<http://www.easternsynod.org/>), scroll down to the rose coloured box titled 'Treasurers/Financial Info', click the drop down arrow, select 'News Updates' and click on the "Search" button.

If you have questions related to this communication, please contact Mandi Walker (email: mwalker@elcic.ca; toll-free phone: 1-877-373-5242, Ext 223) or me: Email: kmyra@elcic.ca Toll free: 1-877-373-5242 (Ext 224)

I am hardly able to believe that this is the 34th edition of my annual year-end communication to you! This will also be my final one. As some of you may be aware, earlier this year I announced that I have decided not to seek an additional term as synod treasurer when my current term comes to an end in June, 2024. It's time for a change, both for the synod and for me!

Although I have encountered my share of challenges over these thirty-four years, whatever challenges I faced have been greatly outnumbered by the joys. One of these joys has been the opportunity to meet and interact with many of you!

With an increasing number of congregations facing financial, leadership and membership challenges over the past few years, I know that the job of congregational treasurer isn't becoming any easier. Permit me to take this opportunity to express my thanks to each of you for offering your gifts and for your highly valued service!

As has been my custom over these years, I'd like to update you on some time sensitive information pertaining to the upcoming year-end, make you aware of a few changes that have occurred during the past year and remind you about some other important financial information that will assist you in carrying out your role in the year ahead.

A. PERSONNEL CHANGES AT SYNOD OFFICE

With my time as synod treasurer coming to an end, transition planning has been underway for a while now.

As communicated earlier this year, Mandi Walker, manager of finance and administration, joined the synod staff team back in February with responsibility for the day-to-day and operational aspects of our financial (and administrative) operations. Mandi brings a wealth of related experience from her previous employment and has been making a rapid transition into her new role. I'm extremely confident that Mandi will serve the synod well in upcoming years! Effective immediately, please start referring questions that you would previously have sent to me, to Mandi (email: mwalker@elcic.ca; toll-free phone: 1-877-373-5242, Ext 223). I will continue in the background to support Mandi as required.

A few weeks ago, the synod announced that Fred Mertz will be the synod council's nominee as my successor when elections for synod treasurer occur at Assembly 2024 next June. Fred will be responsible for oversight and the more strategic functions related to our finances. I'm very excited that we have been successful in identifying such an enthusiastic and competent individual!

This past September, Danielle Arsenault returned to her accounting assistant position following the birth of her daughter and an extended maternity/family leave. Welcome back, Danielle! I'm also grateful for Terra Fegan who filled in on a temporary basis during Danielle's leave. Questions relating to congregational remittances for benevolence and other causes should be referred to Danielle (email: darsenault@elcic.ca; toll-free phone: 1-877-373-5242, Ext 217).

B. 2023 YEAR-END CLOSE

The synod's books for 2023 will close at noon on Monday, January 22nd, 2024. In order to be credited for 2023, all remaining remittances of benevolence and other offerings must be received at the synod office by noon on this date. Please note that due to the synod's tight year-end and auditing schedule, no extensions will be possible.

Benevolence remittances that we've received as of October 31st are tracking almost 6% behind those received for the comparable period in 2022. Although the 2023 budget anticipated a small decline, this decrease is more than expected. We are still hopeful that we will be able to close some of this gap between now and the end of the year.

In spite of the challenges, we are grateful that many congregations have continued to contribute at their previous level and some congregations have been able to increase their giving. Regardless of your congregation's particular situation, thank you for your most generous offerings that continue to flow into the synod office, month by month! Should your congregation be in a position to make an additional contribution to benevolence over and above what you have budgeted, as always, your "second mile" gifts continue to be especially appreciated! A special thanks to those congregations that have already made an additional gift.

Although our preferred practice is that benevolence and other offerings directed to the synod be given (and receipted) through the local congregation, occasionally gifts from individuals are sent directly to synod office. As is the case in each congregation, ***if a donation from an individual is received after December 31st, 2023, the synod will not be able to date it for the 2023 taxation year.***

The 2023 fourth quarter statements will be mailed to congregational treasurers and chairpersons in early February, 2024. When these arrive, please check your statement closely as these figures will be included in the year-end audit of the synod's financial statements. Any discrepancies from your records should be reported promptly to Danielle Arsenault (refer to Section A above for Danielle's contact information).

C. LOOKING AHEAD TO 2024

Your Congregation's 2024 Benevolence Commitment

As you finalize your budget for next year, I, along with Bishop Michael Pryse, request that you and your church council/board prayerfully consider your benevolence budget line for 2024. Hopefully you've had a chance to view some of the "[Stewardship & Generous Giving](#)" resources on the synod website, including a more recent resource, "Our Benevolence Story", in video and hardcopy/download formats explaining how your benevolence offerings support the various ministries of the Eastern Synod and wider church. There are also instructions on how to order hardcopies of this resource if you wish to distribute these instead of, or in addition to, using the various digital versions in your weekly bulletins, newsletters, annual reports, etc. I continue to be grateful to each of you for the important role that you play as advocates for the ministries of the wider church. Thank you!

If your congregation is one of many congregations that has been in the habit of establishing and communicating a commitment amount for benevolence on an annual basis and including this as part of your congregational budget, thank you! If not, I would

encourage you to begin this practice, starting now. Rostered ministers, please keep in mind that you are responsible for ensuring that your congregation's 2024 "Commitment Amount" to Regular (General/Undesignated) Benevolence, along with other items in the annual parochial report, are submitted by the March 31st, 2024 deadline. The ELCIC national office will provide more information early in the new year.

Your Congregation's 2024 Remittances to Synod Office

When submitting your 2024 remittances to the synod office, please use the 2024 version of the Congregational Remittance form to accompany your cheque. As these forms change from year to year, using the current version of the form will help to ensure that your offerings are recorded accurately. As indicated in the upper right section of the form, please remember to contact the synod office if your congregational treasurer has changed.

For the convenience of congregational treasurers, a copy of the 2024 form has been included in your hardcopy mailing of this communication - please photocopy it, or obtain additional copies by going to the home page of the Eastern Synod website (<http://www.easternsynod.org/>), scroll down to the rose coloured box titled 'Treasurers/Financial Info', click the drop down arrow, select 'Forms' and click on the "Search" button. Both a fillable PDF and printed version of the 2024 forms will be available on the website in early 2024.

In addition to mailing your remittance cheques to the synod office, we are able to receive e-transfers from those congregations that have the capability to make digital disbursements from their bank account using a two-person authorization process. For more details, please contact Danielle Arsenault (refer to Section A above for Danielle's contact information).

D. 2024 BUDGETING CONSIDERATIONS

Compensation Schedule

A copy of the synod's [2024 Compensation Schedule](#) is posted on the synod's website in the Treasurer/Financial section. This information provides guidance for budgeting salaries/benefits for rostered ministers and/or pastoral supply. Questions about the information in this schedule should be referred to Rev. Doug Reble (dreble@elcic.ca; 1-877-373-5242, Ext 215).

Assembly 2024 Delegate Fees

The Eastern Synod's triennial convention, Assembly 2024 will take place in June, 2024 in Toronto. For congregational budget purposes, the per delegate cost has been set at \$1,077, broken down as follows:

- Registration fee: \$750

- Accommodation: \$199 (based on double occupancy for 2 nights (may not be applicable for local delegates))
- Parking: \$40
- Meals per diem: \$88 (2 breakfast and 2 lunches)

Remember that you will need to budget for each of your rostered leader(s) and lay delegate(s) that will be attending.

Canada Pension Plan Enhancement

The federal government announced that a new Canada Pension Plan Enhancement will be introduced in 2024. In addition to the 5.95% employee and employer CPP contribution rates that apply to CPP pensionable earnings up to the \$68,500 maximum that will be in effect for 2024, employees and employers are required to contribute an additional 4% towards the CPP Enhancement in those cases where CPP pensionable earnings exceed \$68,500. For more information, refer to the following documents on CRA's website:

[Canada Pension Plan enhancement](#)

[CPP contribution rates, maximums and exemptions](#)

Other Budgeting Considerations

ELCIC Group Services Inc.'s (GSI) [November Treasurers Newsletter](#) was recently sent to all congregational treasurers and included details on a number of important items, including 2024 benefit premium rates, a reminder about the opportunity that is available to plan members to reselect their benefits module option for 2024 and other important information.

E. 2023 YEAR-END TAX REPORTING

NEW For 2023: T4 Reporting Requirement - Federal Canadian Dental Care Plan

As reported in Group Services Inc's (GSI's) [November Treasurers' Newsletter](#), with the introduction of the new federal Canadian Dental Care Plan, some additional information must be provided in new boxes on employee T4/T4A forms. Specifically, CRA requires that beginning with calendar year 2023, it is mandatory to indicate whether the employee or any of their family members were eligible, on December 31 of that year, to access any dental care insurance, or coverage of dental services of any kind, offered by their employer. For each of your employees, depending on their situation, one of the following codes must be specified in Box 45 of their T4:

- 1 – for employees who are not enrolled in the GSI benefit plan
- 2 – for employees with single coverage in the GSI benefit plan
- 3 – for employees with family coverage in the GSI benefit plan

CHANGE For 2023: T4 Reporting Requirement - Taxable Benefit and the Lifestyle Spending Account

Several years ago, GSI began sending a year-end report to congregational treasurers confirming taxable benefit amounts for each employee that needed to be reported in Box 40 of their T4. Recently, these taxable benefit amounts included the Lifestyle Spending Account, as well as amounts for the premium associated with employer-paid life insurance. Although GSI will send a final report for 2023 at the end of the year (or in early 2024), as indicated in GSI's June 2023 communication, the Lifestyle Spending Account is now closed and the deadline for making claims is past. Therefore, 2023 will be the final time that the Lifestyle Spending Account amount must be reported. Amounts required to be included on the 2023 T4 have already been reported from GSI to congregational treasurers. Reporting of the taxable benefit associated with life insurance and related benefits will continue to be required in 2023 and subsequent years.

REMINDER For 2023: T4 Reporting Requirement - Employees Paying A Portion of Health and Dental Premiums

Although premiums for the GSI Health and Dental Plan are the responsibility of the employer, some employees may have opted for a module with a higher level of coverage than that provided by their congregation and are paying the incremental premium associated with this additional coverage. Please note that any employee-paid premiums are considered to be medical expenses and eligible for a tax deduction. As such, be sure to include the amount of any employee-paid premiums in Box 85 of the employee's T4 so the employee is able to easily claim this deduction when they file their 2023 income tax return.

Other

The ELCIC national office and ELCIC Group Services Inc. provide excellent resources for congregational treasurers and others involved in congregational finances:

- ***[The ELCIC Treasurer's Information Booklet](#)*** – The most current version is posted on the ELCIC website (www.elcic.ca - under "Resources - Treasurer's Resources"). Plans are underway to make significant updates and improvements to this resource in 2024.
- ***[Payroll, Pension and Benefit Information](#)*** – Detailed guidance on these matters, including several calculation worksheets, is available on the ELCIC Group Services Inc. website (www.elcicgsi.ca – under the "[Employers](#)" section).

F. CHARITY INFORMATION RETURN (T3010)

The Canada Revenue Agency (CRA) recently announced that there will be some changes to the Charity Information Return (T3010) to reflect new reporting requirements. As a reminder, congregations are required to file this return no later than six months following their fiscal yearend.

Congregations with fiscal periods ending on or after December 31, 2023, will need to use version 24 of the T3010 form. If you are using CRA’s “My Business Account” to prepare and submit this form, the correct version of the form will be provided to you automatically. However, if you are preparing this form manually, be sure to select the correct version of the form from [CRA’s website](#).

G. PROPERTY AND LIABILITY INSURANCE

it’s important that congregations review their insurance coverage periodically, for example:

- Are your insured amounts up to date?
- Does your property coverage provide protection in the case of overland flooding or a sewage backup?
- Was your policy recently amended by your insurer so that it no longer includes coverage related to COVID and other infection diseases?
- Do you have coverage for abuse/harassment?

Although you and your church council may ultimately determine that your congregation can’t afford to be insured for every risk, it’s important, nevertheless, to understand what types of events are covered, and just as importantly, those that aren’t.

Congregations Insured through Aon / Ecclesiastical

Hopefully, you have noticed that Aon has implemented a number of service improvements over the past year, and is now significantly more responsive to congregational inquiries, etc.

Please note that Aon contact in the [ELCIC Treasurers’ Booklet](#) is out of date. Current contacts are as follows. In addition, to ensure faster service, **please be sure to copy elcic@aon.ca on all correspondence to Aon:**

Geographic Region	Aon Location	Aon Contacts		
Ontario	Toronto	Rob Ferguson	rob.ferguson@aon.ca	1.204.997.9058
		Annie Ramdhan	annie.ramdhan@aon.ca	1.514.982.5346

Geographic Region	Aon Location	Aon Contacts		
Quebec	Montreal	Bonald Antoine	bonald.antoine@aon.ca	1.514.840.7852
		Lyubov Desjardins	lyubov.desjardins@aon.ca	
Maritimes	Halifax	Rob Ferguson	rob.ferguson@aon.ca	1.204.997.9058
		Annie Ramdhan	annie.ramdhan@aon.ca	1.514.982.5346
		Angela Radelich	angela.radelich2@aon.ca	1.902.429.7310

H. DONATIONS OF SECURITIES

Did you know that donations of securities and mutual funds provide a very tax-efficient way for donors to make charitable donations because tax on capital gains can be avoided? To accept these types of donations a brokerage account is required. The Evangelical Lutheran Foundation in Eastern Canada ([ELFEC](#)), a charitable foundation that serves congregations across the ELCIC, offers assistance to congregation by providing brokerage services to facilitate these types of donations. And although organizations such as CanadaHelps.org, offer the same services, ELFEC offers these services at much lower fees. Click on this link for information about [2023 deadlines](#).

For further information email ELFEC's Director of Finance and Marketing, Krista Kuehnbaum (kkuehnbaum@elfec.ca) or call toll-free (1-888-308-9461).

I. AUTHORIZED APPEALS FOR 2024

The synodical constitution stipulates that "special appeals to congregations for the raising of funds shall require the consent of the convention or the synod council". Unfortunately, this approval is not always requested or obtained; as a result, congregations often receive numerous solicitations from church and community related organizations.

Although some members prefer giving to specific causes, a proliferation of special appeals can be counter-productive to the support of synodical ministries that are funded through regular benevolence dollars. These ministries are prioritized by synod council and approved by delegates to Assembly as part of the budgeting process.

It has been the practice of synod council to provide some guidance to congregations by designating a limited number of authorized synodical appeals and by communicating these priorities to each congregation on an annual basis. (Congregations retain the freedom to support additional appeals as they deem appropriate.)

In addition to ELCIC approved ministries (e.g. Canadian Lutheran World Relief, ELCIC Praise Appeal), synod council has authorized the following appeals for 2024:

- ***St. Peter's Lutheran Church, Kitchener*** – CTV Television Ministry Appeal

It is understood that offerings for special appeals such as these are expected to be above and beyond, not in lieu of, regular benevolence offerings.

J. ONTARIO CORPORATIONS ACT (ONCA)

After more than a decade, the Province of Ontario has finally enacted the *Not-for-Profit Corporations Act, 2010*. This new legislation has implications for all congregations that are currently incorporated in Ontario under the previous *Corporations Act*. If your congregation is incorporated in Ontario, please request the applicable documents from the secretary of synod, Rev. Wendell Caron Grahlman (wgrahlman@elcic.ca), indicating your name, position on council/congregation, and which congregation you are from. Questions about this process can also be directed to Wendell.

Although most of the changes that have been introduced by ONCA are unrelated to congregational financial issues, the requirements for an audit have been relaxed somewhat. For more information, refer to the document "[Do We Need a Financial Audit at Year-end?](#)" posted on the synod's website.

K. OTHER INFORMATION

Finally, a reminder that the Treasurers/Financial Information section on the home page of the Eastern Synod website (www.easternsynod.org) provides a wealth of information and previous communications for treasurers that are of ongoing importance. If you haven't done so, you may wish to check this out.

Wishing You and Yours a Blessed Advent Season, a Merry Christmas and



All the best in 2024!